



LION WALK
UNITED REFORMED CHURCH
CHARITY
ACCOUNTS 2020

Charity Registration Number 1132811

LION WALK UNITED REFORMED CHURCH CHARITY

Accounts for the year ending 31st December 2020

Pages 3 to 7	Report of the Trustees
Page 8	Independent Examiner's report
Page 9	Statement of Financial Activities
Page 10	Balance Sheet
Pages 11 - 15	Notes to the accounts

There will be an opportunity at the Annual Church Meeting on the 19 April 2021 for Church Members to raise any queries they may have.

Report of the Trustees

The trustees present their annual report on the affairs of the charity, together with the financial statements and independent examiner's report for the year ended 31st December 2020.

The financial statements comply with the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland FRS 102.

Administrative information

Lion Walk United Reformed Church Charity is a local church of the United Reformed Church in Great Britain and is a member church of the Eastern Synod. It was registered on the 19th of November 2009 as Charity Number 1132811.

The church is situated in the Lion Walk Precinct, Colchester, CO1 1LX.

The members of the Elders' Meeting are recognized as the charity trustees. Those who served from the 1st January 2020 until the date this report was approved are:

The Revd. Kenneth M Forbes, Chris Samuel, Colin Roxby, Colin Hurford, Lynda Barnes, Claire Smith, Ian Ray, Serena Williams, Alan Bullard.

The church building, car park in Vineyard Street and the manse at 20 Reynolds Avenue are vested in the United Reformed Church (Eastern Province) Trust as custodian trustees and held for the benefit of Lion Walk URC in accordance with the trusts applicable to URC properties.

Structure, Governance and Management

The activities of Lion Walk United Reformed Church are overseen by the Elders' Meeting of the Church in accordance with the provisions of the Structure of the United Reformed Church determined by the General Assembly of the United Reformed Church and supplemented by the rules of Lion Walk Church. The governing document of the registered charity is a statement adopted by the Church Meeting on the 17th August 2009.

The Elders' Meeting is responsible for the financial administration of the Church and the care and maintenance of the church premises and the manse. The Church Meeting (all members are entitled to attend) gives general guidance on the life and work of the Church.

The members of the Elders' Meeting are the minister in pastoral charge (if any) and up to 12 members of Lion Walk Church nominated and elected by the members of Lion Walk Church in Church Meeting. The Elders' Meeting may also co-opt additional members to serve at any time subject to ratification by Church Meeting. Elders may serve for four years, retire by rotation but may be re-elected to a second term, after which they must stand down for one year.

The Elder's Meeting is assisted in the administration of the Church and its property by committees established for Finance, Property and Outreach.

Objectives and Activities

As a local congregation of the United Reformed Church, Lion Walk URC seeks to advance the Christian religion through its activities, by providing facilities offered to the community and by promoting and hosting concerts and other events of religious and cultural interest.

The Elders' Meeting is aware of the Charity Commission's guidance on public benefit in 'The Advancement of Religion for the Public Benefit' and has regard to it in the administration of the Church. The Elders' Meeting believes that the Church provides benefit to the public by:

- Providing resources and facilities for public worship, pastoral care and spiritual, moral and intellectual development, both for the congregation and for anyone else who wishes to benefit from what the Church offers.
- Promoting Christian values and service by members of the congregation to the community, for the benefit of individuals and Society as a whole.

As will be seen from these accounts, the Church has also raised sums for charitable causes during the year, which have been disbursed as follows:

Various charities/organisations, Colchester Soup Run and local welfare – £4,250

Christian Aid (Commitment for Life appeal) - £9,188 (includes Gift Aid)

Colchester Night Shelter/Next Chapter (formerly Colchester & Tendring Women's Refuge) - £656

The amount raised for the Commitment for Life appeal was slightly ahead of that collected in 2019 but owing to Covid 19 and the church being closed for a good part of the year, monies raised and able to be disbursed to good causes was down significantly in 2020.

