

## **ST ANDREW'S FROGNAL UNITED REFORMED CHURCH CHARITY**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDING 31 DECEMBER 2021**

This report includes information required by the Charities (Accounts and Reports) Regulations 2008 and the Statement of Recommended Practice for Accounting by Charities 2005 as applicable to charities entitled to prepare accounts on a receipts and payments basis.

#### **ADMINISTRATIVE INFORMATION**

St Andrew's Frognal is a local church of the United Reformed Church (URC) in Great Britain, a member of 'Churches Together in Camden' and a member of the URC's Thames North Synod. It is situated on the junction of Finchley Road and Frognal Lane in Hampstead, London, postcode NW3 7DY.

It was separately registered as a charity on 21 November 2016, charity no. 1170281. Its trustees are the elders: Victoria Ferguson, Andrew Glennie, John Meadows, Doreen Morgans, Anne Noble, David Noble, Susan Noble, Christy Sawyer; and its treasurer: Trevitt Steggles. The church building, the manse at 42 Armitage Rd, London NW11 8RD and the Garden Flat, Orchard Mead House, 733 Finchley Rd, London NW11 8DJ, together with a 20% share in the manse of Trinity, Camden URC at 34 Willes Road, London NW5 3DS, are vested in URC Thames North Trust as trustees and held for the benefit of St Andrew's Frognal URC in accordance with the trusts applicable to URC properties.

The church maintains bank accounts with HSBC Bank for general use and holds 4 savings accounts: three with COIF (Charities Official Investment Fund) administered by CCLA (Charity Commission and Local Authority), and the other with the Churches Mutual Credit Union.

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

The church's activities are overseen by the Elders' Meeting in accordance with the provisions of The Structure of the URC determined by the General Assembly of the URC and supplemented by the rules of St Andrew's Frognal URC. The Elders' Meeting, assisted by its Finance and Fabric Committee, is responsible for the financial administration of the church, and the care and maintenance of the church premises together with the manse and flat. Elders' meetings are normally held monthly. The Church Meeting (of all who wish to attend) gives general guidance on the life and work of the church; only church members have voting rights.

New elders are elected by members of the church at a church meeting. Their term of office is not limited. The offices of Secretary and Treasurer are voted on at the AGM.

#### **OBJECTIVES AND ACTIVITIES**

As a local congregation of the URC, St Andrew's seeks to advance the Christian religion through its activities and the facilities offered to the community by its building. It provides benefit to the public by:

- providing resources and facilities for public worship, pastoral care and spiritual, moral and intellectual development, both for the congregation and for anyone else who wishes to benefit from what the church offers;
- promoting Christian values and service by members of the congregation to the community, for the benefit of individuals and society as a whole.

Specifically it offers Sunday morning worship, both at the church and on-line through Zoom, various Bible Study sessions, and other occasional services and events including weddings, funerals and christenings. It also provides the main premises for the Wengelawit Eritrean Lutheran Church in London.

## REVIEW OF ACTIVITIES AND ACHIEVEMENTS

While the minister's post is currently vacant, services were conducted in some form every Sunday, by visiting ministers or by church elders who are trained lay preachers. During church closures, compliant with government guidelines, services were transmitted via Zoom either from the church or from preachers' homes. Since re-opening of the church simultaneous broadcasts of the services via Zoom have continued, helping to bring the church to a wider congregation.

The Finance and Fabric Committee were unable to meet in person, owing to continuing concerns about Covid, but were able to correspond by telephone and email, so necessary maintenance of the church was not hindered.

Elders and others have continued to make a wide variety of contributions: in the choir, in the Children's Church, providing ministry, providing pastoral care, catering, flowers, managing hall lettings, property management etc. Thanks are due to all who make the church a welcoming feature of the community and particularly to those who took the necessary actions at relevant times to make the church Covid-safe and to grapple with new technology.

## FINANCIAL REVIEW

In 2021 a surplus of £56,000 was recorded. This was aided by an unexpected growth of £35,000 in the value of investments, which of course remain at risk of any economic downturn.

The reserves at year end stood at £502,000 of which £488,000 was in unrestricted funds. The policy on reserves is that unrestricted funds should exceed 12 months of income from hall lettings (currently about £50,000 in a normal year) this being the largest single source of income, but at risk if the hall were to become unusable for any reason (as it was in 2020).

