

UNION CHAPEL

England & Wales · Charity number 1172808

Details

Status Registered

Legal form Trust

Registered 2017-04-28

Register [View on the Charity Commission register](#)

Contact

Address 19B Compton Terrace
London
N1 2UN

Phone 020732261686

Email church@unionchapel.org.uk

Website www.unionchapel.org.uk

Activities

Objects: NOTE: PLEASE ALSO SEE NOTES ON SPECIAL CIRCUMSTANCES. THAT THE TRUSTEES SHALL AT ALL TIMES HEREAFTER PERMIT THE SAID PIECE OF GROUND, CHAPEL, VESTRIES, LECTURE HALL, SCHOOL AND CLASS ROOMS, AND TWO MESSUAGES HEREDITAMENTS AND PREMISES, AND ANY OTHER BUILDINGS THAT MAY HEREAFTER BE ERECTED ON THE SAID PIECE OF GROUND AND ANY PARTS THEREOF TO BE USED, OCCUPIED, AND ENJOYED FOR THE PUBLIC WORSHIP OF ALMIGHTY GOD IN ACCORDANCE WITH THE BELIEF IN THE LORD JESUS CHRIST AS THE INCARNATE SON OF GOD AND THE REDEEMER OF MEN AND IN THE HOLY SPIRIT AS THE AUTHOR OF SPIRITUAL LIFE AND WITH A RECOGNITION OF THE DIVINELY INSPIRED SCRIPTURES OF THE OLD AND NEW TESTAMENTS AS THE SUPREME AND SUFFICIENT RULE OF FAITH AND PRACTICE, AND ALSO FOR SUCH OTHER RELIGIOUS, PHILANTHROPIC, MORAL, INTELLECTUAL, OR SOCIAL PURPOSES, NOT INCONSISTENT WITH SUCH BELIEF AND RECOGNITION AS AFORESAID AND GENERALLY IN SUCH MANNER AND BY SUCH PERSONS AS SHALL FROM TIME TO TIME BE DIRECTED BY A SPECIAL RESOLUTION

Activities: Provides services of worship, pastoral care and outreach activities by: Holding Christian worship services, festival celebrations, weddings, baptisms and funerals. Actively engaging in pastoral care when needed for church members and the wider community. Opening Union Chapel to as many people as possible, from all walks of life by holding events and community activities.

Classification

- **How:** Makes Grants To Individuals, Makes Grants To Organisations, Provides Buildings/facilities/open Space, Provides Services
- **What:** General Charitable Purposes, Religious Activities
- **Who:** The General Public/mankind

Geography

- Islington

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£237,434	£290,128	-	-
2024-03-31	£388,212	£310,530	-	-
2023-03-31	£248,053	£203,261	-	-
2022-03-31	£165,961	£142,650	-	-
2021-03-31	£166,627	£122,809	-	-

Trustees

Name	Role	Appointed
Claudina Maritza Edwards		2021-01-21
Huw Arfon Williams		2024-01-25

UNION CHAPEL

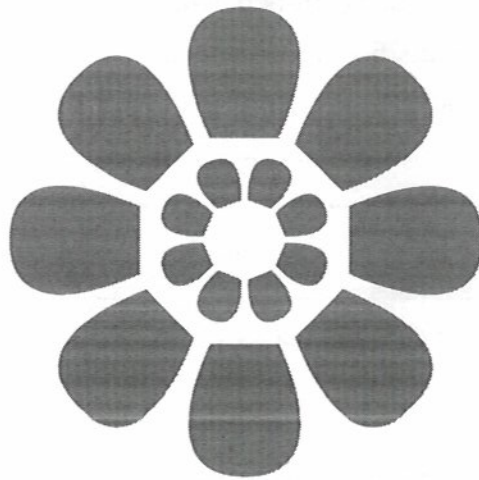
England & Wales - Charity number 1172808

Accounts

Union Chapel

**Trustees' Annual Report and Financial
Statements for the year to 31 March 2025**

Charity Number 1172808



Contents

Reference and Administrative Information	3
Governing Document.....	4
Managing Trustees	4
Relationship with the Congregational Federation	5
Objects and Activities.....	6
Public Benefit.....	7
Relationship with Union Chapel Project and The Margins Project.....	7
Performance and Achievements	8
Future Plans (2025-26).....	10
Financial Review.....	11
Reserves Policy	13
Fundraising	14
Risks.....	15
Statement of Trustees' Responsibilities	16
Independent Examiner's Report to the Trustees of Union Chapel.....	17
Statement of Financial Activities for the Period 1 April 2024 – 31 March 2025.....	19
Balance Sheet as at 31 March 2025	20
Notes to the Financial Statements	21
1 Accounting policies	21
2 Income from grants and donations	22
3 Income from charitable activities	23
4 Income from other trading activities	23
5 Income from investments and deposits.....	23
6 Analysis of expenditure	24
7 Net income / (expenditure)	25
8 Staff costs and trustee remuneration and expenses.....	25
9 Tangible fixed assets and depreciation.....	27
10 Investments	27
11 Debtors.....	28
12 Creditors: amounts falling due within one year.....	28
13 Net assets between funds	28
14 Movements in funds	29
15 Related party transactions.....	31
16 Legal status and members' liability	31

Reference and Administrative Information

Trustees / deacons	Claudina Edwards MG Jones (Church Secretary) Huw Williams	
Minister	Rev. Vaughan Jones Rev. Cathy Bird	(until 31 July 2024) (from 13 January 2025)
Treasurer	Dr. Philip Cotterell	
Charity number	1172808	
Legal status	Union Chapel is an unincorporated charitable trust governed by a trust deed	
Principal address	Union Chapel 19b Compton Terrace London N1 2UN	
Bankers	Lloyds Bank 19-20 Upper Street London N1 0PJ	
Accountants	Goodman Jones Arthur Stanley House 40-50 Tottenham Street London W1T 4RN	
Solicitors	Bates Wells 10 Queen Street Place London EC4R 1BE	Bolt Burdon Providence House Providence Place London N1 0NT
Surveyors / property managers	Goodman Mann Broomhall 118 Piccadilly London W1J 7NW	Price Taylor 108-109 Upper Street London N1 1QN

Governing Document

Union Chapel (hereafter "UC") is a Congregationalist church affiliated to the Congregational Federation. It is an unincorporated charitable trust, initially established and governed by an indenture dated 18 September 1889.

In 2018 UC made substantial changes to that indenture. Those changes were motivated by the desirability of bringing the content up to date, and in particular by the need to have UC's relationship with the Congregational Federation – described below – correctly set out in its governing document. Because the original 1889 indenture does not grant any power of amendment, UC was able to make only changes deemed to be "administrative" and so within the scope of the statutory power of modification conferred by section 280 of the Charities Act 2011.

The Charity Commission has approved a model governing document for use by churches affiliated to the Congregational Federation and, to the extent possible, UC's amended governing document – the "consolidated trust deed" – matches that model document. The text of the consolidated trust deed is therefore a (slightly awkward) amalgam of clauses from the original 1889 indenture and material copied from the approved model document.

Managing Trustees

The consolidated trust deed establishes that:

- the Managing Trustees are UC's trustees as defined in the Charities Act 2011, and have all powers to control, manage, and administer the church in accordance with the consolidated trust deed and their charitable and other legal obligations;
- the members of the church, acting collectively as and through the Church Meeting, have the power to appoint Managing Trustees;
- the individuals appointed by the Church Meeting to be UC's deacons are also its Managing Trustees, unless the Church Meeting, by passing a special resolution, explicitly decides otherwise;
- each Managing Trustee must be a member of the church, and any Managing Trustee who ceases to be a member of the church also automatically ceases to be a Managing Trustee; and
- each Managing Trustee is appointed for a three-year term, and may at the end of any term be re-appointed for a further three-year term.

The Church Meeting has not passed any special resolution which alters the default arrangements, so UC's deacons are also its trustees. (For the avoidance of doubt, neither the Minister nor the Treasurer is a trustee.)

The consolidated trust deed does not place any restriction on the number of Managing Trustees which the Church Meeting may appoint. In practice, the number is constrained by the limited availability of individuals who are eligible and willing.

When making an appointment, the Church Meeting considers the experience, knowledge, and capabilities that a prospective Managing Trustee can bring to the role, and also the desirability of maintaining diversity among the Managing Trustees.

The Managing Trustees give their time voluntarily; they are not paid and do not receive any benefit from UC in return for their service.

UC does not have any formal induction or training program for new Managing Trustees. The existing Managing Trustees do not believe any such provision is necessary. Managing Trustees are necessarily members of the church and are appointed by the Church Meeting, so it is assumed that a new Managing Trustee has some familiarity with matters of current concern or interest. The Managing Trustees are encouraged to take advantage of training offered by the Charity Commission.

Relationship with the Congregational Federation

The Congregational Federation¹ is the Holding Trustee.

UC's buildings – the church building itself, and the properties at 18 and 19 Compton Terrace, adjacent to the church building on either side of it – are vested in the name of the Holding Trustee and for that reason do not appear as assets on UC's balance sheet.

The consolidated trust deed gives the Holding Trustee rights to:

- make reasonable requests for information relating to UC's management and administration and the use of its buildings;
- send a representative to any Church Meeting or any meeting of the Managing Trustees; and
- investigate if it has reasonable grounds for suspecting that UC is not complying with its consolidated trust deed, or is otherwise jeopardising its charitable status, or that any aspect of its management or administration is not being carried out correctly.

The Holding Trustee is not under any obligation to exercise any of these rights.

If so requested by a special resolution of the Church Meeting – and not otherwise – the Holding Trustee will assume the role, powers, and responsibilities of UC's trustees in place of the Managing Trustees.

¹ Congregational Federation Ltd., registered with charity number 267469 and company number 01166357.

Objects and Activities

UC's charitable objects, as set out in the consolidated trust deed, are to

permit the said piece of ground, Chapel, Vestries, Lecture Hall, School and Class Rooms, and two messuages² hereditaments and premises, and any other buildings that may hereafter be erected on the said piece of ground and any parts thereof to be used, occupied, and enjoyed for the public worship of Almighty God in accordance with the belief in the Lord Jesus Christ as the incarnate Son of God and the Redeemer of Men and in the Holy Spirit as the author of spiritual life and with a recognition of the divinely inspired scriptures of the Old and New Testaments as the supreme and sufficient rule of faith and practice, and also for such other religious, philanthropic, moral, intellectual, or social purposes, not inconsistent with such belief and recognition as aforesaid and generally in such manner and by such persons as shall from time to time be directed by a special resolution.

In pursuit of these objects, UC organises and provides:

- weekly Sunday morning services of Christian worship, including a communion service on the first Sunday of each month, and baptisms as and when requested;
- additional services and other activities to mark particular occasions within the Christian liturgical year (primarily Easter and Christmas);
- wedding services;
- funeral and memorial services;
- a regular Bible study (conducted in a hybrid online / in-person format, to facilitate participation by individuals who cannot be present in person on a weekday evening);
- pastoral care and support for members of the church, other regular congregants, and others who may from time to time seek such support from the church;
- a community choir, Union Chapel Singers, open to anyone who wishes to participate;
- a series of events focussed on issues of current interest or concern, especially matters of racial, social, economic, and climate justice;
- performances which use the arts to explore and engage with spirituality and culture;
- advocacy for individuals who are disadvantaged or marginalised, to assist those individuals and also generally to encourage diversity and raise awareness of discrimination; and

² "Messuage": a piece of land occupied, or intended to be occupied, by a dwelling.

- various forms of assistance to asylum seekers and refugees currently accommodated within the London Borough of Islington (funded by a grant from Islington Borough Council).

UC also pursues its objects through its involvement with two other charities, Union Chapel Project and The Margins Project. This activity is described below.

Public Benefit

In accordance with paragraph 5, section 17 of the Charities Act 2011, the trustees have considered the Charity Commission's guidance on public benefit.

UC's services of worship and other activities are open to all, without limitation or distinction on the grounds of religious faith or otherwise. Most of UC's core activities are provided without any charge and this is intended to maintain accessibility for individuals with low incomes. (However, it is becoming necessary for those church events to which significant costs are attributable to at least break even, which means that UC must now charge for admission for some events which might once have been provided free of charge.)

Relationship with Union Chapel Project and The Margins Project

Union Chapel Project (hereafter "UCP") is a separate organisation – a charitable limited company³ – established

to promote for the benefit of the public the restoration and preservation of Union Chapel Islington

where "Union Chapel Islington" in this context means the church building. In accordance with a decision by UC that

UCP should be appointed to manage [the building] with a view to its preservation maintenance and wider use for purposes beneficial to the local community

UC has delegated all matters relating to the fabric and operation of the building, including fundraising to enable maintenance and restoration, to UCP.

UCP's Articles of Association establish that

members of the Company shall be those of the minister and the members of [Union Chapel] for the time being who wish to become a member of the company.

Therefore, everybody who is entitled to a vote at any (annual or extraordinary) general meeting of UCP is necessarily a member of UC. UCP's Articles of Association furthermore

³ A company limited by guarantee and not having a share capital, registered with charity number 1010166 and company number 02583801.

state that UCP shall have up to seven directors, of whom one shall be UC's Minister (so long as the Minister is able and willing), and up to three others shall at the time of their appointment be members of UC; it is therefore expected that the Minister and selected members of UC shall constitute an absolute majority of UCP's directors. These arrangements are intended to ensure that UC retains ultimate strategic control of its building.

The day-to-day operational relationship between UC and UCP is governed by a Management Agreement which formally establishes matters such as the parties' respective rights to make use of the building. It also specifies certain arrangements for ongoing liaison and co-ordination. In recent years neither party has fully discharged all of its obligations under these arrangements.

The Management Agreement states that

UC shall make an agreed annual donation to UCP towards the maintenance and restoration of [the building] when and to the extent it is able and this will be reviewed annually.

The Margins Project (hereafter "UCM") is a charitable subsidiary of UCP⁴. It provides a range of services intended to relieve need and hardship and to provide opportunities, training, and employment for people who are homeless, at risk of becoming homeless, or otherwise marginalised. UCM delivers a substantial amount – but certainly not all – of that part of the church's activity which can most straightforwardly be described as "charitable".

There are no direct structural connections between UC and UCM; formally, the relationship between the two organisations is entirely through UCP. However, Vaughan Jones was the chair of UCM's trustees until his retirement at the end of July 2024; and since her appointment Cathy Bird has become one of UCM's trustees.

Performance and Achievements

In 2024-25 UC continued its mission as a community of Christians from diverse backgrounds committed to living lives that are spiritual, sustainable, and responsive to the gospel's call for justice and peace. Our charitable partner UCP ensures the building is well used, respecting the dignity of a space that is used for public worship. Our programme promotes racial, social, economic, and climate justice from the perspective of our radical Christian faith.

- The year was marked by a period of transition when Vaughan Jones retired at the end of July 2024. The search for a new Minister involved a multi-step process, involving a search committee, and a careful evaluation of candidates. Cathy Bird was offered the role and accepted. Rev. Bird previously held the position of Superintendent Minister of the Methodist Church's United Stockport Circuit. She commenced her ministry at UC in January 2025.

⁴ UCM is an "association" Charitable Incorporated Organisation (CIO) registered with charity number 1153070; UCP is its only member.

- The opportunity was taken to revise the terms and conditions of employment for the Minister and to put in place arrangements to rent accommodation offered as part of her terms and conditions of employment.
 - The period of “interregnum” (the time between Vaughan Jones’ departure and Cathy Bird’s arrival) saw services continue each Sunday with members of the congregation leading worship.
 - Sunday services continued to attract a diverse congregation, including many new to the Christian faith. To help their understanding an education session was held before each service.
 - Special services were held during the major festivals of the church: Advent, Christmas, Lent, Easter, Pentecost.
 - Other services marked Christian Aid Week, Homelessness Sunday, Refugee Week, Black History Month, Pride, Holocaust Memorial Day, and Remembrance Sunday.
 - A Bible study and religious reflection session was held weekly with a variety of themes, linked to the church year.
 - Our ever-popular “Carols by Candlelight”, combining drama, music, and communal singing, offered a welcoming space for celebration for people from across the borough.
 - The commitment to music-making of a high standard continued under our Organist / Musical Director. A pool of professional and experienced musicians enhanced our worship with gospel, jazz, and classical music.
 - After years of planning and fundraising, the church building’s historic 1877 Henry Willis organ – a Grade I listed instrument on the National Pipe Organ Register (NPOR) – was removed for renovation: this is intended to restore the organ’s machinery, pipework, and enclosure. The organ is an integral part of the church building, and so falls within UCP’s remit; therefore, UCP carried out all of the required fundraising, met the costs, and was responsible for planning and initiating the work. Musical accompaniment during Sunday services continued, using electronic and acoustic piano.
 - The community choir Union Chapel Singers continued to rehearse and attract new singers from across the borough, and beyond.
 - Gospel Arts is an initiative of UC with the ambition to promote gospel music and includes the Union Chapel Voices (UCV) ensemble. UCV performed as part of the recording of the BBC Songs of Praise episode “Sing Gospel!” at Union Chapel.
-

- We were able to continue providing wraparound support to asylum seekers in a hotel in the borough, thanks to the grant from Islington Borough Council. We also supported service users in their move to other areas due to the closure of another hotel in the borough.
- The church continued to officiate at weddings, including same-sex marriages, and memorial services.
- UCM, based in the church building, continued its work as a frontline charity offering services supporting people facing homelessness and other critical living crises.
- Space within the church building was made available to external faith-based organisations to hold meetings.
- UC continued its commitment to theological and pastoral education. Members of the congregation started theological studies with Luther King House (LKH) and with the Congregational Institute for Practical Theology (CIPT), and brought their studies in to UC worship and activities. We also hosted a pastor from the Swiss Reformed Church on a six-month study sabbatical.
- UC re-organised its estate with the refurbishment of the basement of 19 Compton Terrace. The new space is now the church's administrative office, offering suitable working accommodation for five of UC's employees. The room previously used by UC for this purpose has been added to the space let to UCP.
- Plans were put in place to ensure the properties at 18 and 19 Compton Terrace are brought up to standard with interior and exterior work undertaken during 2024-25 and planned for 2025-26. Work on the legal tenancy documentation was progressed.
- Attendance at church has stabilised with an average of over 35 attendees each Sunday. Some regular attendees have come into membership and the church roll has grown to over 20.

