



Central United Reformed Church, Sheffield, Charity

Charity Number 1130271

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 DECEMBER 2021

Version 0.2 (Draft)



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1 Church Information

1.1 Address:

60 Norfolk Street
Sheffield
S1 2JB

1.2 Registered Charity Number

1130271

1.3 Trustees of the Charity

Mrs E D Flaherty (Secretary)
Mr S Atkinson
Mrs B Bagshaw
Rev S K Copley
Ms A G Flaherty (Treasurer)
Mr M Gillott
Mrs A C Hammond
Mrs A P Judge
Rev Z A Orr
Mr J M Riley
Rev B Welch
Mrs H Wignall
Mr D J Williams

1.4 Bankers

HSBC
17 Church Street
Sheffield
S1 1HH

Coventry Building Society
24-26 Norfolk Row
Sheffield
S1 2PA

2 Annual Trustees' Report for the Year Ending 31 December 2021

The Trustees present this report together with the financial statements for the year ending 31 December 2021.

2.1 Objectives and Activities of Central United Reformed Church

Central United Reformed Church is part of the United Reformed Church in the United Kingdom. The objective of the Charity is the advancement of the Christian faith for the benefit of the public in accordance with the Scheme of Union of the United Reformed Church.

The church activities include (but are not limited to):

- Providing regular public worship for all
- Promoting the Christian faith
- Teaching the faith to all ages
- Providing training, nurture and activities for children and young people
- Serving the wider community
- Giving pastoral care and support to members and others in need, particularly those in sickness, distress or poverty
- Providing premises and resources for community groups and activities.

In carrying out these activities, the church has careful regard to the public benefit guidance published by the Charity Commission (PB1-PB3).



2.2 Review of Achievements and Performance

At the start of 2021 Central United Reformed Church maintained our role within the wider church across the city and within the Team Ministry structure.

In January, we were still in lock down and therefore our participation in the Week for Christian Unity was mainly as individual prayers.

For the month of March our activities were still restricted by COVID-19 and our celebration of the International World Day of Prayer was held online.

Our regular Sunday morning worship remained online, as did many of our other activities, such as Bible Study, Central Chats and Coffee Mornings which were shared with the other churches across the City. The Norfolk Room Café remained closed to user groups. Our other mission activities continued to be restricted. As the year progressed and the restrictions have been lifted we started to resume the work of the Norfolk Room.

The William Park Temple on the Manor Church and Community was able to continue providing services and support, albeit reduced due to and within the Government guidelines. This meant that numbers of participants were reduced, meeting times were restricted, and most activities were held outdoors. The Croft House project continued but was also impacted by the building closing due to lockdown.

The Ministry Team continue to work on a new way of worshipping, which many people have engaged with both online and by telephone. However, others for whatever reason have stayed away and many are still coping with the isolation which comes from being vulnerable. We acknowledge that it has been a difficult time for all of us. However, we welcomed a new minister to the Team who started in August.

The autumn saw the lifting of some restrictions but due to age and vulnerability the majority of the congregation were slow in returning to in-person worship. This has meant that the year ended with worship working within a 'new normal'.

2.2.1 Volunteers and Fund-raising Activities

Although the Church building has been re-opened, there are still limited opportunities for volunteers to participate and fund-raising has not recovered to pre-pandemic levels.

2.3 Financial Review

The Statement of Financial Activities shows the analysis of three separate funds, which are not formally designated or restricted.

The General Fund shows the Finances and resources for the general running of the church and its activities. A transfer from reserves was made to cover other costs incurred during the year of £23,376 (2020 £31,132) due to the effects of the coronavirus pandemic.

The Capital Fund accumulates the gains and losses on revaluation of investments and fixed assets, against which is charged depreciation for the rest of the year.

Rental income from shops and building society interest is accounted for in the Rent Fund. This income is initially used for the wider church and local/national charities but is increasingly having to support the day to day running of the church due to the decline in active members and therefore giving.

2.3.1 Property Developments

The investment properties at Croft House and Chapel Walk were professionally revalued at 31 Dec 2016 and the trustees do not consider that the values have changed significantly during this year.

2.3.2 Reserves

Reserves are maintained for the church purposes and possible future developments. The Rent Fund is held in the Coventry Building Society accounts. Freely available reserves at 31 December 2021, excluding fixed assets and investments, amounted to £112,996 (2020 £103,828).

