

UNITED REFORMED CHURCH THAMES NORTH SYNOD CHARITIES

Registered Charity no 1135477

REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2020

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Trustees' Report

Synod Executive presents its report with the financial statements of the Synod for the year ended 31 December 2020. The financial statements have been prepared in accordance with the accounting policies set out in Note 1 to the accounts and comply with the Charities Act 2011 and the revised Statement of Recommended Practice "Accounting and Reporting by Charities 2019" (FRS 102).

Reference and Administrative Information

Address

St. Paul's URC, Newton Road, London, W2 5LS

Synod Executive

The members of the Synod Executive who are the Charity Trustees for the Synod during the period 1 January 2020 to 31 December 2021 were as follows:-

Members Elected by Synod for a period of three years renewable for a second period of three years only.

Anthony Alderman
Revd Ann Woodhurst

Marion McNeil

Members appointed by Synod for a period of three years renewable for a second period of three years

Bim Oniwinde
Revd John Macaulay

Bridget Akinyombo

Ex-officio members

The Treasurer and Assistant Treasurer are appointed by Synod normally for a period of three years renewable for a second period of three years only. The Moderator serves an initial term of seven years renewable for a further period of five years.

Revd Dr Andrew Prasad (Moderator and Convener) – retired 22/05/2021
Revd George Watt (Moderator) – appointed 05/06/2021
Anthony Obi-Ezekpazu (Treasurer)
Brian Hosier (Assistant Treasurer) - resigned 20/03/2021
Martyn MacPhee (Assistant Treasurer) – appointed 29/05/2021

Bankers and Professional Advisers

CAF Bank Ltd. 25 Kings Hill Avenue, Kings Hill, West Malling, Kent, ME19 4JQ
HSBC Bank plc, 165 Fleet Street, London, EC4A 2DY
Haysmacintyre LLP, Registered Auditors, 10 Queen Street Place, London, EC4R 1AG
Cripps Law, Wallside House, Number 22, Mount Ephraim, Tunbridge Wells, Kent TN4 8AS
Rapleys, 51 Great Marlborough Street, London, W1F 7JT

Trustees' Report

Structure, Governance and Management

The United Reformed Church Thames North Synod Charities is an unincorporated association acting for and on behalf of 121 (2019: 123) churches within the Thames North Province of the United Reformed Church.

Six charities were registered with the Charity Commission in April 2011. This was reduced to five in 2013 when the Religious Education Fund (assets less than £5,000) was absorbed into the General Purposes Fund.

- General Purposes Fund
- General Fund
- Church Buildings Fund
- Retired Ministers Housing Charity
- Welfare Fund

These charities continue to be administered under the umbrella of this one unincorporated association although they continue to be accounted for in their own funds and with their own identified assets as set out in Note 20 to the accounts.

The term Synod is commonly used to encompass the constituent URC churches within Thames North Province and also to denote the representative body comprising persons appointed by the constituent churches in the Province and others in accordance with the structure of the United Reformed Church (which is published as Section B of The Manual of the United Reformed Church). Synods were established under the provisions of the United Reformed Church Acts 1972, 1981 and 2000 to support the work of the local churches in their outreach and mission and to share the vision of the United Reformed Church's General Assembly with the local churches. Thames North Synod met in October 2020 to give general oversight to work done on its behalf and by the constituent churches. Covid-19 prevented the March 2020 meeting.

The activities of the Synod are overseen by the Synod Executive, the members of which are the charity trustees of the Synod's funds. Synod Executive meets at least five times a year and has received reports from its committees and personnel involved in discrete areas of its outreach to the churches and the wider world.

Legal ownership of the Synod's land and buildings, investments and other assets is vested in URC Thames North Trust. Day to day oversight of the properties, investments and other assets is the responsibility of the Synod Executive with some Powers delegated to the Resources Committee.

Appointment of members of Synod Executive

The Nominations Committee seeks members from the local churches who are willing to contribute to the work of the Synod Executive. Up to six members are identified this way and their appointment is confirmed by the Synod Meeting. The Nominations Committee also seeks to identify up to four members whose membership will ensure the Synod Executive fairly represents the membership of the local church congregations, these appointments are also confirmed by the Synod Meeting. The Moderator, the Treasurer and the Deputy Treasurer are ex officio members of the Executive by reason on their appointment.

There is an informal programme for the induction of Trustees and training is given at meetings to ensure they are aware of current practice and issues of charity law.

Principal risks and uncertainties

In order to gain an understanding of the risk exposure of the Synod we review each area of our operations annually and use a methodology that will assist the Synod in measuring, evaluating, documenting and monitoring its risks within all areas of its operations. We use our risk management process to identify, monitor, evaluate and escalate risks as they emerge, enabling Officers to take appropriate action wherever possible in order to control them and also enabling the Synod Executive to keep risk management under review.

During the current year the Trustees undertook a detailed reappraisal of the principal risks and uncertainties facing the organisation. The risk factors addressed below are those which we believe to be the most material to our business model, which could adversely affect the operations, revenue, cash flow or assets of the Synod and which may prevent us from achieving the Synod's strategic objectives. Additional risks and uncertainties currently unknown to us, or which we currently believe are immaterial, may also have an adverse effect on the Synod.

Principal risks and uncertainties (continued)

Potential risk	Potential impact	Steps to mitigate risk
Governance		
The charity lacks direction, strategy and forward planning	- the charity drifts with no clear objectives, priorities or plans - issues are addressed piecemeal with no strategic reference - needs of beneficiaries not fully addressed - financial management difficulties - loss of reputation	- Trustees and officers establish leadership gathering for the purpose of creating a strategic plan setting out the key aims, objectives and policies - align financial plans and budgets to Support findings and objectives identified - monitor financial and operational performance against stated targets - communicate to members and get feedback from Synod meeting
Loss of key staff	- experience or skills lost - operational impact on key projects and priorities - loss of contact base and Corporate knowledge	- succession planning - document systems, plans and projects for effective handover - implement training programmes - agree notice periods and handovers - review and agree recruitment processes
Operational risk		
Employment issues	- employment disputes - health and safety issues - claims for injury, stress, harassment, unfair dismissal - equal opportunity and diversity issues - adequacy of staff training - low morale - abuse of vulnerable beneficiaries	- review recruitment processes and establish checklist of key actions - Ensure staff appraisals conducted on timely basis - Ensure exit interviews conducted for all staff (i.e. employees and agency) - implement job training and development - implement health and safety training and monitoring
Information technology	- systems fail to meet operational need - failure to innovate or update systems - loss/corruption of data e.g. donor base - lack of technical support - breach of data protection law	Develop IT strategy covering following areas - appraise system needs and options - appraise security and authorisation procedures - implement measures to secure and Protect data - agree implementation and development procedures - use service and support contracts - create disaster recovery procedures - consider outsourcing
Financial risks		
Pension commitments	Thames North (TNS) is a member of a syndicate of regional synods that have historically agreed to fund any shortfall on a discretionary basis on the two defined benefit pension schemes run by the National URC Church. The pension regulator is no longer happy with the informal nature of this commitment from the synods and is requiring a firm commitment backed by way of guarantee of cash this will have the following impact - impact on future cash flows - regulatory action or fines	Monitor advice issued by national central church and engage in ongoing discussions.
Capital projects & programmes	TNS provides grants, debt financing to developments in the synod and on occasion are called on to effectively underwrite development schemes that run into trouble albeit on a discretionary basis. This can impact TNS cash flows significantly.	- Ensure each development has appropriate governance structures - Ensure each development has secured all funding sources before commencing - Ensure appropriate controls in place to monitor cost

Trustees' Report *(continued)*

Principal risks and uncertainties *(continued)*

COVID-19

During the reappraisal, the risk and uncertainties resulting from the effects of the Pandemic were considered. The main risks identified were financial pertaining to the value of our Investments and related income generation and also any financial support through grants and loans to the wider church network. The trustees concluded that these were minimal as a result of the following mitigations:

(i) Investments

There has been minimal deterioration in the value of the investment holdings and income as evidenced by the Investment valuation report for December 2020. Additionally, due to several church closures in 2020 the value of holdings and income is set to increase.