Future Plans (2025-26)

During the coming year, as well as the activities set out above, UC will:

- Begin a "discipleship" development programme to introduce the basics of Christianity to those new to the Christian faith, and to refresh the knowledge of longer-standing Christians.
- Continue to encourage those new to the Christian faith to explore baptism.
- Raise the profile of Union Chapel as an inclusive and welcoming church, through investment in a marketing and publicity professional, with a view to increasing membership and participation

- Introduce efforts to raise the church's income through increased donations, explicit fund-raising events, and increased use of the space by UCP and external partners.
- Explore ways of working more closely with UCM, particularly in terms of the support of refugees and asylum seekers.
- Review existing policies and procedures ensuring best practice is followed, in particular in relation to safeguarding and volunteer recruitment and support.
- Explore in partnership with UCP the range of measures which can be undertaken together to ensure that UC is an ethical organisation – e.g., ethical purchasing, becoming an “Eco Church”, improving accessibility of the premises.
- Explore in partnership with UCP becoming a member organisation of North London Citizens.
- Explore becoming a member organisation of appropriate networks such as Church of Sanctuary and Inclusive Church Network.
- Continue to work with the family of churches of the Congregational Federation and participate in the activities of the Federation.

Financial Review

(All amounts stated in this section have been rounded to the nearest £1,000.)

In 2024-25, UC incurred a budget deficit of £53,000. This was essentially a deficit on UC's general (unrestricted) income and expenditure.

The rent derived from the properties at 18 and 19 Compton Terrace makes up by far the majority of UC's regular unrestricted income (84% in 2024-25). The principal lettable space within 19 Compton Terrace was, however, vacant for some months, following the departure of the previous tenant. Also, an initial rent-free period had been agreed with the new tenant – in exchange for the tenant paying for some refurbishment and improvement works – and so no rent was obtained from that space during the year. The rent-free period will end approximately halfway through 2025-26, so the total rental income for the coming year will be higher than for 2024-25, though it will not fully recover until 2026-27.

During 2023-24, UC received significant exceptional income (£79,000) in the form of dilapidations payments from outgoing tenants. Some of this was spent on refurbishment and improvement works on the 19 Compton Terrace property during 2024-25. There will be similar exceptional expenditure on the 18 Compton Terrace property during 2025-26, which is expected to consume the remainder of that exceptional income together with other money previously set aside for this purpose. The deficit therefore arose partly from that timing difference, which had previously produced a significant budget surplus in 2023-24. Some of the expenditure on 19 Compton Terrace has been capitalised, so the depletion of UC's cash

reserves exceeds the recognised cost. (The balance sheet shows that current assets have fallen by £87,000, while tangible fixed assets have increased by £17,000.)

UC again received a grant from Islington Borough Council (IBC) to fund work supporting asylum seekers. The 2024-25 grant was lower than that agreed for the previous year, and so therefore was UC's spending. This reflects IBC's decision to procure certain services directly from the ultimate provider, rather than pay UC to obtain them on its behalf. UC's grant-funded activity in fact increased in 2024-25 compared to the previous year.

The grant income primarily facilitates activity which would not be undertaken in the absence of dedicated funding. However, some of the grant is allocated to payroll costs which are part of UC's core operating costs (see note 8 to the financial statements), so UC's deficit on unrestricted funds would be greater without it. In the context of the political controversies surrounding the provision of temporary accommodation to asylum seekers, the government's stated intention to end the use of hotels for this purpose, and the general state of the public finances, this funding was not likely to continue indefinitely; and at the signing date it is known that it will continue only until the end of December 2025.

Some recurrent core operating costs, particularly payroll and associated costs, were lower during 2024-25, but will increase again in 2025-26. For several months during 2024-25 UC was without a Minister, which created difficulties but did reduce the year's payroll costs. UC also eliminated one permanent staff position during the year. A new Minister is now in place, and the saving from the removal of a staff role will be more than offset by the costs of providing accommodation for the Minister. Such provision is the established and customary practice of Congregationalist churches, though for several years UC benefited from having appointed a Minister who was already resident in London and so did not require this. Under the terms and conditions of employment agreed with the new Minister, UC pays the rent on a suitable property, and also the associated council tax and water rates. This has created an exposure to the London private rental market; the cost of providing accommodation for the Minister could conceivably rise quite significantly each year.

The analysis of expenditure (note 6 to the financial statements) shows unusually high costs for governance and for miscellaneous costs. Governance costs for the year include the cost of legal advice which the trustees determined was required in connection with the appointment of the new Minister. However, these costs also include professional fees for payroll administration, which UC will now incur every year. In previous years UCP performed this task for UC – an arrangement which was free of charge, but informal and undocumented. UC's trustees have identified a need to disentangle various activities previously left to UCP, so as to establish clear, explicit, and formalised responsibilities; but this necessarily introduces some costs.

Similarly, miscellaneous costs include the new Minister's relocation costs, paid by UC again in accordance with established Congregationalist practice, but also the ongoing costs of IT support and provision of utilities to UC's administrative office, which have also been separated from UCP.

A further budget deficit is forecast for 2025-26, and this would be the case even without the anticipated exceptional costs of refurbishment and repair at 18 Compton Terrace. Continuing increases in payroll and related costs, and in other unavoidable costs relating to essential management, administration, and governance activities, are expected.

Action to address this during 2025-26 will focus on changes to UC's program of events intended to ensure that they generate income which is at least sufficient to cover their costs. This will require UC to charge admission fees for more events; there may be more attempts to solicit donations; and there will be more events which have fundraising as an explicit purpose.

UC's reserves are sufficient to cover its expected deficit during 2025-26, with a reasonable margin to meet unanticipated costs. However, if UC does not achieve a material reduction in costs and / or a material increase in income, then it will exhaust its reserves during 2026-27.

UC will attempt to secure a grant, or grants, from other sources to replace the grant from IBC. If such alternative funding is not secured then UC will have to discontinue the activities which have been facilitated by that grant, and this will necessarily include terminating the employment of the two members of staff whose positions are wholly funded by the grant.

Other decisions which are open to UC, and which can be put into effect rapidly, should be sufficient to balance the budget for 2026-27. These are not without adverse consequences – e.g., suspending UC's annual donation to UCP will realise a significant cash saving, but UC is dependent on UCP's continuing operation – but they will secure UC's survival in the short term. The trustees therefore believe that for the time being UC remains a going concern.

It is harder to discern a path back to robust long-term financial viability, but this is not quite so urgent. If it becomes evident that a stable and sustainable financial situation cannot be achieved, UC could sell its properties; the proceeds of those sales would be sufficient to fund UC for several years, allowing time for an orderly and planned winding-up.

Reserves Policy

At the balance sheet date UC has free reserves of £153,582 (down from £224,936 at 31 March 2024).

UC does not have a formal reserves policy. For a number of years income exceeded expenditure and in that context the trustees did not consider it necessary to specify any particular level of reserves which should be maintained.

However, it had been known for some time that the properties at 18 and 19 Compton Terrace would require significant expenditure, at such time as the principal tenants left, to bring them up to current lettable standards. The trustees set aside £80,000 for this purpose and this amount was later augmented by the dilapidations payments received from outgoing tenants. Both principal tenants ended their tenancies in the final weeks of 2023-24, and in

consequence some of the accumulated reserve was spent during that year. More was spent during 2024-25 and it is expected that the balance will be used during 2025-26.

It will soon be necessary to start accumulating a reserve against the next occasion on which significant expenditure on the properties is required. In the context of the near-term financial outlook this will be difficult. It is therefore unlikely that UC will be in a position to establish a more general reserves policy for some time.

Fundraising

UC obtains its unrestricted income primarily by renting space in its properties at 18 and 19 Compton Terrace.

UC does not generally solicit donations from the general public. Cash donations are accepted after Sunday services, and the order of service each week includes some information about giving. In 2025-26 there will be additional efforts to solicit donations from people attending the church's events.

A few members of the church donate regularly by standing order. The Treasurer reports UC's financial situation to the Church Meeting from time to time, and it is always hoped that more members will choose to donate, but the trustees do not believe that there exists any realistic prospect of obtaining very substantial amounts from the members or from other regular or occasional congregants.

Further relatively small amounts of unrestricted income are generated by charging for admittance to some events; by operating a bar during some events; and by charging fees for conducting weddings and funerals.

Collections are taken on particular occasions – for example, at the annual Christmas carol concert. In the past these have not generally been for UC's general funds, but have been taken either specifically to support the church's work with asylum seekers, or on behalf of UCM. It is likely that this will now have to change, with such occasional collections being explicitly for the church's general funds.

The community choir – UC Singers – is funded by participants' subscriptions and associated bar revenue.

None of this amounts to significant fundraising activity.

Small grants are secured from time to time, which provide a mixture of restricted and unrestricted income. The major grant from Islington Borough Council, supporting UC's work with asylum seekers, should be understood in terms of the council having a requirement to find an organisation to deliver this work and the church being well-placed to undertake it; this partnership was not conceived as a fundraising measure.

Risks

The rents obtained from 18 and 19 Compton Terrace made up 84% of UC's unrestricted income during 2024-25. These rents are generally stable and predictable, but UC has no other source of funding from which it could plausibly meet its general costs, so any significant disruption to this income would have serious consequences. The principal tenants of the two buildings are two different organisations – and 19 Compton Terrace also contains a residential flat, and office space let to UCP – which somewhat mitigates the risk of interruption, and it is anticipated that they will both remain for several years.

UC has a persistent budget deficit which now presents a clear threat to its continuing viability. This is described in more detail in the "Financial Review" section above.

The formal membership and the regular congregation are both growing, steadily, but slowly and from a low base; numbers remain small, and may not be sufficient to secure UC's long-term viability. There are not enough volunteers to fill every role that would ideally be filled. This is a situation faced by many churches. A particular consequence is that there exist very few individuals who are even technically eligible to become trustees, and it is increasingly likely that UC will not be able to find members who are capable of undertaking the duties, and willing to accept the responsibilities, of trustees

UC does not possess the resources, skills, knowledge, or capacity to assume responsibility for maintaining and operating its building, if UCP were to fail. There are not currently any significant doubts about UCP's viability; but UC is fundamentally dependent on UCP's continued operation.

Since 1 April 2023 UC has significantly improved its routine financial administration and processes. There remain some risks which probably cannot be reduced further and must just be accepted: with so few people involved, substantial key person dependencies cannot be avoided, especially if any meaningful separation of duties is to be maintained, and certain elements of accepted best practice, such as double authorisation for online banking transactions, cannot be implemented.

The growing public hostility towards the accommodation of asylum seekers in hotels, and some of the ways in which that hostility has been expressed, could conceivably result in situations in which the safety of UC's staff and volunteers, or the asylum seekers with whom it works, is threatened. The trustees keep these activities under review and have accepted that it may be necessary to modify or even terminate some of UC's activities if the safety of participants is threatened. The responsible members of staff have the authority to rearrange or cancel activities. There is no reputational or regulatory risk; UC does not depend on donors or supporters who disapprove of this work, which is properly within the scope of its charitable purposes and is not open to the allegation that it is inappropriately "political".

Statement of Trustees' Responsibilities

The trustees are responsible for preparing the Trustees' Annual Report and Financial Statements in accordance with applicable law and UK Accounting Standards including Financial Reporting Standard 102 (FRS 102) *The Financial Reporting Standard Applicable in the UK and Republic of Ireland* (UK Generally Accepted Accounting Practice (GAAP)).

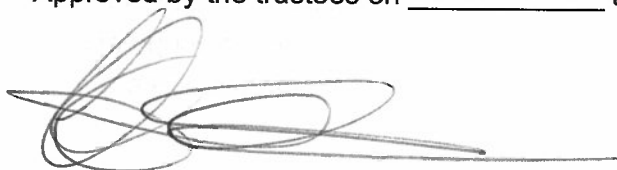
The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of Union Chapel's affairs and of its income and expenditure during that year. In preparing these financial statements, the trustees are required to:

- choose suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities Statement of Recommended Practice (SORP);
- make judgements and accounting estimates that are reasonable and prudent;
- confirm that applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis, unless it is inappropriate to assume that the charity will continue to operate.

The trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time Union Chapel's financial position and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008, and the provisions of Union Chapel's trust deed. They are also responsible for safeguarding Union Chapel's assets, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the information, including any financial information, included on Union Chapel's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the trustees on 2026-01-25 and signed on their behalf by



Claudina Edwards
Trustee

Independent Examiner's Report to the Trustees of Union Chapel

I report to the trustees on my examination of the accounts of Union Chapel for the year ended 31 March 2025.

Responsibilities and basis of report

As the trustees of Union Chapel, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the Act").

I report in respect of my examination of Union Chapel's accounts carried out under section 145 of the Act and in carrying out my examination I have followed the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

Your attention is drawn to the fact that Union Chapel has prepared the accounts in accordance with 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 the Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

I understand that this has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

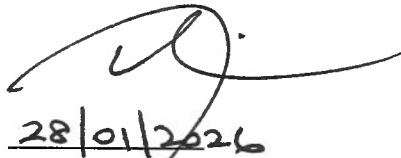
1: accounting records were not kept in respect of Union Chapel as required by section 130 of the Act; or

2: the accounts do not accord with those records; or

3: the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a "true and fair" view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

This report is made solely to Union Chapel's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to Union Chapel's trustees those matters I am required to state to them in an Independent Examiner's Report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than Union Chapel and Union Chapel's trustees as a body, for my work or for this report.



Date: 28/01/2026

Julian Flitter FCA
Goodman Jones LLP
Arthur Stanley House
40-50 Tottenham Street
London
W1T 4RN

Statement of Financial Activities for the Period 1 April 2024 – 31 March 2025

	Note	2024-25 Unrestricted £	2024-25 Restricted £	2024-25 Total £	2023-24 Total £
Income from					
Grants & donations	2	10,672	81,718	92,390	145,202
Charitable activities	3	10,904	6,556	17,461	13,144
Other trading activities	4	125,620	-	125,620	228,965
Investments & deposits	5	1,964	-	1,964	901
Total income		149,160	88,274	237,434	388,211
Expenditure on					
<i>Raising funds</i>	6				
Properties		68,195	-	68,195	25,396
Fundraising		1	-	1	1
<i>Charitable activities</i>	6				
Church activities		117,704	-	117,704	126,720
Events		16,034	-	16,034	35,398
Weddings & funerals		417	-	417	1,760
Union Chapel Singers		-	4,810	4,810	5,925
Asylum seekers		-	82,966	82,966	115,329
Total expenditure		202,351	87,776	290,128	310,530
Net income / (expenditure) before revaluation of investments		(53,192)	498	(52,694)	77,681
Net gains / (losses) on investments	10	(20)	-	(20)	18
Net income / (expenditure)	7	(53,212)	498	(52,714)	77,698
Inter-fund transfers		-	-	-	-
Net movement in funds		(53,212)	498	(52,714)	77,698
Total funds brought forward		253,076	78,846	331,922	254,223
Total funds carried forward		199,864	79,343	279,208	331,922

All the above results were derived from continuing activities.

There were no recognised gains or losses other than those stated above.

The following notes form part of these financial statements.

Balance Sheet as at 31 March 2025

	Note	31 March 2025 £	31 March 2024 £
Fixed assets			
Tangible fixed assets	9	46,797	28,825
Investments	10	-	1,086
		<u>46,797</u>	<u>29,911</u>
Current assets			
Debtors	11	61,825	162,105
Cash at bank and in hand		176,564	163,582
		<u>238,389</u>	<u>325,687</u>
Liabilities			
Creditors – amounts falling due within one year	12	(5,978)	(23,677)
Net current assets / (liabilities)		<u>232,411</u>	<u>302,011</u>
Total net assets / (liabilities)		<u>279,208</u>	<u>331,922</u>
Funds	13		
Restricted funds		79,343	78,845
Unrestricted funds		199,864	253,076
Total funds		<u>279,208</u>	<u>331,922</u>

The following notes form part of these financial statements.

Approved by the trustees on 2026-01-25 and signed on their behalf by

Philip Cotterell

Philip Cotterell
Treasurer

Notes to the Financial Statements

1 Accounting policies

a) Basis of preparation

These financial statements have been prepared in accordance with "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 the Republic of Ireland (FRS 102)" – Charities SORP FRS 102 – and with the Charities Act 2011.

UC meets the definition of a public benefit entity under FRS 102.

Assets and liabilities are initially recognised at historical cost or transaction value, unless otherwise stated.

The financial statements are prepared and presented in GBP (sterling), which is UC's functional currency. Amounts in the financial statements and the notes to the financial statements are rounded to the nearest pound. Rounding is performed as the final stage of preparation and this may introduce some apparent small discrepancies – e.g., row and column totals may not appear to be exactly correct.

b) Going concern

In the judgement of the trustees, at the date of approving these financial statements:

- there are no material uncertainties about UC's ability to continue as a going concern; and
- there are no sources of estimation uncertainty which carry a significant risk of requiring a material adjustment to the carrying amounts of assets and liabilities within the next financial year (2025-26).

c) Income

Income is recognised in the period during which the church is entitled, and can reasonably expect, to receive it, and the amount can be assessed with reasonable certainty. Cash donations are recognised on the date of bank deposit.

d) Expenditure

Expenditure is recognised in the period during which it is incurred. Most expenditure is in practice recognised on the relevant invoice date. Salaries and related liabilities are recognised on each month's pay date. Independent examiner's fees in respect of a given year's financial statements are recognised during that year. Expenditure includes non-recoverable VAT.

e) Tangible fixed assets and depreciation

Tangible fixed assets with an original purchase price or cost of £1,000 or more are capitalised, and stated at original cost less depreciation. Depreciation is charged on a reducing balance basis at annual rates intended to write off the costs of these assets over their estimated useful lives; the rates are 10% for improvements to the church's properties, and 25% for church and office equipment.

f) Investments

At the start of the year, UC had an investment which was held by Congregational Federation Ltd as custodian. Investment income was paid into a COIF Deposit Fund held by CCLA Investment Management Ltd and administered by Congregational Federation Ltd. During the year, UC sold this investment. The associated COIF Deposit Fund no longer serves any useful purpose but, because of delays in Congregational Federation Ltd's execution of UC's instructions, still existed at the balance sheet date. It will be closed during the 2025-26 financial year.

g) Funds

UC's unrestricted (general) funds comprise those monies which UC may use at the trustees' discretion to further its charitable objects. These may include designated funds, set aside by the trustees at their own discretion for particular purposes.