2.3.3 Investment Policy

The investment policy adopted by the church aims for a balance of capital growth and income through ethical investments. The investments are held for the church by the Yorkshire Congregational Union and CCLA Investment Management Limited.

2.3.4 Risk Review

The trustees are aware of the increasing average age of the congregation and, as the members are a major source of revenue funding, the church is aware of its future financial vulnerability in this regard.

A subcommittee of the trustees has been established to review the major risks to which the charity is exposed, report and make recommendations to the trustees and church meeting on any mitigating actions required.

2.4 Structure, Governance and Management

2.4.1 Governing Document

Central United Reformed Church is registered with the Charity Commission (as of June 2009) under charity number 1130271. It is governed under trusts distilled from the United Reformed Church Acts of Parliament (1872 and 1982) and the Scheme of Union (1972).

2.4.2 Organisational Structure

The main councils of the church are the Church Meeting and the Elders Meeting. The Church Meeting is required to make arrangements for the proper maintenance of buildings and the general oversight of all the financial responsibilities of the church and to adopt the annual financial report. The day-to-day finance of the church is delegated to the Church Treasurer and Assistants. The maintenance of the buildings is delegated to the Management Committee, a subcommittee of the Trustees. The trustees are appointed by virtue of them being eligible Elders and specific Officers of the church.

2.4.3 Trustees of the Charity

The trustees are listed in Section 1.3.

2.4.4 Statement of the Church Meeting and Trustees' Responsibilities

The church is required to prepare financial statements for each financial year which give a true and fair view of the state of affairs of Central United Reformed Church and of its financial activities during that period. In preparing those financial statements, the church meeting is required to:

- a) Select suitable accounting policies and apply them consistently;
- b) Make judgements and estimates that are reasonable and prudent;
- c) State whether the policies are in accordance with applicable regulations and accounting standards have been followed;
- d) Prepare the accounts on a going concern basis, unless it is inappropriate to assume that the activities of the church will continue.

The Treasurer is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the church. The Treasurer is also responsible for safeguarding the assets of the church. Therefore, he or she is responsible for taking reasonable steps to prevent and detect fraud and other irregularities, together with the Trustees, the Management Committee and Church Meeting.

The church has taken advantage of disclosure exemptions in preparing this report by virtue of being a small charity.

The Trustees declare that they have approved the above Trustees' Report.

Signed on behalf of the Trustees:

Rev Z Orr (Chair of Trustees)

Ms A G Flaherty (Treasurer)

3 Statement of Financial Activities (Year Ending 31st December 2021)

Income and Expenditure

	General Fund £	Rent Fund £	Capital Fund £	Total 2021 £	Total 2020 £
INCOME					
Donations and legacies					
Offerings (Note 2)	£21,829			£21,829	£21,886
Donations and sundry income (Note 3)	£7,078			£7,078	£5,173
Other activities					
Refreshments	£964			£964	£3,960
Lettings/rent	£5,317	£77,177		£82,494	£83,812
Other income					
Coronavirus furlough grants	£17,121			£17,121	£19,613
Income from investments	£894	£78		£972	£4,952
Total income	£53,203	£77,255	-	£130,458	£139,396
EXPENDITURE					
Expenditure on Charitable activities					
Charitable and special gifts (Note 7)		£180		£180	£210
Other expenditure					
Ministry (Note 4)	£35,429			£35,429	£42,601
Premises costs (Note 5)	£77,329			£77,329	£70,907
Refreshments cost	£113			£113	£583
Other expenses (Note 6)	£8,263			£8,263	£10,581
Depreciation			£1,116	£1,116	£4,085
Total expenditure	£121,134	£180	£1,116	£122,430	£128,967
Net gains/(losses) on investments (Note 10)			£3,681	£3,681	£1,980
Net income/(expenditure)	£(67,931)	£77,075	£2,565	£11,709	£12,409
Transfers between funds					
City Centre weighting adjustment	£44,598	£(44,598)	-	-	-
Additional transfers	£23,376	£(23,376)	-	-	-
Gains/(losses) on revaluation of fixed assets (Note 9)			-	-	-
Net movement in funds	£43	£9,101	£2,565	£11,709	£12,409
Funds brought forward	£31,131	£79,681	£2,464,407	£2,575,219	£2,562,810
Funds carried forward	£31,174	£88,782	£2,466,972	£2,586,928	£2,575,219