(ii) Grants and loans

As a response to alleviate some of the financial effects experienced by the wider church network Synod have instituted a COVID-19 loan facility. However, this is a discretionary facility, and to date there has been little utilisation. The facility remains in place during 2021.

Objects and Activities

The objects of the Thames North Synod are to advance the Christian religion in accordance with the doctrines, principles and usages of the United Reformed Church, particularly in the Thames North area. The Synod also supports the work of the whole United Reformed Church through the Inter Synod sharing of financial resources.

The Synod continued to carry out the following activities during 2020:

(i) Grant, loans and advisory services

Synod provided advisory services and funding across the Synod, which cover 121 (2019: 123) local churches and projects in the Thames North region. It has given financial support to a great variety of projects run by these local churches alone and ecumenically.

The churches and members of their congregations are encouraged to apply for grants and loans to assist with children's and youth work, lay and ministerial training, mission and outreach to the community, spiritual and building development and maintenance. The application form for grants and loans and guidance notes are available from the Synod website www.urcthamesnorth.org.uk. These applications come with the support of the church meeting and Local Area Group.

(ii) United Reformed Church

The Synod also supports the work of the whole United Reformed Church through the Inter Synod sharing of financial resources and facilitating the collection of Ministry and Mission funding from the local church network.

(iii) Public Benefit

In all our activities we continue to remain mindful of the legal requirement for charities to provide public benefit and have had regard to the guidance published in this connection by the Charity Commission.

Thames North Synod gives high priority to the safeguarding of children, young people and adults at risk by supporting local churches to develop robust practices and comply with legislation. The Synod follows guidance received from URC headquarters, the Good Practice Policy 5 and the 'Safer Sacred Space' (SSS) programme facilitators. The Synod's Safeguarding Officer coordinates matters relating to safeguarding and supports and encourages local churches and their Elders (local church trustees) to appoint Safeguarding Co-ordinators. During the year the role of Safeguarding Officer was designated as a paid post serving both

Thames North and Southern Synods rather than a voluntary role serving only Thames North Synod. The Synod undertakes an annual review including a needs assessment which informs the safeguarding training requirement for those acting on behalf of the local church. In addition, the Synod arranges SSS and Boundaries training for ministers. Safeguarding training facilitates the awareness and knowledge of safeguarding at a local church level, and empowers everyone to recognise and respond appropriately. The Synod has contracted an independent company thirtyone:eight to further advise and support churches in the Synod via additional training and a 24-hour helpline.

Achievements and Performance

The Synod fulfils its objectives through offering support to the churches by providing funding, programme staff and enabling structures as churches attempt to fulfil their Christian calling. A detailed review of the work and activities of the Synod is reported at the March meeting of Synod annually.

The main work of the Synod is to support its constituent local churches and the ecumenical projects supported by the Synod or local churches through various funds at its disposal, and by the mutual co-operation and support of members. Our website continues to be developed for Thames North Synod, for the purpose of improving communication and advocacy of various programme activities. A weekly electronic newsletter was started in January 2018 to share information.

Support is given through personnel appointed to assist with a variety of training of lay and ordained leadership, property matters and work with children and young adults. Others assist with our urban churches, our work in universities, at Heathrow airport and Interfaith dialogue and inter-cultural habits. Synod also supports ecumenical projects and community services (for example, Grassroots, Luton; Chaplaincy at Luton Airport; and University Chaplaincy at Hertfordshire University).

Synod Structures

Committee Structure.

The streamlining of the Synod's central governance structures, completed in 2015 under the process of 'Re-Visioning the Synod', released volunteer time to be redeployed in local churches. Some of the services and operations have been centralised, which has proved to be a significant improvement in how the Synod fulfils its role. The joined-up thinking and action across the Synod's programmes and activities is quite central to the new way of working. The Conveners of all Synod Committees meet bimonthly with the Moderator and Synod Clerk. The programme staff hold regular team meetings. The Synod Officers (Moderator, Synod Clerk, Treasurer and Assistant Treasurer) meet regularly to monitor any major issues, review progress and reflect on improving Synod's administration.

The Synod has five Committees: Executive, Discipleship, Pastoral, Resources and Appointments Advisory. There is also a Listed Buildings Advisory Committee.

The purpose of the Executive Committee is to take such actions as will advance Synod decisions relating to the mission, welfare, good governance and well-being of the Thames North Synod of the United Reformed Church. The Executive has a co-ordinating and facilitating role in relation to the work of the other committees and is also the Trustee of Synod in relation to specified staffing, financial and property matters.

The purpose of the Discipleship Committee is to review and update strategies and plans for nurturing faith across all age ranges and for promoting new patterns of activity to further Synod's mission and growth objectives in the context of Vision 2020 (a URC Mission Programme); and to encourage and challenge diverse Local Area Groups across the Synod to identify local priorities for growth and service.

The purpose of the Pastoral Committee is, in conjunction with the Moderator as required, to support ordained ministers, lay ministry and develop deployment strategy in maintaining and developing the Church's mission and ministry, including supporting Local Area Groups to develop appropriate local responses to achieving Synod's mission and growth objectives.

Synod Structures *(continued)*

Committee Structure *(continued)*

The purpose of the Resources Committee is to ensure that Synod's financial and property resources are properly administered to best advance Synod's mission and growth objectives and support the ministry of Local Area Groups fairly and appropriately across the Synod area.

The purpose of the Appointments Advisory Committee is to ensure that the best possible candidates are found through an open and transparent process to fill vacancies in Synod committees and task groups and to represent Synod at the General Assembly - increasing the level and range of relevant skills available and providing a more balanced representation of the geographic spread, age, gender and ethnicity of church members where possible

The Listed Buildings Advisory Committee is a quasi-statutory body appointed by Synod in accordance with the Revised Procedure for Control of Works to Buildings agreed between the United Reformed Church and the Government under The Planning (Listed Buildings and Conservation Areas) Act 1990 & The Ecclesiastical Exemption (Listed Buildings and Conservation Areas) Order 1994. (SI 1994 No.1771). It is distinct from other Synod committees in that it largely operates under Planning Law and not the United Reformed Church legislation.

The purpose of the Listed Buildings Advisory Committee is to receive notice of any work proposed within the curtilage of a Listed Church, currently in use for worship by the URC and held in URC Trusts within Thames North Synod, and after consulting with the local church and appropriate heritage bodies to advise the Synod (through the Synod Resources Committee) as to whether or not to grant Listed Buildings Consent and on what conditions.

Local Area Groups

The formation of Local Area Groups, as part of the 'Re-Visioning the Synod' process which began in November 2015 was completed in 2017. The Synod in total has 14 Local Area Groups. Every local church in the Synod is part of a Local Area Group.

Fulfilment of our vision – that churches would be stronger together benefitting from the mutual support that will assist them in fulfilling their obligations and achieving their missional goals more effectively – continues to evident in varying degrees in almost all Local Area Groups. The relationship and cooperation between the churches has led to a few amalgamations where two churches formally merge to form a single church, freeing a church building which often requires heavy maintenance cost, as a missional resource for community activities, or by realising funds to support other building or mission projects.