UC's restricted funds comprise monies raised or given for specific purposes, which may be used only for those purposes.

The purposes of UC's designated and restricted funds on the balance sheet date are set out in note 14.

2 Income from grants and donations

	Unrestricted	Restricted	2024-25	2023-24
	£	£	Total	Total
			£	£
Grants	-	81,718	81,718	135,785
Donations	10,672	-	10,672	9,417
	10,672	81,718	92,390	145,202

3 Income from charitable activities

	Unrestricted	Restricted	2024-25 Total	2023-24 Total
	£	£	£	£
Events	10,904	-	10,904	5,418
Weddings & funerals	-	-	-	2,447
Choir (Union Chapel Singers)	-	6,556	6,556	5,279
	10,904	6,556	17,461	13,144

4 Income from other trading activities

	Unrestricted	Restricted	2024-25 Total	2023-24 Total
	£	£	£	£
Rental income	125,620	-	125,620	150,054
Dilapidations payments	-	-	-	78,911
Other income	-	-	-	-
	125,620	-	125,620	228,965

5 Income from investments and deposits

	Unrestricted	Restricted	2024-25 Total	2023-24 Total
	£	£	£	£
Interest	1,953	-	1,953	857
Investment income	11	-	11	44
	1,964	-	1,964	901

6 Analysis of expenditure

	Charitable activities					Raising funds		2024-25	2023-24
	Church	Events	Weddings & funerals	Choir (UC Singers)	Asylum seekers	Fundraising	Properties	Total	Total
	£	£	£	£	£	£	£	£	£
Payroll	56,574				53,889			110,464	132,069
Minister's accommodation	8,793							8,793	-
Events		16,034						16,034	35,398
Sunday services	6,305							6,305	7,251
Community choir (UC Singers)				4,810				4,810	5,925
Gospel choir (UC Voices)								-	2,361
Donations to UCP & other charities	18,360							18,360	18,360
Church equipment & resources	1,458							1,458	1,706
Social justice & community engagement								-	-
Asylum seekers					28,905			28,905	69,933
Weddings & funerals			417					417	1,760
Governance	13,138							13,138	5,456
Fundraising								-	-
Properties							63,314	63,314	22,618
Depreciation	783				171		4,881	5,836	4,051
Miscellaneous costs	12,294					1		12,295	3,641
Total expenditure 2024-25	117,704	16,034	417	4,810	82,966	1	68,195	290,128	
Total expenditure 2023-24	126,720	35,398	1,760	5,925	115,329	1	25,396		310,530

7 Net income / (expenditure)

This is stated after charging:

	2024-25	2023-24
	£	£
Depreciation	5,836	4,051
Independent examiner's fee	3,600	4,200

8 Staff costs and trustee remuneration and expenses

Payroll costs were:

	2024-25	2023-24
	£	£
Salaries and wages	105,819	130,267
Social security costs (Employer's NI)	2,967	6,225
Employer's contribution to Defined Contribution pension schemes	1,677	1,886
Reversal of incorrectly accrued liability to HMRC	-	(6,308)
	110,464	132,069

The trustees were not paid. No trustee was employed by or received any benefit as a result of employment by UC. One trustee claimed reimbursable expenses on one occasion for the costs of hospitality as part of the recruitment process for UC's new Minister (£65); and one trustee claimed reimbursable expenses on one occasion in connection with the refurbishment of parts of UC's properties (£55).

No member of staff was paid more than £60,000.

Salary payments to members of staff classified as "key management personnel" totalled £19,784.

Staff numbers

	2024-25	2023-24
Average (modal) monthly number of employees	6	6

At the balance sheet date, UC's permanent staff establishment consisted of:

- Minister;
- Social Justice Worker;
- Organist / Musical Director (part-time); and
- Administrator (part-time).

At the start of the year another permanent, full-time role existed: Communications & Development Worker. That member of staff left UC's employ during the year and the trustees decided to eliminate the role.

Two additional (part-time) members of staff – ESOL & Volunteer Co-ordinator, and Activities Administrator – were funded entirely by the grant from Islington Borough Council; these roles are not part of UC's permanent establishment.

Use of restricted funds to meet payroll costs

During 2024-25 a small part of the Minister's salary and a significant fraction of the Social Justice Worker's salary were funded by the grant from Islington Borough Council given to support UC's work with asylum seekers. This use of the money was anticipated and explicitly disclosed in the budget which formed part of the grant application, and is intended to reflect staff time spent on the grant-funded activities.

The grant also funds the ESOL & Volunteer Co-ordinator and Activities Administrator positions. Those members of staff work exclusively on grant-funded activities.

9 Tangible fixed assets and depreciation

	Property Improvements	Church & Office Equipment	Total
	£	£	£
Cost			
At start of year	75,550	23,610	99,160
Additions during year	23,807	-	23,807
Disposals during year	-	-	-
At end of year	<u>99,357</u>	<u>23,610</u>	<u>122,967</u>
Depreciation			
At start of year	50,543	19,792	70,335
Charge for year	4,881	955	5,836
Eliminated on disposal	-	-	-
At end of year	<u>55,424</u>	<u>20,746</u>	<u>76,171</u>
Net book value			
At end of year	<u>43,933</u>	<u>2,864</u>	<u>46,797</u>
At start of year	<u>25,007</u>	<u>3,818</u>	<u>28,825</u>

10 Investments

	2024-25	2023-24
	£	£
At start of year	1,086	1,068
Gain / (loss) during year	(20)	18
Disposals during year	(1,066)	-
At end of year	<u><u>-</u></u>	<u><u>1,086</u></u>

11 Debtors

	2024-25	2023-24
	£	£
Prepayments	27,319	-
Accrued income	31,333	162,105
Security deposit	3,173	-
	61,825	162,105

The security deposit is in respect of the accommodation rented by UC for the use of the Minister. It will be repayable when UC no longer requires the property. This is not expected to occur within one year of the balance sheet date.

12 Creditors: amounts falling due within one year

	2024-25	2023-24
	£	£
Other creditors	5,978	23,677
	5,978	23,677

13 Net assets between funds

	Unrestricted	Restricted	Total
	£	£	£
Tangible fixed assets (net book value)	46,282	514	46,797
Investment	-	-	-
Net current assets	153,582	78,829	232,411
	199,864	79,343	279,208

14 Movements in funds

2024-25	At start of year	Incoming resources & gains	Outgoing resources & losses	At end of year
	£	£	£	£
Unrestricted funds				
<i>Designated funds</i>				
Properties reserve	150,847	-	(68,401)	82,446
Other unrestricted funds	102,229	149,160	(133,970)	117,418
Total unrestricted funds	253,076	149,160	(202,371)	199,864
Restricted funds				
Union Chapel Singers	3,718	6,556	(4,810)	5,465
Asylum seekers grant	73,412	81,718	(82,966)	72,163
Asylum seekers hardship fund	1,715	-	-	1,715
Total restricted funds	78,845	88,274	(87,776)	79,343
Total funds	331,922	237,434	(290,148)	279,208

2023-24	At start of year	Incoming resources & gains	Outgoing resources & losses	At end of year
	£	£	£	£
Unrestricted funds				
<i>Designated funds</i>				
Properties reserve	80,000	78,911	(8,064)	150,847
Other unrestricted funds	116,608	166,833	(181,213)	102,229
Total unrestricted funds	196,608	245,745	(189,277)	253,076
Restricted funds				
Union Chapel Singers	4,364	5,279	(5,925)	3,718
Asylum seekers grant	52,145	136,085	(114,818)	73,412
Asylum seekers hardship fund	1,106	1,120	(511)	1,715
Total restricted funds	57,615	142,484	(121,254)	78,845
Total funds	254,223	388,229	(310,530)	331,922

The properties reserve comprises money set aside by the trustees against the anticipated costs of work on UC's properties at 18 and 19 Compton Terrace, and the costs of legal and other professional services associated with that work and with the changes of tenants. Approximately half of the accumulated balance of this fund was spent during 2024-25 and it is expected that the remainder will be spent during 2025-26. This fund is strictly the cash set aside; part of the expenditure during 2024-25 has been capitalised, and the capitalised amount, together with the resulting depreciation, is accounted for within the general unrestricted funds.

UC had three restricted funds on the balance sheet date:

- Union Chapel Singers – money raised, principally from participants' subscriptions, to support the activities of Union Chapel Singers;
- Asylum seekers grant – grant money received from Islington Borough Council to fund specified work supporting asylum seekers currently accommodated within the borough (supplemented by a small amount of money donated specifically to support this work);
- Asylum seekers hardship fund – money raised through collections at certain church events, together with certain individual donations, to be spent at the discretion of the Minister and / or the Social Justice Worker for the purpose of meeting occasional identified needs of individual asylum seekers known to UC.

15 Related party transactions

UC's Minister is a director of UCP, in accordance with UCP's Articles of Association. During the interregnum between Vaughan Jones' retirement and Cathy Bird's appointment, one of UC's trustees occupied the Minister's place on UCP's Board of Directors.

The chair of UCP's Board of Directors during 2024-25 is a member of UC. Two other UCP directors are also members of UC.

UCP paid rent of £16,000 to UC for office space in UC's property at 19 Compton Terrace.

During some church events, UCP operates the bar in the church building and passes the net profits to UC. (The definition of "net profits" for this purpose is set out in an agreement between UC and UCP.) UC received £2,863 from UCP under this arrangement.

UCP also sells tickets for some church events on UC's behalf, and passed £5,964 of ticket sale revenue to UC.

UC paid UCP £3,210 for staffing costs associated with church events.

UC made a donation to UCP of £18,000. UC and UCP have agreed that UC's donation to UCP each year will be the amount that UCP assesses would have been due if UC and UCP had entered into a cost-sharing agreement covering:

- the electricity and gas supplied to the church building; and
 - insurance, which UCP procures collectively for itself, its subsidiary organisations, and UC.
- This does remain a donation, which strictly is made at UC's discretion in accordance with the Management Agreement, so UCP is not entitled to demand it.

Until his retirement, Vaughan Jones was chair of UCM's trustees. Following her appointment as Minister, Cathy Bird has become one of UCM's trustees, but it is not anticipated that she will become UCM's chair. (Another member of UC is now chair of UCM's trustees.)

UC paid UCM £4,192 to cover the purchase of kitchen equipment used for activities which were part of UC's grant-funded work with asylum seekers. This was anticipated and included in the budget supporting the grant application.

UC also paid UCM £425 for providing Sunday lunches on two occasions, and £600 for catering at a church event.

16 Legal status and members' liability

UC is an unincorporated charitable trust. The original trust deed is dated 18 September 1889; it was amended in 2018 using the power of modification conferred by section 280 of the Charities Act 2011.

The members have no financial liability in the event of UC being wound up.

UNION CHAPEL

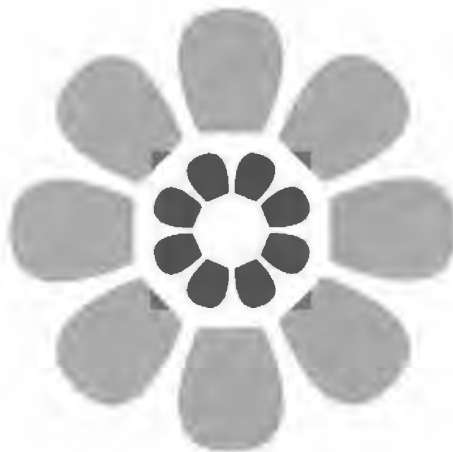
England & Wales - Charity number 1172808

Accounts

Union Chapel

**Trustees' Annual Report and Financial
Statements for the year to 31 March 2024**

Charity Number 1172808



Contents

Reference and Administrative Information	3
Governing Document.....	4
Managing Trustees	4
Relationship with the Congregational Federation	5
Objects and Activities.....	6
Public Benefit.....	7
Relationship with Union Chapel Project and The Margins Project.....	7
Performance and Achievements	8
Future Plans (2024-25).....	9
Financial Review.....	10
Reserves Policy	11
Fundraising.....	12
Risks.....	13
Statement of Trustees' Responsibilities	15
Independent Examiner's Report to the Trustees of Union Chapel.....	16
Statement of Financial Activities for the Period 1 April 2023 – 31 March 2024.....	17
Balance Sheet as at 31 March 2024	18
Notes to the Financial Statements	19
1 Accounting policies	19
2 Income from grants and donations	20
3 Income from charitable activities	21
4 Income from other trading activities	21
5 Income from investments and deposits.....	21
6 Analysis of expenditure	22
7 Net income / (expenditure)	23
8 Staff costs and trustee remuneration and expenses.....	23
9 Tangible fixed assets and depreciation.....	25
10 Investments	25
11 Debtors	26
12 Creditors: amounts falling due within one year.....	26
13 Net assets between funds	26
14 Movements in funds	27
15 Related party transactions	29
16 Legal status and members' liability	29

Reference and Administrative Information

Deacons / trustees	Claudina Edwards	
	MG Jones (Church Secretary)	
	Liz Walker (Fabric Deacon)	(until 25 January 2024)
	Huw Williams	(from 25 January 2024)
Minister	Rev. Vaughan Jones	
Treasurer	Dr. Philip Cotterell	
Charity number	1172808	
Legal status	Union Chapel is an unincorporated charitable trust governed by a trust deed	
Principal address	Union Chapel 19b Compton Terrace London N1 2UN	
Bankers	Lloyds Bank	NatWest Bank
	19-20 Upper Street London N1 0PJ	40 Islington High Street London N1 8XB
Accountants	Goodman Jones Arthur Stanley House 40-50 Tottenham Street London W1T 4RN	
Solicitors	Bates Wells	Bolt Burdon
	10 Queen Street Place London EC4R 1BE	Providence House Providence Place London N1 0NT
Surveyors	Goodman Mann Broomhall	Price Taylor
	118 Piccadilly London W1J 7NW	108-109 Upper Street London N1 1QN

Governing Document

Union Chapel (hereafter "UC") is a Congregationalist church affiliated to the Congregational Federation. It is an unincorporated charitable trust, initially established and governed by an indenture dated 18 September 1889.

In 2018 UC made substantial changes to that indenture. Those changes were motivated by the desirability of bringing the content up to date, and in particular by the need to have UC's relationship with the Congregational Federation – described below – correctly set out in its governing document. Because the original 1889 indenture does not grant any power of amendment, UC was able to make only changes deemed to be "administrative" and so within the scope of the statutory power of modification conferred by section 280 of the Charities Act 2011.

The Charity Commission has approved a model governing document for use by churches affiliated to the Congregational Federation and, to the extent possible, UC's amended governing document – the "consolidated trust deed" – matches that model document. The text of the consolidated trust deed is therefore a (slightly awkward) amalgam of clauses from the original 1889 indenture and material copied from the model document.

Managing Trustees

The consolidated trust deed establishes that:

- the Managing Trustees are UC's trustees as defined in the Charities Act 2011, and have all powers to control, manage, and administer the church in accordance with the consolidated trust deed and their charitable and other legal obligations;
- the members of the church, acting collectively as and through the Church Meeting, have the power to appoint Managing Trustees;
- the individuals appointed by the Church Meeting to be UC's deacons are also its Managing Trustees, unless the Church Meeting, by passing a special resolution, explicitly decides otherwise;
- each Managing Trustee must be a member of the church, and any Managing Trustee who ceases to be a member of the church also automatically ceases to be a Managing Trustee; and
- each Managing Trustee is appointed for a three-year term, and may at the end of any term be re-appointed for a further three-year term.

The Church Meeting has not passed any resolution which alters the default arrangements, so UC's deacons are also its trustees. (For the avoidance of doubt, neither the Minister nor the Treasurer is a trustee.)

The consolidated trust deed does not place any restriction on the number of Managing Trustees which the Church Meeting may appoint. In practice, the number is constrained by the limited availability of suitable individuals. For the time being UC operates with three Managing Trustees.

When making an appointment, the Church Meeting considers the experience, knowledge, and capabilities that a prospective Managing Trustee can bring to the role, and also the desirability of maintaining diversity among the Managing Trustees.

The Managing Trustees give their time voluntarily; they are not paid and do not receive any benefit from UC in return for their service.

UC does not have any formal induction or training program for new Managing Trustees. Managing Trustees are necessarily members of the church and are appointed by the Church Meeting, so it can reasonably be assumed that a new Managing Trustee has some familiarity with matters of current concern or interest. The Managing Trustees are encouraged to take advantage of training offered by the Charity Commission.

Relationship with the Congregational Federation

The Congregational Federation¹ is the Holding Trustee.

UC's buildings – the church building itself, and the properties at 18 and 19 Compton Terrace, adjacent to the church building on either side of it – are vested in the name of the Holding Trustee and for that reason do not appear as assets on its balance sheet.

The consolidated trust deed gives the Holding Trustee the right to:

- make reasonable requests for information relating to UC's management and administration and the use of its buildings;
- send a representative to any Church Meeting or any meeting of the Managing Trustees; and
- investigate if it has reasonable grounds for suspecting that UC is not complying with its consolidated trust deed, or is otherwise jeopardising its charitable status, or that any aspect of its management or administration is not being carried out correctly.

The Holding Trustee is not under any obligation to exercise any of these rights.

If so requested by a special resolution of the Church Meeting – and not otherwise – the Holding Trustee will assume the role, powers, and responsibilities of UC's trustees in place of the Managing Trustees.