4 Balance Sheet

At 31 December 2021

	Notes	2021		2020	
		£	£	£	£
FIXED ASSETS					
Tangible assets	9		£735,038		£736,154
Investments	10		£1,291,143		£1,287,462
Total Fixed Assets			<u>£2,026,181</u>		<u>£ 2,023,616</u>
CURRENT ASSETS					
Stock			£650		£800
Debtors and prepayments	11		£13,133		£12,731
Investments - YCU Deposits			£447,751		£447,775
Building Society deposits	12		£127,371		£79,681
Bank and cash balances	12		£16,753		£19,560
			<u>£605,658</u>		<u>£560,547</u>
CURRENT LIABILITIES					
Creditors and accruals - due within one year	13		<u>£44,911</u>		<u>£8,944</u>
NET CURRENT ASSETS			£560,747		£551,603
			<hr/>		<hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>£2,586,928</u>		<u>£2,575,219</u>
REPRESENTED BY:					
General Fund	14		£31,174		£31,131
Rent Fund	14		£88,782		£79,681
Capital Fund	14		£2,466,972		£2,464,407
			<hr/>		<hr/>
TOTAL RESERVES			<u>£2,586,928</u>		<u>£ 2,575,219</u>

Approved by the Elders' Meeting on

and signed on behalf of the Trustees by:

Rev Z. Orr (Chairman of Trustees)

Ms A G Flaherty
 (Treasurer)

5 Appendix: Notes to the Financial Statements

Note 1. Principal Accounting Policies

Note 1.1 Basis of Preparation

The financial statements of this charity, which is a public benefit entity under FRS102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities Act 2011 and UK Generally Accepted Accounting Practice.

The financial statements have been prepared under the historical cost convention with the exception of investments which are included at fair value, as modified by the revaluation of certain financial assets and liabilities.

The financial statements are prepared in sterling (GBP), which is the functional currency of the entity. The accruals basis of accounting has been adopted.

The charity has taken advantage of the disclosure exemption regarding the requirements of Section 7 Statement of Cash Flows, as permitted by FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Note 1.2 Judgements and Key Sources of Estimation Uncertainty

The preparation of the Financial Statements requires the trustees to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continuously reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

In the opinion of the trustees, there are no areas of judgement or key sources of estimation uncertainty that have a significant effect on the financial statements, other than the accounting policies detailed herein.

Note 1.3 Classification of Funds

Funds are classified as follows:

- General Funds for furthering the religious and charitable work of the church
- Designated Funds are funds which have been set aside for specific purposes, but which can be returned to General Funds at any time, if the Church Meeting so decides. On the Statement of Financial Activities, the Capital Fund identifies transactions relating to the capital values of tangible Fixed Assets and investments, and the Rent Fund relates to rents receivable on the Chapel Walk properties and expenditure from this
- Restricted funds are funds which may only be used according to the terms and conditions on which they were received.

Note 1.4 Recognition of Income

Income is included in the Statement of Financial Activities when the charity becomes entitled to the resources, it is probable that the income will be received, and the monetary value can be measured reliably. All voluntary giving is included for the period in which it is received.

Note 1.5 Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred and includes attributable VAT which cannot be recovered.

Note 1.6 Fixed Assets and Depreciation

Tangible fixed assets for use by the charity are initially recorded at cost and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value of their date of revaluation less any subsequent accumulated depreciation.

Depreciation has been calculated to write down the cost or valuation of an asset, less its residual value, over its expected useful life using the following rates:

- Church fixtures and fittings 10% reducing balance
- Solar Panels 10% straight line.

Note 1.7 Investment Property

Investment property is initially recorded at cost, which includes the purchase price and any directly attributable expenditure. Investment property is then revalued to its fair value at each reporting date and any changes in fair value are recognised in the statement of financial activities.

Note 1.8 Valuation of Fixed Assets

Tangible fixed assets will be revalued every 5 years in accordance with the Charities SORP (FRS 102). These assets were valued on 31 Dec 2016, and therefore the next planned evaluation was due in December 2021. This has been delayed by the coronavirus pandemic and will now be carried out in December 2022.

