

Highgate United Reformed Church

Report and Accounts

year ended 31st December 2020

HIGHGATE UNITED REFORMED CHURCH
LEGAL & ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 DECEMBER 2020

ADDRESS FOR CORRESPONDENCE	Highgate United Reformed Church Pond Square Highgate London N6 6BA
GOVERNING DOCUMENT	Trusts distilled from the United Reformed Church Acts (1972 & 1981) and Scheme of Union (1972) 01/01/1973
CHARITY REGISTRATION NUMBER	1131691
TRUSTEES RESPONSIBLE FOR MANAGING THE CHARITY	Beth Chaudhary Rowena Courtney Robert Gorrie Dietrich Hauptmeier (Appointed October 2020)
CUSTODIAN TRUSTEES	URC Thames North Synod Trust
KEY MANAGEMENT	Rev David Currie
INDEPENDENT EXAMINER	Jacob Farley ACA Stewardship 1 Lamb's Passage LONDON EC1Y 8AB

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HIGHGATE UNITED REFORMED CHURCH
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2020

The Trustees have pleasure in submitting the Report and Accounts for the year ended 31 December 2020.

Objects of the charity

The charity, which is a church, is governed by Trusts distilled from the United Reformed Church Acts (1972 & 1981) and Scheme of Union (1972) 01/01/1973. It is constituted as a charitable incorporated organisation. The purpose of the church, as defined in its charitable objectives 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.

In planning the activities the Trustees and Elders have regard to the guidance on public benefit issued by the Charities Commission. During the past year the Church has continued its pursuit of this purpose by making available to the public opportunities for Public Worship every Sunday of the year, and additionally on special occasions as required by the Christian Calendar. When possible Worship has taken place in the Church building but in the face of the government restrictions on public gathering and public worship implemented as part of efforts to control the spread of the Coronavirus the Church has made available services and worship on line. The Church, through its minister and, within the government guidelines and restrictions in place at any given time, its facilities, is available for baptisms, weddings and funerals to anyone whom the Minister and Elders considers makes a genuine request for such services. Highgate United Reformed Church is active in encouraging its members and congregation to represent, individually, the intentions of the Church in the particular contributions they make not only to the immediate community, but also through paid or voluntary activity to the wider community.

In addition to public worship the Church and its congregation support weekly Bible Study meetings in members homes, periodic Bible Study after worship, and a weekly Christian Meditation Group in the Church. As with Public Worship these activities have taken place on line during periods when Coronavirus restrictions have prevented face to face physical gatherings. The Church and its congregation are also active in practical support to the local community through financial contributions and volunteering with the Highgate Newtown Community Centre with whom, when Coronavirus restrictions allow, a weekly Community Lunch is hosted and space provided for a Toddler Group, and Pathway which takes the Christian message into local schools. The C4WS Homeless Shelter, normally hosted on nights over the winter, was forced by the Coronavirus restrictions to operate this year from a single venue in central London. The Church made a financial contribution to C4WS.

Summary of the charity's main activities and achievements

2020 was dominated by the impact of Coronavirus and the restrictions which came from government efforts to control its spread. This impact began for our Minister when he had to change holiday plans at the last minute and catch one of the last flights out of Australia before lockdown. The Church building was closed for Worship but by adopting the Zoom platform immediately on line services were conducted from the following week and the childrens "Sunday's Cool" shortly thereafter. These have both been very well received and widely supported with attendees joining from several other countries and participant numbers larger than recent physical congregations. Partly in response proper camera and streaming equipment was successfully installed in the Church, together with additional microphones. Virtual meetings became very important for the congregation during periods of lockdown and isolation, and the sense of fellowship and friendship has been enhanced by Sunday Evening Discussion Groups and the occasional Friday Night Social event. Despite the restrictions and difficulties of the year the Church has been strengthened by the appointment of a new Elder & Trustee and by a number of new members joining which has taken membership to its highest number for more than a decade. The project to refurbish the kitchen to better enable support for the Community Lunch was successfully completed with more than 50% of the cost covered by grants.

