

Highgate United Reformed Church

Report and Accounts

year ended 31st December 2021

HIGHGATE UNITED REFORMED CHURCH
LEGAL & ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 DECEMBER 2021

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 Zacky Choo (Appointed March 2022) Rowena Courtney Robert Gorrie Dietrich Hauptmeier (Resigned April 2022) Thomas Jenkins (Appointed March 2022)
CUSTODIAN TRUSTEES	URC Thames North Synod Trust
KEY MANAGEMENT	Rev David Currie
INDEPENDENT EXAMINER	Archie McDowall BA, CA 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 2021

The Trustees have pleasure in submitting the Report and Accounts for the year ended 31 December 2021.

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 Partnership 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

The first half of 2021 continued to be dominated by the impact and restrictions of Coronavirus. The Church building remained closed to worship until May. Even when the building reopened some members and worshippers were unable, or reluctant, to return to the church building for worship. As a result we have continued to make services available live on line and have ensured that for Church Meetings members can participate on-line if unable to attend in person. Outreach and activities in the church began again in the second half of the year, including the church extending its financial support for the HNCP Community Lunch programme which the church hosts once a week. At the end of 2020 our Minister, David Currie, confirmed his intention to retire in 2022. Church Meeting established a Search Group to lead the search for a new Minister which process successfully completed in early 2022. Since the end of the year one Trustee has moved away but the leadership group has been extended by the appointment of two new Elders & Trustees.

Financial review

Receipts for the year were £171k. This was £20k up on 2020, albeit still £22k below 2019 pre-pandemic level. While the Nursery significantly increased their hours the balance of letters continued to be impacted by Coronavirus restrictions. The Ballet remained closed for the first term of the year and general letting income remained unchanged on 2020 at less than half pre pandemic levels. Receipts from giving and non property related sources were down 20%. While there was one generous legacy in 2021 the comparatives for 2020 included several significant one off gifts from members, an additional gift aid claim, and the last grant received for the 2019 kitchen refurbishment.

Payments for 2021 were £128k, a decrease of £36k on 2020 and a total of £56k below 2019 pre pandemic levels. The principal change from 2020 was a £19k reduction in Chapel Maintenance to only £4k in 2021. There were in fact two major maintenance projects in the Chapel during 2021. The first was repairing the flood damage in the hall, which cost was covered by insurance, and the second a significant refurbishment of the boilers and their controls. This latter project was not completed until after the end of the year and none of the expected £18k cost had been paid by year end. 2020 payments for Equipment included the £7k for streaming equipment. Reduced Professional Fees, £4k, and Giving, £3k, were the other principal changes in 2021.

As a result there was a surplus of £43k for 2021 against a breakeven budget. This substantial variance was because the additional Nursery hours were not forecast and the boiler project had been budgeted to complete during the year.

The charity has a budgeted loss of £31.5k in 2022. This assumes no Covid restrictions and the continued use of the church buildings by the existing tenants and hirers. The budget includes the cost of the 2021 boiler work, a return to pre pandemic levels of Giving from Church funds, a catch up on the Giving from 2020, an allowance for the costs of a change in Minister, and professional fees relating to a new lease for the Nursery. The trustees continue to monitor the principal risk to income and manage controllable expenditure commitments in that context.

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 £128k. £32k relate to the direct employment of a full time Minister which cost is supported by the designated Future Ministry Fund. The 2021 balance of expenditure was £96k which did not include £18k of costs for the boiler work or £5k of deferred 2021 Givings both paid in early 2022. Including these items indicates annual expenditure, excluding the Minister, of about £120k and as such Trustees view the current level of General Reserves as appropriate.

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: 04/10/2022

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 2021 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.

Archie McDowall BA, CA
Stewardship
1 Lamb's Passage
EC1Y 8AB

05/10/2022

HIGHGATE UNITED REFORMED CHURCH
RECEIPTS AND PAYMENTS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	<u>Unrestricted Funds</u>		Restricted Funds	2021 £	2020 £
		General Funds £	Designated Funds £			
<i>Income receipts</i>						
Donations & Legacies		20,420	-	655	21,075	23,936
Gift aid receipts		4,371	-	750	5,121	8,236
Church Lettings		82,731	-	-	82,731	55,172
Elthorne Road		60,000	-	-	60,000	60,000
Fund Raising Events		-	-	-	-	-
Grants		-	-	-	-	2,000
Other		2,566	-	-	2,566	1,947
<i>Total receipts</i>		<u>170,088</u>	<u>-</u>	<u>1,405</u>	<u>171,493</u>	<u>151,291</u>
<i>Payments</i>						
Payments in relation to charitable activities undertaken directly	2	59,104	31,610	-	90,714	123,431
Contribution to URC Ministry & Mission Fund		30,000			30,000	30,000
Grants paid in relation to charitable activities undertaken by others	3	6,700	-	555	7,255	10,395
<i>Total payments</i>		<u>95,804</u>	<u>31,610</u>	<u>555</u>	<u>127,969</u>	<u>163,826</u>
Net of receipts / (payments) before transfers		74,284	(31,610)	850	43,524	(12,535)
Transfers between funds	5	(50,000)	50,000	-	-	-
Net movement in funds		<u>24,284</u>	<u>18,390</u>	<u>850</u>	<u>43,524</u>	<u>- 12,535</u>
Cash funds as at last year end		56,795	155,726	873	213,394	225,929
Cash funds at this year end	A	<u>81,079</u>	<u>174,116</u>	<u>1,723</u>	<u>256,918</u>	<u>213,394</u>

