

Central
United Reformed Church



Central United Reformed Church, Sheffield, Charity

Charity Number 1130271

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 DECEMBER 2022

Version 1.0 (FINAL)



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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
Carmel House
49-63 Fargate
Sheffield
S1 2HD

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

2 Annual Trustees' Report for the Year Ending 31 December 2022

The Trustees present this report together with the financial statements for the year ending 31 December 2022.

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

The start of 2022 saw Central United Reformed Church being part of the work of the City Centre Churches, playing a key role in its location, as well as supporting the other United Reformed Churches in the Team Ministry across Sheffield.

Central United Reformed Church emerged slowly from lock down. The numbers in the congregation were reduced as several were still very cautious about engaging in face-to-face worship. However, Sunday worship continues with reduced numbers.

The Café in the Norfolk Room began operating from Wednesdays to Saturdays. While the numbers are down the whole of the city has been affected by COVID-19 and a few of our main retailers have closed their stores. Our Tuesday Café style worship had now become a permanent feature as customer numbers were slow to pick up. We stopped engaging in Sunday evening on-line worship and gave a commitment with the other churches to Fellowship on Thursday evenings.

There was a significant reduction in the number of groups (lettings) which used to let the building. Since lock down some groups have continued their work on-line and others have not returned.

In March we were pleased to welcome our ecumenical friends for the International Day of Prayer. This was a success as it was probably the first 'large' gathering across the churches since lock down.

During April, there were changes in the leadership of the Manor Church and Community Project (MCCP). The Church Related Community Worker minister left to take up another post in London. New arrangements are being made to cover the work of the Project.

Croft House also emerged cautiously out of lock down, although during that time they did maintain the work on the refurbishment. Grants were available to continue to provide on-going support and many of the groups have slowly returned.

In September Central United Reformed Church opened its doors to provide a place of quiet reflection and a book of condolences was available for mourners to sign in memory of the death of Queen Elizabeth II. The autumn and winter season which are key in our worship calendar saw us celebrating Advent and Christmas with the other churches in the Team.

Unfortunately, we continued to encounter issues with our tenant, encountering issues with prompt payment of our rent.

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 the Rent Fund is made to cover the city centre costs of the church of £44,026 (2021 £44,598) and an additional transfer was made to cover other costs incurred during the year of £37,947 (2021 £23,376).

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 2022, excluding fixed assets and investments, amounted to £118,346 (2021 £112,996).

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 2022)

Income and Expenditure

	General Fund £	Rent Fund £	Capital Fund £	Total 2022 £	Total 2021 £
INCOME					
Donations and legacies					
Offerings (Note 2)	£25,485			£25,485	£21,829
Donations and sundry income (Note 3)	£6,011			£6,011	£7,078
Other activities					
Refreshments	£6,469			£6,469	£964
Lettings/rent	£19,672	£77,175		£96,847	£82,494
Other income					
Coronavirus furlough grants	-			-	£17,121
Income from investments	£943	£5,490		£6,433	£972
Total income	£58,580	£82,665	-	£141,245	£130,458
EXPENDITURE					
Expenditure on Charitable activities					
Charitable and special gifts (Note 7)		-		-	£180
Other expenditure					
Ministry (Note 4)	£37,726			£37,726	£35,429
Premises costs (Note 5)	£81,954			£81,954	£77,329
Refreshments cost	£1,480			£1,480	£113
Other expenses (Note 6)	£9,350			£9,350	£8,263
Depreciation			£1,004	£1,004	£1,116
Total expenditure	£130,510	-	£1,004	£131,514	£122,430
Net (losses)/gains on investments (Note 10)			£(4,296)	£(4,296)	£3,681
Net income/(expenditure)	£(71,930)	£82,665	£(5,300)	£5,435	£11,709
Transfers between funds					
City Centre weighting adjustment	£44,026	£(44,026)	-	-	-
Additional transfers	£37,947	£(37,947)	-	-	-
Gains/(losses) on revaluation of fixed assets (Note 9)			-	-	-
Net movement in funds	£10,043	£692	£(5,300)	£5,435	£11,709
Funds brought forward	£31,174	£88,782	£2,466,972	£2,586,928	£2,575,219
Funds carried forward	£41,217	£89,474	£2,461,672	£2,592,363	£2,586,928

