

Zion United Church

End of Year Financial Statements

Year ending 31 December 2021

- **Introduction**

The following statements represent the account and summary financial position of Zion United Church as at 31st December 2021. They are derived from data held on the *Data Developments Finance* Management Tool. Full records have been provided to support Independent Examination of these accounts.

Statement of Financial Activities

	Unrestricted funds	Restricted funds	Endowment funds	Total funds	Prior year total funds
Income and endowments from:					
Donations and legacies	114,152	28,390	—	142,542	128,179
Income from charitable activities	7,260	—	—	7,260	6,349
Other trading activities	178	—	—	178	39
Investments	—	—	—	—	125
Other income	2,429	—	—	2,429	2,275
Total income	124,021	28,390	—	152,412	136,969
Expenditure on:					
Expenditure on charitable activities	116,690	29,970	—	146,661	114,820
Other expenditure	—	—	—	—	—
Total expenditure	116,690	29,970	—	146,661	114,820
Net income / (expenditure) resources before transfer	7,330	(1,580)	—	5,750	22,149
Transfers					
Gross transfers between funds - in	7,220	25,000	—	32,220	—
Gross transfers between funds - out	(32,220)	—	—	(32,220)	—
Other recognised gains / losses					
Gains / losses on investment assets	—	—	—	—	—
Gains on revaluation, fixed assets, charity's own use	—	—	—	—	—
Net movement in funds	(17,669)	23,419	—	5,750	22,149
Total funds brought forward	76,808	8,712	—	85,521	63,371
Total funds carried forward	59,138	32,132	—	91,271	85,521
Represented by					
Unrestricted					
General fund	49,978	—	—	49,978	65,095
Designated					
Premises	9,160	—	—	9,160	11,713
Restricted					
Agency collection	—	—	—	—	—
Children & Youth	—	2,102	—	2,102	1,749
Community Pioneer	—	27,946	—	27,946	6,148
Together for Fromeside	—	1,568	—	1,568	—
Weekend away 'Hill House'	—	514	—	514	814
Zion Beacon Project	—	—	—	—	—

Balance sheet

Class and code	Description	This year	Last year
Current assets			
6501	NatWest current account	72,182	64,727
6502	Cash in hand	—	—
6503	CFB deposit account	19,178	19,178
Z05	Accounts Receivable Debtors & Prepayments	—	1,704
	Total Current assets	91,360	85,610
Liabilities			
6699	Agency collections	89	89
Z04	Accounts Payable	—	—
	Total Liabilities	89	89
	Net Asset surplus(deficit)	91,271	85,521
Reserves			
	Excess / (deficit) to date	5,750	22,149
Z01	Starting balances	85,521	63,371
	Total Reserves	91,271	85,521
	Represented by funds		
	Unrestricted	49,978	65,095
	Designated	9,160	11,713
	Restricted	32,132	8,712
	Endowment	—	—
	Total	91,271	85,521

Statement of assets and liabilities

	General	Designated	Restricted	Endowment	This year	Last year
Current assets - Cash at bank and in hand						
NatWest current account -	38,020	1,940	32,222	—	72,182	64,727
CFB deposit account -	11,958	7,220	—	—	19,178	19,178
Totals	49,978	9,160	32,222	—	91,360	83,905
Current assets - Debtors						
Accounts Receivable Debtors & Prepayments -	—	—	—	—	—	1,704
Totals	—	—	—	—	—	1,704
Liabilities - Agency accounts						
Agency collections -	—	—	89	—	89	89
Totals	—	—	89	—	89	89
Grand total	49,978	9,160	32,132	—	91,271	85,521

