

KENSINGTON UNITED REFORMED CHURCH

ALLEN STREET KENSINGTON

LONDON W8 6BL

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

Minister

Reverend Sally Thomas

Treasurer

Mrs Gifty Saba

Church Secretary

Izumi Nishizono

Assistant Church Secretary

David Nyarko

Bankers

Royal Bank of Scotland
Lloyds TSB

Independent examiner

M B Boydell FCA
Boydell & Co
Chartered Accountants
146B Chiswick High Road
London
W4 1PU

KENSINGTON UNITED REFORMED CHURCH

REPORT OF THE CHURCH ELDERS

FOR THE YEAR ENDED 31 MARCH 2021

The Church Elders present the annual report with the financial statements for the year ended March 31st 2021.

Kensington United Reformed Church, one of the constituent churches of the Thames North Synod of the United Reformed Church, is registered as 'Kensington United Reformed Church Charity' (Charity no:1145107) under the Charities Act (2011).

Principal Activities

- To provide regular acts of Christian worship each Sunday during the year and at other times in accordance with the liturgical procedures of the United Reformed Church.
- To offer pastoral support to church members, members of the congregation and to those seeking assistance. To provide a friendly welcome to all visitors to the church.
- To let the church Meeting Space, sanctuary and halls when available to local organisations, both charitable and commercial, as a service to the community and also as a means of supplementing the income of the church.
- To maintain in good order the buildings and equipment of the Kensington United Reformed Church. To maintain and develop links with other Christian churches through the Kensington Council of Churches and with other faith groups.
- To ensure Kensington United Reformed Church is represented at the meetings of the Thames North Synod of the United Reformed Church and other appropriate councils of the United Reformed Church.

The Elders have held regular meetings during the past year to consider the pastoral care and the task of maintaining the worship services of the church and the day to day running of the building and finances.

Kensington United Reformed Church was in ministry vacancy since 2016. The Church Meeting called the Revd Sally Thomas in October 2019. This call was accepted and the Revd Sally Thomas started the ministry of our church on 1st February 2020. Her ministerial position is jointly held with St Paul's Bayswater URC with a scoping of 75%.

Minister: Reverend Sally Thomas

Church Secretary: Ms Izumi Nishizono

Treasurer - Mrs Gifty Saba

Assistant Church Secretary: Mr David Nyarko

Serving Church Elders (2020-21) Mrs Amy Augustin, Prof. Andrew Miller, Mr David Nyarko, Ms. Izumi Nishizono, Mrs Gladys Osei, Mrs Elizabeth Opoku, Mrs Evelyn Quartey-Papafio, Mrs Gifty Saba, Mrs Sarah Worburton.

KENSINGTON UNITED REFORMED CHURCH
REPORT OF THE CHURCH ELDERS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Elders

Elders elected are elected to serve by the Church Meeting. Under the constitution of the Kensington United Reformed Church, Elders will act as Trustees to the Kensington United Reformed Church Charity.

Independent Examiner

Mr M B Boydell FCA
 Boydell and Co.
 Chartered Accountants
 146B Chiswick High Road
 London W4 1PU

Bankers - Church

Royal Bank of Scotland
 1 Redheughs Avenue
 Edinburgh
 EH12 9JN

Bankers - Church halls

Lloyds TSB
 Kensington High Street
 London W8

Financial report

The accounts have been prepared to comply with the requirements of the Charities Act 2011 and the Statement of Recommended Practice for Charities and with the regulations made under the Church Accounting Regulations 2006. They are prepared on an accruals basis and they are subject to a report by an Independent Examiner.

Review of this year's activities

The year 2020-21 was an extraordinary year for the church because of the Covid-19 pandemic.

In the first lockdown from March 2020, the church building was closed, with all activities suspended. The Sunday services moved online. The Church agreed to give the Eden Montessori Nursery a rent payment holiday from April to August (repayment began in January 2021). In June, the nursery reopened, and self-help groups returned to meet with reduced numbers. The church first reopened for private prayers on Thursdays in June, and for Sunday services on 12th July with strict social distancing measures in place.