Financial Review

This report was prepared by the Finance Committee.

The Church accounts have eight funds, each designed for a specific purpose as follows:

1. **General Fund** – This is the Church's general fund to which all income and expenditure goes unless specifically allocated to one or more of the following designated or restricted funds.
2. **Property Maintenance Fund** – This is designated for the management and maintenance of the church's property and derives most of its income from the portion of shop rents* allocated to the Church by the Eastern Synod of the URC. **These rents are derived from retail premises that occupy land owned by the URC within the Lion Walk Shopping Precinct in Colchester and leased to the owners of the precinct.*
3. **Legacies Fund** – This receives legacies left to the church and the fund is designated primarily for the purchase of new (or improved) equipment, but also, in recent times, for the purchase of flowers.
4. **Outreach Fund** – This receives income from various sources and is designated for general charitable work, mostly by way of donations to local, national and international charities.
5. **Organ Fund** – This is designated for the routine tuning and repair costs of the church's organ and pianos.
6. **Choir Fund** – This fund was established in 2017 by way of a legacy from the estate of Eva Hopping, whose wish was that it be restricted for the support and development of music in the church.
7. **Special Collections** – This restricted fund is simply a home for monies collected during the year (e.g. Commitment for Life and Christmas Appeals) where basically the money comes in and goes straight out again.

8. **Special Events** – This fund was created late in 2018 and is designated to provide a means to manage fund raising events where an element of trading occurs and transactions (although going via the General Fund) could be clearly separated and tracked. Unfortunately, due to the Covid pandemic, planned events in 2020 that would have utilised this fund were all cancelled.

Reports on the funds follow. The figures shown in the accounts represent movements in the year.

General Fund (unrestricted)

2020 finished with a surplus of £12,549, considerably ahead of the £5,100 predicted in the budget.

This surplus has helped to increase the General Fund reserve, but it is still some way short of the amount considered necessary to safely cover Church expenditure (a reserve of 50% of the budgeted annual expenditure is a prudent operating level). For this reason, only £6,000 will be made available for Outreach use in 2021.

On the income side, offerings at church services including gifts made via standing orders and through the envelope scheme totalled £66,254 against a budget of £70,000. This shortfall was entirely due to cash collections being reduced because Sunday Services could not take place in church due to the restrictions imposed by the government to cope with the Covid 19 pandemic. Income to the fund from other sources, particularly lettings, were also impacted adversely for the same reason but, overall, the fund income was down less than 2% against budget and less than 3% compared to 2019 so a satisfactory result all being considered.

The expenditure incurred in the running and looking after the church estate decreased by 4% compared to 2019 and was 8% below budget for 2020. As the church was closed for long periods due to Covid 19 this was an unsurprising outcome.

Property Maintenance Fund (designated)

Income to the fund was down during 2020, again due to Covid 19, this time causing shop rent income to drop by more than £6,000. An unexpected breakdown of the church lift proved expensive to repair and, also in 2020, the regular safety inspection of the church tower fell due at a cost of more than £5,000. These events meant that the overall value of the fund fell during 2020 by almost £5,000.

The fund derives most of its income from shops within Lion Walk Shopping Precinct paying rent because they occupy land owned and leased by the URC. This however is offset by the precinct service charges levied on the church by the Precinct Management Company. In 2020 the service charges accounted for 45% of the rent income, a 5% increase over 2019. Despite the overall amount levied in service charges in 2020 being less than 2019, this was offset by a reduction in shop rent income.

Legacies Fund (designated)

This designated fund exists to hold any legacies received and put the money to use in making general improvements to the church. It is also used to pay for the provision of flowers. No new legacies were received in 2020.

Organ Fund (designated)

This is a diminishing fund established by a specific legacy that is used to meet the cost of organ and piano tuning, repair and maintenance. Based on average annual demand on the fund, it's set to last until some point in 2022, after which the costs for the maintenance of the organ and pianos will be met from the Property Maintenance Fund.