¹ Congregational Federation Ltd., registered with charity number 267469 and company number 01166357.

Objects and Activities

UC's charitable objects, as set out in the consolidated trust deed, are to

permit the said piece of ground, Chapel, Vestries, Lecture Hall, School and Class Rooms, and two messuages² hereditaments and premises, and any other buildings that may hereafter be erected on the said piece of ground and any parts thereof to be used, occupied, and enjoyed for the public worship of Almighty God in accordance with the belief in the Lord Jesus Christ as the incarnate Son of God and the Redeemer of Men and in the Holy Spirit as the author of spiritual life and with a recognition of the divinely inspired scriptures of the Old and New Testaments as the supreme and sufficient rule of faith and practice, and also for such other religious, philanthropic, moral, intellectual, or social purposes, not inconsistent with such belief and recognition as aforesaid and generally in such manner and by such persons as shall from time to time be directed by a special resolution.

In pursuit of these objects, UC organises and provides:

- weekly Sunday morning services of Christian worship, including a communion service on the first Sunday of each month, and baptisms as and when requested;
- additional services and other activities to mark particular occasions within the Christian liturgical year (primarily Easter and Christmas);
- wedding services;
- funeral services;
- a weekly Bible study (conducted via Zoom, to facilitate participation by individuals who cannot be present in person on a weekday evening);
- pastoral care and support for members of the church, other regular congregants, and others who may from time to time seek such support from the church;
- a community choir, Union Chapel Singers, open to anyone who wishes to participate;
- a series of events focussed on issues of current interest or concern, especially matters of racial, social, economic, and climate justice;
- performances which use the arts to explore and engage with spirituality and culture;
- advocacy for individuals who are disadvantaged or marginalised, to assist those individuals and also generally to encourage diversity and raise awareness of discrimination; and

² "Messuage": a piece of land occupied, or intended to be occupied, by a dwelling.

- various forms of assistance to asylum seekers currently accommodated within the London Borough of Islington (funded by a grant from Islington Borough Council).

UC also pursues its objects through its involvement with two other charities, Union Chapel Project and The Margins Project. This activity is described below.

Public Benefit

In accordance with paragraph 5, section 17 of the Charities Act 2011, the trustees have considered the Charity Commission's guidance on public benefit.

UC's services of worship and other activities are open to all, without limitation or distinction on the grounds of religious faith or otherwise. Most of UC's activities are provided without any charge and this is intended to maintain accessibility for individuals with low incomes.

Relationship with Union Chapel Project and The Margins Project

Union Chapel Project (hereafter "UCP") is a separate organisation – a charitable limited company³ – established

to promote for the benefit of the public the restoration and preservation of Union Chapel Islington

where "Union Chapel Islington" in this context means the church building. In accordance with a decision by UC that

UCP should be appointed to manage [the building] with a view to its preservation maintenance and wider use for purposes beneficial to the local community

UC has delegated all matters relating to the fabric and operation of the building, including fundraising to enable maintenance and restoration, to UCP.

UCP's Articles of Association establish that

members of the Company shall be those of the minister and the members of [Union Chapel] for the time being who wish to become a member of the company.

Therefore, everybody who is entitled to a vote at any (annual or extraordinary) general meeting of UCP is necessarily a member of UC. UCP's Articles of Association furthermore state that UCP shall have up to seven directors, of whom one shall be UC's Minister (so long as the Minister is able and willing), and up to three others shall at the time of their appointment be members of UC; it is therefore expected that the Minister and selected

³ A company limited by guarantee and not having a share capital, registered with charity number 1010166 and company number 02583801.

members of UC shall constitute an absolute majority of UCP's directors. These arrangements are intended to ensure that UC retains ultimate strategic control of its building.

The day-to-day operational relationship between UC and UCP is governed by a Management Agreement which formally establishes matters such as the parties' respective rights to make use of the building. It also specifies certain arrangements for ongoing liaison and co-ordination. In recent years neither party has fully discharged all of its obligations under these arrangements.

The Management Agreement states that

UC shall make an agreed annual donation to UCP towards the maintenance and restoration of [the building] when and to the extent it is able and this will be reviewed annually.

The Margins Project (hereafter "UCM") is a charitable subsidiary of UCP⁴. It provides a range of services intended to relieve need and hardship and to provide opportunities, training, and employment for people who are homeless, at risk of becoming homeless, or otherwise marginalised. UCM delivers a substantial amount – but certainly not all – of that part of the church's activity which can most straightforwardly be described as "charitable".

There are no direct structural connections between UC and UCM; formally, the relationship between the two organisations is entirely through UCP. However, during 2023-24 UC's Minister was the chair of UCM's trustees.

Performance and Achievements

In 2024 Union Chapel celebrated the 225th anniversary of its foundation. It continues its mission as a community of Christians from diverse backgrounds committed to living lives that are spiritual, sustainable, and responsive to the gospel's call for justice and peace. Our charitable partner Union Chapel Project ensures the building is well used, respecting the dignity of a space that is used for public worship. Our programme promotes racial, social, economic, and climate justice from the perspective of our radical Christian faith

Throughout the year, a range of activities took place, including:

- Services each Sunday, attracting a diverse congregation.
- Special services during the major festivals of the church – Advent, Christmas, Lent, Easter, and Pentecost.
- Other services marked Christian Aid Week, Homelessness Sunday, Refugee Week, Black History Month, Pride, Holocaust Memorial Day, and Remembrance Sunday.

⁴ UCM is an "association" Charitable Incorporated Organisation (CIO) registered with charity number 1153070; UCP is its only member.

- A Bible study held weekly with a variety of themes, linked to the church year.
- Our ever-popular "Carols by Candlelight" offered a welcoming space for celebration for people from across the city (and beyond).
- Union Chapel takes full advantage of the organ and of the musical traditions of the church. A pool of professional and experienced musicians enhances the worship with gospel, jazz, and classical music.
- The community choir Union Chapel Singers continues to rehearse and attract new singers from across the borough, and beyond.
- Gospel Arts is an initiative of Union Chapel Church with the ambition to promote gospel music within Union Chapel and includes the Union Chapel Voices ensemble.
- We were able to continue providing wraparound support to asylum seekers temporarily accommodated in two hotels in the borough thanks to the grant from Islington Borough Council.
- The church continued to officiate at weddings, including same-sex marriages, and memorial services.
- Harley Stapleton-Brister, who had joined the staff team, successfully completed his apprenticeship in digital marketing.
- The church continued its support of the Council for World Mission, with Harley Stapleton-Brister attending a training course in India.
- The work of The Margins Project, based at Union Chapel, continues its work as a frontline charity offering services supporting people facing homelessness and other critical living crises.
- Attendance at church has stabilised with an average of over 30 attendees each Sunday.

Future Plans (2024-25)

During the coming year, as well as the activities set out above, Union Chapel will:

- Commence succession planning for a new minister with the retirement of Rev. Vaughan Jones during 2024.
- Initiate a programme of adult education on the basics of Christianity in acknowledgement that the church supports people new to the Christian faith.
- Encourage members of the congregation to study theology at university level.
- Review existing policies and procedures ensuring best practice is followed.

- Continue to work with the family of churches of the Congregational Federation in seeking support in legal and financial compliance; and participating in the activities of the Federation.
- Complete a review on the use of the existing estate including the properties at 18 and 19 Compton Terrace.
- Ensure the church office is set up to enable Union Chapel's employees to undertake their duties effectively.

Financial Review

(All amounts stated in this section have been rounded to the nearest £1,000.)

In 2023-24, UC realised a total budget surplus of £78,000. The surplus on general (unrestricted) income and expenditure was £56,000 and the surplus on restricted income and associated expenditure was £21,000.

At first sight this appears to be a substantial improvement compared to 2022-23. However, there are significant exceptional amounts included in the year's total income which obscure a rather less encouraging underlying situation.

The rent derived from the properties at 18 and 19 Compton Terrace makes up by far the majority of UC's regular unrestricted income. The principal tenants of both buildings vacated the properties during the final month of 2023-24. The unrestricted income for the year includes dilapidations payments totalling £79,000 made by these tenants following their departures, and this exceptional income will be spent during 2024-25 entirely on exceptional costs. Without these payments, UC would have had a deficit on its general funds,

Agreements have been reached with new tenants for both buildings. At 18 Compton Terrace it was possible to arrange a smooth transition with no interruption in or loss of rent. The principal lettable space within 19 Compton Terrace, however, will remain vacant for some months, and it was also necessary to agree an initial rent-free period with the new tenant, so no further rent will be obtained from that space until 2025-26. (Such rent-free periods are a standard component of commercial leases, and the trustees believe that no agreement more beneficial to UC could realistically have been negotiated.)

The surplus on restricted income is really an artefact of the dates on which UC is required to recognise the income. UC recognised a grant from Islington Borough Council of £70,000 in 2022-23 and then a grant of £101,000 in 2023-24. The grant periods begin at the end of October each year, so are offset from UC's financial year by some months. If the income from these grants had been apportioned proportionally across the 2023-24 financial year, and thus aligned with the related expenditure, restricted fund expenditure and income would have been approximately equal.

This grant income primarily facilitates activity which would not be undertaken in the absence of dedicated funding. However, some of the grant is allocated to payroll costs which are part

of UC's core operating costs (see note 8 to the financial statements), so UC's deficit on unrestricted funds would be greater without it. At the approval date it is known that another grant has been secured and this funding will continue for a further year, but UC cannot depend on it continuing indefinitely. (If the new government achieves its stated aim of processing asylum claims more expeditiously, the number of asylum seekers in temporary accommodation waiting for their claims to be assessed will fall, so there will be fewer people in need of support and, presumably, less associated funding.)

UC's reserves on the balance sheet date total £332,000, and the underlying deficit is between £20,000 and £30,000 a year. This plainly requires attention but does not appear to give immediate cause for alarm. However, the exceptional costs arising from the work required at 18 and 19 Compton Terrace, together with the legal and other professional fees arising from the change of tenants, and the temporary loss of rental income from 19 Compton Terrace, are expected to consume up to £150,000 during 2024-25. This will significantly deplete UC's reserves and leave it with much less capacity to sustain an ongoing budget deficit.

Recurrent core operating costs, particularly payroll and associated costs, may be slightly lower during 2024-25 but are expected to increase from 2025-26. At the balance sheet date, it is known that the Communications & Development Worker will leave during 2024-25; in view of the budgetary situation, the trustees have decided not to replace him and to eliminate the position. The Minister has also announced his intention to retire during 2024-25. UC will need to engage a new Minister, and the associated costs are likely to be high, in particular because it will be necessary to provide accommodation – this is the general practice of Congregationalist churches, but is something UC has not had to do for many years. Employment-related costs during 2024-25 will therefore depend quite significantly on the exact dates of departures and arrivals; but in 2025-26 they are bound to be higher than in 2023-24.

Continuing steady increases in unavoidable costs relating to essential management, administration, and governance activities are also anticipated.

In the short term, UC will have to reduce costs where possible – for example, by curtailing its events program. Within a few years at the most, it will have to either secure a reliable and sustained increase in its regular income, or revise its operations in a way which significantly reduces its core operating costs (which will inevitably require some activities to be changed substantially, or abandoned entirely).

Reserves Policy

UC does not have a formal reserves policy. For a number of years income exceeded expenditure and in that context the trustees did not consider it necessary to specify any particular level of reserves which should be maintained.

However, it had been known for some time that the properties at 18 and 19 Compton Terrace would require significant expenditure, at such time as the principal tenants left, to

bring them up to current lettable standards. The trustees set aside £80,000 for this purpose. Both principal tenants ended their tenancies in the final weeks of 2023-24, and in consequence some of this amount was spent during the year; the majority will be spent during 2024-25. The dilapidations payments received from the outgoing tenants have been added to the sum previously set aside, since they are intended to cover the anticipated costs of any work required to restore the buildings to the condition in which they were at the time when the tenancies commenced.

The trustees recognise that it will soon be necessary to start accumulating a reserve against the next occasion on which significant expenditure on the properties is required. In the context of the near-term financial outlook this will be difficult. It is therefore unlikely that UC will be in a position to establish a more general reserves policy for some time.

Fundraising

UC obtains its unrestricted income primarily by renting space in its properties at 18 and 19 Compton Terrace.

UC does not generally solicit donations from the general public. Cash donations are accepted after Sunday services, and a few members of the church donate regularly by standing order. The Treasurer reports UC's financial situation to the Church Meeting from time to time, and it is hoped that members will choose to donate, but the trustees do not believe that there exists any realistic prospect of obtaining very substantial amounts from the members or from regular or occasional congregants.

Further small amounts of unrestricted income are generated by charging for admittance to some events; by operating a bar during some events; and by charging fees for conducting weddings and funerals.

Collections are taken on particular occasions – for example, at the annual Christmas carol concert. These are not for UC's general funds; they are taken either specifically to support the church's work with asylum seekers, or on behalf of UCM.

The community choir – UC Singers – is funded by participants' subscriptions and associated bar revenue.

None of this amounts to significant fundraising activity.

Small grants are secured from time to time, which provide a mixture of restricted and unrestricted income. The major grant from Islington Borough Council, supporting UC's work with asylum seekers, should be understood in terms of the council having a requirement to find an organisation to deliver this work and the church being well-placed to undertake it; this partnership was not conceived as a fundraising measure.

Risks

The rents obtained from 18 and 19 Compton Terrace made up over 90% of UC's unrestricted income – excluding the dilapidations payments made by the outgoing tenants – during 2023-24. These rents are generally stable and predictable, but UC has no other source of funding from which it could plausibly meet its general costs, so any significant disruption to this income would have serious consequences. The principal tenants of the two buildings are two different organisations (and 19 Compton Terrace also contains a residential flat, and office space let to UCP), which somewhat mitigates the risk of interruption; but, in fact, both principal tenants did depart during the same month. Had a seamless transition of occupants at 18 Compton Terrace not been secured, the consequences for UC's cashflow would have been very severe.

The risks posed by the persistent budget deficit and expected depletion of reserves are detailed above in the "Financial Review" section.

The formal membership and the regular congregation are both growing, steadily, but slowly and from a low base; numbers remain small, and may not be sufficient to secure UC's long-term viability. This is a situation faced by many churches. One particular consequence is that there exist very few individuals who are even technically eligible to become trustees.

At the end of the 2022-23 financial year, UC's trustees had significant concerns about UCP's continuing viability. Those concerns have waned substantially; UCP now has better visibility of its financial position, and its directors are confident that it is not facing an immediate crisis. It remains the case, however, that UC does not possess the resources, skills, and knowledge that would enable it to assume responsibility for maintaining and operating its own building, and that if UCP were to fail, the consequences for UC would be severe.

The preparation of UC's accounts for 2022-23 was inhibited by certain difficulties, disclosed in those accounts, which had as their root cause a period during which UC had neither a Treasurer nor a member of its own staff with responsibility for routine bookkeeping. During 2023-24, UC filled a newly-created staff position with responsibilities for general and financial administration, moved to new bookkeeping software, and was able to introduce and embed some routine financial "best practice" processes. One or two residual problems have been encountered, but UC now has its regular financial operations established largely on proper foundations. There remain some "legacy" issues arising from the fact that bank account signatories were not kept properly up to date for several years; remediating this will not be entirely straightforward.

Some further risks related to financial administration and governance have however become apparent. With so few people involved, it is not possible to avoid significant key person dependencies, especially if any meaningful separation of duties is to be maintained. Furthermore, certain isolated incidents have demonstrated a need to establish some tighter and more effective controls over authorisation of expenditure.

During 2023-24, UC depended on a member of UCP staff for payroll administration. This was an informal and undocumented arrangement, which had existed in one form or another for at least several years. There was inevitably some risk in this, given the nature of the arrangement, but the Treasurer and the trustees believed it was in UC's best interests because of the benefits of having payroll administration undertaken by somebody with appropriate expertise and experience, and free of charge. However, towards the end of 2023-24 UCP informed UC of their decision to end this arrangement because UCP could not continue to make the staff time available. In 2024-25 UC will therefore have to make alternative arrangements for payroll administration. This will necessarily be a commercial arrangement with an external party, and so will inevitably carry a cost, which is not desirable; but it will also provide stability and certainty, and may offer an opportunity to reduce the number of single-points-of-failure in UC's payroll process. The trustees have determined that it would be prudent to identify any other informal and undocumented administrative entanglements with UCP on which UC depends, and to formalise them either by making an explicit agreement with UCP or by engaging another party to provide the service.

Statement of Trustees' Responsibilities

The trustees are responsible for preparing the Trustees' Annual Report and Financial Statements in accordance with applicable law and UK Accounting Standards including Financial Reporting Standard 102 (FRS 102) *The Financial Reporting Standard Applicable in the UK and Republic of Ireland* (UK Generally Accepted Accounting Practice (GAAP)).

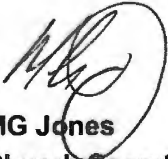
The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of the charity's affairs and of its income and expenditure during that year. In preparing these financial statements, the trustees are required to:

- choose suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities Statement of Recommended Practice (SORP);
- make judgements and accounting estimates that are reasonable and prudent;
- confirm that applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis, unless it is inappropriate to assume that the charity will continue to operate.

The trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008, and the provisions of the charity's trust deed or constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the information, including any financial information, included on the charity's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the trustees on 26th Jan '25 and signed on their behalf by


MG Jones
Church Secretary

Independent Examiner's Report to the Trustees of Union Chapel

I report to the trustees on my examination of the accounts of Union Chapel for the year ended 31 March 2024.

Responsibilities and basis of report

As the charity trustees of Union Chapel, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 (hereafter "the Act").

