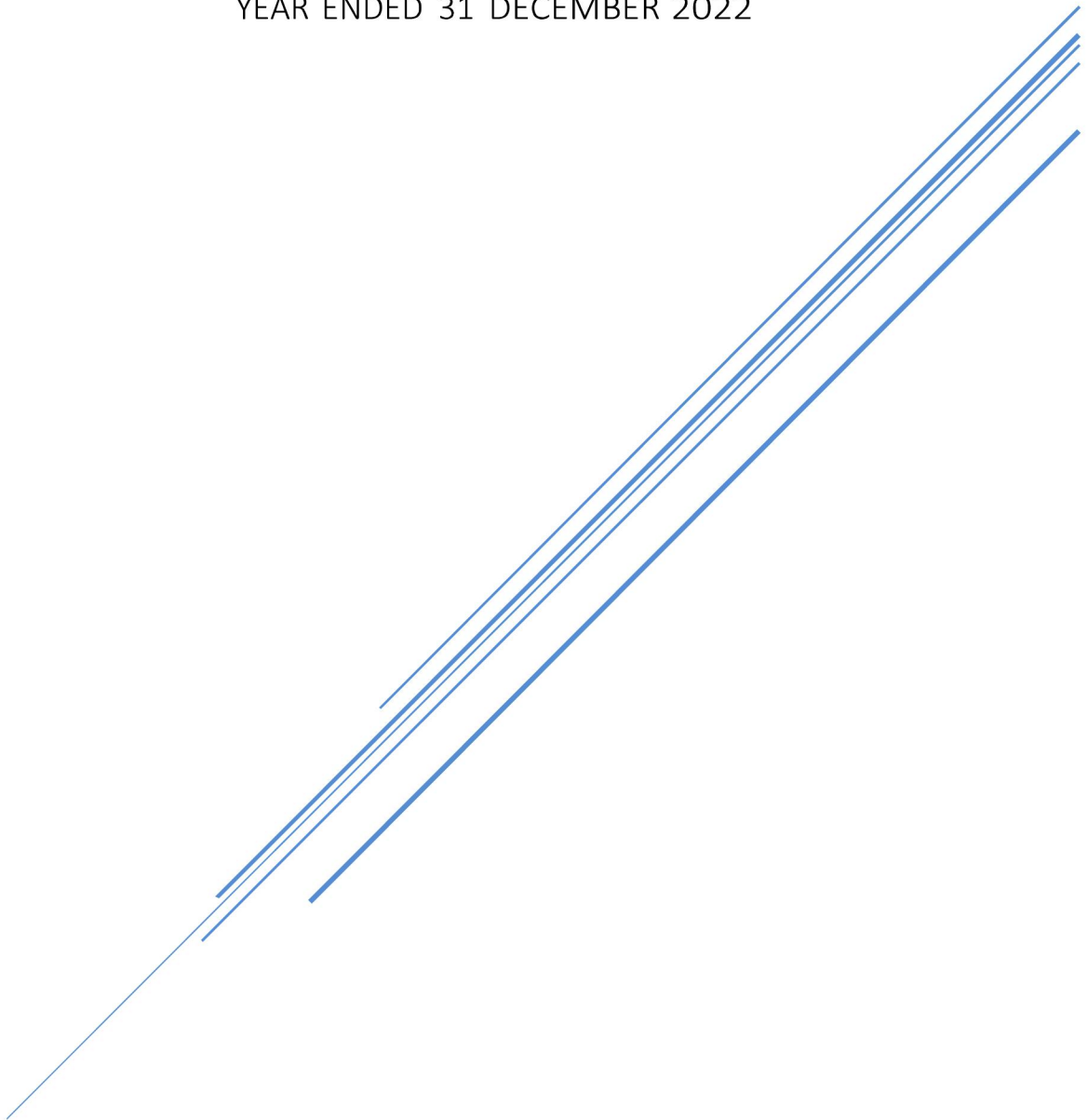


BROOK STREET UNITARIAN CHAPEL
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS FOR THE
YEAR ENDED 31 DECEMBER 2022



BROOK STREET UNITARIAN CHAPEL

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr. G Birks Mr. A Eastwood Mrs. D Birks Mrs. A Clayton Mrs. B Cornes Mr. S Crowther Mrs. H Smithson Rev'd J Bradley (Retired 31 st July 2022) Mr. M Pitcher
Charity number	1167088
Principal address	The Chapel Hall Adams Hill Knutsford Cheshire WA16 8DY
Independent examiner	
Bankers	NatWest 82 King Street Knutsford Cheshire WA16 9EG
Solicitors	R Ramage Copehale Coppenhall Stafford ST18 9BW
Investment advisors	W H Ireland One New Bailey 4 Stanley Street Salford M3 5JL

BROOK STREET UNITARIAN CHAPEL

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BROOK STREET UNITARIAN CHAPEL

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

The trustees present their report and financial statements for the year ended 31 December 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the chapel's constitution dated 13 May 2016, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016)

Objectives and activities

The objectives of Brook Street Chapel are to promote religion in accordance with the principles of the General Assembly of Unitarian and Free Christians.