The Charity may choose to revalue earlier than this date if exceptional circumstances occur which warrant this in the judgement of the Trustees or at the recommendation of the Treasurer.

Note 1.9 Investments and investment income

Investments are included at their fair value (mid-market value) and any changes to fair value are recognised in the statement of financial activities.

Note 1.10 Stocks

Stocks of stationery, cleaning materials and refreshments are stated at the lower of cost and net realisable value.

Central United Reformed Church (Charity) Financial Statements EOY 2021



Note 2. Offerings

Income from Offerings	2021	2020
Gift Aid Donations	£17,385	£16,659
Envelopes	£542	£1,987
Cash	£456	£529
Income tax recovered	£3,446	£2,711
Total	£21,829	£21,886

Note 3. Donations and Sundry Income

Donations and sundry income	2021	2020
Church fund raising and sundry donations	£1,083	£1,989
Refund of Sheffield team expenses	£2,693	-
Income from solar panels	£3,302	£3,184
Total	£7,078	£5,173

Note 4. Ministry

Ministry	2021	2020
Ministry & Mission fund contributions	£24,000	£31,296
Synod levy	£383	-
Sheffield team contribution	£11,016	£11,016
Pulpit Supply	-	£120
Motor & travel	£30	£169
Total	£35,429	£42,601

Note 5. Premises Costs

Premises Costs	2021	2020
Salaries and employment	£42,133	£41,631
Water rates	£821	£925
Insurance	£7,655	£7,278
Heating & lighting	£5,513	£8,759
Repairs & servicing	£7,468	£12,314
Caretakers flat refurbishment	£13,739	-
Total	£77,329	£70,907

Central United Reformed Church (Charity) Financial Statements EOY 2021



Note 6. Other Expenses

Other expenses	2021	2020
Organ & choir	£60	£475
Printing, stationery and publicity	£4,391	£4,715
Telephone	£822	£975
Legal & professional	£1,046	£1,671
Church activities	£507	£665
Donations	£576	£305
Miscellaneous expenses	£861	£1,775
Total	£8,263	£10,581

- Legal and professional costs include the fee for the Independent Examination of £750 (2020 - £750), paid by way of donation to Zion URC Oughtibridge

Note 7. Charitable and Special Gifts

Charitable & special gifts	2021	2020
International charities	-	-
Benevolent (Special Income)	£180	£210
Total	£180	£210

Note 8. Human Resources Costs

(Included in Note 5 as Salaries & employment costs)

Salaries and employment costs breakdown	2020	2020
Remuneration paid to 4 (2020 – 4) employees	£39,805	£40,203
Employer's National Insurance	-	-
Pension Contributions	£3,308	£3,253
Furlough grants receivable	£ (17,121)	£ (19,613)

- The Trustees and Officers of the Church receive no expenses or remuneration for their services
- The Ministry team is remunerated through the URC Ministry and Mission Fund (see Note 4)
- The Ministers' expenses are reimbursed via the Sheffield Team Costs (see Note 4)
- There were no related party transactions for the year ended 31 December 2020 or 2021

Note 9. Tangible Fixed Assets

Tangible Fixed Assets	Freehold Property (Church & Hall)	Fixtures, fittings & equipment	Solar Panels	Total
At valuation	£725,000	£17,000	£28,460	£770,460
Additions	-	-	-	-
Disposals	-	-	-	-
Revaluations	-	-	-	-
Value at 31 December 2021	£725,000	£17,000	£28,460	£770,460
Depreciation				
Cumulative depreciation at 1 Jan 2021	-	£5,846	£28,460	£34,306
Charge for the year	-	£1,116	-	£1,116
Revaluations	-	-	-	-
Total depreciation at 31 December 2021	-	£6,962	£28,460	£35,422
Net book value				
At 31 December 2021	£725,000	£10,038	-	£735,038
At 31 December 2020	£725,000	£11,154	-	£736,154

- Freehold Property was revalued at 31 December 2016 by Fowler Sandford, Chartered Surveyors on an open market basis.
- The Church Fixtures and Fittings were revalued at 16 December 2016 by Charterfields, Chartered Surveyors on a market value in situ basis
- The above valuations do not include Plant and Machinery, including the lift and Solar Panel installation. The Solar Panels have been included at a depreciated rate based on their initial cost and depreciation policy.
- Fixed Assets & Property were due to be revalued in December 2021, in line with the stated valuations policies (Note 1 paragraph 9) but this has been delayed by the coronavirus pandemic.