Central United Reformed Church (Charity) Financial Statements EOY 2022



4 Balance Sheet

At 31 December 2022

	Notes	2022		2021	
		£	£	£	£
FIXED ASSETS					
Tangible assets	9		£734,034		£735,038
Investments	10		£1,286,847		£1,291,143
Total Fixed Assets			<u>£2,020,881</u>		<u>£ 2,026,181</u>
CURRENT ASSETS					
Stock			£850		£650
Debtors and prepayments	11		£16,148		£13,133
Investments - YCU Deposits			£453,136		£447,751
Building Society deposits	12		£108,769		£127,371
Bank and cash balances	12		£22,551		£16,753
			<u>£601,454</u>		<u>£605,658</u>
CURRENT LIABILITIES					
Creditors and accruals - due within one year	13		<u>£29,972</u>		<u>£44,911</u>
NET CURRENT ASSETS			£571,482		£560,747
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>£2,592,363</u>		<u>£2,586,928</u>
REPRESENTED BY:					
General Fund	14		£41,217		£31,174
Rent Fund	14		£89,474		£88,782
Capital Fund	14		£2,461,672		£2,466,972
TOTAL RESERVES			<u>£2,592,363</u>		<u>£ 2,586,928</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 was delayed by the coronavirus pandemic and will now be carried out in December 2023.

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 2022



Note 2. Offerings

Income from Offerings	2022	2021
Gift Aid Donations	£14,780	£17,385
Envelopes	£1,178	£542
Cash	£2,207	£456
Income tax recovered	£7,320	£3,446
	£25,485	£21,829

Note 3. Donations and Sundry Income

Donations and sundry income	2022	2021
Church fund raising and sundry donations	£2,092	£1,083
Refund of Sheffield team expenses	-	£2,693
Income from solar panels	£3,919	£3,302
Total	£6,011	£7,078

Note 4. Ministry

Ministry	2022	2021
Ministry & Mission fund contributions	£26,108	£24,000
Synod levy	£510	£383
Sheffield team contribution	£11,016	£11,016
Pulpit Supply	-	-
Motor & travel	£92	£30
Total	£37,726	£35,429

Note 5. Premises Costs

Premises Costs	2022	2021
Salaries and employment	£42,343	£42,133
Water rates	£1,259	£821
Insurance	£8,144	£7,655
Heating & lighting	£18,010	£5,513
Repairs & servicing	£12,198	£7,468
Caretakers flat refurbishment	-	£13,739
Total	£81,954	£77,329

Central United Reformed Church (Charity) Financial Statements EOY 2022



Note 6. Other Expenses

Other expenses	2022	2021
Organ & choir	£580	£60
Printing, stationery and publicity	£3,839	£4,391
Telephone	£725	£822
Legal & professional	£1,614	£1,046
Church activities	£1,000	£507
Donations	£679	£576
Miscellaneous expenses	£913	£861
Total	£9,350	£8,263

- Legal and professional costs include the fee for the Independent Examination of £750 (2021 - £750), paid by way of donation to Zion URC Oughtibridge

Note 7. Charitable and Special Gifts

Charitable & special gifts	2022	2021
International charities	-	-
Benevolent (Special Income)	-	£180
Total	-	£180

Note 8. Human Resources Costs

(Included in Note 5 as Salaries & employment costs)

Salaries and employment costs breakdown	2022	2021
Remuneration paid to 3 (2021 – 4) employees	£39,559	£39,805
Employer's National Insurance	-	-
Pension Contributions	£3,286	£3,308
Furlough grants receivable	-	£ (17,121)