In doing this, the aim is to encourage the development of spiritual, ethical and religious values and the furtherance of a Christian way of life and service to others.

Brook Street Chapel furthers its charitable purposes for the public benefit by offering worship on a regular basis, together with various activities from time to time of a social or educational character. Pastoral support is given both to members and to individuals in the wider community.

The trustees have referred to the Charity Commission's guidance on public benefit when reviewing Brook Street Chapel's objectives and activities.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the chapel should undertake.

Achievements and performance

Brook Street Chapel continues to be developed for its historic purpose of providing both spiritual and general guidance and help within the community.

During the year ended 31 December 2022 the Chapel continued to be self-financing and to maintain the Grade I listed building built in around 1689 and the school rooms built in 1885.

Financial review

It is the policy of the chapel that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three- and six-month's expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the chapel's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the period.

The trustees have assessed the major risks to which the chapel is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

BROOK STREET UNITARIAN CHAPEL

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

The restricted fund is:

The Minister's Support fund, established from the amalgamation of the Dickinson and the Woodcock Benefaction Funds in 2021, for the purpose of generating income for the benefits of the appointed ministers.

The total income from the activity of the Brook Street Unitarian Chapel was £134,461 and expenditures excluding transfers to investments were £85,123. The net investment losses in the year totaled £19,704 resulting in net incoming resources of £29,634.

The cottage continues to be rented out and this monthly rental income goes into the general funds of the Chapel.

The assets of the Brook Street Unitarian Chapel are held by trustees for the benefit of the Chapel.

The treasurer, assisted by the Chapel's investment advisors and trustees, maintained a watching brief over the investments and authorized alterations to capitalize on the developing situation in terms of both capital and income/normal expenditure.

Statement of Ethical Investment Policy

The investment advisers have been instructed by the trustees to keep a watching brief to ensure no blatantly unethical investments are brought into the Chapel's investment portfolio.

Structure, governance and management

Brook Street Unitarian Chapel is a charitable incorporated organisation registered on 13 May 2016. The original Brook Street Chapel charity, which was an excepted charity, transferred all of its assets and liabilities to the new charity named above as at 13 September 2016. The original charity did not operate after 13 September 2016. The Chapel is a member of the General Assembly of Unitarian and Free Christian Churches and as such worships for the purposes of maintaining a congregation of dissenters free from the doctrine and teachings of the Church of England as set out in the original Trust Deed of 1694.

BROOK STREET UNITARIAN CHAPEL

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

The trustees who served during the year were:

Mr. G Birks
Mr. A Eastwood
Mrs. D Birks
Mrs. A Clayton
Mrs. B Cornes
Mr. S Crowther
Mrs. H Smithson
Rev'd J Bradley (retired 31st July 2022)
Mr. M Pitcher

Membership of the CIO is open to anyone who is interested in furthering its purpose and who, by applying for membership has indicated their agreement to become a member. The charity trustees may require applications for membership to be made in any reasonable way that they decide and if they approve an application, they must notify the applicant of their decision within 21 days.

The trustees may refuse an application for membership if they believe it is in the best interests of the CIO to do so and they must give the applicant their reasons for doing so within 21 days of the decision being taken giving the applicant the opportunity to appeal. The members should give fair consideration to any appeal but any decision to confirm refusal of the membership shall be final.

The trustees' report was approved by the Board of Trustees.

Mr. A Eastwood
Trustee
Dated: 10 August 2023

BROOK STREET UNITARIAN CHAPEL

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF BROOK STREET UNITARIAN CHAPEL

I report on the financial statements of the chapel for the year ended 31 December 2022, which are set out on pages 5 to 14.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this period under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- (i) examine the financial statements under section 145 of the 2011 Act;
- (ii) Follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act; and
- (iii) State whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the financial statements present a 'true and fair view' and the report is limited to those matters set out in the next statement.

