

KENSINGTON UNITED REFORMED CHURCH

ALLEN STREET KENSINGTON

LONDON W8 6BL

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

Minister

Reverend Sally Thomas

Treasurer

Mrs Gifty Saba

Church Secretary

Izumi Nishizono

Assistant Church Secretary

David Nyarko

Bankers

Barclays Bank

Lloyds

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 2023

The Church Elders present the annual report with the financial statements for the year ended March 31st 2023.

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.

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 (2022-23) Mrs Amy Augustin, Mr David Nyarko, Ms. Izumi Nishizono, Mrs Gladys Osei, 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 2023

Elders

Elders elected are elected to serve by the Church Meeting. Under the constitution of the Kensington United Reformed Church, Elders will also 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

Barclays Bank
Leicester
LE87 2BB

Bankers – Church halls

Lloyds
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

All the services and meetings are now conducted in-person, except for the joint bible study group with St Paul's Bayswater URC held every other week on Zoom.

The church attendance on Sunday services has still not recovered to the 2019 level. Children's attendances are not regular. Attempts were made to invite back the people who were regulars pre-pandemic, but these have not worked out. The declining attendance is a concern.

We held one outdoor service with a picnic in July, and a Christmas carol service in December.

We did not hold our own concerts this year, but the sanctuary has now been regularly hired for concerts by a concert organiser and external musicians, including two fundraising concerts in aid of Ukraine. Due to the increased number of concerts, we have now been registered with the PPL/PRS for copyright licenses.

KENSINGTON UNITED REFORMED CHURCH

REPORT OF THE CHURCH ELDERS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Review of this year's activities (continued)

A variety of groups use our premises. Eden Montessori Nursery holds leases to use the halls during the week. Other regular hirers include children's groups, baby and toddler groups, self-help groups, concert organisers, and two other Christian denominations (Filipino evangelical and Ghanaian Presbyterian). There were also a number of one-off lettings.

The income from hires have now recovered to the 2019 level which helps our finance. Halls and Meeting Space were let to children's groups at a commercial rate, and self-help groups (Alcoholics Anonymous and Gamblers Anonymous) at a reduced rate. We are pleased to be able to support AA and GA in this way.

At the end of the pandemic, our aim was for our finance to return to pre-pandemic levels and for church attendance to recover. Our finance has now recovered, but our church attendance has not. We continue to welcome former members and new visitors to our services. We hope to develop further in prayer with the help of our minister the Revd Sally Thomas.

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 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.

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 safeguarding 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 September 2022.

On behalf of the Church Elders

西園 泉

Izumi Nishizono (Church Secretary/Church Elder)

24 September 2023

KENSINGTON UNITED REFORMED CHURCH

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2023

Notes	Unrestricted Funds £	Restricted Funds £	TOTAL 2023 £	TOTAL 2022 £
<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
INCOME AND EXPENDITURE				
INCOMING RESOURCES (2)				
Offerings	7,536	-	7,536	8,451
Donations and grants	461	-	461	157
Investment income and interest	15,235	-	15,235	13,444
Property income	109,282	-	109,282	106,137
Other income	5	-	5	229
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL INCOMING RESOURCES	132,519	-	132,519	128,418
	<hr/>	<hr/>	<hr/>	<hr/>
RESOURCES USED (3)				
Ministry & Mission fund contributions	24,625	-	24,625	37,850
Ministers' expenses & local ministry	1,412	-	1,412	652
Premises costs	64,311	-	64,311	55,844
Other expenses	19,679	-	19,679	14,102
Donations	500	-	500	52
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL RESOURCES USED	110,527	-	110,527	108,500
	<hr/>	<hr/>	<hr/>	<hr/>
NET INCOMING/(OUTGOING) RESOURCES	21,992	-	21,992	19,918
	<hr/>	<hr/>	<hr/>	<hr/>
GAINS AND LOSSES (note 1)				
Unrealised (LOSS)/ gain	(17,264)	-	(17,264)	30,801
	<hr/>	<hr/>	<hr/>	<hr/>
NET MOVEMENT IN FUNDS	4,728	-	4,728	50,719
BALANCES brought forward				
At 1 April 2022	561,890	1,048	562,938	512,219
	<hr/>	<hr/>	<hr/>	<hr/>
BALANCES carried forward				
At 31 March 2023	£ 566,618	£ 1,048	£ 567,666	£ 562,938
	=====	=====	=====	=====

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

KENSINGTON UNITED REFORMED CHURCH

BALANCE SHEET

AT 31 MARCH 2023

	<u>Notes</u>	<u>2023</u>	<u>2022</u>
TANGIBLE FIXED ASSETS	(1)		
Investment assets	(4)	394,051	411,315
Church equipment	(5)	4,199	5,220
		<u>398,250</u>	<u>416,535</u>
CURRENT ASSETS			
Debtors	(6)	30,904	30,300
Cash at bank		143,759	121,057
		<u>174,663</u>	<u>151,357</u>
CREDITORS: amounts falling due within one year	(7)	(5,247)	(4,954)
NET CURRENT ASSETS		<u>169,416</u>	<u>146,403</u>
		<u>£ 567,666</u>	<u>£ 562,938</u>
		=====	=====
FUNDS			
Unrestricted		566,618	561,890
Restricted	(8)	1,048	1,048
		<u>£ 567,666</u>	<u>£ 562,938</u>
		=====	=====

Approved by the Church Elders on ²⁴September 2023 and signed on their behalf by



.....
Gifty Saba - Treasurer/Elder



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

KENSINGTON UNITED REFORMED CHURCH

NOTES TO THE FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2023

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.