The church pays a contribution to the URC's Ministry and Mission fund, this operating like a tax with different rates on different sources of income. In 2021 the contribution was £37,000. Because it works 2 years in arrears (eg 2020 contribution based on 2018 income) it can cause significant fluctuations in annual profit or loss. However, an underlying position close to break-even is expected to be achievable over the next few years. The use of one-off legacy receipts from 2019 to fund various initiatives in line with the church's mission continues to be under consideration by the trustees despite obvious current uncertainties. Special charity collections in church were resumed part-way through the year enabling £1,300 to be donated to a variety of causes.

This report was approved by the Trustees on 8.5.22 and is signed on its behalf by the Church Secretary.

Andrew Glennie .....

Church Secretary

## ST ANDREW'S FROGNAL UNITED REFORMED CHURCH

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## FINANCIAL STATEMENTS FOR THE YEAR ENDING 31.12.21

## RECEIPTS AND PAYMENTS ACCOUNT

|                                     | Note | Unrestricted<br>Funds £ | Designated<br>Funds £ | Restricted<br>Funds £ | This Year<br>2021<br>Total £ | Last Year<br>2020<br>Total £ |
|-------------------------------------|------|-------------------------|-----------------------|-----------------------|------------------------------|------------------------------|
| <b>RECEIPTS</b>                     |      |                         |                       |                       |                              |                              |
| Ordinary collections                |      | 551                     |                       |                       | 742                          | 551                          |
| Freewill offering                   |      | 7,322                   |                       |                       | 11,254                       | 7,322                        |
| Other donations/events              |      | 0                       |                       |                       | 250                          | 0                            |
| Gift Aid tax repayments             |      | 3,180                   |                       |                       | 1,833                        | 3,180                        |
| Interest                            |      | 6,758                   |                       | 199                   | 6,957                        | 7,405                        |
| Lettings                            |      | 25,694                  |                       |                       | 29,266                       | 25,694                       |
| Property rents                      |      | 27,431                  |                       |                       | 52,659                       | 27,431                       |
| Charity special collections         |      | 0                       |                       | 1,414                 | 1,414                        | 311                          |
| Other                               |      | 50                      |                       |                       | 0                            | 50                           |
| Legacies                            |      | 359                     |                       |                       | 3,000                        | 359                          |
| Investment growth (unrealised)      |      | 32,393                  |                       | 953                   | 33,346                       | 12,887                       |
| <b>Total receipts</b>               |      | <b>138,154</b>          |                       | <b>2,566</b>          | <b>140,720</b>               | <b>85,190</b>                |
| <b>PAYMENTS</b>                     |      |                         |                       |                       |                              |                              |
| Ministry & Mission Fund             |      | 36,840                  |                       |                       | 36,840                       | 41,304                       |
| Ministerial expenses                |      | 0                       |                       |                       | 0                            | 461                          |
| Manse expenses                      |      | 858                     |                       |                       | 858                          | 469                          |
| Pulpit supply                       |      | 1,800                   |                       |                       | 1,800                        | 2,133                        |
| Church music                        |      | 2,055                   |                       |                       | 2,055                        | 1,523                        |
| Church water, gas, elec'y, tels     |      | 7,172                   |                       |                       | 7,172                        | 8,812                        |
| Church insurance                    |      | 9,750                   |                       |                       | 9,750                        | 9,865                        |
| Printing, stationery, photocopies   |      | 1,365                   |                       |                       | 1,365                        | 1,204                        |
| Cleaning services and materials     |      | 9,224                   |                       |                       | 9,224                        | 8,676                        |
| Copyrights                          |      | 202                     |                       |                       | 202                          | 196                          |
| Children's church                   |      | 0                       |                       | 0                     | 0                            | 0                            |
| Charity special collections         |      | 0                       |                       | 1,297                 | 1,297                        | 0                            |
| Subscriptions etc                   |      | 0                       |                       |                       | 0                            | 0                            |
| Fabric                              |      | 20,652                  |                       | 0                     | 20,652                       | 30,589                       |
| Events/catering/flowers             |      | 143                     |                       |                       | 143                          | 207                          |
| Bank charges                        |      | -7,135                  |                       |                       | -7,135                       | 314                          |
| Training                            |      | 0                       |                       | 488                   | 488                          | 463                          |
| <b>Total payments</b>               |      | <b>82,925</b>           |                       | <b>1,785</b>          | <b>84,710</b>                | <b>106,217</b>               |
| <b>NET RECEIPTS / (PAYMENTS)</b>    |      | <b>55,229</b>           |                       | <b>781</b>            | <b>56,010</b>                | <b>-21,027</b>               |
| <b>TRANSFERS between funds</b>      |      |                         |                       |                       |                              |                              |
| <b>CASH FUNDS b/fwd 1 January</b>   |      | <b>432,500</b>          |                       | <b>13,072</b>         | <b>445,572</b>               | <b>466,599</b>               |
| <b>CASH FUNDS c/fwd 31 December</b> |      | <b>487,729</b>          |                       | <b>13,853</b>         | <b>501,582</b>               | <b>445,572</b>               |