Independent examiner's statement

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

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

Independent Examiner

BROOK STREET UNITARIAN CHAPEL

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2022

		Unrestricted Funds	Restricted Funds	Total 2022	Total 2021
	Notes	£	£	£	£
Income From:					
Donations and legacies	2	90,252	500	90,752	18,658
Charitable activities	3	19,621	-	19,621	25,692
Investments	4	22,311	1,777	24,088	25,937
Total income		132,184	2,277	134,461	70,287
Expenditure on:					
Raising funds	5	9,119	745	9,864	13,805
Charitable activities	6	71,386	-	71,386	41,236
Total charitable expenditure		71,386	-	71,386	41,236
Other	9	3,873	-	3,873	2,701
Total resources expended		84,378	745	85,123	57,742
Net gains/(losses) on investments	10	(21,032)	1,715	(19,704)	(18,964)
Net incoming/(outgoing) resources before transfers		26,388	3,246	29,634	(6,419)
Gross transfers between funds		-	-	-	-
Net movement in funds		26,388	3,246	29,634	(6,419)
Fund balances at 1 January 2022		1,645,385	95,557	1,740,942	1,747,360
Fund balances at 31 December 2022		1,671,773	98,803	1,770,576	1,740,942

The statement of financial activities includes all gains and losses recognized in the year

All income and expenditure derive from continuing activities

BROOK STREET UNITARIAN CHAPEL

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2022

		2022		2021	
	Notes	£	£	£	£
Fixed assets					
Property, plant, and equipment	11		653,770		654,276
Investments	12		914,252		953,660
			1,568,022		1,607,936
Current assets					
Trade and other receivables	13	1,344		1,344	
Cash at bank and in hand		203,177		133,146	
		204,521.4		134,490.0	
Current liabilities	14	(1,267)		(784)	
Net current assets			203,254		133,706
Total assets less current liabilities			1,771,276		1,741,642
Non-current liabilities	15		(700)		(700)
Net assets			1,770,576		1,740,942
Income funds					
Restricted funds	16		98,803		95,557
Unrestricted funds			1,671,773		1,645,385
			1,770,576		1,740,942

BROOK STREET UNITARIAN CHAPEL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1. Accounting policies

Charity information Brook Street Unitarian Chapel is a Charitable Incorporated Organization registered with the Charities Commission on 13 May 2016.

1.1 Accounting convention

The accounts have been prepared in accordance with the chapel's constitution dated 13 May 2016, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The chapel is a Public Benefit Entity as defined by FRS 102.

The chapel has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the chapel. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investments and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the chapel has adequate resources to continue in operational existence for the foreseeable future. Thus, the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

It is the policy of the trustees to transfer the value of fixed assets from restricted to unrestricted funds when the asset has been purchased from restricted fund donations and then becomes available for the general use of the chapel.

1.4 Incoming resources

Income is recognised when the chapel is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the chapel has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the chapel has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

BROOK STREET UNITARIAN CHAPEL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

1 Accounting policies (Continued)

1.5 Resources expended

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT and is reported as part of the expenditure to which it relates:

Expenditure on raising funds includes all expenditure incurred to raise funds for charitable purposes. Expenditure on charitable activities comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Other costs include all expenditure which is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated between the expenditure categories of the Sofa on a basis designed to reflect the use of the resource.

1.6 Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	10% straight line
Equipment	10% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

The Brook Street Chapel was conveyed to the previous excepted charity on 23 November 1846 at no cost and subject to a specific term that the trustees should stand possessed of the property thereafter. These assets were revalued in 1999 at £651,779 and this valuation has not been updated. Since the charity is responsible for keeping the original land and buildings in fit and useful condition the costs of doing so are written off as and when incurred.

1.7 Non-current investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.8 Impairment of non-current assets

At each reporting end date, the chapel reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

BROOK STREET UNITARIAN CHAPEL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

1 Accounting policies (Continued)

1.10 Financial instruments

The chapel has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the chapel's balance sheet when the chapel becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method less any impairment.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

2 Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
Donations and gifts	90,252	500	90,752	
For the year ended 31 December 2021	18,158	500		18,658
Donations and gifts				
Donations and legacies	81,375	-	81,375	12,719
Grants received	5,850	500	6,350	3,500
Income tax recoverable	3,027	-	3,027	2,439
	90,252	500	90,752	18,658

3 Charitable Activities

	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
Charitable rental income	13,800	-	13,800	11,612
Events and refreshment takings	5,821	-	5,821	4,396
Insurance claim re COVID losses	-	-	-	9,684
	19,621	-	19,621	
For the year ended 31 December 2021				25,692

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

4 Investments

	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
Dividends and interest receivable	22,311	1,777	24,088	
For the year ended 31 December 2021	23,925	2,004		25,937

5 Raising Funds

	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
<u>Fundraising and publicity</u>				
Costs of events	993	-	993	431
Advertising, printing etc	661	-	661	427
Investment portfolio management fees	7,465	745	8,210	12,947
Fundraising and publicity	9,119	745	9,864	
For the year ended 31 December 2021				
Fundraising and publicity	12,801	1,004		13,805

6 Charitable activities

	2022 £	2021 £
Depreciation	506	506
Light and heat	3,257	2,831
Water rates and council tax	259	-
Insurance	2,943	2,728
Cleaning costs and caretaker	3,716	3,000
Repairs and maintenance	39,927	6,174
Telephone	367	364
Ministerial costs	17,746	22,851
Organists	2,470	2,065
Appeals & donations	195	717
	71,386	41,236
	71,386	41,236
<u>Analysis by fund</u>		
Unrestricted funds		35,062
Restricted funds		6,174
	71,386	41,236

BROOK STREET UNITARIAN CHAPEL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

7. Trustees

During the year, a trustee was paid £455 to act as a lay preacher (2021: £780). This represents £65 for each service taken and is in line with the fees paid to all lay preachers.