It is hoped that the strategies for training, mission and discipleship will be developed by churches jointly and delivered by the Synod staff and Committees in the context of the Local Area Groups.

Synod Staff

There were further changes in the office staff in 2020. The new Synod Accountant appointed in 2018 left in 2019. The post was initially filled on an interim basis and was made permanent in May 2021. The job description of the PA to the Moderator and Synod Clerk was revised to include key tasks of the Office Manager in 2019 and is working well. The Office staff meets regularly to ensure the smooth running of the office currently conducted via Zoom digital meeting platform. These are informal meetings and no minutes or actions are taken.

There is a 'Pastoral Consultants' team dedicated to offering conflict-mediation and pastoral care to churches and ministers when they go through a difficult period or are in transition. The team includes a part-time lay woman, a part-time ordained minister along with three trained volunteers, two of whom are from ethnic minorities.

The Synod also have 3 employees who operate directly with local churches in the field: Property Development Worker, Children & Youth Development Officer and Training Officer. They support various Synod programmes in the field of their specialisation. They have proper line-management and are accountable to the Synod Executive Committee.

Trustees' Report (*continued*)

i. Training & Development

An annual Gathering of Treasurers and Administrators is held (usually in February) to assist with the ever-increasing legislative and governance environment affecting churches. The Synod Treasurers, Resources Convenor, Trust Officer and Property Development Worker play a key role in planning the event.

The Synod Training Officer provides oversight and encouragement to various need-based training activities that directly assist in the mission and ministry of the local churches, including ministers in training. The Lay Preacher Co-ordinator facilitates and develops lay preachers in the Synod. We currently have 47 Assembly Accredited lay preachers. There is a full time Children's & Youth Development Officer, two Children's & Youth Advocates and a Regional Pilots Officer to support the churches' work among children and youth.

Along with Eastern Synod we held our annual Spring School in March and travelled up to Yorkshire Synod and visited various projects in the Synod and explored together some of the ways ministry is being done in different contexts. Plans for the Ministers in the Synod coming together annually for a 48 hours' residential in November were postponed. The theme for 2020 was "Ministry on the Move: living with change", and we stayed at Westminster College in Cambridge (a URC Resources Centre for Learning) and with the staff there explored issues of ministry and church life in changing times.

The system of Church Life Reviews (CLR), continues as part of the Synod's programme to give local churches an opportunity to express their mission and how best the Synod can assist in furthering it. Reviews in half of our churches have been completed. URC policy is to encourage churches to take up CLR as part of the requirement of declaring a vacancy to invite ministers to serve congregations. Churches are encouraged to link the review with Vision 2020, a ten-year framework exploring ten priorities for mission.

We continue to encourage our churches to be intentional about discipleship, deepening their own faith and sharing faith with confidence. 'Walking the Way', a national URC initiative which includes Holy Habits, has been embraced to encourage churches to focus on discipleship. We continue to work with the national Walking the Way team, the Methodist Church and 23 Anglican Diocese; this will add richness to our own journey as we draw on the experience of others. We are also contemplating how we respond to whole-life discipleship/Walking the Way in the context of children's ministry.

A programme for leadership development, *Aspire to More*, replacing our former programme, Training for Learning and Service (TLS), has been prepared to assist churches. There are about 25 course participants (young and old) from various churches, who are trained to lead Christian worship and offer local leadership. A small team facilitates the *Aspire to More* training programme. In 2019 we launched a new programme to train lay worship leaders in Pastoral rites, helping them to explore the interaction between the pastoral and worship elements of weddings, wedding blessings, funerals, church membership, confirmations and baptism as well as the opportunity to explore other rites that may be asked for within a faith setting.

ii. Wider Links

The Church is universal. The United Reformed Church in Thames North is aware of being part of the worldwide Church. Within Europe, the Evangelical Church of Czech Brethren (ECCB) in Czech Republic is linked with Thames North Synod. The relationship has been maintained by sharing news and information and the receiving of guests. The Moderator attended the celebration of the 100th Anniversary of ECCB in 2018.

In 2020 the Moderator, assisted by the Synod Clerk, continued ecumenical links and wider participation with other denominations in the geographical regions connected to the Synod. This included several formal and informal Churches Together organisations and various ecumenical projects jointly financed by ecumenical bodies. The Synod regularly reviews its ecumenical links to be effective in its participation. In 2021 following the appointment of a new Moderator our focus on this work will be strengthened by the appointment of an Ecumenical officer – Reverend Sally Thomas.

Thames North Synod's involvement in interfaith work has historically been coordinated through the local church network and has been spearheaded by our involvement in The London Inter-faith Centre

Trustees' Report *(continued)*

ii. Wider Links *(continued)*

(LIFC), a registered charity developed through the work of one of our ministers currently the Reverend Dr John Parry as a Co-director. In 2018 we reported that the Centre planned to formally close in December 2018, however this was subsequently postponed until July 2020. The Reverend Dr John Parry just finished the first draft of a commentary (c 40,000 words) on a piece of Sikh scripture - Sukhmani - the Prayer of Peace and bringer of Joy. During the year he has also spoken with the Regents Park Mosque, the West London Liberal Synagogue, the Shi'a based al Khoei Foundation and attended conferences organised by the Glasgow Interfaith group and the Council of Christians and Jews. Topically during this period of Coronavirus lockdown, the Centres work is continuing with a group of erstwhile LIFC supporters of several faiths meeting weekly through Zoom. They discuss a variety of topics and, at a time when confined to their homes, the meeting provides a welcome opportunity for 'e-fellowship'.

The LIFC closed on the 19th July 2020, but despite this the Synod's Inter-faith work continues through the local church network in several localities where members of the United Reformed Church (URC) have been engaged in dialogue within those communities. Examples of this include the burgeoning partnership between Jews and Christians guided by the Reverend Ulrike Bell in Woodford Green and an established working relationship between the congregation at Northwood and their local Muslim community, supported by the Reverend James Fields. Additionally, a small group of URC ministers in Thames North Synod have begun to meet to provide mutual support and to try to establish inter-faith relations on a more secure footing. They were pleased to welcome the Reverend Sally Thomas, minister in Kensington and Bayswater, who brings her long experience in dialogue in both the North of England and Wales. She and the Reverend Dr John Parry are exploring the possibility of work with the NHS in terms of training for those working with faith communities in the field of Mental Health.

Financial Review

The Statement of Financial Activities on page 13 discloses that there was a net surplus in resources on all funds totalling £7.5 million for the year (2019: £3.3 million). Our total funds now stand at £36.4 million with £8.7 million in Capital and Restricted Funds. However, as explained in the Reserves Note below only £13.3 million of this is readily realisable. Despite the closure of three churches during 2020 the Cash Flow Statement shows little impact as none of these churches and associated Manses had been sold by the year end.

Investment Review

The investment powers of the Synod are those generally applicable to Trustees and are now found in the Trustee Act 2000.

(i) Investment policy

The Synod seeks to achieve as high an income as possible, subject to protecting the capital value of the funds against inflation. Investments consist of fixed interest and equity marketable securities and property, inherited from closed churches, which are let commercially. The Synod seeks to ensure that none of its investments can be seen to support practices which are against the conscience of Christians following the Ethical Investment Guidelines approved by the URC General Assembly from time to time

(ii) Additions and dispositions

There were no significant movements our equity investments during 2020. During 2020 investments properties increased due to the addition of two manses 41 Windermere in West Kilburn and 9 The Hook Barnet as a result of the closure of West Kilburn and Whetstone URCs.