In September, children's activity groups returned with reduced meeting hours. In the second lockdown in November and the third from January 2021, the Sunday services moved online again until 7th March.

KENSINGTON UNITED REFORMED CHURCH

REPORT OF THE CHURCH ELDERS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Review of this year's activities (continued)

The children's groups were suspended until Easter. The nursery and self-support groups continued their activities. The other regular but less frequent hirers (e.g., residents' associations) were unable to meet during the year. We were unable to hold monthly Coffee Mornings for the local elderly people. It was not possible to fundraise for other charitable causes, except for Shelter at Christmas.

It should also be noted that we no longer have the rental income from the manse. All these have posed a huge challenge to the church.

In early autumn however, we managed to hold socially distanced organ and piano recitals a few times. In February, we acquired a much-needed new grand piano with which we hope to build a concert portfolio to engage with the local community.

We are very fortunate that the Revd. Sally Thomas arrived as our own minister just before the pandemic since we have had her support and guidance throughout this challenging time. As we recover from the pandemic, we look forward to reconnecting the church congregation, rebuilding the finances, returning to our normal activities, and developing further in faith with the help of our minister.

Future Activities

The Elders wish to focus on:

- Improving provision for pastoral care with the help of our minister, together with the members of the congregation.
- Trying to identify mission and outreach in the local community and implementing them with the help of our new minister.
- Making the sanctuary and the Meeting Space available to the church-related activities during the week.
- Continuing with the current programme to improve the financial position of the church and to create a surplus of income over expenditure. In particular, to recover from the loss of income from the church closure during the pandemic.

Risk Management

Church Elders are continuing to identify the major risks which impact on the work of the church, especially in regard to the security of the financial assets of the church.

The Elders are mindful that Child Protection procedures in line with the current legislation for all who work with children must be maintained. A safeguarding policy has been in place since October 2017 and was updated in October 2020.

On behalf of the Church Elders

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.....
Izumi Nishizono (Church Secretary/Church Elder)

2021

KENSINGTON UNITED REFORMED CHURCH

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2021

Notes	Unrestricted Funds £	Restricted Funds £	TOTAL 2021 £	TOTAL 2020 £
	£	£	£	£
INCOME AND EXPENDITURE				
INCOMING RESOURCES (2)				
Offerings	8,219	-	8,219	9,280
Donations and grants	1,606	-	1,606	500
Investment income and interest	12,314	-	12,314	13,681
Property income	52,763	-	52,763	126,019
Other income	227	-	227	-
TOTAL INCOMING RESOURCES	<u>75,129</u>	<u>-</u>	<u>75,129</u>	<u>149,480</u>
RESOURCES USED (3)				
Ministry & Mission fund contributions	48,319	-	48,319	49,992
Ministers' expenses & local ministry	2,821	-	2,821	1,166
Premises costs	54,631	-	54,631	55,142
Other expenses	14,349	-	14,349	14,774
Donations	150	-	150	80
TOTAL RESOURCES USED	<u>120,270</u>	<u>-</u>	<u>120,270</u>	<u>121,154</u>
NET (OUTGOING)/INCOMING RESOURCES	<u>(45,141)</u>	<u>-</u>	<u>(45,141)</u>	<u>28,326</u>
GAINS AND LOSSES (note 1)				
Unrealised gain/(loss)	66,369	-	66,369	(18,364)
NET MOVEMENT IN FUNDS	<u>21,228</u>	<u>-</u>	<u>21,228</u>	<u>9,962</u>
BALANCES bought forward				
At 1 April 2020	490,142	849	490,991	481,029
BALANCES carried forward				
At 31 March 2021	<u>£ 511,370</u>	<u>£ 849</u>	<u>£ 512,219</u>	<u>£ 490,991</u>
	=====	=====	=====	=====

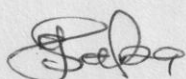
The notes on pages 6 to 10 form part of these accounts.