Fund movement by type

	Opening	Incoming	Outgoing	Transfers	Gains/losses	Closing
ComP - Community Pioneer						
Restricted	6,148	19,198	22,399	25,000	—	27,946
Sub-total for ComP	6,148	19,198	22,399	25,000	—	27,946
T4F - Together for Fromesi						
Restricted	—	8,507	6,938	—	—	1,568
Sub-total for T4F	—	8,507	6,938	—	—	1,568
General - General fund						
Unrestricted	65,095	124,021	106,918	(32,220)	—	49,978
Sub-total for General	65,095	124,021	106,918	(32,220)	—	49,978
Premises - Premises						
Designated	11,713	—	9,772	7,220	—	9,160
Sub-total for Premises	11,713	—	9,772	7,220	—	9,160
HillHouse - Weekend away 'Hill H						
Restricted	814	—	300	—	—	514
Sub-total for HillHouse	814	—	300	—	—	514
ChildYouth - Children & Youth						
Restricted	1,749	685	332	—	—	2,102
Sub-total for ChildYouth	1,749	685	332	—	—	2,102
Beacon - Zion Beacon Project						
Restricted	—	—	—	—	—	—
Sub-total for Beacon	—	—	—	—	—	—
Grand total	85,521	152,412	146,661	—	—	91,271

Analysis of income and expenditure

					Total	
	Unrestricted	Designated	Restricted	Endowment	This year	Last year
INCOME AND ENDOWMENTS						
Donations and legacies						
0110 - Offertory (via Bank)	87,081	—	—	—	87,081	89,364
0112 - Offertory	4,819	—	—	—	4,819	3,834
1101 - Gift Aid on Offertories	15,552	—	—	—	15,552	19,847
1102 - Sundry Donations	4,698	—	—	—	4,698	2,808
1104 - Bequests	2,000	—	—	—	2,000	—
1105 - Together for Fromeside (T4F)	—	—	8,507	—	8,507	—
1106 - Charitable Donations	—	—	—	—	—	—
1400 - Donations - Youth & Children	—	—	685	—	685	1,059
1402 - Gift Aid on Youth & Children	—	—	—	—	—	—
1800 - ComP - Grants	—	—	16,298	—	16,298	10,166
1801 - ComP - Donations	—	—	2,900	—	2,900	1,100
1802 - ComP - Gift Aid on Donations	—	—	—	—	—	—
Total	114,152	—	28,390	—	142,542	128,179
Income from charitable activities						
1201 - Hall regular lettings	7,051	—	—	—	7,051	6,159
1204 - Sanctuary and Chapel Hire	151	—	—	—	151	151
1205 - Beacon Hire	57	—	—	—	57	28
1601 - 'Hill House'	—	—	—	—	—	10
Total	7,260	—	—	—	7,260	6,349
Other trading activities						
1202 - Hall one off lettings	178	—	—	—	178	39
Total	178	—	—	—	178	39
Investments						
1103 - Bank Interest CFB	—	—	—	—	—	125
Total	—	—	—	—	—	125
Other income						
1302 - Steven Newell - Leaving Collection	—	—	—	—	—	—
1503 - Solar Panel Income	2,429	—	—	—	2,429	2,275
Total	2,429	—	—	—	2,429	2,275
INCOME TOTAL	124,021	—	28,390	—	152,412	136,969

EXPENDITURE

Expenditure on charitable activities

2201 - Annual Assessment Methodist	22,932	—	—	—	22,932	22,644
2202 - Annual Assessment URC	44,106	—	—	—	44,106	45,742
2302 - Church Insurance	5,984	—	—	—	5,984	3,159