(iii) Portfolio performance

The performance of our investment holdings during the year have been measured by comparison of total returns against the FTSE All share index, FTSE Actuaries UK Gilts and the UK HPI London All property index on an annual, 3-year and 5-year average basis. The results are outlined below:

Trustees' Report (*continued*)

(iii) Portfolio performance (*continued*)

	Holding as 31 December 2020	1-year Return	3-year Return	5-year Return
Investments	£ '000			
CCLA Ethical Inv. Fund	15,661	9.76%	10.45%	11.51%
CCLA Global Equity Fund	-	22.75%	16.39%	15.20%
Property	8,647	2.90%	12.74%	10.31%
Benchmarks				
MSCI UK Investable Markets		-11.78%	-1.95%	4.57
MSCI World ex UK Index		13.80%	10.91%	14.49%
MSCI World Index		12.32%	10.16%	13.90%
AREF/MSCI All Prop Monthly		-1.03%	2.78%	4.39%
Markit iBoxx £ Gilts Index Fixed		8.83%	5.46%	5.74%
Markit iBoxx £ Non Gilts Index		7.80%	5.07%	6.01%
UK LIBID 7 Day Rate (cash)		0.06%	0.37%	0.30%

*- investment holdings disposed of on 23 December 2020 and reinvested with CCLA

The trustees have decided to focus the investment funds with the CCLA Ethical Investment Fund following the decision to divest from holdings in the fossil fuel and extractive related industries. The one-year investment performance for 2020 reflects the rebound in markets after the fall in December 2019 however the trustees are satisfied with longer term performance of the fund and that there is sufficient diversification of geographies and asset classes.

Reserves Policy

Total reserves at 31 December 2020 were £36.4 million. Endowment funds were £5.1 million, Restricted funds £3.6 million and Unrestricted funds £27.7 million. The trustees would like to retain reserves sufficient to produce enough income to meet the basic running costs of the Synod.

The Balance Sheet on page 14 indicates the amount in the Unrestricted fund and when adjusted for fixed assets and investment properties it is calculated that the easily realisable reserves amount to over £13.3 million.

The Synod does not raise funds from appeals or from member churches and therefore relies entirely on income from investments and the sale proceeds of closed church buildings to fund the work of the Synod.

The average basic costs, excluding voluntary grants, amount to £645k and it is calculated that reserves of £18.6 million would be needed to produce sufficient income to pay all these costs. On that basis, the Synod holds sufficient reserves.

Following the revision in 2015 of the Synods spending commitments to that of half the average exceptional income arising over a 10-year period from investment gains and sale of redundant buildings to support work of local churches by part funding major projects from time to time. We can report that during the year the Synod spent £0.1 million under our average 10-year commitment of £1.1 million. The Trustees continue to monitor this benchmark and continue to encourage projects that further the Synods Christian objectives.

Trustees' Report *(continued)*

Plans for the future

The principal tasks of The Executive Committee in 2021 will be to:

1. strengthen the Local Area Groups and support their efforts
2. strengthen the link of the Synod discipleship activities with the denominational 'Walking the Way' programme which is being developed and has the same ethos. The Synod seeks to appoint a Discipleship Enabler, a full time Minister who is dedicated to the work of discipleship.
3. Continue the migration from the 'Aspire to More' to the 'Stepwise' training programme.
4. distribute limited ordained ministry resources in a more strategic way, seeking to make ministerial deployment more within the remit of the Local Area Groups. The Synod has 14 Local Area Groups
5. provide more support to churches to understand and observe recent legislative changes, such as Safeguarding and GDPR
6. continue to monitor and improve our staffing needs
7. support the Synod Committee Conveners to recognise and develop a holistic approach to respond to the needs of churches
8. continue to monitor and provide support to improve the efficiency of the Committees in fulfilling their role
9. the Synod, particularly the Trustees, will work towards a greater understanding of and commitment to the concept of inter-synod funding, whereby those synods with higher reserves assist the essential work of synods with limited funding.
10. ensure that drawn-down funds are administered by URC Thames North Trust and maintain an application process separate from the Synod Resource Committee, in response to the requirement from the Denomination.
11. Fill any remaining synod staff posts and maintain adequate staff management, appraisal and support.
12. Monitor the ongoing effects of the COVID-19 pandemic on the church network and provide assistance on a discretionary basis as deemed appropriate.
13. Approve our commitment of £8.1 million over 10 years, to contribute to a fund established to provide a guarantee in respect of the Minister Pension Fund (MPF) deficit of £45 million, as required by The Pension Regulator.

Use of Volunteers

Most Ministers of Word and Sacrament receive stipends directly from the United Reformed Church. The United Reformed Church Trust (acting at denominational level) is a separate charity, not under common control. The Synod office staff, Children's & Youth Development Officer, Property Development Worker, Synod Clerk and Trust Officer are paid by the Synod. Other than these, all members of Synod Committees and others supporting and enabling Synod activities are volunteers, almost all being members of their local United Reformed Church or Local Ecumenical Partnership church.

Key Personnel

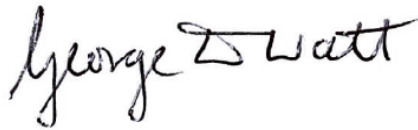
The key management group within the Synod structure is made up of the Synod Moderator, the Synod Clerk and the Treasurer and the Assistant Treasurer. The Moderator is remunerated by the United Reformed Church at the same rate as all stipendiary ministers of word and sacrament serving the denomination. The two treasurers are volunteers. The Synod Clerk is remunerated from Synod Funds. His salary was set in line with Level 1 Local Authority pay scales and since that date he has received the agreed annual increments made to all Synod staff.

Statement of Trustees' Responsibilities

The Synod Executive is responsible for ensuring that accounts are prepared each financial year which give a true and fair view of the state of those trusts and other funds which are administered for the benefit of the Thames North Synod of the United Reformed Church, under the overall control of the Synod, as at the end of the year and of their income and expenditure for that year. In preparing those accounts, the Synod Executive is responsible for ensuring that:

- suitable accounting policies are selected and applied consistently;
- observe the methods and principles in the Charities SORP;
- judgements and estimates made are reasonable and prudent;
- applicable accounting standards are followed; subject to any material departures being disclosed and explained in the financial statements;
- the accounts are prepared on a going concern basis unless it is inappropriate to assume that the Synod will continue its activities.

The Synod Executive is responsible for ensuring that proper accounting records are maintained which disclose with reasonable accuracy at any time the financial position of the Synod and to enable them to ensure that the accounts comply with generally accepted accounting practice. They are also responsible for safeguarding the assets of the Synod and hence for taking steps for the prevention and detection of fraud and other irregularities.

A handwritten signature in black ink that reads "George Watt". The signature is written in a cursive, flowing style.