KENSINGTON UNITED REFORMED CHURCHBALANCE SHEETAT 31 MARCH 2021

	<u>Notes</u>	<u>2021</u>	<u>2020</u>
TANGIBLE FIXED ASSETS	(1)		
Investment assets	(4)	380,514	314,146
Church equipment	(5)	6,960	-
		<u>387,474</u>	<u>314,146</u>
CURRENT ASSETS			
Debtors	(5)	28,705	32,664
Cash at bank		101,254	149,767
		<u>129,959</u>	<u>182,431</u>
CREDITORS: amounts falling due within one year	(6)	(5,214)	(5,586)
NET CURRENT ASSETS		<u>124,745</u>	<u>176,845</u>
		<u>£ 512,219</u>	<u>£ 490,991</u>
		=====	=====
FUNDS			
Unrestricted		511,370	490,142
Restricted	(7)	849	849
		<u>£ 512,219</u>	<u>£ 490,991</u>
		=====	=====

Approved by the Church Elders on

2021 and signed on their behalf by


.....
Gifty Saba - Treasurer/Elder

.....
Izumi Nishizono - Church Secretary/Elder

The notes on pages 6 to 10 form part of these accounts.

KENSINGTON UNITED REFORMED CHURCH

NOTES TO THE FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES

The financial statements have been prepared in accordance with the Statement of Recognised Practice – Accounting for Charities (2015) and the Church Accounting Regulations 2006.

The financial statements have been prepared under the historical cost convention except for the valuation of investment assets, which are shown at market value.

Funds

Unrestricted funds represent the funds that are not subject to any restrictions regarding their use and are available for use in furtherance of the objectives of the Church. Restricted funds are those donated for use in a particular area or for specific purposes.

The accounts include all transactions, assets and liabilities for which the Elders are responsible in law. They do not include the accounts of church groups that owe their main affiliation to another body nor those that are informal gatherings of Church members.

Incoming Resources

Voluntary income and capital sources:

Collections are recognised when received by or on behalf of the Church.

Planned giving receivable under Gift Aid is recognised only when received.

Income tax recoverable on Gift Aid is recognised when the income is recognised.

Grants and legacies to the Church are accounted for when the Church is notified of its legal entitlement and the amount due.

Other income

Rental income from the letting of church premises and the Manse is recognised when the rental is due.

Income from investments

Dividends and interest are accounted for when receivable. Tax recoverable on such income (if any) is recognised in the same accounting year.

Gains and losses on investments

Realised gains or losses are recognised when investments are sold. Unrealised gains or losses are accounted for on revaluation of investments at 31 March.

Resources used

Grants:

Grants and donations are accounted for on an accruals basis.

Activities directly relating to the work of the Church

The Ministry & Mission contributions are accounted for when payable.

KENSINGTON UNITED REFORMED CHURCH

NOTES TO THE FINANCIAL ACTIVITIES (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Fixed assets

Consecrated land and buildings and moveable church furnishings:

Consecrated and beneficed property is excluded from the accounts by s.10(2)(a) and (c) of the Charities Act 2011.

No value is placed on movable church furnishings held by the Elders on special trust for the Church since the Elders consider this to be inalienable property. All expenditure incurred during the year on consecrated or benefice buildings and movable church furnishings, whether maintenance or improvement, is written off as expenditure in the SOFA and separately disclosed.

Other fixtures, fittings and office equipment

Equipment used within the church premises is depreciated on a straight-line basis over 4 years except for individual items of equipment with purchase price of £2,000 or less which are written off when the asset is acquired.

Investments

Investments are valued at market value at the year end.

Current assets

Amounts owing to the Church at 31 March in respect of fees, rents or other income are shown as debtors less provision for amounts that may prove uncollectible.