Central United Reformed Church (Charity) Financial Statements EOY 2021



Note 10. Investments

Investments

	Listed Investments	Investment Properties	Total
Carrying value at 1/1/2021	£37,462	£1,250,000	£1,287,462
Additions	£15,878	-	£15,878
Disposals	£ (15,878)	-	£ (15,878)
Revaluation gain	£3,681	-	£3,681
Carrying value at 31/12/2021	£41,143	£1,250,000	£1,291,143

Investments recognised on the UK Stock exchange

Held by Brewin Dolphin

(on behalf of Yorkshire Congregational Union)

	Holding	Initial Cost	2021 Market Value	2020 Market Value
Blackrock FM Cont Euro 'D' Inc	5,428.00	£9,803	£10,446	-
COIF Charity Ethical Inv Fund	4,813.10	£966	£15,222	-
Fidelity UCITS US Quality Inc	799.60	£4,846	£5,492	-
Charibond Inc.	3,207.69	£4,000	£3,887	£4,025
S & P Dividend Aristocrats	6.00	£263	£317	-
COIF Income units			-	£28,120
Artemis Fund Managers Global Inc.			-	£256
<i>Held by CCLA Investment Management Ltd</i>				
COIF Units	281.00	£375	£5,779	£5,061

Total		£20,253	£41,143	£37,462
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	2021	2020
Dividend income	£894	£882

Note 10.1 Investment Properties

Investment properties comprise: 42-52 Chapel Walk and Croft House. The properties were revalued at 31 December 2016 by Fowler Sandford, Chartered Surveyors, at market value and the trustees do not consider that the values have changed significantly during this year.

Note 11. Debtors and Prepayments

Debtors and Prepayments

	2021	2020
Income tax recoverable	£1,727	£3,324
Sundry debtors and prepayments	£11,406	£9,407
	£13,133	£12,731

Central United Reformed Church (Charity) Financial Statements EOY 2021



Note 12. Bank and Building Society Balances

		2021	2020
Cash Deposits			
<i>Held by Coventry Building Society</i>	A/c Number		
Charities Account	571	£88,782	£77,911
Charities Account	586	£38,589	£1,770
Total		£127,371	£79,681
<i>Held By HSBC</i>			
Current Account	****049	£15,363	£19,139
Money Manager Account	****614	-	£46
Covenants Money Manager Account	****054	£1	£1
Refreshments Community Account	****563	£1,389	£353
Traidcraft Community Account	****092	-	£21
Total		£16,753	£19,560

Note 13. Creditors and Accruals

Creditors and Accruals

	2021	2020
Rent deposit in advance	£38,589	-
Sundry creditors and accruals	£6,322	£8,944
	£44,911	£8,944

Note 14. Analysis of Net Assets between Funds

Analysis of net assets between funds (31/12/2021)	General Fund	Rent Fund	Capital Fund
Tangible Fixed Assets	-	-	£735,038
Investments	-	-	£1,291,143
YCU Manse Capital deposit	-	-	£440,791
Building Society Deposits	-	£127,371	-
Other net current assets	£37,496	-	-
Current liabilities	£ (6,322)	£ (38,589)	-
	£31,174	£88,782	£2,466,972

6 Independent Examiner's Report to the Members and Trustees of Central United Reformed Church

I report to the members on my examination of the accounts of the Central United Reformed Church Sheffield Charity for the year ended 31 December 2021, which are set out on pages 8 to 16.

Responsibilities and basis of report

As described on page 7, the church meeting and trustees are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act'). They consider that an audit is not required for this year under section 144(2) of the 2011 Act and that an independent examination is needed. I report in respect of my examination of the accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- (1) accounting records were not kept in respect of the Church as required by section 130 of the Act; or
- (2) the accounts do not accord with those records; or
- (3) the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.
- (4) the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

R A Millard FCA
Anderton House
Sheffield, S35 0FU

September 2022