A trustee's husband was employed by the Chapel as Minister and he received total remuneration of £13,936 (2021: £19,068), this remuneration was agreed by the other trustees and the related trustee was not involved in deciding the amount to be paid.

In addition, the Chapel made pension contributions on behalf of a trustee in the sum of £1,176 (2020: £1,743.60) as part of his employment package and again, he was not involved in deciding the amount to be paid.

A person connected with a trustee was reimbursed a total £314.70 in respect of travelling expenses, telephone and broadband (2021: a trustee was reimbursed £816.79).

8. Employees

The average monthly number of employees during the year was:

2022 Number	2021 Number
1	1

No employees were paid more than £60,000 during the year. Employee resigned on 31st August 2022.

9. Other

	2022 £	2021 £
Conferences and courses	140	40
Subscriptions	370	302
Other accountancy costs	878	714
General Assembly annual contribution	1,645	1,645
Solicitors re Barbara Austin	840	-
	<u>3,873</u>	<u>2,701</u>

The land and buildings were valued in 1999 and this valuation has not been updated.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

10. Net gains/(losses) on investments

	Unrestricted Funds £ 2022	Restricted Funds £ 2022	Total 2022 £ 2022	Total 2021 £ 2021
Revaluation of investments	<u>(21,032)</u>	<u>1,715</u>	<u>(19,704)</u>	<u>(18,964)</u>
For the year ended 31 December 2021	<u>(18,964)</u>	<u>-</u>		<u>(18,964)</u>

11. Property, Plant and Equipment

	Land & buildings £	Fixtures & fittings £	Equipment £	Total £
Cost				
At 1 January 2022	<u>651,779.00</u>	<u>97,970.00</u>	<u>34,027.00</u>	<u>783,776.00</u>
At 31 December 2022	<u>651,779.00</u>	<u>97,970.00</u>	<u>34,027.00</u>	<u>783,776.00</u>
Depreciation and impairment				
At 1 January 2022	-	95,473.00	34,027.00	129,500.00
Depreciation charged in the year	-	506.00	-	506.00
At 31 December 2022	-	95,979.00	34,027.00	130,006.00
Carrying amount				
At 31 December 2022	<u>651,779.00</u>	<u>1,991.00</u>	<u>-</u>	<u>653,770.00</u>
At 31 December 2021	<u>651,779.00</u>	<u>2,497.00</u>	<u>-</u>	<u>654,276.00</u>

12. Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 January 2022	953,660
Additions	74,193
Valuation changes	(20,091)
Disposals	<u>(93,510)</u>
At 31 December 2022	<u>914,252</u>
Carrying amount	
At 31 December 2022	<u>914,252</u>
At 31 December 2021	<u>953,660</u>

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

13. Trade and Other Receivables

	2022 £	2021 £
Amounts falling due within one year:		
Other receivables	-	-
Prepayments and accrued income	1,344	1,344
	<u>1,344</u>	<u>1,344</u>

14. Current Liabilities

	2022 £	2021 £
Accruals and deferred income	<u>1267</u>	<u>784</u>

15. Non-Current liabilities

	2022 £	2021 £
Other payables	<u>700</u>	<u>700</u>

16. Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 January 2022 £	Incoming resources £	Resources expended £	Transfers £	Revaluations, gains and losses £	Balance at 31 December 2022 £
Ministers Support Fund	95,557	12,438	(14,153)		4,961	98,803
	<u>95,557</u>	<u>12,438</u>	<u>(14,153)</u>	-	<u>4,961</u>	<u>98,803</u>

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

17. Analysis of Net assets between funds

	Unrestricted Funds £ 2022	Restricted Funds £ 2022	Total 2022 £ 2022	Total 2021 £ 2021
Fund balances at 31 December 2022 are represented by:				
Property, plant and equipment	653,770	-	653,770	654,276
Investments	815,449	98,803	914,252	953,660
Current assets/(liabilities)	203,254	-	203,254	133,706
Long term liabilities	(700)	-	(700)	(700)
	<u>1,671,773</u>	<u>98,803</u>	<u>1,770,576</u>	<u>1,740,942</u>

18 Related party transactions

There were no disclosable related party transactions during the year (2021 - none) other than those disclosed in note