2. INCOMING RESOURCES

	Unrestricted Funds £	Restricted Funds £	TOTAL 2021 £	TOTAL 2020 £
Offerings				
Freewill offering scheme	5,720	-	5,720	6,681
Loose offerings	780	-	780	2,160
Income tax recoverable	1,719	-	1,719	439
	<u>8,219</u>	<u>-</u>	<u>8,219</u>	<u>9,280</u>
Donations and grants :				
Charitable donations	43	-	43	338
Coffee mornings	-	-	-	162
Grant received	1,563	-	1,563	-
	<u>1,606</u>	<u>-</u>	<u>1,606</u>	<u>500</u>
Investment income and interest	12,314	-	12,314	13,681
Rental and hiring income	52,763	-	52,763	126,019
Other income	227	-	227	-
	<u>65,304</u>	<u>-</u>	<u>65,304</u>	<u>139,700</u>
TOTAL INCOMING RESOURCES	<u>75,129</u> =====	<u>-</u> =====	<u>75,129</u> =====	<u>149,480</u> =====

KENSINGTON UNITED REFORMED CHURCHNOTES TO THE FINANCIAL ACTIVITIES (CONTINUED)FOR THE YEAR ENDED 31 MARCH 2021

	Unrestricted Funds £	Restricted Funds £	TOTAL 2021 £	TOTAL 2020 £
3. <u>RESOURCES USED</u>				
Ministry and Mission Fund contributions	48,319	-	48,319	49,992
	<u>48,319</u>	<u>-</u>	<u>48,319</u>	<u>49,992</u>
Ministry:				
Visiting ministers/local ministry	2,821	-	2,821	1,166
	<u>2,821</u>	<u>-</u>	<u>2,821</u>	<u>1,166</u>
Premises costs:				
Cleaning	9,943	-	9,943	13,017
Heat and light	9,900	-	9,900	9,482
Insurance	8,609	-	8,609	7,686
Church building repairs and maintenance	11,641	-	11,641	10,570
Administration of halls	14,166	-	14,166	14,238
Water	372	-	372	149
	<u>54,631</u>	<u>-</u>	<u>54,631</u>	<u>55,142</u>
Other expenses:				
Organist, choir and music	3,830	-	3,830	4,295
Removal costs - new minister	-	-	-	2,842
Telephone and fax	1,284	-	1,284	1,361
Printing, stationery, copier and computer costs	422	-	422	385
Sundry expenses	1,193	-	1,193	591
Independent examiner's fee	3,300	-	3,300	3,300
Book-keeping	2,000	-	2,000	2,000
Depreciation	2,320	-	2,320	-
	<u>14,349</u>	<u>-</u>	<u>14,349</u>	<u>14,774</u>
Donations:				
Miscellaneous	150	-	150	80
	<u>150</u>	<u>-</u>	<u>150</u>	<u>80</u>
TOTAL RESOURCES USED	<u>120,270</u> =====	<u>-</u> =====	<u>120,270</u> =====	<u>121,154</u> =====

KENSINGTON UNITED REFORMED CHURCH

NOTES TO THE FINANCIAL ACTIVITIES (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

4. INVESTMENT FIXED ASSETS

	£
Market value:	
At 1 April 2020	314,146
Additions at cost	-
Disposals	-
Net gain on annual revaluation	66,368
At 31 March 2021	<u>£ 380,514</u>

The investments are all quoted on a UK stock exchange.

5. CHURCH EQUIPMENT

Balance 1 April 2020	-
Additions – grand piano	13,780
	<u>13,780</u>
Donation received to purchase piano	(4,500)
	<u>9,280</u>
Depreciation	(2,320)
Balance 31 March 2021	<u>£ 6,960</u> =====

6. DEBTORS

	<u>2021</u>	<u>2020</u>
Income tax refundable	-	4,071
Prepayments	350	143
URC Thames North Trust	28,355	28,450
	<u>£ 28,705</u> =====	<u>£ 32,664</u> =====

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	<u>2021</u>	<u>2020</u>
Accruals	4,300	4,300
Other Creditors	914	1,286
	<u>£ 5,214</u> =====	<u>£ 5,586</u> =====

THE KENSINGTON UNITED REFORMED CHURCH
NOTES TO THE FINANCIAL ACTIVITIES (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

8. RESTRICTED FUNDS

Movements on restricted funds during the year were as follows:

Funds:	B/f £	Received £	Expended £	Transfer £	C/f £
Bursary fund for young peoples' activities	849	-	-	-	849
	<u>£ 849</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>£ 849</u>

9. DEVELOPMENT OF CHURCH BUILDINGS

Kensington United Reformed Church and Church Hall are owned by URC Thames North Trust, a registered charity, number 1022551. Kensington United Reformed Church (through its Elders) is responsible for maintaining the premises and it is permitted to retain any rental income derived therefrom.