Outreach Fund (designated)

The Outreach Fund currently derives income from any surplus from the General Fund, Communion Collections, Small Change Donation Pots, Cake Stall, Wednesday Concerts and any surplus from the Easter Breakfast and any social events held during the year.

A significant proportion of income (circa 60%) comes from the Wednesday lunchtime concerts but most of these in 2020 were cancelled due to Covid 19. The fund did receive a transfer of £2,000 from the General Fund but despite this the total income in 2020 was down 15% on 2019.

Donations made from the fund decreased by 9% in 2020 and this was due to the diminishing income to the fund, but monies donated helped 25 charitable organisations. A list of these can be found on page 16.

Choir Fund (restricted)

This fund was formed through a legacy from the late Eva Hopping, a life-long music teacher and steadfast supporter of musical enrichment in Lion Walk Church. The fund is used for the purchase of resources that support the musical enrichment of the church. No further income was received in 2020 nor payments made from the fund.

Special Collections (restricted)

In addition to the donations made from the Outreach Fund, the church continues to support the Colchester Night Shelter and the Colchester and Tendring Women's Refuge (now renamed as Next Chapter) from collections made at various Christmas services and events, plus the URC 'Commitment for Life' appeal for Christian Aid at harvest time. The total collected for 'Commitment for Life' increased 4% from that of 2019 but the total raised from this and other activities was down by 29%, again owing to Covid 19 restricting activities.

Special Events (designated)

Due to restrictions imposed by the Covid 19 pandemic on running events where social distancing would be difficult or impossible, this fund was not utilised in 2020.

Comments and Conclusions

Governance Costs – We are required to ensure that these have a place in charity accounts, even though in our case they are modest. The examiner of these accounts makes no charge for her services and no remuneration is made to the church officers or members of the various church committees. We do pay for payroll services and for support relating to the software used to manage these accounts and for claiming gift aid. These amounted to £739 in the year.

Conclusion – The impact on the Balance Sheet of the restrictions caused by the arrival of the Covid 19 pandemic has not been as severe as initially feared and this has been achieved largely in church expenditure falling at a much greater rate than income. This, coupled with the actions taken in 2017 to address the then recurring deficit in the General Fund, continues to have a positive effect and means that once again some of the surplus achieved on the General Fund can be transferred to Outreach for the continuing support of good causes.

Despite a small decrease in the Property Maintenance Fund during 2020, the fund remains in a relatively healthy state to maintain the church to a good standard for some years to come.

Overall, these accounts show that the church finances continue to be in a good state to meet the aims and objectives of Lion Walk United Reformed Church Charity.

The foregoing report and the accounts were approved by the Church Elders on 19 April 2021 and are signed on its behalf by:

Signed



Kenneth M Forbes
Chairman

Independent Examiner

No fee has been charged for the independent examination of these accounts.

INDEPENDENT EXAMINER'S REPORT

To the Trustees of LION WALK UNITED REFORMED CHURCH

Year ended 31st December 2020

I report to the Trustees on my examination of the accounts of Lion Walk United Reformed Church for the year ended 31st December 2020, which are set out on pages 9 to 15.

Respective responsibilities of trustees and examiner

The Elders as Charity Trustees of the Church are responsible for the preparation of the accounts. The Trustees are satisfied that an audit is not required for this year under section 144(2) of the Charities Act 2011 ('The 2011 Act') and consider that an independent examination is needed.

It is my responsibility to:

- examine the accounts under Section 145 of the Charities Act;
- follow the procedures laid down in the general Directions given by the Charity Commission (under Section 145(5)(b) of the 2011 Act);
- to state whether particular matters have come to my attention.

Basis of Independent Examiner's Report

My examination was carried out in accordance with the General Directions given by the Charity Commissioners. An examination includes a review of the accounting records kept by the Church and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeking explanations from the Elders as Trustees concerning such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a "true and fair" view and my report is limited to those matters set out in the statement below.