Signed on behalf of Synod Executive
Revd George Watt – Moderator
29th October 2021

Statement of Financial Activities for Year Ended 31 December 2020

						2019
	notes	Unrestricted Funds £'000	Restricted funds £'000	Capital funds £'000	Total Funds £'000	Total Funds £'000
Income and endowments from:						
Donations and legacies	3	6,938	–	–	6,938	1,876
Charitable activities	4	–	17	–	17	32
Investment Income	5	786	78	–	864	779
Other	6	315	–	–	315	–
Total		8,039	95	–	8,134	2,687
Expenditure on:						
Raising funds	7	41	–	–	41	45
Charitable activities	8,9	1,557	43	–	1,600	1,487
Total		1,598	43	–	1,641	1,532
Net gains on investments	11	571	138	219	928	2,129
Net gains on assets held for resale	11	–	–	–	–	–
Total		571	138	219	928	2,129
Income/Expenditure		7,012	190	219	7,421	3,284
Reconciliation of Funds						
Total funds brought forward		20,533	3,430	4,852	28,815	25,531
Period Income/Expenditure		7,012	190	219	7,421	3,284
Total funds carried forward		27,545	3,620	5,071	36,236	28,815

The Statement of Financial Activities includes all gains and losses recognised in the year. All incoming resources and resources expended are derived from continuing activities. Comparative figures for 2019 are shown in note 12.

The notes on pages 16 to 27 form part of these financial statements.

Balance Sheet as at 31 December 2020

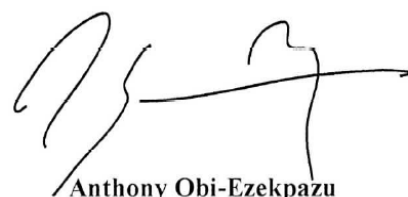
	notes	2020 £'000	2019 £'000
FIXED ASSETS			
Tangible Assets	13	5,688	3,515
Long Term Investments	14	24,437	21,013
Loans and Advances	15	3,445	3,106
Total Fixed Assets		33,570	27,634
Current Assets			
Asset held for re-sale	16	1,664	–
Debtors	17	32	119
Cash and short-term deposits	18	2,005	2,350
Total current assets		3,701	2,469
Liabilities:			
Amounts falling due within one year	19	(686)	(659)
Net current assets		3,015	1,810
Amounts falling due after one year	19	(349)	(629)
		36,236	28,815
Represented by:			
Endowment funds	20	5,071	4,852
Restricted income funds	20	3,620	3,430
Unrestricted Funds	20	27,545	20,533
		36,236	28,815

The notes on pages 16 to 27 form part of these financial statements

Approved by the Synod Executive on 29 October 2021 and signed on their behalf by



Revd. George Watt
Moderator



Anthony Obi-Ezekpazu
Synod Treasurer

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2020**

	2020	2019
	£'000	£'000
Net income/expenditure for the reporting period (as per SOFA)	7,421	3,284
Adjustments for :		
Depreciation	3	3
Donations	3 (6,897)	-
Gains/losses on investments	(928)	(2,129)
Dividends, interest and rents from investments	(747)	(764)
Loan Interest	(134)	(48)
Surplus on sale of fixed assets	(315)	-
Decrease in debtors	88	(68)
Decrease in creditors	(253)	(259)
Net cash inflow(outflow) from operating activities	(1,762)	19
Cash Flow from investment activities		
Dividends, interest and rents from investments	747	773
Donations	365	-
Proceeds from the sale of fixed assets	-	-
Purchase of investments	(120)	(3,813)
Proceeds from the sale of investments	632	3,760
Issue of loans	(287)	(1,513)
Repayment of loans	80	36
Net cash provided by/used in investing activities	1,417	(757)
Net change in cash and cash equivalents in the reporting period	(345)	(738)
Cash and cash equivalents at the beginning of the reporting period	2,350	3,088
Cash and cash equivalents at the end of the reporting period.	2,005	2,350

Analysis of movement in cash and cash equivalents

	Current	Deposit	Total
Balance at beginning of the period	119	2,231	2,350
Cashflow	150	(495)	(345)
Balance at end of the period	269	1,736	2,005

1 Accounting Policies

Basis of accounting

The accounts have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Statement of Recommended Practice for Charities (SORP 2019) (Second Edition, effective 1 January 2020) and the Charities Act 2011.

The financial statements are prepared on a going concern basis under the historical cost convention as modified by the inclusion of investments at market value and in accordance with applicable accounting standards other than the policy for valuing investment properties, see note below. The financial statements are prepared in sterling which is the functional currency of the charity and rounded to the nearest £1,000. No significant payments were made in other currencies during the year.

General Information.

The Charity is registered in England and Wales (charity number 1135477). The Charity's registered office address is St Paul's URC, Newton Road, London, W2 5LS. The Synod meets the definition of a public benefit entity under FRS102.

Preparation of the accounts on a going concern basis

The Trustees consider that there are no material uncertainties which would cast doubt on the Charity's ability to continue as a going concern. In particular in relation to the effects of the COVID 19 pandemic the Trustees are satisfied that given the strength of its balance sheet and having regard to the most recent forecast, budgets, cash flow statements and risk assessment that the impact on operational continuity will be minimal. For this reason, the Trustees continue to adopt the going concern basis in preparing the financial statements.

Scope

The accounts show the combined income, expenditure, assets and liabilities of the funds, which are administered for the benefit of the Synod.

Classification of funds

Capital funds are permanent endowments, which are required to be retained. The income from these funds is spent in accordance with the terms of the original endowment.

Unrestricted funds are those which may be spent generally for furthering the religious and charitable work of the Synod.

Restricted funds as the name implies are those which may only be spent in accordance with the terms of the original restriction.

Incoming Recognition

All incoming resources are recognised once the Synod has entitlement to the resources, it is probable the resources will be received, and the monetary value of incoming resources can be measured with sufficient reliability. Fixed and current assets inherited from closed churches and legacies are recognised when receivable and are included at fair value.

Investment income is earned through holding assets for investment purposes such as shares and property. It includes dividends, interest and rent. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the income is reported net of costs. It is included when the amount can be measured reliably. Dividend and rental income are recognised as the Synod's right to receive payment is established.

Expenditure Recognition

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the Synod to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs relating to the category.

Grants payable are payments made to churches, individuals and the wider church in the furtherance of the Synod's objectives. Single or multi-year grants are accounted for when either the recipient has a reasonable expectation that they will receive the grant and the Executive or its Committees have agreed to pay the

1 Accounting Policies (*continued*)

Expenditure Recognition (*continued*)

grant without condition, or the recipient has a reasonable expectation that they will receive a grant and any condition attached to the grant is outside the control of the Synod.

Provision for grants are made when the Spending Committee have approved the grants and this intention has been communicated to the recipient. This includes grants payable over more than one year.

Support costs allocation

Support costs are those that assist the work of the Synod but do not directly represent charitable activities and include premises, office, governance and salary costs. They are incurred directly in support of expenditure on the objects of the charity. Where support costs cannot be directly attributed to particular headings, they have been allocated to the cost of raising funds and expenditure on charitable activities on a basis consistent with use of resources.

Tangible Fixed Assets and depreciation

(i) *Land and Buildings*

Programme Assets are carried at cost. Depreciation of programme related freehold land and buildings ceased in 2005 on the basis that it is immaterial since all properties have high residual values. The Finance Committee carries out an impairment review on behalf of Synod Executive to reassure them that the policy of non-depreciation still remains appropriate.

(ii) *Motor Cars and Office Equipment*

Depreciation is only provided for assets costing over £1,000 and is provided at 25% of the written down value unless the life of the asset is expected to be shorter.

(iii) *Office Furniture and Fittings*

Depreciation has been provided at 25% of the written down value unless the life of the asset is expected to be shorter.

Investments

Quoted Investments are included at market value at the Balance Sheet date. The Investment properties were valued at market value at 31 December 2019 by the Synod's surveyors – Rapleys. It is the Synod's intention that Investment properties will be valued at "fair value" in future years.