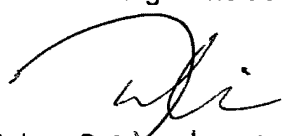
I report in respect of my examination of Union Chapel's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- accounting records were not kept in respect of Union Chapel as required by section 130 of the Act; or
- the accounts do not accord with those records; or
- the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a "true and fair view" which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Date: 28/01/2025
Julian Flitter FCA
Goodman Jones LLP
Arthur Stanley House
40-50 Tottenham Street
London
W1T 4RN

Statement of Financial Activities for the Period 1 April 2023 – 31 March 2024

	Note	2023-24 Unrestricted £	2023-24 Restricted £	2023-24 Total £	2022-23 Total £
Income from					
Grants & donations	2	7,997	137,205	145,202	86,952
Charitable activities	3	7,865	5,279	13,144	12,835
Other trading activities	4	228,965	-	228,965	148,061
Investments & deposits	5	901	-	901	205
Total income		245,727	142,484	388,211	248,053
Expenditure on					
<i>Raising funds</i>	6				
Properties		25,396	-	25,396	14,786
Fundraising		1	-	1	751
<i>Charitable activities</i>	6				
Church activities		126,720	-	126,720	149,756
Events		35,398	-	35,398	14,384
Weddings & funerals		1,760	-	1,760	1,188
Union Chapel Singers		-	5,925	5,925	4,496
Asylum seekers		-	115,329	115,329	17,900
Total expenditure		189,277	121,254	310,530	203,261
Net income / (expenditure) before revaluation of investments		56,450	21,230	77,681	44,792
Net gains / (losses) on investments	10	18	-	18	(276)
Net income / (expenditure)	7	56,468	21,230	77,698	44,516
Inter-fund transfers		-	-	-	-
Net movement in funds		56,468	21,230	77,698	44,516
Total funds brought forward		196,608	57,615	254,223	209,707
Total funds carried forward		253,076	78,846	331,922	254,223

All the above results were derived from continuing activities.
There were no recognised gains or losses other than those stated above.
The following notes form part of these financial statements.

Balance Sheet as at 31 March 2024

	Note	31 March 2024 £	31 March 2023 £
Fixed assets			
Tangible fixed assets	9	28,825	32,877
Investments	10	1,086	1,068
		29,911	33,945
Current assets			
Debtors	11	162,105	55,000
Cash at bank and in hand		163,582	179,352
		325,687	234,352
Liabilities			
Creditors – amounts falling due within one year	12	(23,677)	(14,073)
Net current assets / (liabilities)		302,011	220,278
Total net assets / (liabilities)		331,922	254,223
Funds	13		
Restricted funds		78,845	57,615
Unrestricted funds		253,076	196,608
Total funds		331,922	254,223

The following notes form part of these financial statements.

Approved by the trustees on 2025-01-26 and signed on their behalf by

Philip Cotterell

Philip Cotterell
Treasurer

Notes to the Financial Statements

1 Accounting policies

a) Basis of preparation

These financial statements have been prepared in accordance with "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 the Republic of Ireland (FRS 102)" – Charities SORP FRS 102 – and with the Charities Act 2011.

UC meets the definition of a public benefit entity under FRS 102.

Assets and liabilities are initially recognised at historical cost or transaction value, unless otherwise stated.

The financial statements are prepared and presented in GBP (sterling), which is UC's functional currency. Amounts in the financial statements and the notes are rounded to the nearest pound (which may introduce some apparent small discrepancies; e.g., row and column totals may not appear to be exactly correct).

b) Going concern

In the judgement of the trustees, at the date of approving these financial statements:

- there are no material uncertainties about UC's ability to continue as a going concern; and
- there are no sources of estimation uncertainty which carry a significant risk of requiring a material adjustment to the carrying amounts of assets and liabilities within the next financial year (2024-25).

c) Income

Income is recognised in the period during which the church is entitled, and can reasonably expect, to receive it, and the amount can be assessed with reasonable certainty. Cash donations are recognised on the date of bank deposit.

d) Expenditure

Expenditure is recognised in the period during which it is incurred – most expenditure is in practice recognised on the relevant invoice date – and includes non-recoverable VAT.

e) Tangible fixed assets and depreciation

Tangible fixed assets with an original purchase price or cost of £1,000 or more are capitalised, and stated at original cost less depreciation. Depreciation is charged on a reducing balance basis at annual rates intended to write off the costs of these assets over their estimated useful lives: 10% for improvements to the church's properties, and 25% for church and office equipment.

f) Investments

UC has an investment which is held by Congregational Federation Ltd as custodian. Investment income is paid into a COIF Deposit Fund held by CCLA Investment Management Ltd and administered by Congregational Federation Ltd.

g) Funds

UC's unrestricted (general) funds comprise those monies which UC may use at the trustees' discretion to further its charitable objects. These may include designated funds, set aside by the trustees at their own discretion for particular purposes.

UC's restricted funds comprise monies raised or given for specific purposes, which may be used only for those purposes.

The purposes of UC's designated and restricted funds on the balance sheet date are set out in note 14.

2 Income from grants and donations

			2023-24	2022-23
	Unrestricted	Restricted	Total	Total
	£	£	£	£
Grants	-	135,785	135,785	78,020
Donations	7,997	1,420	9,417	8,932
	7,997	137,205	145,202	86,952

3 Income from charitable activities

	Unrestricted	Restricted	2023-24	2022-23
	£	£	Total	Total
			£	£
Events	5,418	-	5,418	6,776
Weddings & funerals	2,447	-	2,447	2,954
Choir (Union Chapel Singers)	-	5,279	5,279	3,105
	7,865	5,279	13,144	12,835

4 Income from other trading activities

	Unrestricted	Restricted	2023-24	2022-23
	£	£	Total	Total
			£	£
Rental income	150,054	-	150,054	148,061
Dilapidations payments	78,911	-	78,911	-
Other income	-	-	-	-
	228,965	-	228,965	148,061

5 Income from investments and deposits

	Unrestricted	Restricted	2023-24	2022-23
	£	£	Total	Total
			£	£
Interest	857	-	857	161
Investment income	44	-	44	44
	901	-	901	205

6 Analysis of expenditure

	Charitable activities					Raising funds		2023-24 Total £	2022-23 Total £
	Church	Events	Weddings & funerals	Choir (UC Singers)	Asylum seekers	Fundraising	Properties		
	£	£	£	£	£	£	£		
Payroll	86,902				45,167			132,069	103,400
Events		35,398						35,398	14,384
Sunday services	7,251							7,251	6,164
Choir (UC Singers)				5,925				5,925	4,496
Gospel Arts project (UC Voices)	2,361							2,361	15,148
Donations to UCP & other charities	18,360							18,360	16,360
Church equipment & resources	1,706							1,706	4,156
Social justice & community engagement								-	7,954
Asylum seekers					69,933			69,933	3,416
Weddings & funerals			1,760					1,760	1,188
Governance	5,456							5,456	6,871
Fundraising								-	750
Properties							22,618	22,618	11,699
Depreciation	1,044				229		2,779	4,051	4,784
Miscellaneous costs	3,640					1		3,641	2,491
Total expenditure 2023-24	126,720	35,398	1,760	5,925	115,329	1	25,396	310,530	
Total expenditure 2022-23	149,756	14,384	1,188	4,496	17,900	751	14,786		203,261

7 Net income / (expenditure)

This is stated after charging:

	2023-24	2022-23
	£	£
Depreciation	4,051	4,784
Independent examiner's fee	4,200	3,600

8 Staff costs and trustee remuneration and expenses

Payroll costs were:

	2023-24	2022-23
	£	£
Salaries and wages	130,267	93,191
Social security costs (Employer's NI)	6,225	8,992
Employer's contribution to Defined Contribution pension schemes	1,886	1,216
Reversal of incorrectly accrued liability to HMRC	(6,308)	-
	<u>132,069</u>	<u>103,400</u>

The trustees were not paid. No trustee was employed by or received any benefit as a result of employment by UC. No trustee claimed any reimbursable expenses.

One trustee was paid on three separate occasions for singing during a church event or service. The fee in each case was £100. Decisions about the musicians to be engaged for any particular event or service were made by the Minister or the Organist / Musical Director and the trustees were not directly involved in these decisions.

No member of staff was paid more than £60,000.

Staff numbers

	2023-24	2022-23
Average (modal) monthly number of employees	6	4

At the balance sheet date, UC's permanent staff establishment consisted of:

- Minister (part-time);
- Social Justice & Community Outreach Worker (full-time);
- Communications & Development Worker (full-time);
- Organist / Musical Director (part-time); and
- Administrator (part-time).

A sixth (part-time) member of staff, ESOL & Volunteer Co-ordinator, was funded entirely by the grant from Islington Borough Council and is not part of the permanent establishment.

Use of restricted funds to meet payroll costs

During 2023-24 a small part of the Minister's salary and a significant fraction of the Social Justice & Community Outreach Worker's salary were funded by the grant from Islington Borough Council given to support UC's work with asylum seekers. This use of the money was anticipated and explicitly disclosed in the budget which formed part of the grant application, and is intended to reflect staff time spent on the grant-funded activities.

The grant also funds the ESOL & Volunteer Co-ordinator position. That member of staff works exclusively on grant-funded activities.

9 Tangible fixed assets and depreciation

	Property Improvements	Church & Office Equipment	Total
	£	£	£
Cost			
At start of year	75,550	23,610	99,160
Additions during year	-	-	-
Disposals during year	-	-	-
At end of year	<u>75,550</u>	<u>23,610</u>	<u>99,160</u>
Depreciation			
At start of year	47,764	18,519	66,283
Charge for year	2,779	1,273	4,051
Eliminated on disposal	-	-	-
At end of year	<u>50,543</u>	<u>19,792</u>	<u>70,335</u>
Net book value			
At end of year	<u>25,007</u>	<u>3,818</u>	<u>28,825</u>
At start of year	<u>27,786</u>	<u>5,091</u>	<u>32,877</u>

10 Investments

	2023-24	2022-23
	£	£
At start of year	1,068	1,344
Gain / (loss) during year	18	(276)
At end of year	<u>1,086</u>	<u>1,068</u>

11 Debtors

	2023-24	2022-23
	£	£
Prepayments	-	-
Accrued income	162,105	55,000
	162,105	55,000

12 Creditors: amounts falling due within one year

	2023-24	2022-23
	£	£
Other creditors	23,677	14,073
	23,677	14,073

13 Net assets between funds

	Unrestricted	Restricted	Total
	£	£	£
Tangible fixed assets (net book value)	28,140	686	28,825
Investment	1,086	-	1,086
Net current assets	223,851	78,160	302,011
	253,076	78,845	331,922

14 Movements in funds**2023-24**

	At start of year	Incoming resources & gains	Outgoing resources & losses	At end of year
	£	£	£	£
Unrestricted funds				
<i>Designated funds</i>				
Properties reserve	80,000	78,911	(8,064)	150,847
Other unrestricted funds	116,608	166,833	(181,213)	102,229
Total unrestricted funds	196,608	245,745	(189,277)	253,076
Restricted funds				
Union Chapel Singers	4,364	5,279	(5,925)	3,718
Asylum seekers grant	52,145	136,085	(114,818)	73,412
Asylum seekers hardship fund	1,106	1,120	(511)	1,715
Total restricted funds	57,615	142,484	(121,254)	78,845
Total funds	254,223	388,229	(310,530)	331,922

2022-23	At start of year £	Incoming resources & gains £	Outgoing resources & losses £	At end of year £
Unrestricted funds				
<i>Designated funds</i>				
Properties reserve	80,000	-	-	80,000
Other unrestricted funds	123,952	172,797	(180,141)	116,608
Total unrestricted funds	203,952	172,797	(180,141)	196,608
Restricted funds				
Union Chapel Singers	5,755	3,105	(4,496)	4,364
Asylum seekers grant	-	70,000	(17,855)	52,145
Asylum seekers hardship fund	-	1,151	(45)	1,106
Black History Month	-	1,000	(1,000)	-
Total restricted funds	5,755	75,256	(23,396)	57,615
Total funds	209,707	248,053	(203,537)	254,223

The properties reserve fund comprises money set aside by the trustees against the anticipated costs of work on the church's properties at 18 and 19 Compton Terrace together with the costs of legal and other professional services associated with that work and with the changes of tenants. A small part of this fund was spent during 2023-24 and it is expected that the rest will be spent during 2024-25.

UC had three restricted funds on the balance sheet date:

- Union Chapel Singers – money raised, principally from participants' subscriptions, to support the activities of Union Chapel Singers;
- Asylum seekers grant – grant money received from Islington Borough Council to fund specified work supporting asylum seekers currently accommodated within the borough (supplemented by a small amount of money donated specifically to support this work);
- Asylum seekers hardship fund – money raised through collections at certain church events, together with certain individual donations, to be spent at the discretion of the Minister and / or the Social Justice & Community Outreach Worker for the purpose of meeting occasional identified needs of individual asylum seekers known to UC.

15 Related party transactions

UC's Minister is a director of UCP, in accordance with UCP's Articles of Association. The chair of UCP's Board of Directors is a member of UC. One individual who was a trustee of UC during the year is married to the chair of UCP's Board of Directors.

UCP paid rent of £16,000 to UC for office space in UC's property at 19 Compton Terrace.

During some church events, UCP operates the bar in the church building and passes the net profits to UC. (The definition of "net profits" for this purpose is set out in an agreement between UC and UCP.) UC received £5,159 from UCP under this arrangement.

UC made a donation to UCP of £18,000.

For some years it was "understood" that UC's agreed annual donation to UCP was £16,000, but the basis on which this amount had been established was obscure. UC and UCP have now agreed that UC's donation to UCP each year will be the amount that would have been due had UC entered into a cost-sharing agreement with UCP covering the electricity and gas supplied to the church building, and insurance (which UCP procures collectively for itself, its subsidiary organisations, and UC). However, this does remain strictly a donation, made at UC's discretion in accordance with the Management Agreement, and UCP is not entitled to demand it.

UC's Minister was chair of UCM's trustees during the year.

UC paid UCM £4,011 for providing activities as part of UC's grant-funded work with asylum seekers. These activities were anticipated and included in the budget supporting the grant application.

UC also paid UCM £1,500 for catering at a church event.

On one occasion it was judged to be expedient to make a payment of £600 for legal advice for UCM out of UC's bank account in the first instance, and to subsequently obtain reimbursement from UCM.

16 Legal status and members' liability

UC is an unincorporated charitable trust. The original trust deed is dated 18 September 1889; it was amended in 2018 using the power of modification conferred by section 280 of the Charities Act 2011.

The members have no financial liability in the event of UC being wound up.

UNION CHAPEL

England & Wales - Charity number 1172808

Accounts

Charity Number ¹172808

Statements or the year to ³1 March 2023

2022-23 Trustees' Annual Report & Financial Statements Union Chapel

Contents

Reference and Administrative Information	3
Governing Document	4
Managing Trustees	4
W	
Relationship with the Congregational Federation	5
Objects and Activities	6
Public Benefit	7
Relationship with Union Chapel Project and The Margins Project	7
Performance and Achievements	8
Future Plans	10
1	
Financial Review	0
Reserves Policy	12
Fundraising	12
Risks	13
T	
Statement of Trustees' Responsibilities	14
U	
Independent Examiner's Report to the Trustees of Union Chapel	15
F	
Statement of Financial Activities for the Period 1 April 2022 to 31 March 2023	16
3	
Balance Sheet as at 31 March 2023	17
Notes to the Financial Statements	18
1 Accounting policies	18

2 Income from grants and donations	19
3 Income from charitable activities	20
4 Income from other trading activities	20
5 Income from investments and deposits	20
6 Analysis of expenditure	21
7 Net income / (expenditure)	22
8 Staff costs and trustee remuneration and expenses	22
9 Tangible fixed assets and depreciation	24
10 Investments	24

Solicitors

Independent examiner

Legal status

Bankers

Principal address

W
31-33 Holloway Road

N12UN

London

London

Goodman Jones

29-30 Fitzroy Square

EC4R 1BE

Union Chapel is an unincorporated charitable trust governed

Union Chapel

N7 8JU

Bates Wells

London

Lloyds Bank

London

by a trust deed

10 Queen Street Place

N10NT Provi Place ence Bolt N1 0PQ n Upper NatWes
 London dence Provid House Burdon Londo 11 Street t Bank

2022-23 Trustees' Annual Report & Financial Statements Union Chapel

Governing Document

Union Chapel (hereafter "UC") is a Congregationalist church affiliated to the Congregational Federation. It is an (unincorporated) charitable trust, initially established and governed by an indenture dated 18 September 1889.

In 2018 UC made substantial changes to that indenture. These changes were motivated by the desirability of bringing the content up to date, and in particular by the need to have UC's relationship with the Congregational Federation - described below - correctly set out in its governing document. Because the original 1889 indenture does not grant any power of amendment, IJC was able to make only changes deemed to be "administrative" and so within the scope of the statutory power of modification conferred by section 280 of the Charities Act 2011.

The Charity Commission has approved a model governing document for use by churches affiliated to the Congregational Federation and, to the extent possible, UC's amended governing document - the "consolidated trust deed" - matches that model document. The text of the consolidated trust deed is therefore a (slightly awkward) amalgam of clauses from the original 1889 indenture and material copied from the model document.

Managing Trustees

The consolidated trust deed establishes that:

- the Managing Trustees are UC's trustees as defined in the Charities Act 2011, and have all powers to control, manage, and administer the church in accordance with the consolidated trust deed and their charitable and other legal obligations;
 - the members of the church, acting collectively as and through the Church Meeting, have the power to appoint Managing Trustees;
 - the individuals appointed by the Church Meeting to be the church's deacons are also its Managing Trustees, unless the Church Meeting, by passing a special resolution, explicitly decides otherwise;
- 01166357.

1 Congregational Federation Ltd., registered with charity number 267469 and company number Trustees.

Holding Trustee will take over and assume the role of the charity trustees from the Managing

If so requested by a special resolution of the Church Meeting (and not otherwise), the

The Holding Trustee is not under any obligation to exercise any of these rights.

of its management or administration is not being carried out correctly.

consolidated trust deed, or is otherwise jeopardising its charitable status, or that any aspect

- investigate if it has reasonable grounds for suspecting that UC is not complying with its and

- send a representative to any Church Meeting or any meeting of the Managing Trustees;

and the use of its buildings;

- make reasonable requests for information relating to UC's management and administration

The Holding Trustee has rights to:

buildings do not appear as assets on its balance sheet.