- 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 2021 or 2022

Central United Reformed Church (Charity) Financial Statements EOY 2022

Note 9. Tangible Fixed Assets

Tangible Fixed Assets	Freehold Property (Church & Hall)	Fixtures, fittings & equipment	Solar Panels	Total
At valuation – 1 Jan 2022	£725,000	£17,000	£28,460	£770,460
Additions	-	-	-	-
Disposals	-	-	-	-
Revaluations	-	-	-	-
Value at 31 December 2022	£725,000	£17,000	£28,460	£770,460
Depreciation				
Cumulative depreciation at 1 Jan 2022	-	£6,962	£28,460	£35,422
Charge for the year	-	£1,004	-	£1,004
Revaluations	-	-	-	-
Total depreciation at 31 December 2022	-	£7,966	£28,460	£36,426
Net book value				
At 31 December 2022	£725,000	£9,034	-	£734,034
At 31 December 2021	£725,000	£10,038	-	£735,038

- 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 was delayed by the coronavirus pandemic and will now be carried out in December 2023.

Central United Reformed Church (Charity) Financial Statements EOY 2022



Note 10. Investments

Investments

	Listed Investments	Investment Properties	Total
Carrying value at 1/1/2022	£41,143	£1,250,000	£1,291,143
Additions	£356	-	£356
Disposals	£ (356)	-	£ (356)
Revaluation losses	£(4,296)	-	£(4,296)
Carrying value at 31/12/2022	£36,847	£1,250,000	£1,286,847

Investments recognised on the UK Stock exchange

Held by Brewin Dolphin

(on behalf of Yorkshire Congregational Union)

	Holding	Initial Cost	2022 Market Value	2021 Market Value
Blackrock FM Cont Euro 'D' Inc	5,428.00	£9,803	£9,359	£10,446
COIF Charity Ethical Inv Fund	4,813.10	£966	£13,203	£15,222
Fidelity UCITS US Quality Inc	799.60	£4,846	£5,371	£5,492
Charibond Inc.	3,207.69	£4,000	£3,474	£3,887
Premier Miton Cautious Mthly Inc	280.00	£356	£340	-
S & P Dividend Aristocrats			-	£317

Held by CCLA Investment Management Ltd

COIF Units	281.00	£375	£5,100	£5,779
Total		£20,346	£36,847	£41,143

	2022	2021
Dividend income	£943	£894

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

	2022	2021
Income tax recoverable	£3,324	£1,727
Sundry debtors and prepayments	£12,824	£11,406
	£16,148	£13,133

Central United Reformed Church (Charity) Financial Statements EOY 2022



Note 12. Bank and Building Society Balances

		2022	2021
Cash Deposits			
<i>Held by Coventry Building Society</i>	A/c Number		
Charities Account	571	£88,866	£88,782
Charities Account	586	£19,903	£38,589
Total		£108,769	£127,371
<i>Held By HSBC</i>			
Current Account	*****049	£16,260	£15,363
Covenants Money Manager Account	*****054	£1	£1
Refreshments Community Account	*****563	£6,290	£1,389
Total		£22,551	£16,753

Note 13. Creditors and Accruals

Creditors and Accruals

	2022	2021
Rent deposit in advance	£19,295	£38,589
Sundry creditors and accruals	£10,677	£6,322
	£29,972	£44,911

Note 14. Analysis of Net Assets between Funds

Analysis of net assets between funds (31/12/2022)	General Fund	Rent Fund	Capital Fund
Tangible Fixed Assets	-	-	£734,034
Investments	-	-	£1,286,847
YCU Manse Capital deposit	-	-	£440,791
Building Society Deposits	-	£108,769	-
Other net current assets	£51,894	-	-
Current liabilities	£ (10,677)	£ (19,295)	-
	£41,217	£89,474	£2,461,672

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 2022, 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 2023