Financial review

Receipts for the year were £151k, £42k down on 2019. This was a principally due to a £36k (40%) fall in Church Lettings due to Coronavirus restrictions. The Ballet and the Nursery were both closed for a term and there was a 60% drop in other lettings. 2019 receipts were boosted by the inclusion of most of the £14k one off funding grants received for the Kitchen enhancement project. 2020 receipts were supported by some generous one off giving and an additional Gift Aid claim.

Payments for 2020 were £164k, a decrease of £20k on 2019. Principal reductions were £9k lower professional fees inflated in 2019 due to Elthorne Road, £4k lower Administration Services due to reduced use of the buildings in lock down, and £7k lower Giving by the Church in order to reduce the size of the potential financial loss for the year. The £30k contribution to the URC Ministry & Mission was maintained. 2020 payments do include a £5k investment in equipment to support high quality on line streaming of worship and other events from the Church.

The overall result for 2020 was a loss of £13k which, as we are reporting on a Receipts and Payments basis, has resulted in a reduction in cash of £13k.

The charity has a budget to breakeven in 2021. This assumes a return to historic income levels while maintaining the majority of expenditure items at 2020 levels. The budget assumptions for church lettings are likely optimistic and therefore it is more likely the charity will again make a small loss in 2021. The trustees are continue to monitor income and expenditure and, if it becomes necessary, will take measures to mitigate the impact of COVID-19 on the charity's free reserves.

Reserves policy

The Reserves Policy is to hold 50% of annual expenditure as a reserve. Currently this Reserve is set at £66k. Total payments in 2020 were £164k. £19k were from restricted funds leaving £145k unrestricted. £32k relate to the direct employment of a full time Minister which cost is supported by the designated Future Ministry Fund set up to fund the direct costs of the Charity employing its own full time Minister for the term of their contract. This leaves 2020 General Fund payments of £113k. On that basis the Trustees consider that the general reserves remain at an appropriate level to enable the Church to continue its activities.

Governance & Organisational Structure

The Trustees meet as Elders, with the Minister, most months. Elders are appointed following a discernment process that ends with confirmation, or not, by Church Meeting. Elders also become Trustees. Under the leadership of the Minister Elders have responsibility for the management of the Church delegated to them by Church Meeting which is the sovereign body. Church meetings are usually convened quarterly although when issues arise requiring more immediate consideration and decision additional meetings are called. The Elders delegate particular matters concerned with the upkeep and refurbishment of Church properties to the Management Committee. This Committee meets most months and when appropriate or helpful joint meetings with Elders are held.

Responsibilities of trustees

Charity law requires us as Trustees to prepare financial statements for each accounting year which record the receipts and payments of the charity for the year.

We are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable us to ensure that the financial statements comply with the Charities Act 2011.

We also have a responsibility to safeguard the assets of the charity and to take reasonable steps to prevent fraud or any other irregularities.

Approval

This report was approved by the trustees and signed on their behalf by:

ROBERT GORRIE

Date: 23/05/21

INDEPENDENT EXAMINER'S REPORT
TO THE TRUSTEES OF
HIGHGATE UNITED REFORMED CHURCH

I report to the trustees on my examination of the accounts of Highgate United Reformed Church ('the charity') for the year ended 31 December 2020 on pages 6 to 9 following.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the 2011 Act').

I report in respect of my examination of the charity's 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 2011 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 accordance with section 130 of the 2011 Act; or
2. the accounts do not accord with the accounting records.