2401 - Church running expenses	4,922	—	—	—	4,922	3,916
2402 - Church Gas	952	—	—	—	952	1,150
2403 - Church Electricity	595	—	—	—	595	414
2404 - Telephone & broadband costs	412	—	—	—	412	610
2405 - Office Administrator	4,435	—	—	—	4,435	5,804
2406 - Church Water	313	—	—	—	313	340
2407 - Church Cleaning Services	651	—	—	—	651	192
2408 - Visiting Speakers	122	—	—	—	122	—
2411 - Minister's Expenses	1,411	—	—	—	1,411	1,437
2501 - Hall expenses	147	—	—	—	147	1,135
2502 - Hall Gas	1,809	—	—	—	1,809	816
2503 - Hall Electricity	1,133	—	—	—	1,133	808
2504 - Hall Cleaning Services	—	—	—	—	—	467
2505 - Hall Water	170	—	—	—	170	188
2506 - Hall Insurance	413	—	—	—	413	1,565
2601 - Junior Church	737	—	—	—	737	214
2602 - Youth & Children	—	—	332	—	332	145
2701 - Evangelism & Outreach	557	—	—	—	557	587
2702 - ConnectZ	—	—	—	—	—	65
2801 - Lay Worker	—	—	—	—	—	—
2802 - Training	87	—	—	—	87	261
2803 - World Mission Group	11,400	—	—	—	11,400	13,300
2804 - Minister's Discretionary expenses	—	—	—	—	—	—
2810 - Gifts	3,193	—	—	—	3,193	1,990
2811 - Charitable Donations	—	—	—	—	—	—
2901 - Bank charges	427	—	—	—	427	475
3001 - Church Property	—	7,824	—	—	7,824	286
3002 - Hall Property	—	1,948	—	—	1,948	—
3010 - Audio / Visual	—	—	—	—	—	1,982
4001 - 'Hill House'	—	—	300	—	300	—
4200 - Social Events	—	—	—	—	—	—
4401 - Children & Youth Worker	—	—	—	—	—	—
4500 - Community Pioneers - Salary	—	—	20,722	—	20,722	4,514
4501 - ComP - Expenditure	—	—	1,154	—	1,154	562
4502 - ComP - Expenses	—	—	522	—	522	40
5000 - Together for Fromeside	—	—	6,938	—	6,938	—
Total	106,918	9,772	29,970	—	146,661	114,820

Other expenditure

2812 - Stephen Newell - Leaving Gift	—	—	—	—	—	—
Total	—	—	—	—	—	—
EXPENDITURE TOTAL	106,918	9,772	29,970	—	146,661	114,820
GRAND TOTAL	17,103	(9,772)	(1,580)	—	5,750	22,149

- **Conclusion**

The COVID-19 pandemic continued to have an impact on church finances throughout 2021. From the lockdown in the early part of the year when all church activity was restricted to 'On-Line' activity only but also more positively in the latter half as well as restrictions eased, church attendance in person was restarted and Hall activity recommenced.

The main source of church income remains personal giving and despite the pandemic this has held up well and is only £1298 down on 2020. The reduction in Gift Aid income is as a result of a drop off in giving from previous years as well as reduced benefit from the cash offertory.

The Income/Expenditure account also includes an entry for Together For Fromeside. Zion has acted as 'host' account for T4F to enable them to raise funds for a number of local appeals throughout the year (eg Comfort and Joy). Although the income is showing higher than expenditure, the balancing amount has been paid out in 2022 and will show in next year's accounts.

Finally, it is worth noting that income from hall rental is beginning to recover post pandemic and it is anticipated that this will continue into 2022.

On the expenditure side, the church faced a number of cost pressures throughout the year. Insurance costs increased significantly and the church, like the rest of society is facing increasing cost pressure on energy costs. I expect this to become an increasing issue throughout 2022 as increasing church activity as well as increasing unit costs are likely to drive this aspect of church expenditure going forward. I will continue to monitor this and work with the church leadership to ensure that these increases are minimized wherever practical.

2021 also saw a change in the employment circumstances of the church's minister. Steven Newell moved to part-time employment in Nov 21 ahead of his departure from Zion in Feb 2022. As a result URC Annual Assessment Costs were reduced by £1636. This reduction will be sustained throughout 2022 until such time as a new minister is appointed.

During the course of the year, the church was requested to make a contribution from 'free reserves' (ie money not ring fenced for specific activity) to the Methodist Pension fund. This amounted to £1309.

Last year was also the first full year of community pioneer employment so there has been natural cost growth in their costs. While these are covered to some extent by grants from both the URC and Methodist churches as well as a number of other benefactors, provision has also been made through the transfer of £25000 from general funds to support their costs until Sep 2023.

Some extraordinary property maintenance was required to replace the cottage windows. These were in danger of becoming a significant health and hazard. The church has recently commissioned its quinquennial property survey. This may highlight some additional maintenance activity required in the coming years. This will be reviewed and budgeted for on a prioritized basis.

This report dated: 28 February 2022

I confirm that I have completed my independent examination of these accounts and confirm that this is a true and accurate record of the Zion United Church finances at the 31st December 2021.

Original accounts signed by

R.H. West on 11 March 2022