Property 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 2023

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. <u>INCOMING RESOURCES</u>	Unrestricted Funds £	Restricted Funds £	TOTAL 2023 £	TOTAL 2022 £
Offerings				
Freewill offering scheme	4,370	-	4,370	6,474
Loose offerings	3,166	-	3,166	1,977
Income tax recoverable	-	-	-	-
	<u>7,536</u>	<u>-</u>	<u>7,536</u>	<u>8,451</u>
Donations and grants :				
Charitable donations	461	-	461	157
Miscellaneous income	5	-	5	-
Grant received	-	-	-	-
	<u>466</u>	<u>-</u>	<u>466</u>	<u>157</u>
Investment income and interest	15,235	-	15,235	13,444
Rental and hiring income	109,282	-	109,282	106,137
Other income	-	-	-	229
	<u>124,517</u>	<u>-</u>	<u>124,517</u>	<u>119,810</u>
TOTAL INCOMING RESOURCES	<u>132,519</u> =====	<u>-</u> =====	<u>132,519</u> =====	<u>128,418</u> =====

KENSINGTON UNITED REFORMED CHURCH

NOTES TO THE FINANCIAL ACTIVITIES (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

	Unrestricted Funds £	Restricted Funds £	TOTAL 2023 £	TOTAL 2022 £
3. <u>RESOURCES USED</u>				
Ministry and Mission Fund contributions	24,625	-	24,625	37,850
	<u>24,625</u>	<u>-</u>	<u>24,625</u>	<u>37,850</u>
Ministry:				
Visiting ministers/local ministry	1,412	-	1,412	652
	<u>1,412</u>	<u>-</u>	<u>1,412</u>	<u>652</u>
Premises costs:				
Cleaning	15,918	-	15,918	16,731
Heat and light	14,773	-	14,773	11,248
Insurance	6,435	-	6,435	5,697
Church building repairs and maintenance	11,522	-	11,522	6,395
Administration of halls	14,188	-	14,188	14,058
Council Tax	1,320	-	1,320	1,422
Water	155	-	155	293
	<u>64,311</u>	<u>-</u>	<u>64,311</u>	<u>55,844</u>
Other expenses:				
Organist, choir and music	4,455	-	4,455	4,166
Telephone and broadband	1,274	-	1,274	1,037
Printing, stationery, copier and computer costs	902	-	902	568
Sundry expenses	751	-	751	1,102
Independent examiner's fee	3,420	-	3,420	3,489
Professional fees	5,477	-	5,477	-
Book-keeping	2,000	-	2,000	2,000
Depreciation	1,400	-	1,400	1,740
	<u>19,679</u>	<u>-</u>	<u>19,679</u>	<u>14,102</u>
Donations:				
Miscellaneous	500	-	500	52
	<u>500</u>	<u>-</u>	<u>500</u>	<u>52</u>
TOTAL RESOURCES USED	<u>110,527</u>	<u>-</u>	<u>110,527</u>	<u>108,500</u>
	=====	=====	=====	=====

KENSINGTON UNITED REFORMED CHURCH

NOTES TO THE FINANCIAL ACTIVITIES (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

4. INVESTMENT FIXED ASSETS

	£
Market value:	
At 1 April 2022	411,315
Additions at cost	-
Disposals	-
Net (Loss) on annual revaluation	(17,264)
At 31 March 2023	<u>£ 394,051</u>

The investments are all quoted on a UK stock exchange.

5. CHURCH EQUIPMENT

Balance 1 April 2022	9,280
Additions -	379
	<u>9,659</u>
Depreciation as at 01 April 2022	4,060
Depreciation charge for the year	1,400
Depreciation as at 31 March 2023	<u>5,460</u> =====
Balance 31 March 2023	<u>£4,199</u> =====

6. DEBTORS

	<u>2023</u>	<u>2022</u>
Prepayments	1,498	1,364
URC Thames North Trust	29,406	28,936
	<u>£ 30,904</u> =====	<u>£ 30,300</u> =====

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	<u>2023</u>	<u>2022</u>
Accruals	3,420	3,489
Other Creditors	1,827	1,465
	<u>£ 5,247</u> =====	<u>£ 4,954</u> =====

THE KENSINGTON UNITED REFORMED CHURCH

NOTES TO THE FINANCIAL ACTIVITIES (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

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' Christian education/ conferences	849	-	-	-	849
Fund from funerals/church mission	199	-	-	-	199
	<u>£ 1,048</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>£ 1,048</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 £14,188 (2022 £14,058) for the administration of the hall lettings and the church treasurer, Gifty Saba received £ 2,000 (2021 £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 2023, which are set out on pages 5 to 11, 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

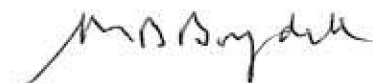
My examination was carried out in accordance with the General Directions given by the Charity Commissioners. That examination includes a review of the accounting records kept by the Church Elders and a comparison of the accounts with those records. It also includes considering any unusual items or disclosures 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

28 / 9 | 2023

THE KENSINGTON UNITED REFORMED CHURCH

APPENDIX TO THE STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2023

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

	2023	2022
	£	£
Hall lettings	109,282	106,137

Expenditure

Administration – by self employed individuals	14,188	14,058
Cleaning	15,918	16,731
Independent examination and accountancy (20% proportion)	684	698
Insurance (say 20% proportion)	1,287	1,139
Council Tax	1,320	1,422
Heating & lighting (say 50% proportion)	7,387	5,624
Repairs and maintenance (say 50% proportion)	5,761	3,198
Telephone	1,274	1,037
	<u>47,819</u>	<u>43,907</u>
PROFIT of income over expenditure re Halls	<u>£ 61,463</u> =====	<u>£ 62,230</u> =====