UC's property is vested in the name of the Holding Trustee and for that reason UC's

The Congregational Federation 1 is the Holding Trustee.

Relationship with the Congregational Federation

encouraged to take advantage of training offered by the Charity Commission.

familiarity with matters of current concern or interest. The Managing Trustees are

Meeting, so it can reasonably be assumed that a new Managing Trustee has some

Managing Trustees are necessarily members of the church and are appointed by the Church

UC does not have any formal induction or training program for new Managing Trustees.

benefit from UC in return for their service.

2022-23 Trustees' Annual Report & Financial Statements Union Chapel

Objects and Activities

UC's charitable objects, as set out in the consolidated trust deed, are to permit the said piece of ground, Chapel, Vestries, Lecture Hall, School and Class Rooms, and two messuages² hereditaments and premises, and any other buildings that may hereafter be erected on the said piece of ground and any parts thereof to be used, occupied, and enjoyed for the public worship of Almighty God in accordance with the belief in the Lord Jesus Christ as the incarnate Son of God and the Redeemer of men and in the Holy Spirit as the author of spiritual life and with a recognition of the divinely inspired scriptures of the Old and New Testaments as the supreme and sufficient rule of faith and practice, and also for such other religious, philanthropic, moral, intellectual, or social purposes, not inconsistent with such belief and recognition as aforesaid and generally in such manner and by such persons as shall from time to time be directed by a special resolution.

In pursuit of these objects, UC organises and provides:

- weekly Sunday morning services of Christian worship, including a communion service on the first Sunday of each month, and baptisms as and when required;
 - activities to mark particular occasions within the liturgical year (primarily Easter and Christmas);
 - wedding services;
 - funeral services;
 - a weekly Bible study (conducted via Zoom, to facilitate participation by individuals who cannot be present in person on a weekday evening);
 - pastoral care and support for members of the church, other regular congregants, and others who may from time to time seek such support from the church;
- 1010166 and company number 02583801.

3 A company limited by guarantee and not having a share capital, registered with charity number

UCP shall have up to seven directors, of whom one shall be UC's Minister (so long as the

UCP is necessarily a member of UC. UCP's Articles of Association furthermore state that

Therefore, everybody entitled to a vote at any (annual or extraordinary) general meeting of company.

[Union Chapel] for the time being who wish to become a member of the

members of the Company shall be those of the minister and the members of

UCP's Articles of Association establish that

fundraising to enable maintenance and restoration, to UCP.

UC has delegated all matters relating to the fabric and operation of the building, including maintenance and wider use for purposes beneficial to the local community

UCP should be appointed to manage [the building] with a view to its preservation a decision by UC that

where "Union Chapel Islington" in this context means the church building. In accordance with Chapel Islington

to promote for the benefit of the public the restoration and preservation of Union company3 - established

Union Chapel Project (hereafter "UCP") is a separate organisation - a charitable limited

Relationship with Union Chapel Project and The Margins Project

any charge and this is intended to maintain accessibility for individuals with low incomes.

on the grounds of religious faith or otherwise. Most of UC's activities are provided without

UC's services of worship and other activities are open to all, without limitation or distinction considered the Charity Commission's guidance on public benefit.

&

2022-23 Trustees' Annual Report Financial Statements Union Chapel

U

Minister is able and willing), and up to three others shall be members of C; it is therefore

U

expected that the Minster and selected members of C shall constitute an absolute majority

UCP's directors. These arrangements are intended to ensure that UC retains ultimate strategic control of its building.

The day-to-day operational relationship between UC and UCP is governed by a Management Agreement which formally establishes matters such as the parties' respective rights to make use of the building. It also specifies certain arrangements for ongoing liaison and co-ordination. In recent years neither party has fully discharged all of its obligations under these arrangements.

The Management Agreement states that UC shall make an agreed annual donation to UCP towards the maintenance and restoration of the building] when and to the extent it is able and this will be reviewed annually.

The Margins Project (hereafter "UCM") is a charitable subsidiary of UCP. It provides a range of services intended to relieve need and hardship and to provide opportunities, training, and employment for people who are homeless, at risk of becoming homeless, or otherwise marginalised. UCM delivers a substantial amount - but not all - of that part of the church's activity which can most straightforwardly be described as "charitable".

There are no direct structural connections between UC and UCM; formally, the relationship between the two organisations is entirely through UCP. However, UC's Minister is currently the chair of UCM's trustees.

Performance and Achievements

Union Chapel is the name of the church founded in 1799, which has played an important role in Islington's religious and social life ever since. Our charitable partner Union Chapel Project ensures that its buildings are well used with respect to the dignity of the venue whose principal purpose is public worship.

Union Chapel holds services each Sunday, with preaching relevant to our challenging community. A student has successfully completed the course and joined our staff team.

We supported an apprenticeship in digital marketing with Harley Stapleton-Brister who

opportunities.

to recruit an additional member of Staff, Sara Bigatti, to provide ESOL and volunteering provide wraparound support to asylum seekers in two hotels in the borough. This enabled us

A significant development has been the awarding of a grant by Islington Borough Council to situation in Tigray and a follow-up on the theme of starvation as an instrument of war.

Our Concern for international issues was demonstrated in a webinar we organized on the contributing to a cleaner environment.

attended and promoted recycling, clothes exchanges, and other practical means of entitled "Waste Stops Here" promoting local campaigning groups. The event was well

The Climate Justice programme included a series of films and presentations and a fair an important feature in the life of Union Chapel.

Our social justice and community outreach activities, led by Katharine Crew, have become the Servant Songs of Isaiah.

The Making of the Bible; Solidarity in Dangerous Times (part of Our Lent programme); and of Persecution; Reading the Bible responsibly; Advent Hope and the Prophet Isaiah; 1 Peter; including a joint study with New Stoke Newington Schul; Land and the Bible; Faith in times

A weekly Bible Study is held and this year the themes for the studies were: Bible and Torah, interactive bible study; and a showing of the film King.

activists (badass believers!); voices of Change - local people engaged in changemaking; an

The Open Space evenings explored: challenges to people of faith; listening to Christian weekly Open Space night in the Upper Hall.

human rights, and solidarity. It consisted of Special Sunday services, a study course, and a

Our Lent programme entitled "Faith Under Fire" explored themes of religious persecution, Remembrance Sunday service and a special evening called "Blue Christmas".

non
ape also oss a community or, non

ape ngers, w

c
sang a **O**ur

2022-23 Trustees' Annual Report & Financial Statements Union Chapel

a
In June we held our annual Pride service. We also commemorated Trans Day of
i **W**
Remembrance with an event in the Upper Hall. The church also officiates at eddings,
including same-sex marriages, and memorial services.

2
Attendance at church is increasing, totaling 1,560, with an average of 9.5 - an increase
i
from 23.7 in the previous year. 1,802 people attended events, increasing from 313 in the
S
previous year. Online viewings of services, webinars, and events numbered 27,290. There
were two baptisms, two weddings, and two memorial services.

Future Plans

The church will continue to provide a Christian witness within the overall family of
i
organisations in Union Chapel and be the undergirding for its values and ethos.

t
Services continue each Sunday morning, celebrating the seasons of the church's year, and
i
occasionally focussing on key issues. These services acknowledge our role in the wider
ecumenical family, celebrating such Sundays as Homelessness Sunday, Racial Justice
Sunday, and Holocaust Memorial with Christians worldwide.

p
Easter is to be celebrated with an evening of poetry and music and a performance of
Handel's Messiah jointly with Eclectic Voices.

m
We will maintain our high standard of music.

Bible Studies will explore the themes of: Christian Nationalism; Eighth Century Prophets;
"Let Justice and Peace Flow" (climate justice and the Bible); and Psalms, among others.

T
We have a Book Reading Group studying 'The Teacher' by St Augustine and 'The First
J
Apology of Justin Martyr".

h
Social Justice programmes continue with the promotion of human rights and supporting
asylum seekers and refugees. This programme is funded by Islington Borough Council and
through it we are developing a closer relationship with Margins.
ongoing budget deficit.

This would not be ruinous, but it would significantly reduce UC's capacity to sustain an

new tenants are ⁱn place, UC could have spent ^more than half of ⁱts unrestricted reserves.

possible that, by the time necessary works on the two buildings have been completed and

In this context, the deterioration ⁱn the budget position is particularly undesirable. It is quite
 lettable standards, may significantly deplete UC's reserves.

with the expenditure which is likely to be required to bring the two buildings up ^to current

income, so no cashflow difficulties are expected. However, meeting that shortfall, together

to be vacant for many months. UC's reserves are sufficient to cover the anticipated loss of

Negotiations with prospective new tenants are ⁱn progress, and neither building is expected

will necessarily result in some loss of ^rental income during 2023-24 and ^or ²024-25.

Both principal tenants have informed UC of ^their intentions to vacate the properties, and this

also contains a residential flat, and office space let to UCP, providing further diversification.

are two different organisations, which somewhat mitigates this risk; and 19 Compton Terrace

to these rents could have serious consequences. The principal tenants of ^the two buildings

source of ⁱncome which could plausibly meet its general costs, so any significant disruption

and predictable, but does carry a certain level of "eggs-in-one-basket" risk; UC has no other

on either side of ⁱt, which form part of ^the church's property. This income is generally stable

properties at ¹8 and 19 Compton Terrace: the buildings adjacent to the church building itself

Almost all of ^that unrestricted income - about 85%, ⁱn 2022-23 - is rent obtained from the

not correspondingly increase.

because its payroll costs, ⁱn particular, rose substantially - and its unrestricted income did

following the end of ^restrictions imposed ⁱn response to the Covid-19 pandemic, but mostly

UC's costs increased significantly during 2022-23 - partly as a result of ⁱncreased activity

reserves, so this development is certainly not ^Catastrophic, but it is unwelcome.

has a deficit. The deficit is not large compared to UC's total expenditure, or to its current

The basic position, then, is that after some years of generating budget surpluses, UC now without the grant, the deficit on general funds would have been larger.

un-
s, was
-
p_a rom
s gran see noe o e nanca saemens; us,

&
2022-23 Trustees' Annual Report Financial Statements Union Chapel

i
Costs will certainly increase again in 2023-24. The trustees decided to increase staff pay from 1 April 2023 as a necessary response to cost-of-living pressures, and high inflation will inevitably affect other costs. At the approval date, it is known that further grant funding from Islington Borough Council has been secured and will be forthcoming during 2023-24, which will help in the short term. However, UC cannot depend on this as a permanent source of income. At present it does not seem feasible to increase the rents obtained from 18 and 19 Compton Terrace. It is therefore desirable to identify additional, sustainable source of income; and this will become rather urgent within a few years. The alternative will be significant cost reductions which could not be achieved without severely curtailing some element or elements of UC's activities.

Reserves Policy

y
UC does not have a formal reserves policy. For a number of years income exceeded expenditure and in that context the trustees did not consider it necessary to identify any particular level of reserves which should be maintained.

1
However, it has been known for some time that the properties at 18 and 19 Compton Terrace will require significant expenditure, when the respective current tenants leave, to bring them up to current lettable standards. The trustees have set aside £80,000 for this purpose.

Fundraising

1
As noted above, UC obtains its unrestricted income primarily by renting space in the properties at 18 and 19 Compton Terrace.

UC does not generally solicit donations from the general public. Cash donations are accepted after Sunday services, and a few members of the church donate regularly by standing order, but no significant efforts are made to encourage such donations. The trustees do not believe that there exists any realistic prospect of obtaining very substantial amounts from members or from regular or occasional congregants.

Further small amounts of unrestricted income are generated by charging for admittance to some events, and by operating a bar during events; and by charging fees for conducting experience outweighs the risk inherent in the dependence.)

13

the benefit of having this activity undertaken by somebody with appropriate expertise and member of UCP staff for payroll administration; the Treasurer and the trustees believe that

kind are consequently not expected to re-occur. (UC continues to be dependent on a

staff position with responsibilities for general and financial administration. Problems of this

At the approval date, UC has appointed a new Treasurer, and has created and filled a new date.

this, and UC was not able to complete that work in time to meet the 31 January 2024 due

statements has been lost; however, a substantial amount of work was required to achieve

rectify the gaps in recordkeeping, so no material information relevant to these financial

obligations to properly report on its finances. In fact, it has been possible to retrospectively

they should have been performed. This left UC at some risk of being unable to fulfil its

circumstances, some routine bookkeeping tasks were not performed at the time at which

Furthermore, for much of 2022-23, UC did not have a Treasurer. As a result of these

undertook work for UC on a voluntary/ "goodwill" basis, and subsequently on a freelancer.

During 2022-23, UC was dependent for basic financial administration first on UCP staff who is essentially nothing that UC can do to mitigate this risk.

operating its building; if UCP were to fail, the consequences for UC would be severe. There

possess the resources or the capability to assume responsibility for maintaining and

UCP is in a fragile condition and its future does not seem assured. UC plainly does not churches.

not be sufficient to secure UC's long-term viability. This is a situation faced by many the regular congregation are growing, steadily but slowly; but numbers remain low, and may Further risks are also becoming steadily more apparent. Both the formal membership and income.

costs. UC will need to address these risks by finding at least one additional source of

increased in the short term, and a shortfall of unrestricted income against core operating

2022-23 Trustees' Annual Report & Financial Statements Union Chapel

Statement of Trustees' Responsibilities

The trustees are responsible for preparing the Trustees' Annual Report and Financial

Statements in accordance with applicable law and UK Accounting Standards including

Financial Reporting Standard 102 (FRS 102) The Financial Reporting Standard Applicable in

the UK and Republic of Ireland UK Generally Accepted Accounting Practice (GMP)).

The law applicable to charities in England and Wales requires the trustees to prepare

financial statements for each financial year which give a true and fair view of the state of the

charity's affairs and of its income and expenditure during that year. In preparing these

financial statements, the trustees are required to:

- choose suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities Statement of Recommended Practice (SORP);

- make judgements and accounting estimates that are reasonable and prudent;

- confirm that applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and

- prepare the financial statements on the going concern basis, unless it is inappropriate to assume that the charity will continue to operate.

The trustees are responsible for maintaining proper accounting records which disclose with

to ensure that the financial statements comply with the Charities Act 2011, the Charity
 (Accounts and Reports) Regulations 2008, and the provisions of the charity's trust deed or
 constitution. They are also responsible for safeguarding the assets of the charity and hence
 for taking reasonable steps for the prevention and detection of fraud and other irregularities.
 The trustees are responsible for the maintenance and integrity of the information, including
 any financial information, included on the charity's website. Legislation in the UK governing
 the preparation and dissemination of financial statements may differ from legislation in other

W1T6LQ

15

~on

29-30 Fitzroy Square

Goodman Jon

understanding of the accounts to be reached.

examination to which attention should be drawn in this report in order to enable a proper

I have no concerns and have come across no other matters in connection with the

considered as part of an independent examination.

than any requirement that the accounts give a "true and fair view" which is not a matter

content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other

- the accounts do not comply with the applicable requirements concerning the form and

- the accounts do not accord with those records; or

the Act; or

• accounting records were not kept in respect of Union Chapel as required by section 130 of respect:

attention in connection with the examination giving me cause to believe that in any material

I have completed my examination. I confirm that no material matters have come to my

Independent examiner's statement

Directions given by the Charity Commission under section 145(5)(b) of the Act.

o
e
c a_n
n carrying ou my exa_m_n a
on ave_o
ow_e
a
e ap_c
p a
e

2022-23

F

3

Statement of Financial Activities for the Period 1 April 2022 - 1 March 2023

F

Trustees' Annual Report & Financial Statements

2021-22 2022-23 2022-23 2022-23 Note

Total Total Restricted Unrestricted

£ £ £

£
6,394 86,952 72,151

14,801 **2**

4,076 12,835 3,105

9,730 **3**

155,482 148,061

148,061 4

9 205

205 5

165,961 248,053 75,256

172,797

6

20,241 14,786

14,786

751 751

6

108,316 149,756

149,756

10,354 14,384 1,000

13,384

1,499 1,188

1,188

2,240 4,496 4,496

17,900 17,900

142,650 . 203,261 23,396

179,865

23,311 44,792 51,860 (7,068)

(98) (276)

(276) **10**

23,213 44,516 51,860 (7,344) 7

23,213 44,516 . 51,860 (7,344)

Union Chapel

**Income from
d**

Grants & onations

Charitable activities

Other trading activities

Investments & deposits

Total income

O

Raising funds

Properties

Fund raising

Charitable activities

Church activities

Events

Weddings & funerals

Union Chapel Singers

Asylum seekers

Total expenditure

Net income/ expenditure)

before revaluation of

investments

Net gains/ (losses) on

investments

Net income/ expenditure)

Inter-fund transfers

Net movement in funds

Trustees	by the form	cted	ed funds	Funds	(liabiliti	(liabiliti due		183,492	55,000
on Z	trustees part of	funds			es)	within	Cash at		
these					es)	one year	bank	Debtors	552
financial						12			
stateme						(14,073)	and i		
nts.				13		(10,348)	hand		
Total									
signed funds						220,278	Liabiliti		
on their						es			
					254,223	173,696			
behalf									
Philip				Total	209,707		Creditor		
Cotterel		254,223	196,608	57,615	net	Net	s -	234,352	11
I	The	209,707	203,952	5,755	assets/	current	amounts		
Approve	following				assets /	falling		179,352	
notes			Restrict					184,044	
	Unrestr								

Notes to the Financial Statements

1 Accounting policies

a) Basis of preparation

These financial statements have been prepared in accordance with "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 the Republic of Ireland (FRS 102)" - Charities SORP FRS 102 - and with the assumption that the charity meets the definition of a public benefit entity under FRS 102.

Assets and liabilities are initially recognised at historical cost or transaction value, unless

The financial statements are prepared and presented in GBP (sterling), which is UC's functional currency. Amounts in the financial statements and the notes are rounded to the nearest pound (which may introduce some apparent small discrepancies; e.g., column totals may not appear to be exactly correct).