Realised gains and losses

All gains and losses are taken to the statement of financial activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and opening market value (purchase date if later). Unrealised gains or losses are calculated as the difference between the market value at the year end and opening market value (or purchase date if later). Realised and unrealised gains are not separated in the Statement of Financial Activities.

Pensions

The Synod contributes to a multi-employer defined benefit pension scheme for some employees who were employed before 2010 (see note 23). The assets of the scheme are managed independently of the Synod. Pension costs are assessed in accordance with the advice of an independent qualified actuary. Contributions for the regular ongoing cost of pensions are such that the regular pension cost is a substantially level percentage of the current and expected future pensionable payroll. The Synod also operated two defined contribution schemes which were closed in 2017 and replaced with an Auto Enrolment Scheme. Contributions are charged as expenditure as they become payable in accordance with the rules of the schemes.

Recognition of liabilities

Expenditure is included in the Statement of Financial Activities in accordance with the concept that liabilities are recognised as soon as there is a legal or constructive obligation committing the Synod.

Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

1 Accounting Policies (*continued*)

Cash and Cash Equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

Significant Estimates and Judgements

In preparing these financial statements the trustees have had to make estimates and assumptions that affects the amounts recognised in these financial statements. Estimates and judgement are continually evaluated and are based on historical experience and other factors, including expectations of future events that are reasonable under the circumstances. The key area that is subject to estimates or judgement where adjustments would have a material effect are investment property valuations .

Financial instruments

The Synod only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities such as trade and other accounts receivable and payable, loans to related parties and investments in stocks and share. The measurement basis used for these financial instruments is detailed in note 21 of the accounts.

2 Related Party Transactions and Trustees' Remuneration

Trustees received no emoluments (2019 nil). Travelling, computer and stationery expenses reimbursed in the year totalled £ nil (2019 £ 340).

3 Donations and Legacies

	2020 £'000	2019 £'000
Receipts from Closed Churches	6,897	1,837
Trust	41	37
	6,938	1,876

4 Charitable Activities

	2020 £'000	2019 £'000
Income from Retirement Homes	17	32
	17	32

The Synod asked a less than commercial rent on properties owned by the Synod's Homes for Retired Ministers' Fund. These are let to ministers and their widows who had not amassed sufficient years' service to qualify for the URC Retired Ministers Housing Scheme.

5 Investments

	2020 £'000	2019 £'000
Dividends - investment units	470	504
Dividends - fixed interest units	9	9
Interest on loans to churches and ministers	143	57
Rents from Investment Properties	260	227
Notional gain on equity loan	(18)	(18)
	864	779

5 Investments (continued)

Interest on deposit accounts is either paid direct to the Synod or via URC Thames North Trust. The notional gain on the equity loan reflects the increased value of the loan to Mission Housing. This is a requirement for FRS 102.

6 Other

	2020	2019
	£'000	£'000
Profit on disposal of programme assets	315	-
	315	-

7 Cost of Raising Funds

	2020	2019
	£'000	£'000
Rented Property Costs - Investment Properties	41	45
	41	45

Rented property costs consist of insurance, professional fees, repairs, statutory surveys etc as required on the Synod's housing stock.

8 Allocation of Support Costs and Overheads

Where costs are specifically attributable to Programme Staff these have been included in direct Support costs. Following a re-evaluation of our costs, it is now considered that all Administration costs can be classed as charitable.

	2020	2019
	£'000	£'000
Inter Synod Sharing	180	180
Newham Grant	—	—
Contribution to National Church (Ministry and Mission Fund)	101	53
Ongoing committed mission costs	105	70
Salaries and costs of Programme staff	211	165
Resources Grants	545	272
Welfare grants	1	4
Costs of retirement and Synod properties	127	212
Salaries and associated costs for Office Staff	159	77
Synod Office running Costs	55	90
Trust Officer Salary and associated costs	73	71
Synod Clerk's salary and costs, Committee and Synod events	24	47
Pastoral Consultants costs	—	—
Legal and Valuers' fees	2	48
Audit fee	17	14
Contribution to URC pensions deficit	—	184
	1,600	1,487

9 Charitable Activities

Under the new committee structure all grants are made by the Resources Committee after consulting with the Discipleship and Pastoral Committees. All grants are made to local churches.

10 Emoluments of Employees

The total emoluments of employees of the Synod were £327,000 (2019 £315,000). The average number of employees was 10 (2019:10). During the year, the following salary costs were incurred:

	2020 £'000	2019 £'000
Gross Salaries	118	99
Social Security Costs	12	9
Pension Contributions	20	24
	150	132
Salaries of the Synod Clerk, Office and Trust Staff		
Gross Salaries	154	146
Social Security Costs	18	32
Pension Contributions	16	17
	188	195
The number of employees that receive a salary of		
£60,000 - £70,000	-	1
£70,000 - £80,000	1	-

The Synod's Key Personnel are considered to be, other than the Trustees, the Moderator whose stipend is paid by the United Reformed Church. The Treasurer and Deputy Treasurer who receive no remuneration and the Synod Clerk whose salary for his part time employment was £31,735 (2019: £32,702). Termination payments of £ nil were made during the year (2019: £ nil)

11 Gain/Losses on Investments and Assets Held for Resale

	2020 £'000	2019 £'000
Realised gains/(losses) on disposal of investments	-	512
Gains on revaluation of investments held	928	1,617
- see note 14	928	2,129

12 Statement of Financial Activities for Previous Year 2019

	notes	2019 Unrestricted Funds £'000	2019 funds £'000	2019 Capital funds £'000	2019 Total Funds £'000
Income and endowments from:					
Donations and legacies	3	1,876	-	-	1,876
Charitable activities	4	-	32	-	32
Investment Income	5	701	78	-	779
Total		2,577	110	-	2,687
Expenditure on:					
Raising funds	6	45	-	-	45
Charitable activities	7	1,440	47	-	1,487
Total		1,485	47	-	1,532
Net gains on investments	10	1,295	295	539	2,129
Net movement on funds		2,387	358	539	3,284
Reconciliation of Funds					
Total funds brought forward		18,146	3,072	4,313	25,531
Period Income/Expenditure		2,387	358	539	3,284
Total funds carried forward		20,533	3,430	4,852	28,815

13 TANGIBLE FIXED ASSETS

	Homes for Retired Ministers £'000	Programme & other Property £'000	Office Equipment, furniture and cars £'000	Total £'000
Cost				
At 1 January 2020	1,608	1,957	59	3,624
Additions	–	2,500	–	2,500
Disposals	–	(324)	–	(324)
Transfers to investment properties	–	–	–	–
At 31 December 2020	1,608	4,133	59	5,800
Depreciation				
At 1 January 2020	45	13	51	109
Charge for year	–	–	3	3
Depreciation on disposals	–	–	–	–
At 31 December 2020	45	13	54	112
Net Book Value at 31 December 2020	1,563	4,120	5	5,688
Net Book Value at 31 December 2019	1,562	1,944	9	3,515

Homes for Retired Ministers include freehold and leasehold property wholly or substantially owned by the Synod and occupied by retired ministers or their former partners. A less than commercial rent is paid by these tenants.

Other Property comprises in the main, houses occupied by ministers serving in the area of the Synod where they are not accommodated in houses owned by individual churches. During the year one property was sold.