Monies accruing to the building development are held on behalf of Kensington United Reformed Church by the URC Thames North Trust.

Following discussions with them, it was agreed that the balance standing to the credit of the account they maintain known as "Kensington Redevelopment Scheme" as at 1 April 2009, should be shown as income in the accounts of Kensington United Reformed Church and they would be shown as debtors. The amount involved amounted to £ 7,377. Interest arising and administration charges from that date are included in the Statement of Financial Activities.

The financial statements record the income from lettings and the administration and maintenance costs and the cost of furnishings and equipment.

10. THE JENKINS LEGACY

URC Thames North Trust has been holding funds derived from "The Jenkins Legacy". Following discussions with them, and because they hold these funds on trust for Kensington United Reformed Church, it was agreed that the funds held by them as at 1 April 2009 amounting to £ 34,264 should be treated as income in the financial statements as at that date and they would be included as debtors. Interest arising and administration charges from that date are included in the Statement of Financial Activities.

11. CHURCH ELDERS EMOLUMENTS

Two of the church elders received emoluments during the year for their services. The church secretary, Izumi Nishizono received £14,166 (2020 £14,238) for the administration of the hall lettings and the church treasurer, Gifty Saba received £ 2,000 (2020 £2,000) for book-keeping services.

THE KENSINGTON UNITED REFORMED CHURCH
INDEPENDENT EXAMINER'S REPORT TO THE ELDERS OF
KENSINGTON UNITED REFORMED CHURCH

This report on the accounts of the Church for the year ended 31 March 2021, which are set out on pages 4 to 10, is in respect of an examination carried out in accordance with the Church Accounting Regulations 2006 ("the Regulations") and section 145 of the Charities Act 2011 ("the Act").

Respective responsibilities of trustees and examiner

The Church Elders as Charity Trustees for the Church are responsible for the preparation of the accounts. They consider that the audit requirement of the Regulations and section 144(2) of the Act does not apply and that an independent examination is needed.

It is my responsibility to:

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

Basis of this report

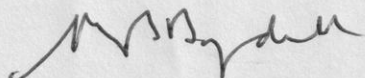
My examination was carried out in accordance with the General Directions given by the Charity Commissioners. That examination includes a review of the accounting records kept by the Church Elders and a comparison of the accounts with those records. It also includes considering any unusual items or disclosures 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 I do not express an audit opinion on the view given by the accounts.

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 to keep accounting records in accordance with section 130 of the 2011 Act, and to prepare accounts which accord with the accounting records and to comply with the requirements of the Act and the Regulations 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.



M B Boydell FCA
 Boydell & Co
 Chartered Accountants
 146B Chiswick High Road
 London
 W4 1PU

29 / 9 / 2021

THE KENSINGTON UNITED REFORMED CHURCHAPPENDIX TO THE STATEMENT OF FINANCIAL ACTIVITIESFOR THE YEAR ENDED 31 MARCH 2021

The following information regarding the Church Halls and Nursery is included in the property income and expenditure shown in the Statement of Financial Activities on page 4 of the financial statements.

Income

	2021	2020
	£	£
Hall lettings	52,763	101,748

Expenditure

Administration - by self employed individuals	14,166	14,238
Cleaning	9,943	13,017
Independent examination and accountancy (20% proportion)	660	660
Insurance (say 20% proportion)	1,722	1,537
Heating & lighting (say 50% proportion)	4,950	4,741
Repairs and maintenance (say 50% proportion)	5,820	5,285
Telephone	1,284	1,361
PROFIT of income over expenditure re Halls	38,545	40,839
	<u>£ 14,218</u>	<u>£ 60,909</u>
	=====	=====