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

Jacob Farley ACA

Stewardship
1 Lamb's Passage
EC1Y 8AB

26 MAY 2021

HIGHGATE UNITED REFORMED CHURCH
RECEIPTS AND PAYMENTS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	<u>Unrestricted Funds</u>		Restricted Funds	2020 £	2019 £
		General Funds £	Designated Funds £			
<i>Income receipts</i>						
Donations & Legacies		20,836	-	3,100	23,936	19,635
Gift aid receipts		8,236	-	-	8,236	4,155
Church Lettings		55,172	-	-	55,172	91,520
Elthorne Road		60,000	-	-	60,000	60,000
Fund Raising Events		-	-	-	-	2,955
Grants		-	-	2,000	2,000	12,100
Other		1,946	-	-	1,946	2,981
<i>Total receipts</i>		146,191	-	5,100	151,291	193,346
<i>Payments</i>						
Payments in relation to charitable activities undertaken directly	2	73,557	31,610	18,263	123,430	137,411
Contribution to URC Ministry & Mission Fund		30,000			30,000	30,000
Grants paid in relation to charitable activities undertaken by others	3	6,000	-	4,395	10,395	17,075
<i>Total payments</i>		109,557	31,610	22,658	163,825	184,486
Net of receipts / (payments) before transfers		36,633	(31,610)	(17,558)	(12,535)	8,860
Transfers between funds	5	- 50,000	50,000	-	-	-
Net movement in funds		- 13,367	18,390	- 17,558	- 12,535	8,860
Cash funds as at last year end		70,162	137,335	18,431	225,929	217,069
Cash funds at this year end	A	56,795	155,726	873	213,394	225,929

The notes on pages 8 - 9 form part of these accounts.

HIGHGATE UNITED REFORMED CHURCH
STATEMENT OF ASSETS AND LIABILITIES
FOR THE YEAR ENDED 31 DECEMBER 2020

Notes	<u>Unrestricted Funds</u>		Restricted funds	2020	2019
	General funds	Designated funds			
	£	£	£	£	£
A Cash funds					
Cash at bank with immediate access	56,795	155,726	873	213,394	225,929
Notice deposits	-	-	-	-	-
Petty cash	-	-	-	-	-
	<u>56,795</u>	<u>155,726</u>	<u>873</u>	<u>213,394</u>	<u>225,929</u>
B Other monetary assets					
Gift aid due to charity	3,625	-	750	4,375	4,144
Other debtors	-	-	-	-	4,757
	<u>3,625</u>	<u>-</u>	<u>750</u>	<u>4,375</u>	<u>8,901</u>
C Liabilities					
Trade Creditors	1,083	-	-	1,083	853
Debtors & Prepayments	15,000	-	-	15,000	18,520
Fee for Independent Examination	1,200	-	-	1,200	2,000
	<u>17,283</u>	<u>-</u>	<u>-</u>	<u>17,283</u>	<u>21,373</u>

D Assets retained for charity's own use

Freehold Property: the Trustees of the church, manse buildings, and the Elthorne Road property, are the URC Thames North Synod Trust who hold them upon trust for purposes connected with Highgate URC. Expenditure incurred on the church and manse is written off in the year it is incurred.

For insurance purposes the church buildings are insured by the church for £8,833,700 and the manse for £1,000,000. The church contents are insured by the church for £142,579. Elthorne Road is insured for £2,217,043 with the premium paid by the tenant.

The accounts were approved by the trustees and signed on their behalf

Approval

ROBERT GORRIE

23/05/21

The notes on pages 8 - 9 form part of these accounts.

HIGHGATE UNITED REFORMED CHURCH

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

The accounts have been prepared on a receipts and payments basis and comprise a statement that shows the charity's receipts and payments, a statement that summarises the charity's assets and liabilities and related notes. The accountancy profession have determined that only accounts prepared in accordance with applicable accounting standards present a 'true and fair' view and, as these receipts and payments accounts have not (and cannot) be prepared in accordance with accounting standards, these accounts do not present (and are not intended to present) a 'true and fair' view of the charity's financial activities and state of affairs.

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity. Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. Restricted funds are donations which are to be used in accordance with specific restrictions imposed by donors; they include donations received from appeals for specific activities or projects.