Independent Examiner's Statement

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in any material respect the requirements:
 - (a) to keep accounting records in accordance with Section 130 of the 2011 Act, and
 - (b) to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the 2011 Act have not been met, or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Signed: Independent Examiner



Diane Leacock FCCA

Date: 17 April 2021

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31ST DECEMBER 2020

		Unrestricted funds				
	Note	General fund	Designated funds	Restricted funds	Total 2020	Total 2019
		£	£	£	£	£
INCOME						
Voluntary income	2a	89,436	642	1,460	91,538	91,716
Investment income	2b	6,955	6,956	-	13,911	14,840
Income from charitable activities	2c	-	2,203	8,237	10,440	15,777
Other income	2d	17,670	42,601	-	60,271	64,224
		-	-	-	-	-
TOTAL INCOME		114,061	52,402	9,697	176,160	186,557
EXPENDITURE						
		-	-	-	-	-
Fundraising events	3a	-	42	-	42	1,260
Charitable activities	3b	-	4,578	9,517	14,095	16,783
General church expenditure	3c	33,664	54,411	-	88,075	83,990
Ministerial costs	3d	67,848	-	-	67,848	74,918
		-	-	-	-	-
		-	-	-	-	-
TOTAL EXPENDITURE		101,512	59,031	9,517	170,060	176,951
Net incoming/(outgoing) resources before transfers		12,549	(6,629)	180	6,100	9,606
Gross transfers between funds		(2,000)	2,000	-	-	-
Net income/(expenditure)		10,549	(4,629)	180	6,100	9,606
Other recognised gains/(losses)						
Realised gains / (losses) on investments		-	-	-	-	-
Unrealised gains / (losses) on investments	5		86,297		86,297	
Net movement in funds		10,549	81,668	180	92,397	9,606
Total funds brought forward 1 January 2020		44,943	394,609	2,576	442,128	432,522
Total funds carried forward 31 December 2020		55,492	476,277	2,756	534,525	442,128

BALANCE SHEET AS AT 31ST DECEMBER 2020

			31 December 2020 £	31 December 2019 £
	Note			
Tangible assets			-	-
			-	-
Long term Investments	4		386,297	300,000
		Total fixed assets	386,297	300,000
Current assets				
Debtors			-	10,210
(Short term) investments			108,428	107,868
Cash at bank and in hand			39,800	35,717
		Total current assets	148,228	153,795
Creditors: amounts falling due within one year			-	11,667
		Net current assets/(liabilities)	148,228	142,128
		Total assets less current liabilities	534,525	442,128
Creditors: amounts falling due after one year			-	-
Provisions for liabilities and charges			-	-
		Net assets	534,525	442,128
Funds of the Church:	6			
Unrestricted funds			55,492	44,943
Designated funds			476,277	394,609
Restricted funds			2,756	2,576
		Total funds	534,525	442,128

Notes to the Accounts

1. Accounting Policies

Basis of preparation

The financial statements are prepared under the historical cost convention, as modified for the valuation of investments at fair value, in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities (SORP 2019)" applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

So far as appropriate, these accounts have been prepared with guidance from the United Reformed Church, and the particular practices used are described below.

1.1 Classification of funds and accounts

The eight funds in operation during 2020 and their use and purpose have been described on pages 5 & 6 of these accounts. All the Designated Funds, which have been set aside for specific purposes, can be returned to the General Fund at any time if the Church Meeting so decides. Restricted Funds are those which cannot be returned to the General Fund and, at present, the only examples are the Choir Fund and Special Collections Fund.

1.2 Fixed Assets

The land and buildings of the Church's town centre property (including the car parks and the Manse) are not capitalised as the Charity Commission has recognised that they are held in trust for the Church by the United Reformed Church (Eastern Province) Trust as custodian trustees and are recorded in the Trust books. The contents of the Church premises being provided for in the Property Maintenance Fund.