Within Homes for Retired Ministers 2 leasehold properties. 1 Mayfair Lodge (£ 263,000) and 5 Cedar Court (£ 31,157)

14 Investments

	CCLA Funds £'000	COIF Deposits £'000	Investment Properties £'000	Total £'000
At 1 January 2019	14,615	101	6,297	21,013
Additions	237	27	2,350	2,614
Disposals	(118)	–	–	(118)
Transfers	–	–	–	–
Net gains	928	–	–	928
At 31 December 2020	15,662	128	8,647	24,437

15 Loans

	2020 £'000	2019 £'000
Interest bearing loans	344	395
Non-interest-bearing loans – churches	191	148
Non-interest-bearing loans – staff	–	–
Equity loan to Mission Homes	210	210
Adeyfield Free Church – 10year loan	285	276
Adeyfield Free Church – bridging loan	2,177	1,893
Fair Value Adjustment to Mission Homes loan (see note 5)	238	184
	3,445	3,106

£ 23,313 (2019: £44,000) of the loans outstanding are due for repayment within one year, the remainder within the following four years except the loan to Adeyfield Free Church which is repayable over 10 years.

Non-interest-bearing loans are made to churches on an emergency basis. Non-interest-bearing loans to individuals have been made to assist with the purchase of computers and to staff for season tickets and cars used substantially for Synod purposes. New loans of £ 287,000 (2019: £1,513,000) were made during the year and £ 80,000 (2019: £36,000) repaid.

16 Assets Held for Resale

	2020 £'000	2019 £'000
Former Whetstone URC premises as valued	1,664	-
	1,664	-

17 Debtors

	2020 £'000	2019 £'000
Debtors & Accrued Income	25	45
Payments in advance	7	74
	32	119

18 Cash and Short-term Deposits

	2020 £'000	2019 £'000
COIF Deposit Accounts	1,736	2,231
Cash at Bank	269	119
	2,005	2,350

19 Creditors

	2020 £'000	2019 £'000
Creditors	307	236
Accrued expenses	29	19
Accrued grants due within one year	350	404
	686	659
Accrued grants due in more than one year	349	629

The accrued grants due in more than one year consist of residual Mission Initiatives Group liabilities only. The expectation is that grants made by the Resources Committee made in 2020 will be accessed in 2021.

20 Funds

Six charities were registered with the Charity Commission in April 2011. The Religious Education Fund was absorbed into the General Purposes Funds in 2013.

General Purposes Fund

	Capital Fund £'000	Unrestricted Fund £'000	Property Maintenance Unrestricted £'000	Mission Fund £'000	Ethnic Minorities Capital £'000	Ethnic Minorities Restricted £'000	Total £'000
Balance at 1 January 2020	3,182	801	360	9	71	37	4,460
Income	-	639	5	-	-	3	647
Outgoings	-	(1,316)	-	-	-	-	(1,316)
Investment gains	173	107	11	-	4	2	297
Balance at 31 December 2020	3,355	231	376	9	75	42	4,088

The Fund was established in 1982 for the purpose of furthering the religious and other charitable work of the United Reformed Church in the area now of the Thames North Synod of the United Reformed Church by providing information, advice and support and grants. It is used to purchase or assist with purchasing property in support of the Synod or local church activities. It is also used to provide and promote lay and ministerial training, develop and promote ecumenical relations, work making a difference in the local communities and supporting other charities as an expression of the Christian faith.

20 Funds (continued)

General Fund

	Unrestricted £'000
Balance at 1 January 2020	19,363
Income	7,395
Outgoings	(281)
Investment gains	452
Balance at 31 December 2020	26,929

The Fund was established in 1998 for the purpose of supporting and enhancing the charitable work of local churches now within the Thames North Synod by providing information, advice and support to individuals and organisations, by providing grants or loans to local churches for the upkeep, repair and improvement of church buildings and manses, purchasing or assisting the purchase of property in support of the Synod or local church activities and by supporting and enhancing the charitable work of the wider United Reformed Church by providing grants. Income is from the proceeds of sale of former churches.

Church Buildings Fund

	Capital £'000	Restricted £'000	Total £'000
Balance at 1 January 2020	641	1,471	2,112
Income	–	42	42
Outgoings	–	(42)	(42)
Investment gains	33	54	87
Balance at 31 December 2020	674	1,525	2,199

The Fund was established in 1982 for the purpose of making grants and loans to local churches now within the Thames North Synod for the upkeep and repair and improvement (including replacement) of their church premises and manses.

Retired Ministers Housing Charity

	Capital £'000	Restricted £'000	Total £'000
Balance at 1 January 2020	827	1,779	2,606
Income	–	43	43
Outgoings	–	–	–
Investment gains	–	77	77
Balance at 31 December 2020	827	1,899	2,726

The Fund was established in 1982 for the purpose of purchasing suitable properties which would provide homes for retired ministers and their spouses or the widow(er)s of retired Ministers who do not qualify for assistance from the general United Reformed Church scheme and who formerly served within Thames North Synod. It may also make grants available towards sheltered housing costs.

Welfare Fund

	Capital £'000	Restricted £'000	Total £'000
Balance at 1 January 2020	131	143	274
Income	0	7	7
Outgoings	–	(1)	(1)
Investment gains	8	6	14
Balance at 31 December 2020	139	155	294

The Fund was established in 1982 for the purpose of making grants to ministers in the area now of the Thames North Synod whether serving or retired and their spouses/ widow(er)s in times of need.

20 Funds (continued)

Summary

	Unrestricted	Restricted	Capital Fund	Total
	£'000	£'000	£'000	£'000
Balance at 1 January 2020	20,533	3,430	4,852	28,815
Income	8,039	95	–	8,134
Outgoings	(1,598)	(43)	–	(1,641)
Investment gains	571	138	219	928
Balance at 31 December 2020	27,545	3,620	5,071	36,236

	Unrestricted	Restricted	Capital Fund	Total
	£'000	£'000	£'000	£'000
General Purposes Fund	616	42	3,430	4,088
General Fund	26,929	–	–	26,929
Church Buildings Fund	–	1,524	675	2,199
Retired Ministers Housing Charity	–	1,899	827	2,726
Welfare Funds	–	155	139	294
Balance at 31 December 2020	27,545	3,620	5,071	36,236

	Fixed Assets	Net Current Assets	Long Term Liabilities	Total
	£'000	£'000	£'000	£'000
General Purposes Fund	3,787	650	(349)	4,088
General Fund	24,948	1,981	–	26,929
Church Buildings Fund	2,037	162	–	2,199
Retired Ministers Housing Charity	2,525	201	–	2,726
Welfare Fund	273	21	–	294
Balance at 31 December 2020	33,570	3,015	(349)	36,236

Movement on these funds in 2019 are included in note 24 of the accounts.

21 Financial Instruments

	2020	2019
	£'000	£'000
Financial Assets		
Financial assets measured at fair value	24,437	21,013
Financial assets that are debt instruments measured at amortised cost	3,594	3,225
Financial Liabilities		
Financial liabilities measured at amortised cost	307	236

Financial assets measured at fair value comprise listed investments. Financial assets measured at amortised cost comprise loans and debtors. Financial liabilities measured at amortised cost comprise creditors.

22 Ministry and Mission Contributions

During 2020 the Synod's churches contributed £ 1,990,144 (2019: 2,045,050) directly to the national church's Ministry and Mission Fund and the Synod contributed £ 100,617 (2019: £53,000).

23 The United Reformed Church Final Salary Scheme

Synod employees whose employment commenced before 2010 are entitled to contribute to a staff pension scheme set up by The United Reformed Church known as the "Final Salary" scheme; this too is a defined benefit scheme, which is administered by TPT Retirement Solutions (formerly The Pensions Trust). The United Reformed Church is the principal employer in the scheme, and Thames North Synod is one of the participating employers. There is no agreement to charge the net defined benefit cost to participating employers, who are therefore unable to identify their share of the underlying assets and liabilities – each employer pays a common contribution rate.