In the judgement of the trustees, at the date of approving these financial statements:

material uncertainties about UC's ability to continue as a going concern; and

• there are no sources of estimation uncertainty which carry a significant risk of requiring a

material adjustment to the carrying amounts of assets and liabilities within the next financial

period. Income is recognised in the period during which the church is entitled, and can reasonably

be received. The trustees have considered the financial position of Union Chapel in 2011. The trustees have stated that there is no material uncertainty about the charity's ability to continue as a going concern.

The charity has been assessed as a Charitable Incorporated Organisation (CIO) under the Charities Act 2006. The trustees have considered the financial position of the charity in 2011. The trustees have stated that there is no material uncertainty about the charity's ability to continue as a going concern.

(The "Grants"

information and

on "Donatio

requirements" is not

to split available

the .)

2021-22 19

total

between

1,151	and	out in	used	s, which can	use at
	donatio	note 14.	only for	may be include	the
	ns	The	those the	designat	
	Unrestr	purpose	purpose trustees	ed	trustees'
	icted	s of	s. for funds,	g)	
Grants	£	UC's	particular	set	Funds
		UC's	restrict	r	aside by
		designat	d funds	purpose	UC's
	Res	ed and	compris	s.	unrestr
14,801	7,020	restrict	e	discretio	cted
	£	d funds	monies	n to	(general
72,151	71,000	as at	raised	further	) funds
		the	or	its	compris
Donatio	2	balance	given	charitable	those
ns	Income	sheet	for	e	monies
7,781	from	date	are	specific	These
	grants	set	purpose		UC may
		86,952	£	£	Total
		6,394			Total
		8,932			
		78,020			2021-22

2022-23 Trustees' Annual Report & Financial Statements Union Chapel

C

3 Income from charitable activities

2021-22 2022-23

Total Total

Restricted Unrestricted

£ £ £ £

20 6,776

6,776 Events

1,280 2,954

2,954 Weddings & funerals

2,776 3,105 3,105

Choir (Union Chapel Singers)

4,076 12,835 3,105 9,730

o t a

4 Income from other trading activities

2021-22 2022-23

Total Total

Restricted Unrestricted

£ £ £ £

151,242 148,061

148,061 Rental income

4,240 , Other income

155,482 **148,061**

148,061

i a

5 Income from investments and deposits

2021-22 **2022-23**

Total Total

Restricted Unrestricted

£ £ £ £

9 **161**

161 Interest

6 Analysis of expenditure

Charitable activities Raising funds

Church Events Weddings & Choir(UC Asylum Fund .. Properties **2022-23**
 ven s Singers) k un raising funerals see ers Total
 £ £ £ £ £ £ £ £

Payroll 89,221 14,179 **103,400** Events 14,384 **14,384** Sunday services 6, 164 **6,164** Choir (UC Singers)
 4,496 **4,496** | Gospel Arts project (UC Voices) 15,148 **15,148**

Donations to UCP & other charities 16,360 **16,360**

Church equipment & resources 4,156 **4,156** Social justice & community engagement 7,954 | **7,954**

. Asylum seekers 3,416 **3,416** Weddings & funerals 1,1 88 **1,188** Governance 6,871 **6,871** Fund raising
 750 **750** Properties 11 ,699 **11,699-**

Depreciation 1,392 305 3,087 **4,784** Miscellaneous costs 2,490 1 **2,491**

149,756 14,384 1,188 4,496 17,900 751 14,786 203,261

21

2022-23	diture)	chargin	were:	contribupaid.	r	£60,000
Trustees	g:		2021-2	No	eimbur	.
' Annual	2021-2		2	tion to	sable	
Report	2		2022-2	Defined was	expens	
&	2022-2	Depreci	3	employ	es. No	
Financia	3	ation	£ £	Contrib	ed by or	trustee
I	£ £	1,680		ution	r	receive
State		3,600		Social	eeceive d	
nts		8 Staff	60,427	security pension	d any	any
Union		costs	93,191	costs	benefit	paymen
Chapel	4,695	Indepen		(Emple	scheme	as a t for any
		and		Salariesyer's	s	result professi
	4,784	trustee		and NI)	of	onal or
		remun		wages 692	66,252 e	O r of
		eration		5,133	103,400	employ ther S
7 Net		and		1,216	ment byservice	staff
income		er's fee		8,992	The UC. No s	was
/	This is	expens		Employ	trustees	trustee supplie
(	stated	es		er's	were	claimed d to
expen	after		Payroll		not	any UC.
			costs			than
						Staff

numbe rs

works exclusively on grant-funded activities.

e gran aso u
n
s
e

ouneer

23

-
o r
naor po s
on.
a me
m
er o S
a

2022-23

&

Trustees' Annual Report Financial Statements Union Chapel

9 Tangible fixed assets and depreciation

O

Property Church & fface

Total

Equipment Improvements

£ £ £

Cost

96,166 20,616 75,550

S **y**
At tart of ear

2,994 2,994

Additions during year

Disposals during year

99,160 23,610 75,550

e **y**
At nd of ear

Depreciation

61,499 16,822 44,677

S **y**
At tart of ear

4,784 1,697 3,087

Charge for year

Eliminated on disposal

66,283 18,519 47,764

e **y**
At nd of ear

Net book value

32,877 5,091 27,786

At end of year

34,667 3,794 30,873

At start of year

10 Investments

2021-22 2022-23

1,068

13 Net assets between funds

Tangible fixed assets (net book value)

Investment

Net current assets

Unrestricted

£

12 Creditors: amounts falling due

within one year

Other creditors

25

196,608

163,578

31,962

5	,	,	1	7	£	c	l	1	
4,	7	2	4			t		0,	
5	2	0	7			e	1	3	
7,	2	1	9	3	£	R	d	4,	4
6	3	2	1,068	2,		e	T	0	8
1		2		8		s	o	7	
5	5					t	t	3	1
2	6			7		ri	a		4

2022-23

At end of
year

£

80,000

116,608

196,608

4,364

53,251

1,106

57,615

254,223

At end of
year

£

80,000

123,952

Trustees' Annual Report & Financial Statements

Outgoing Incoming

&

&

resources

resources

losses gains

£ £

(180,141) 172,797

(180,141) 172,797

(4,496) 3,105

(17,855) 70,000 .

(45) 1,151

(1,000) 1,000

(23,396) 75,256

{203,537} 248,053

Outgoing Incoming
& &
resources resources
losses gains

£ £

(140,410) 163,087

Union Chapel

M
14 ovements in funds

At start of

2022~23

year

£

Unrestricted funds

Designated funds

80,000 Properties reserve

123,952 Other unrestricted funds

203,952 Total unrestricted funds

Restricted funds

5,755 Union Chapel Singers

Asylum seekers grant

Asylum seekers hardship fund

Black History Month

5,755 Total restricted funds

209,707 Total funds

At start of

2021-22

year

£

Unrestricted funds

Designated funds

80,000 Properties reserve

101,275 Other unrestricted funds

during the year.)

27

(UC's Minister is chair of UCM's trustees. There were no transactions between UC and UCM

One of UC's trustees is married to the chair of UCP's Board of Directors.

UC's Minister is a Director of UCP, in accordance with UCP's Articles of Association.

subsidiary organisations, and UC. (In 2023-24, this amount will be £18,000.)

gas for the church building, and b) insurance, which UCP procures collectively for itself, its

amount each year calculated as an agreed share of the costs of a) providing electricity and

have agreed a new approach, to apply from 2023-24; henceforth, UC will donate to UCP an

£16,000. The basis on which this amount was established is not documented. UC and UCP

For some years it has been "understood" that UC's agreed annual donation to UCP is

£16,000, under the terms of the Management Agreement.

UCP paid rent of £16,000 to UC for office space. UC made a donation to UCP, also of

15 Related party transactions

year.

during and relevant to Black History Month. This money was received and spent during the

During 2022-23 UC also received a grant from Islington Borough Council to support activities

identified needs of individual asylum seekers known to UC.

for the Social Justice & Community Outreach Worker for the purpose of meeting occasional

together with certain individual donations, to be spent at the discretion of the Minister and /

- Asylum seekers hardship fund - money raised through collections at certain church events,

2022-23 amend

Trustees in
ed n

' Annual 2018

Report using

& the

power
Financia
of

I m

Stateme odifi

nts cation

Union conferr

ed by

Chapel section

16 280 of

Legal the

status Charitie

and s Act

membe 2011.

rs' The

liability membe

UC is rs have

an no

unincor financia

porated l liability

charitabj

le trust. n the

The event of

original U
C

trust being
deed is

dated wound

18 up.

Septem

ber

1889; it

was

UNION CHAPEL

England & Wales - Charity number 1172808

Accounts

Charity number: 1172808

Union Chapel
Report and Financial Statements
For the year ended 31 March 2022

Contents

	Pages
1. Company Details and Advisors	3
2. Principle Aims, Objectives and Activities	4-5
3. Achievements and Performance	6
4. Plans for the Future	7
5. Financial Review	7
6. Structure, Governance and Management	8-9
7. Fundraising Approach	10
8. Statement of Trustees Responsibilities	11
9. Independent auditors' report to Members of Union Chapel Church	12
Statement of Financial Activities (Incorporating an Income and expenditure account)	13
Balance Sheet	14
Statement of cash flow	15
Notes to the financial statements	16-19

1. Company Details and Advisors

The trustees who are also the directors of the charitable company, present their report together with the audited financial statements for the year ended 31 March 2022.

Directors & Trustees The directors of the charitable company are its trustee for the purpose of charity law:

Claudina Edwards
Elizabeth Walker
Mark Jones

Treasurer Philip Cotterell

Registered office & operational address Union Chapel
19b Compton Terrace
London.
N1 2UN

Charity Number 1172808

Bankers	Lloyds Bank	Natwest Bank
	31-33 Holloway Road	11 Upper Street
	Highbury & Islington	Islington
	London	London
	N7 8JU	N1 0PQ

Solicitors Bates Wells
10 Queen Street Place
London
EC4R 1BE

Accountants Goldwins
Chartered Accountants
75 Maygrove Road
London
NW6 2EG

2. Principle aims, objectives and activities.

The objectives of Union Chapel, as set out in its amended Trust Deeds are to "permit the... Chapel, Vestries, Lecture Hall, School and Class Rooms, and two messuages hereditaments and premises, and any other buildings that may hereafter be erected on the said piece of ground and any parts thereof to be used, occupied, and enjoyed for the public worship of Almighty God in accordance with the belief in the Lord Jesus Christ as the incarnate Son of God and the Redeemer of Men and in the Holy Spirit as the author of spiritual life and with a recognition of the divinely inspired scriptures of the Old and New Testaments as the supreme and sufficient rule of faith and practice, and also for such other religious, philanthropic, moral, intellectual, or social purposes, not inconsistent with such belief and recognition as aforesaid and generally in such manner and by such persons as shall from time to time be directed by a special resolution."

The main aims adopted to achieve the charitable objectives are:

Provision of services of Worship: To run weekly services of Christian worship and also services for special occasions such as festival celebrations, weddings baptisms and funerals.

Provision of pastoral care for Union Chapel Community: For the ministers and church members to actively engage in appropriate pastoral care when needed for church members and the wider Chapel community.

Provision of Outreach Activities: To open Union Chapel to as many people as possible, from all walks of life. This includes:

- Provision of a programme of social justice
- A Gospel Arts Project which provides music for special events and Sunday services as Union Chapel Voices
- Union Chapel Singers - A community choir open to all.
- Special events – to provide a series of events which tackle topical issues, especially relating to racial, social, economic and climate justice
- A weekly Bible Study on Zoom
- Artistic performance– To curate several performances during the year which explore spirituality, culture and context in depth using the arts.
- Supporting Union Chapel Project (UCP) - by ensuring the Memorandum of Understanding is well kept, by being the members of UCP and providing directors to sit on the project's board of directors.
- Supporting Margins Project - by providing volunteer time and expertise to the project, advocating and being ambassadors for the work of Margins in the chapel.
- Encouraging diversity - by being advocates for those who are disadvantaged for whatever reason and raising awareness of discrimination where possible.

The organisation relies on donations and income from owned property to fund its charitable activities and cover its operating costs.

Public Benefit

In shaping the objectives and planning activities for the year, the Trustees have considered the Charity Commission's guidance on public benefit, including the guidance on public benefit and fee charging.

In accordance with Section 17 of the Charities Act 2011, the trustees consider how planned activities will contribute to the aims and objectives that have been set. These objectives are carried out by the annual activities of the church and also by the church members supporting the ongoing work of Union Chapel Project, the charity set up by the church to manage

Union Chapel Annual Accounts 2021-2022

a long-term plan for the restoration of the Union Chapel so that the building can continue to be enjoyed by its many different users and visitors.

The trustees ensure that all activities are in accordance with the equal opportunities policy of UC and give careful consideration to the accessibility of the chapel to those on low incomes by offering free and low-cost activities.

3. Achievements and Performance

Following a lengthy process of becoming a charity this is the fourth year Union Chapel Congregational Church has been active as its own charity.

The trustees review the aims, objectives and activities of the charity each year. This report looks at what the charity has achieved and the outcomes of its work within the last twelve months. The trustees report the success of each key activity and the benefits the charity has brought, to those groups of people that it is set up to help. The report also helps the trustees ensure the charity's aims, objectives and activities remain focused on its stated purposes.

The year has been dominated by the Covid pandemic, which has severely impacted on our activities. We have, however, been able to make good use of social media and communications technologies which has enabled the congregation to remain in contact and for worship to continue.

- The church has continued to hold weekly Sunday worship services at 11am,
- Services have been available on You Tube each Sunday.
- An exciting programme for Lent on the theme of the Beloved Community
- A greater variety of music has been introduced to our Sunday service and we have enjoyed listening to different organists as well as other instrumentalists, singers and choirs.
- The church continues to celebrate Communion regularly on the first Sunday of the month, and there is a commitment to prayer and the reading of scripture at every gathering.
- An apprenticeship in digital marketing was created.
- We continue our programme of Social Justice and Community Outreach – a new worker commenced in January 2022

Provision of Pastoral Care

- The minister continued to meet with individuals from the chapel community and staff for UCP to help support and encourage them.
- Church attendees continue to support one another through meeting up, praying for one another and making hospital visits. A weekly prayer list is e mailed.
- The church has agreed a discretionary fund which has been used to help those in financial difficulty.

Supporting Union Chapel Project (UCP) - The church continues to give a financial donation to help with the running costs of UCP. Three Church Members serve on the board of UCP, one of whom serves as Chair, in addition to the Minister who is an ex officio member. Other church members help support the project by sitting on the Infrastructure Committee and Finance Working Group. In addition, the Minister serves as Chair of the Margins Project.

Fundraising

UC invites members to make individual donations to the work of the church.

Operations Support

- UC employs a bookkeeper as required.
- We use PAXTON charity accounting.
- UCP continue to run our PAYE for us and provide some administrative support.

4. Plans for the Future

Bible Studies will be held weekly.

We will recruit an apprentice to develop digital marketing for the church.

Webinars on social, racial, economic and climate justice themes will be organized.

We are developing our musical life with the formation of Union Chapel Voices, a Gospel vocal group.

We are developing a partnership with an Britrean Orthodox Church.

We will support the prayer life of the congregation through a regular prayer list.

We will organize events promoting social, racial, economic and climate justice.

5. Financial Review

Union Chapel Congregational Church maintained a consistent financial position with an income of £166k in the year to March 2022, a decrease of £1k on the previous year and funds carried forward of £209k, an increase of £23k on the previous year.

In summary:

- Total incoming resources are £165,961
- Total resources expended are £142,650
- Total funds of £209,707

Income

Income is generated from the following sources:

- Property Income - £155,491 (94% of total income)
- Charitable Activities including special events, wedding and choir - £4,076 (2% of total income)
- Grants and Donations - £6,394 (4% of total income)

Expenditure

Expenditure is categorized as follows:

- Church Activities - £107,677 (75% of total expenditure)
- Church Events - £9,729 (7% of total expenditure)
- Choir Activities - £2,240 (2% of total expenditure)
- Weddings - £1,499 (1% of total expenditure)
- Property Costs - £21,505 (15% of total expenditure)

Balance Sheet

The Balance Sheet shows total net assets of £209,707, which includes restricted funds of £5,755 for the Choir.

6. Structure, Governance & Management

Constitution

UC is a registered charity. It is governed by its Consolidated Trust Deed dated 18th September 1889 (As amended by a resolution under section 280 Charities Act 2011).

The church meeting

The members of the church are the members of the charity, they have the powers to appoint the managing trustees of the charity.

Managing trustees

- The charity is managed by the managing trustees. The Managing Trustees consist of the Deacons of the Church, unless the Church Meeting shall specifically decide to the contrary by a special resolution.
- The Managing Trustees act as charity trustees and have all powers to control, manage and administer the Church Property and all other aspects of the Church in accordance with the trusts and in accordance with their charitable and other legal obligations.
- The Managing Trustees keep a written record of those who are Church Members and review and present it to the Church Meeting for formal approval on an annual basis.

Holding trustees

- The Church Property is vested in the name of the Holding Trustees who are currently the Congregational Federation Trustees.
- The Holding Trustees are not bound to make any enquiry as to the management and administration of the Church or the use of the Church Property.
- If at any time the church meeting deems it necessary, they can hand the managing trustee role to the holding trustees.

Organisation

- The business of the charity is supervised by the Deacons (The Managing Trustees) who meet at least once every three months and they can determine the quorum for their meetings which will be no less than two persons or half their number, whichever is the greater.
- The Church Meeting meets once every three months and at such other times as the Deacons may think fit.
- The Church Meeting considers at each meeting the actions that should be taken by the Church Meeting or any other officers of the Church to further the charities aims. The Deacons are asked to manage the actions agreed and may delegate to individuals and sub groups as appropriate.
- The Deacons assume the roles of Church Secretary, Treasurer and Fabric Deacon and as well as being responsible for meeting the charitable aims they will oversee communications, finance and the care of church property.
- The church meeting and the Deacons can appoint Ministers and other posts to serve the church who can assist with these roles and who also take on the responsibility for the spiritual growth of the church.