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 2021

Notes	<u>Unrestricted Funds</u>		Restricted funds	2021	2020
	General funds	Designated funds			
	£	£	£	£	£
A Cash funds					
Cash at bank with immediate access	81,079	174,116	1,722	256,917	213,394
	<u>81,079</u>	<u>174,116</u>	<u>1,722</u>	<u>256,917</u>	<u>213,394</u>
B Other monetary assets					
Gift aid due to charity	2,800	-	-	2,800	4,375
Other debtors	2,300	-	-	2,300	-
	<u>5,100</u>	<u>-</u>	<u>-</u>	<u>5,100</u>	<u>4,375</u>
C Liabilities					
Trade Creditors	770	-	-	770	1,083
Debtors & Prepayments	15,773	-	-	15,773	15,000
Fee for Independent Examination	1,200	-	-	1,200	1,200
	<u>17,743</u>	<u>-</u>	<u>-</u>	<u>17,743</u>	<u>17,283</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 £9,434,392 and the manse for £1,000,000. The church contents are insured by the church for £155,554. Elthorne Road is insured for £2,350,066 with the premium paid by the tenant.

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

Approval

ROBERT GORRIE

04/10/2022

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 2021

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>		Restricted	Total	Total
	General	Designated	Funds	2021	2020
	funds	funds			
	£	£	£	£	£
2 Payments in relation to charitable activities undertaken directly					
Ministerial Costs (see note 2(a))	4,574	31,610	-	36,183	36,456
Administration Services	9,228	-	-	9,228	9,569
Cost of Church Activities (see note 2(b))	40,625	-	-	40,625	68,391
Legal & Professional Fees	2,998	-	-	2,998	7,213
Independent examination	1,020	-	-	1,020	1,080
Other costs	660	-	-	660	722
	<u>59,104</u>	<u>31,610</u>	<u>-</u>	<u>90,714</u>	<u>123,431</u>
Ministerial Employment	-	31,610	-	31,610	31,610
Pulpit Supply	200	-	-	200	350
Ministerial Expenses	332	-	-	332	540
Manse Costs	3,258	-	-	3,258	3,074
Manse Maintenance	784	-	-	784	882
	<u>4,574</u>	<u>31,610</u>	<u>-</u>	<u>36,183</u>	<u>36,456</u>
2 (b) Cost of Church Activities comprise:					
Church					
Insurance	5,260	-	-	5,260	6,685
Utilities	7,219	-	-	7,219	7,457
Maintenance	4,192	-	-	4,192	23,388
Cleaning & Refuse	6,919	-	-	6,919	9,114
Organists & Music	4,819	-	-	4,819	4,459
Equipment Purchased	517	-	-	517	7,494
Other Running Costs	1,682	-	-	1,682	1,207
	<u>30,608</u>	<u>-</u>	<u>-</u>	<u>30,608</u>	<u>59,804</u>
Junior Church Leader	4,338			4,338	4,069
Junior Church Costs	520			520	730
Training	204			204	141
	<u>5,062</u>	<u>-</u>	<u>-</u>	<u>5,062</u>	<u>4,940</u>
Communications					
Office Equipment & Supplies	29			29	106
Printing, Postage, Advertising, Computer	3,973			3,973	2,586
Telephones	952			952	955
	<u>4,954</u>	<u>-</u>	<u>-</u>	<u>4,954</u>	<u>3,647</u>
3 Grants paid in relation to charitable activities undertaken by others					
Pathway	4,000	-	-	4,000	6,000
Barnabas	-	-	-	-	-
HNCC	2,000	-	-	2,000	-
C4WS	500	-	250	750	1,598
Other	200	-	305	505	2,797
	<u>6,700</u>	<u>-</u>	<u>555</u>	<u>7,255</u>	<u>10,395</u>

HIGHGATE UNITED REFORMED CHURCH
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2021

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 (2020 £7,755)

5 Movement of funds

	Balance at 31 Dec 2020 £	Receipts £	Payments £	Transfers £	Balance at 31 Dec 2021 £
General funds	56,795	170,088	(95,804)	(50,000)	81,079
Designated funds					
Future Ministry	89,726	-	(31,610)	50,000	108,116
Reserves	66,000	-	-	-	66,000
	<u>155,726</u>	<u>-</u>	<u>(31,610)</u>	<u>50,000</u>	<u>174,116</u>
Total Unrestricted General Funds	<u>212,521</u>	<u>170,088</u>	<u>(127,414)</u>	<u>-</u>	<u>255,195</u>
Restricted funds					
C4WS	1,030	350	(250)	-	1,129
Other Charity Collections	592	305	(305)	-	592
Service Streaming Equipment	(750)	750	-	-	-
	<u>872</u>	<u>1,405</u>	<u>(555)</u>	<u>-</u>	<u>1,722</u>
Total funds	<u>213,393</u>	<u>171,493</u>	<u>(127,969)</u>	<u>-</u>	<u>256,917</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 was made to reflect costs of Ministry paid in 2020 & 2021.

The Restricted funds represent monies collected or received for particular causes or charities. The additional Service Streaming Equipment funds received represents Gift Aid claimed on donations received in 2020.