## STATEMENT OF ASSETS AND LIABILITIES

|                                        |          |                                  |  |               |                |                |
|----------------------------------------|----------|----------------------------------|--|---------------|----------------|----------------|
| <b>Monetary assets</b>                 |          |                                  |  |               |                |                |
| HSBC current account                   |          | 98,794                           |  |               | 98,794         | 91,793         |
| HSBC business account                  |          | 2,149                            |  |               | 2,149          | 2,149          |
| CCLA ethical fund                      |          | 252,755                          |  |               | 252,755        | 217,425        |
| CCLA deposit fund                      |          | 100,226                          |  |               | 100,226        | 100,214        |
| Churches Mutual Credit Union           |          | 1,325                            |  | 13,853        | 15,178         | 15,178         |
| COIF (URC) investment acct             |          | 33,086                           |  |               | 33,086         | 28,976         |
| <b>Total monetary assets</b>           | <b>4</b> | <b>488,335</b>                   |  | <b>13,853</b> | <b>502,188</b> | <b>455,735</b> |
| <b>Other assets</b>                    |          |                                  |  |               |                |                |
| Gift Aid recoverable                   |          |                                  |  |               |                |                |
| Rental debtors                         |          |                                  |  |               | 0              | 0              |
| <b>Assets used for church purposes</b> |          |                                  |  |               |                |                |
| Buildings                              | 5        | Church buildings, manse and flat |  |               |                |                |
| Church contents                        | 5        | Furnishings and equipment        |  |               |                |                |
| <b>Liabilities</b>                     |          |                                  |  |               |                |                |
| Cheques not cleared at 31.12           |          | 606                              |  |               | 606            | 10,163         |

APPROVED by the Church Meeting held on 24.4.22 and signed on its behalf  
 by Andrew Glenzie (name) Andrew Glenzie (signature)

The notes on pages 2 and 3 form part of this financial statement

## Financial statements for the year ending 31.12.21

## NOTES

## 1 ACCOUNTING POLICIES

The financial statements have been prepared in accordance with the Charities Act 2011, using the Receipts and Payments basis available to small charities, and the United Reformed Church guidance.

## 2 FUND ACCOUNTING

**Unrestricted Funds** may be used by the church for any of its ordinary purposes.

| Fund name & purpose:                 | Balance<br>b/fwd £ | Receipts<br>in year £ | Payments<br>in year £ | Transfers<br>for year £ | Balance<br>c/fwd £ |
|--------------------------------------|--------------------|-----------------------|-----------------------|-------------------------|--------------------|
| Congregational fund                  | 81,287             | 103,361               | 71,195                |                         | 113,453            |
| Legacy fund                          | 351,213            | 34,793                | 11,730                |                         | 374,276            |
| <b>Totals for unrestricted funds</b> | <b>432,500</b>     | <b>138,154</b>        | <b>83</b>             |                         | <b>487,729</b>     |

**Designated Funds** represent unrestricted funds set aside by the church for specific designated purposes; they can be transferred back into general funds at the church's decision.