Long term investments are included at market value. The Statement of Financial Activities (SOFA) includes the net gains and losses arising on revaluation at the year end.

1.3 Income & Expenditure

Income includes cash received (or when its receipt is considered certain - excepting tax recovery on Covenanted and Gift Aid income, which is only recognised on receipt). Expenditure is recognised when payment is made or when a liability has been incurred, but no payment has been made. A legacy is credited in the year it is received.

LION WALK URC - NOTES TO THE ACCOUNTS YEAR ENDED 31 DECEMBER 2020

	Unrestricted			Total Funds 2020 £	Total Funds 2019 £
	General Fund £	Designated Funds £	Restricted Funds £		
NOTE 2: INCOME					
2(a) Voluntary Income					
Freewill offerings	66,254			66,254	72,124
Car Park donations	3,577			3,577	2,819
Gift Aid	19,605	642	1,460	21,707	16,773
	89,436	642	1,460	91,538	91,716
2(b) Investment income					
Interest from investments	6,955	6,956		13,911	14,840
	6,955	6,956	-	13,911	14,840
2(c) Income from Charitable Activities					
Donations & appeals - Outreach		1,093		1,093	397
Wednesday Concerts		997		997	3,895
Commitment for Life appeal			7,908	7,908	8,337
Christmas appeals			329	329	2,778
Communion collections		113		113	370
	-	2,203	8,237	10,440	15,777
2(d) Other Income					
Shop Rents	-	35,671		35,671	41,251
Flat rental and lettings income	12,980	-		12,980	16,331
Other income	2,280	6,399		8,679	1,779
Christ Church and Chappel URC contributions	2,410	474		2,884	2,711
Special events	-	57		57	2,152
	17,670	42,601	-	60,271	64,224
TOTAL INCOME	114,061	52,402	9,697	176,160	186,557

LION WALK URC - NOTES TO THE ACCOUNTS YEAR ENDED 31 DECEMBER 2020

NOTE 3: EXPENDITURE	Unrestricted			Total	Total
	General	Designated	Restricted	Funds	Funds
	Fund	Funds	Funds	2020	2019
	£	£	£	£	£
3(a) Fundraising expenditure					
Ticket refunds - cancelled event	-	42		42	-
Other	-			-	1,260
				-	
	-	42	-	42	1,260
3(b) Charitable activity expenditure					
Wednesday concerts	-	300		300	950
Commitment for life			9,188	9,188	8,774
Donations & appeals - Outreach		3,950		3,950	5,068
Christmas appeals		328	329	657	1,991
	-	4,578	9,517	14,096	16,783
3(c) General Church expenditure					
Heat, light & water	8,283	-		8,283	9,024
Rates and insurance	7,402	-		7,402	7,312
Telephone	1,763		-	1,763	1,848
Printing, postage & stationery	859		-	859	1,242
Church keeper	5,033	15,090		20,123	19,316
Organist/music	6,000			6,000	5,950
Junior church	65			65	-
Professional fees	900			900	1,080
Sundry	212	10		222	5,927
Service charges		16,113		16,113	19,262
Routine maintenance		10,041		10,041	6,935
Lift maintenance		6,079		6,079	2,299
Tower maintenance		5,126		5,126	-
Organ / piano maintenance		215		215	1,132
Manse maintenance		1,737		1,737	-
Church housekeeping	928			928	1,350
Bank charges	182			182	328
Recurring fees	2,037			2,037	985
				-	-
	33,664	54,411	-	88,075	83,990
3(d) Ministerial Costs					
Ministry & Mission	61,800			61,800	66,876
Minister's expenses	4,267	-		4,267	5,594
Pulpit supply	150	-		150	677
Manse	1,631	-		1,631	1,771
	-			-	
	67,848	-	-	67,848	74,918
TOTAL EXPENDITURE	101,512	59,031	9,517	170,060	176,951