	<u>Unrestricted Funds</u>				
	General funds	Designated funds	Restricted Funds	Total 2020	Total 2019
	£	£	£	£	£
2 Payments in relation to charitable activities undertaken directly					
Ministerial Costs (see note 2(a))	4,846	31,610	-	36,455	53,505
Administration Services	9,569	-	-	9,569	13,855
Cost of Church Activities (see note 2(b))	50,129	-	18,263	68,392	50,922
Legal & Professional Fees	7,213	-	-	7,213	16,599
Independent examination	1,080	-	-	1,080	1,500
Other costs	722	-	-	722	1,030
	<u>73,557</u>	<u>31,610</u>	<u>18,263</u>	<u>123,430</u>	<u>137,411</u>
Ministerial Employment	-	31,610	-	31,610	30,710
Pulpit Supply	350	-	-	350	650
Ministerial Expenses	540	-	-	540	867
Manse Costs	3,074	-	-	3,074	2,953
Manse Maintenance	882	-	-	882	18,325
	<u>4,846</u>	<u>31,610</u>	<u>-</u>	<u>36,455</u>	<u>53,505</u>
2 (b) Cost of Church Activities comprise:					
Church					
Insurance	6,685	-	-	6,685	6,909
Utilities	7,457	-	-	7,457	8,213
Maintenance	9,288	-	14,100	23,388	9,077
Cleaning & Refuse	8,701	-	413	9,114	9,642
Organists & Music	4,459	-	-	4,459	4,823
Equipment Purchased	3,744	-	3,750	7,494	309
Other Running Costs	1,208	-	-	1,208	1,497
	<u>41,541</u>	<u>-</u>	<u>18,263</u>	<u>59,804</u>	<u>40,470</u>
Junior Church Leader	4,069			4,069	5,242
Junior Church Costs	730			730	609
Training	141			141	204
	<u>4,940</u>	<u>-</u>	<u>-</u>	<u>4,940</u>	<u>6,055</u>
Communications					
Office Equipment & Supplies	106			106	557
Printing, Postage, Advertising, Computer	2,586			2,586	2,715
Telephones	955			955	1,125
	<u>3,648</u>	<u>-</u>	<u>-</u>	<u>3,648</u>	<u>4,397</u>
3 Grants paid in relation to charitable activities undertaken by others					
Pathway	6,000	-	-	6,000	8,000
Barnabas	-	-	-	-	2,500
HNCC	-	-	-	-	886
C4WS	-	-	1,598	1,598	3,248
Other	-	-	2,797	2,797	2,441
	<u>6,000</u>	<u>-</u>	<u>4,395</u>	<u>10,395</u>	<u>17,075</u>

HIGHGATE UNITED REFORMED CHURCH
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2020

4 Transactions with related parties

The Charity employs D Currie as the Full time Minister for the Church. He is not a Trustee of the Charity. The costs of his employment, and in respect of the provision of accommodation (which is customary for ministers) so that they can better perform their duties, is shown in note 2 (a) above.

The total of donations funded by Trustees and related parties was £7,755 (2019 £5,110)

5 Movement of funds

	Balance at 31 Dec 2019 £	Receipts £		Payments £	Transfers £	Balance at 31 Dec 2020 £
General funds	70,162	146,191	-	109,557	- 50,000	56,795.41
Designated funds						
Future Ministry	71,335	-	-	31,610	50,000	89,726
Reserves	66,000	-	-	-	-	66,000
	<u>137,335</u>	<u>-</u>	<u>-</u>	<u>31,610</u>	<u>50,000</u>	<u>155,726</u>
Total Unrestricted General Funds	<u>207,498</u>	<u>146,191</u>	<u>-</u>	<u>141,167</u>	<u>-</u>	<u>212,521</u>
Restricted funds						
C4WS	3,012	30	-	2,011	-	1,030
Hope Christmas Lunch	2,797	-	-	2,797	-	-
Other Charity Collections	522	70	-	-	-	592
Service Streaming Equipment	-	3,000	-	3,750	-	750
Grants for Kitchen Refurbishment	12,100	2,000	-	14,100	-	-
	<u>18,431</u>	<u>5,100</u>	<u>-</u>	<u>22,658</u>	<u>-</u>	<u>873</u>
Total funds	<u>225,929</u>	<u>151,291</u>	<u>-</u>	<u>163,825</u>	<u>-</u>	<u>213,394</u>

The two Designated Funds are firstly the Future Ministry Fund which is comprised of monies set aside to fund the payment of full time ministerial leadership, and secondly the monies set aside to meet the objectives of the Reserve Policy described in the Trustee Report.

The £50,000 transfer from General Funds to the Future Ministry Fund was agreed at the AGM on 12th July 2020. Another transfer will likely be proposed at 2021 AGM.

The Restricted funds represent monies collected or received for particular causes or charities. The additional Grant received was from Beatrice Laing. The funds owed on the Service Streaming Equipment represent Gift Aid on the donations which will be claimed in 2021.