**Restricted funds** represent income which may be expended only on those restricted objects provided in the terms of a trust or bequest, or donations or grants received or invited for a specific purpose. These funds can only be spent on the specific purpose for which they were given. Any balance remaining unspent must be carried forward as a balance on that fund for future expenditure on that specific purpose, or returned; it cannot be absorbed into general funds.

| Fund name & purpose:               | Balance<br>b/fwd £ | Receipts<br>in year £ | Payments<br>in year £ | Transfers<br>for year £ | Balance<br>c/fwd £ |
|------------------------------------|--------------------|-----------------------|-----------------------|-------------------------|--------------------|
| Organ and choir fund               | 10,470             | 948                   | 0                     |                         | 11,418             |
| B How training fund                | 2,261              | 204                   | 488                   |                         | 1,977              |
| Charities fund                     | 341                | 1,414                 | 1,297                 |                         | 458                |
| <b>Totals for restricted funds</b> | <b>13,072</b>      | <b>2,566</b>          | <b>1,785</b>          |                         | <b>13,853</b>      |

|                                           | Unrestricted<br>Funds £ | Designated<br>Funds £ | Restricted<br>Funds £ | This Year<br>2021<br>Total £ | Last Year<br>2020<br>Total £ |
|-------------------------------------------|-------------------------|-----------------------|-----------------------|------------------------------|------------------------------|
| <b>3 MONIES RAISED FOR OUTSIDE CAUSES</b> |                         |                       |                       |                              |                              |
| Christian Aid                             |                         |                       | 0                     | 796                          | 0                            |
| Trussell Trust                            |                         |                       | 0                     | 256                          | 0                            |
| British legion                            |                         |                       | 0                     | 60                           | 0                            |
| London Refugee Response Fund              |                         |                       | 0                     | 185                          | 0                            |
|                                           |                         |                       | 0                     |                              | 0                            |
| <b>Totals raised for outside causes</b>   |                         |                       | <b>0</b>              | <b>1,297</b>                 | <b>0</b>                     |

## 4 MONETARY ASSETS

Restricted funds are not held in separate accounts, but for convenience are shown under the CMCU account. In practice interest and investment gains or losses are pro rata'd across all funds.

## 5 ASSETS USED FOR CHURCH PURPOSES

The Trustees of the church and manse buildings are the URC Thames North Synod Trust who hold them upon trust for purposes connected with St Andrew's Frognal URC. For insurance purposes the church buildings are insured for £18.8m and the contents for £144,000.

The manse house and garden are insured for £700,000, reflecting rebuild not sale price (which was £1.43m).

## Financial statements for the year ending 31.12.21

## TREASURER'S STATEMENT

I have prepared the financial statements for the year ending 31.12.21

T J Steggles



5.4.2022

(date)

## INDEPENDENT EXAMINER'S REPORT

I report on the financial statements for St Andrew's Frognal URC for the year ending 31.12.21 as set out on pages 1 and 2.

## Respective responsibilities

The church is responsible for the preparation of the financial statements, and considers that the audit requirement of section 144(2) of the Charities Act 2011 does not apply. It is my responsibility to state, on the basis of procedures specified in the General Directions given by the Charity Commissioners under section 145 of the Act, 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 of the Charity Commissioners. An examination includes a review of the accounting records kept by the church and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeking explanations concerning any 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 financial statements.

## Independent Examiner's statement

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

(1) gives me reasonable cause to believe that in any material respects the requirements to keep accounting records in accordance with section 130 of the 2011 Act, and to prepare accounts which accord with those records and comply with the accounting requirements of the Act have not been met; or  
(2) require, in my opinion, attention to be drawn in order to enable a proper understanding of the accounts to be reached.

Signed by the Independent Examiner:



date: 3/10/22

Name and address of the Independent Examiner:

CHRIS FILBR FCMA

WOODHURST

Relevant professional qualification or body:

CMA FMCA

MANOR CLOSE

F&N

HP10 8HZ

## Financial statements for the year ending 31.12.21

## TREASURER'S STATEMENT

I have prepared the financial statements for the year ending 31.12.21

T J Steggles



5.4.2022

(date)

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Signed by the Independent Examiner:



date: 3/10/22

Name and address of the Independent Examiner:

CHRIS FILBR FCMA

WOODHURST

Relevant professional qualification or body:

CMA FMCA

MANOR CLOSE

F&N

HP10 8HE