FIXED ASSETS

	Unrestricted Funds			Total 2020 £	Total 2019 £
	General £	Designated £	Restricted Funds £		
Note 4: LONG TERM INVESTMENTS					
The investment assets held at the balance sheet date comprise:					
COIF - Charities Investment Fund		133,088		133,088	85,000
COIF - Fixed Interest Fund		94,068		94,068	85,000
COIF - Charities Property Fund		83,965		83,965	80,000
COIF - Charities Ethical Fund		75,176		75,176	50,000
	-	386,297	-	386,297	300,000

	Unrestricted Funds			Total 2020 £	Total 2019 £
	General £	Designated £	Restricted Funds £		
Note 5					
The movements on investments over the year were:					
Brought forward 1 January 2020:	-	300,000	-	300,000	300,000
Additions				-	-
Realised gains	-	-	-	-	-
Unrealised gains/(losses) on revaluation		86,297		86,297	-
	-	386,297	-	386,297	300,000

The unrealised gain is the result of the revaluation of the fixed asset investments previously held at cost. Investments are valued at bid value as at the balance sheet date and the surplus or deficit arising from this revaluation is shown within 'net gains / (losses) on investments' on the face of the SOFA.

LION WALK URC - NOTES TO THE ACCOUNTS YEAR ENDED 31 DECEMBER 2020

Note 6: Movement in the funds

	Opening Funds 1st January 2020 £	Incoming £	Outgoing £	Transfers £	Closing Funds 31st December 2020 £
Unrestricted Funds					
General Fund					
Unrestricted	44,943	114,061	(101,512)	(2,000)	55,492
Sub total General Fund	44,943	114,061	(101,512)	(2,000)	55,492
Designated Funds					
Property Maintenance Fund	377,449	135,797	(54,188)	-	459,058
Sub total Property Maintenance Fund	377,449	135,797	(54,188)	-	459,058
Outreach Fund	2,643	2,845	(4,576)	2,000	2,912
Sub total Outreach Fund	2,643	2,845	(4,576)	2,000	2,912
Legacies Fund	12,415	-	(10)	-	12,405
Sub total Legacies Fund	12,415	-	(10)	-	12,405
Organ Fund	2,102	-	(215)	-	1,887
Sub total Organ Fund	2,102	-	(215)	-	1,887
Special Events Fund	-	57	(42)	-	15
Sub total Special Events Fund	-	57	(42)	-	15
Total Designated Funds	394,609	138,699	(59,031)	2,000	476,277
Restricted Funds					
Special Collections fund	-	9,696	(9,516)	-	180
Sub total Special Collections Fund	-	9,696	(9,516)	-	180
Choir Fund	2,576	-	-	-	2,576
Sub total Choir Fund	2,576	-	-	-	2,576
Total Restricted Funds	2,576	9,696	(9,516)	-	2,756
TOTAL - ALL FUNDS	442,128	262,456	(170,059)	-	534,525

Good causes supported with donations in 2020

Acorn Village	£ 1,000.00	Amnesty International	£ 50.00
Ethiopiad	£ 100.00	Essex Carers Support	£ 100.00
MACS	£ 100.00	Five Talents	£ 100.00
Citizens Advice Colchester	£ 100.00	Freedom from Torture	£ 50.00
Anne Robson Trust	£ 100.00	Suffolk Refugee Support Group	£ 100.00
Re-cycle	£ 100.00	Tree Aid	£ 100.00
Colchester Food Bank	£ 200.00	Combat Stress	£ 100.00
UNHCR	£ 300.00	St Helena Hospice	£ 100.00
Sue Ryder	£ 150.00	Alcohol Research	£ 100.00
Tom Bowdidge Youth Cancer Foundation	£ 100.00	Colchester & Tendring Grassroots	£ 200.00
Rob George Foundation	£ 100.00	Colchester Night Shelter	£ 328.00
Friends of St Joseph School	£ 300.00	The Next Chapter	£ 528.00
Concern Worldwide	£ 100.00		
		Total	£ 4,606.00