Triennial actuarial valuations of the whole Final Salary scheme are performed by a qualified independent actuary. The most recent formal actuarial review of the scheme was at 30 September 2019, when the scheme had a surplus of £2,689,000. The assumptions underlying that valuation include:

Discount rates of 4.9% pa pre-retirement and 1.8% post-retirement

- Pensionable earnings growth of 2.45% for three years, 2.7% thereafter
- Price inflation and pension increases of 2.2%
- Retirement age (active members) of 65, with maximum commutation

During 2020 the United Reformed Church contributed 28.2% (2019: 28.2%) of basic salary in respect of members of the Final Salary scheme which includes 10.5% as deficit funding and 3.2% to meet expenses and levies. Members contributed at the rate of 7.5% in the accounting period. The contributions from 1 Jan 2021 are 30.3%. There is no deficit funding in this figure as the scheme is in surplus and expenses and levies are now covered by a fixed annual amount of £102,516.

Although historically it was not possible to identify each Synod's share of the underlying assets and liabilities in the lay pension scheme, in 2017 due to the need to fund the large deficit identified at the September 2016 valuation, a one off and costly exercise was done to split the liabilities by employer. For Thames North the figures were as follows:

<i>Synod No.</i>	<i>Employer</i>	<i>Solvency Liability</i>	<i>TP Liability</i>	<i>%</i>	<i>Contribution Required by 30.06.2019</i>
10	Thames North	2,643,222	1,651,034	5.80	197,200
	Total for the URC	50,615,560	28,475,037	100	3,400,000

For Staff employed after 2010, matched contributions of up to 10% of their gross earnings were offered in a "Stakeholder Scheme". From October 2017 staff were offered to opt in or opt out of a qualified earnings scheme from between 4% to 10% of their salary; this is a scheme operated through the People's Pension (B&CE).

24 Funds – comparative movements**General Purposes Fund**

	Capital Fund	Unrestricted Fund	Property Maintenance Unrestricted	Mission Fund	Ethnic Minorities Capital	Ethnic Minorities Restricted	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Balance at 1 January 2019	2,756	1,057	329	9	60	29	4,240
Income	–	516	5	–	–	3	524
Outgoings	–	(1,067)	–	–	–	–	(1,067)
Investment gains	426	295	26	–	11	5	763
Balance at 31 December 2019	3,182	801	360	9	71	37	4,460

The Fund was established in 1982 for the purpose of furthering the religious and other charitable work of the United Reformed Church in the area now of the Thames North Synod of the United Reformed Church by providing information, advice and support and grants. It is used to purchase or assist with purchasing property in support of the Synod or local church activities. It is also used to provide and promote lay and ministerial training, develop and promote ecumenical relations, work making a difference in the local communities and supporting other charities as an expression of the Christian faith.

24 Funds – comparative movements *(continued)***General Fund**

	Unrestricted £'000
Balance at 1 January 2019	16,750
Income	2,055
Outgoings	(417)
Investment gains	975
Balance at 31 December 2019	19,363

The Fund was established in 1998 for the purpose of supporting and enhancing the charitable work of local churches now within the Thames North Synod by providing information, advice and support to individuals and organisations, by providing grants or loans to local churches for the upkeep, repair and improvement of church buildings and manse, purchasing or assisting the purchase of property in support of the Synod or local church activities and by supporting and enhancing the charitable work of the wider United Reformed Church by providing grants. Income is from the proceeds of sale of former churches.

Church Buildings Fund

	Capital Fund £'000	Restricted £'000	Total £'000
Balance at 1 January 2019	560	1,340	1,900
Income	–	43	
Outgoings	–	(43)	(43)
Investment gains	81	131	212
Balance at 31 December 2019	641	1,471	2,112

The Fund was established in 1982 for the purpose of making grants and loans to local churches now within the Thames North Synod for the upkeep and repair and improvement (including replacement) of their church premises and manse.

Retired Ministers Housing Charity

	Capital Fund £'000	Restricted £'000	Total £'000
Balance at 1 January 2019	827	1,572	2,399
Income	–	57	57
Outgoings	–	–	–
Investment gains	–	150	150
Balance at 31 December 2019	827	1,779	2,606

The Fund was established in 1982 for the purpose of purchasing suitable properties which would provide homes for retired ministers and their spouses or the widow(er)s of retired Ministers who do not qualify for assistance from the general United Reformed Church scheme and who formerly served within Thames North Synod. It may also make grants available towards sheltered housing costs.

Welfare Fund

	Capital Fund £'000	Restricted £'000	Total £'000
Balance at 1 January 2019	111	132	243
Income	–	7	7
Outgoings	–	(5)	(5)
Investment gains	20	9	29
Balance at 31 December 2019	131	143	274

The Fund was established in 1982 for the purpose of making grants to ministers in the area now of the Thames North Synod whether serving or retired and their spouses/ widow(er)s in times of need.

24 Funds – comparative movements *(continued)*

Summary	Unrestricted	Restricted	Capital Fund	Total
	£'000	£'000	£'000	£'000
Balance at 1 January 2019	18,145	3,072	4,315	25,532
Income	2,576	110	–	2,686
Outgoings	(1,484)	(48)	–	(1,532)
Investment gains	1,296	296	537	2,129
Balance at 31 December 2019	20,533	3,430	4,852	28,815

	Unrestricted	Restricted	Capital Fund	Total
	£'000	£'000	£'000	£'000
General Purposes Fund	1,170	37	3,253	4,460
General Fund	19,363	–	–	19,363
Church Buildings Fund	–	1,471	641	2,112
Retired Ministers Housing Charity	–	1,779	827	2,606
Welfare Funds	–	143	131	274
Balance at 31 December 2019	20,533	3,430	4,852	28,815

	Fixed Assets	Net Current Assets	Long Term Liabilities	Total
	£'000	£'000	£'000	£'000
General Purposes Fund	4,277	812	(629)	4,460
General Fund	18,569	794	–	19,363
Church Buildings Fund	2,026	86	–	2,112
Retired Ministers Housing Charity	2,499	107	–	2,606
Welfare Fund	263	11	–	274
Balance at 31 December 2019	27,634	1,810	(629)	28,815

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF UNITED REFORMED CHURCH THAMES NORTH SYNOD CHARITIES FOR THE YEAR ENDED 31 DECEMBER 2020

Independent auditor's report to the trustees of United Reformed Church Thames North Synod Charities

Opinion

We have audited the financial statements of United Reformed Church Thames North Synod Charities for the year ended 30 December 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2020 and of the charity's net movement in funds for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder. We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- adequate accounting records have not been kept by the charity; or
- sufficient and proper accounting records have not been kept; or
- the charity financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF UNITED REFORMED CHURCH THAMES NORTH SYNOD CHARITIES FOR THE YEAR ENDED 31 DECEMBER 2020

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 11, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the use of restricted funds in accordance with trust law and compliance with employment law, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011 and the Charities SORP.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls). Audit procedures performed by the engagement team included:

- Inspecting minutes of Trustees' meetings;
- Reviewing allocations and disclosures relating to restricted funds;
- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Reviewing valuations of investments; and
- Challenging assumptions and judgements made by management in their critical accounting estimates. These related to investment property valuations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity's trustees as a body for our audit work, for this report, or for the opinions we have formed.



Haysmacintyre LLP
Statutory Auditors
Date: 29 October 2021

10 Queen Street Place
London
EC4R 1AG

Haysmacintyre LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006