Employees

Day to day management and operations of the Charity are delegated to its paid staff. The permanent full time complement of staff for the year was part time Minister of Word and Sacrament, a full-time Social Justice and Community Outreach Worker (from June 2019) and a Church Communications Worker (apprenticeship) from July 2021.

Union Chapel Annual Accounts 2021-2022

UC strives to be an equal opportunities employer and applies objective criteria to assess merit. It aims to ensure that no job applicant or employee receives less than favourable treatment on the grounds of age, race, colour, nationality, religion, ethnic or national origin, gender, marital status, sexual orientation or disability.

Selection criteria and procedures are reviewed to ensure that individuals are selected, promoted and treated on the basis of their relevant merits and abilities. Salaries are reviewed on an annual basis by the Deacons. All employees are given equal opportunity and, where appropriate and possible, special training to enable them to progress both within and outside the organisation.

Appointment of trustees

- Deacons are appointed at the church meeting, which can be called either by the deacons or by 20% of church members with 14 days notice. Deacons are only ever appointed from the church membership, there is no limit to the number of Deacons who can be elected, we currently have four.
- The Deacons shall be appointed for an initial term of 3 years with the opportunity to be nominated for re-appointment at the end of each 3 year term.
- When considering appointing new deacons, the church meeting has regard both to the organisation's need for any specialist skills and to the diversity of the trustee membership.
- All trustees give their time voluntarily and receive no benefits from the charity.

Trustee Induction and Training

New trustees undergo an orientation day to meet key staff and other trustees. An information pack is provided that includes the Charity's Trust deed, recent audited and management accounts, the business plan's for Union Chapel Project and organisational charts and the Charity Commission's information on Responsibilities of Trustees.

Trustees are encouraged to attend appropriate external training events, where these will facilitate the undertaking of their role.

Risk Management

The trustees are responsible for overseeing the risk management strategy for the organisation, outside of church activities Union Chapel Project is delegated with risk management for the building and event activities. A comprehensive review of risks and opportunities is carried out annually by the UCP trustees and relevant findings are fed back into the church meeting. Subsidiary boards and working groups within the chapel are responsible for overseeing and mitigating risks throughout the year.

Currently, the key risks facing the church are health and safety of the building, low church attendance and small membership. Covid-19 has increased risk for our daughter charities UCP and Margins.

- The Infrastructure Working Group continues to focus on health and safety which will be a factor in an old building such as the chapel. Quinquennial inspections and the recent appointment of a health and safety consultancy in conjunction with our insurance company, ensure that issues are identified and can be acted on.
- Our focus on community activity and small group work will help to build stronger relationships within the community and more consistent attendance.
- The Deacons are in close communication with UCP and Margins through its representatives on the Boards of the two charities.

Therefore the trustees are satisfied that systems are in place to mitigate risks identified.

7. Fundraising Approach

Union Chapel's current approach to fundraising is to be transparent, clear and friendly. Union Chapel does not engage with third party fundraisers or commercial partners save for online facilitators such as justgiving.com. Fundraising activities are for church activities and for generating income which is donated to other charities whose activities lie within the organisation's aims and objectives.

The Deacons review fundraising income, expenditure and procedures on a quarterly basis and the fundraising strategy is reviewed annually. Fundraising is not the primary income or operational focus for Union Chapel.

UC fundraises through the following methods:

Donations - a weekly collection is taken during the Sunday service and some church attendees give regularly by direct debit. There is always the opportunity for people to donate at the end of any other free events. There are also options on the website for individuals to donate money directly to the church.

Ticket Sales - For some events we charge for tickets, the price of the ticket is kept as low as possible and when appropriate free tickets are offered to those on low income to encourage accessibility. The ticket sales always go towards the cost of the event itself or to fundraise for the next event.

Profit from the Union Chapel Directions (UCD) trading arm - After covering costs UCD give to the church any profit which has been made on church events. This helps to cover the costs of free community events such as the Carols by Candlelight service, and also enables us to increase our budgets so we can put on more ambitious creative events paying our performers and contributors an acceptable fee. These opportunities have been limited by the pandemic.

Trusts and Foundations - Specific projects may require extra funding, on these occasions we make standard applications for relevant grants.

Investment funds - Union Chapel currently has a small amount of money invested in the Congregational Federation investment scheme.

We have not received any complaints about our fundraising approach. We would encourage unhappy donors to complain directly to the Deacons who would address the complaint in house. Failing that we notify donors that they can make an official complaint to The Fundraising Regulator.

UC has not failed to comply with a scheme or standard cited in the fundraising code of practice.

UC does not consider its fundraising methods as intrusive into person's privacy and does not carry out unreasonably persistent approaches or create undue pressure to give. However, to ensure that vulnerable people are protected the organisation has adopted the guidance from the Institute of Fundraising's Treating Donors Fairly – Fundraising with people in vulnerable circumstances guide.

8. Statement of Trustees' Responsibilities

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

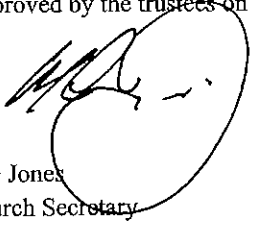
The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed/constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the trustees on 11/01/2023 and signed on their behalf by



MG Jones
Church Secretary

Independent examiner's report to the trustees of Union Chapel

I report to the trustees on my examination of the accounts of Union Chapel for the year ended 31 March 2022.

Responsibilities and basis of report

As the charity trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Anthony Epton BA FCA CTA FCIE
Goldwins
Chartered accountants
75 Maygrove Road
West Hampstead
London NW6 2EG

Date: 30/01/2023

Union Chapel
Statement of Financial Activities
For the period from 1 April 2021 to 31 March 2022

	Note	Unrestricted £	Restricted £	2022 Total £	2021 Total £
Income from:					
Grants and donations	2	6,394	-	6,394	11,574
Charitable activities:	3	1,300	2,776	4,076	672
Other trading activities	4	155,482	-	155,482	154,371
Investment Income	5	9	-	9	10
Total Income		163,185	2,776	165,961	166,627
Expenditure on:					
Raising funds	6	20,241	-	20,241	15,067
<i>Charitable activities:</i>	6				
Church		108,316	-	108,316	98,932
Events		10,354	-	10,354	6,466
Weddings		1,499	-	1,499	204
Choir		-	2,240	2,240	2,140
Total expenditure		140,410	2,240	142,650	122,809
Net income / (expenditure) before net gains / (losses) on		22,775	536	23,311	43,818
Net gains / (losses) on investments		(98)	-	(98)	47
Net income / (expenditure) for the year	7	22,677	536	23,213	43,865
Transfers between funds		-	-	-	-
Net movement in funds		22,677	536	23,213	43,865
Reconciliation of funds:					
Total funds brought forward		181,275	5,219	186,494	142,629
Total funds carried forward		203,952	5,755	209,707	186,494

All of the above results are derived from continuing activities.
There were no other recognised gains or losses other than those stated above.
The attached notes form part of these financial statements.

Union Chapel
Balance sheet
As at 31 March 2022

	Note	2022 £	2021 £
Fixed assets:			
Tangible assets	9	34,667	37,902
Investments	10	1,344	1,442
		<u>36,011</u>	<u>39,344</u>
Current assets:			
Debtors	11	552	6,417
Cash at bank and in hand		183,492	152,048
		<u>184,044</u>	<u>158,464</u>
Liabilities:			
Creditors: amounts falling due within one year	12	(10,348)	(11,313)
Net current assets / (liabilities)		<u>173,696</u>	<u>147,150</u>
Total net assets / (liabilities)		<u>209,707</u>	<u>186,494</u>
Funds	13		
Restricted funds		5,755	5,219
Unrestricted funds:		203,952	181,275
		<u>209,707</u>	<u>186,494</u>

Approved by the trustees on ...2023-01-11...
and signed on their behalf by:

Philip Cotterell

Philip Cotterell
Treasurer

The attached notes form part of the financial statements.

Union Chapel
Statement of cash flows
For the period ended 31 March 2022

	Note	2022 £	2022 £	2021 £	2021 £
Cash flows from operating activities:					
Net cash provided by / (used in) operating activities	15		(118,347)		(51,287)
Cash flows from investing activities:					
Rent and Interest from Investments		151,253		138,231	
Purchase of Fixed Assets		(1,480)		(1,165)	
Cash provided by / (used in) investing activities			149,793		137,066
Change in cash and cash equivalents in the year			31,446		85,779
Cash and cash equivalents at the beginning of the year			152,046		66,267
Cash and cash equivalents at the end of the year	16		183,492		152,046

Union Chapel

Notes to the financial statements

For the period from 1 April 2020 to 31 March 2022

1 Accounting policies

a) Basis of preparation

The financial statements have been prepared in accordance with 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 - effective 1 January 2015) - (Charities SORP FRS 102) and with the Charities Act 2011.

The charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

b) Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

c) Incoming resources

Incoming resources are recognised in the period in which the charity is entitled to receive them and the amount can be measured with reasonable certainty and it is probable that income will be received.

d) Resources expended

Expenditure is included in the statement of financial activities when incurred and includes attributable VAT which cannot be recovered.

Resources expended comprise the following:

- a. Raising funds incurred from property maintenance.
- b. Charitable activities undertaken by Union Chapel Church.

e) Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets less their estimated residual value over their expected useful lives on the following basis

Property Improvements	10% reducing balance
Fixtures & Fittings	25% reducing balance

f) Investments

Union Chapel has an investment which is held by the Congregational Federation as custodians.

g) Fund accounting

The general fund comprises those monies which may be used towards meeting the charitable objectives of the charity and which may be applied at the discretion of the trustees.

The restricted funds are monies raised for, and their use restricted to, a specific purpose, or donations subject to donor-imposed conditions.

Union Chapel
Notes to the financial statements
For the period from 1 April 2021 to 31 March 2022

2 Income from donations and legacies

	Unrestricted £	Restricted £	2022 Total £	2021 Total £
Grants Donations:				
General donations	6,394	-	6,394	11,574
	<u>6,394</u>	<u>-</u>	<u>6,394</u>	<u>11,574</u>

3 Income from charitable activities

	Unrestricted £	Restricted £	2022 Total £	2021 Total £
Events	20	-	20	-
Weddings	1,280	-	1,280	-
Choir		2,776	2,776	672
	<u>1,300</u>	<u>2,776</u>	<u>4,076</u>	<u>672</u>
Total income from charitable activities	1,300	2,776	4,076	672

4 Income from other trading activities

	Unrestricted £	Restricted £	2022 Total £	2021 Total £
Rental income	151,242	-	151,242	138,220
Other income	4,240	-	4,240	16,151
Total	155,482	-	155,482	154,371

5 Income from investments

	Unrestricted £	Restricted £	2022 Total £	2021 Total £
Bank Interest	9	-	9	10
	<u>9</u>	<u>-</u>	<u>9</u>	<u>10</u>

6 Analysis of expenditure

	Charitable activities			Raising Funds		2022	2021
	Church	Events	Wedding	Choir	Property	£	£
	£	£	£	£	£		
Staff costs	66,252	-	-	-	-	66,252	66,217
Event Costs	-	9,729	-	-	-	9,729	1,813
Open Wednesdays	-	-	-	-	-	-	4,854
Choir Expenditure	-	-	-	2,240	-	2,240	2,140
Donations	16,802	-	-	-	-	16,802	16,641
Church Resources	7,597	-	-	-	-	7,597	9,729
Fundraising Costs	-	625	-	-	-	625	-
Gospel Arts Project	9,652	-	-	-	-	9,652	-
Social Justice	1,680	-	-	-	-	1,680	-
Support costs	2,571	-	-	-	-	2,571	2,775
Wedding Costs	-	-	1,499	-	-	1,499	204
Governance	2,498	-	-	-	-	2,498	2,370
Property Costs	-	-	-	-	16,811	16,811	11,266
Depreciation	1,265	-	-	-	3,430	4,695	5,011
Total expenditure 2022	108,316	10,354	1,499	2,240	20,241	142,650	-
Total expenditure 2021	100,742	45,473	3,767	4,390	11,936	-	122,809

Union Chapel
Notes to the financial statements
For the period from 1 April 2021 to 31 March 2022

7 Net Income / (expenditure) for the year

This is stated after charging:

	2022	2021
	£	£
Depreciation	4,695	5,011
Accountancy Software	638	567
Independent Examiner's Fee	1,680	1,688

8 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2022	2021
	£	£
Salaries and wages	60,427	60,468
Social security costs	5,133	4,979
Employer's contribution to defined contribution pension schemes	692	669
	66,252	66,116

The charity trustees were not paid or received any other benefits from employment with the Trust neither were they reimbursed expenses during the year. No charity trustee received payment for professional or other services supplied to the charity. No staff earned more than £60,000 per year.

Staff numbers

Union Chapel Church employed 1 part time Minister and 2 full time staff, one of whom was undertaking an apprenticeship.

	Property Improvements	Fixtures & Fittings	Total
	£	£	£
Cost			
At the start of the year	75,650	19,166	94,706
Additions in year	-	1,480	1,480
Disposals in year	-	-	-
At the end of the year	75,650	20,616	96,166
Depreciation			
At the start of the year	41,247	15,557	56,804
Charge for the year	3,430	1,265	4,695
Eliminated on disposal	-	-	-
At the end of the year	44,677	16,822	61,499
Net book value			
At the end of the year	30,873	3,794	34,667
At the start of the year	34,303	3,599	37,902

10 Investments

	2022	2021
	£	£
At the start of the year	1,442	1,395
Gain / loss on investment	(98)	47
At the end of the year	1,344	1,442

11 Debtors

	2022	2021
	£	£
Prepayments	552	552
Accrued income	-	5,865
	552	6,417

12 Creditors: amounts falling due within one year

	2022	2021
	£	£
Accrued Expenses	10,348	11,313
	10,348	11,313

Union Chapel

Notes to the financial statements

For the period from 1 April 2021 to 31 March 2022

13 Analysis of net assets between funds

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	36,011	-	-	36,011
Net current assets	167,941	-	5,755	173,696
Net assets at the end of the year	<u>203,952</u>	<u>-</u>	<u>5,755</u>	<u>209,707</u>

14 Movements in funds

	At the start of the year £	Incoming resources & gains £	Outgoing resources & losses £	Transfers £	At the end of the year £
Total unrestricted funds	<u>181,275</u>	<u>183,087</u>	<u>140,410</u>	<u>-</u>	<u>203,952</u>
Total Restricted funds	5,219	2,776	2,240	-	5,755
Total funds	<u>186,494</u>	<u>185,863</u>	<u>142,650</u>	<u>-</u>	<u>209,707</u>

15 Reconciliation of net income / (expenditure) to net cash flow from operating activities

	2022 £	2021 £
Net Income / (expenditure) for the reporting period	23,213	43,865
Depreciation	4,695	5,011
Rent / interest from investments	(151,252)	(138,231)
(Increase)/ decrease in investments	98	(47)
(Increase)/ decrease in debtors	5,864	30,017
Increase/ (decrease) in creditors	(965)	8,098
Net cash provided by / (used in) operating activities	<u>(118,347)</u>	<u>(51,287)</u>

16 Analysis of cash and cash equivalents

	At 1 April 2021 £	Cash flows £	Other changes £	At 31 March 2022 £
Cash at bank and in hand	152,046	31,446	-	183,492
Total cash and cash equivalents	<u>152,046</u>	<u>31,446</u>	<u>-</u>	<u>183,492</u>

17 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. Each member is liable to contribute a sum not exceeding £1 in the event of the charity being wound up.

18 Related party transactions

Union Chapel Project paid rent of £16,000 to Union Chapel for use of office space. Union Chapel made an unrelated unrestricted donation of £16,000.

UNION CHAPEL

England & Wales - Charity number 1172808

Accounts

Charity number: 1172808

Union Chapel
Report and Financial Statements
For the year ended 31 March 2021

Contents	Pages
1. Company Details and Advisors	3
2. Principle Aims, Objectives and Activities	4-5
3. Achievements and Performance	6-7
4. Plans for the Future	8
5. Financial Review	9
6. Structure, Governance and Management	10-11
7. Fundraising Approach	12
8. Statement of Trustees Responsibilities	13
9. Independent examiner's report to Members of Union Chapel Church	14
Statement of Financial Activities (incorporating an income and expenditure account)	15
Balance Sheet	16
Statement of cash flow	17
Notes to the financial statements	18-21

1. Company Details and Advisors

The trustees present their report together with the financial statements for the year ended 31 March 2021.

Trustees Claudina Edwards
Constantin Arțăriși
Elizabeth Walker
Mark Jones

Registered office & operational address Union Chapel
19b Compton Terrace
London.
N1 2UN

Charity Number 1172808

Bankers	Lloyds Bank	Natwest Bank
	31-33 Holloway Road	11 Upper Street
	Highbury & Islington	Islington
	London	London
	N7 8JU	N1 0PQ

Solicitors Bates Wells
10 Queen Street Place
London
EC4 1BE

Accountants Goldwins
Chartered Accountants
75 Maygrove Road
London
NW6 2EG

2. Principle aims, objectives and activities.

The objectives of Union Chapel, as set out in its amended Trust Deeds are to “permit the... Chapel, Vestries, Lecture Hall, School and Class Rooms, and two messuages hereditaments and premises, and any other buildings that may hereafter be erected on the said piece of ground and any parts thereof to be used, occupied, and enjoyed for the public worship of Almighty God in accordance with the belief in the Lord Jesus Christ as the incarnate Son of God and the Redeemer of Men and in the Holy Spirit as the author of spiritual life and with a recognition of the divinely inspired scriptures of the Old and New Testaments as the supreme and sufficient rule of faith and practice, and also for such other religious, philanthropic, moral, intellectual, or social purposes, not inconsistent with such belief and recognition as aforesaid and generally in such manner and by such persons as shall from time to time be directed by a special resolution.”

The main aims adopted to achieve the charitable objectives are:

Provision of services of Worship: To run weekly services of Christian worship and also services for special occasions such as festival celebrations, weddings baptisms and funerals.

Provision of pastoral care for Union Chapel Community: For the ministers and church members to actively engage in appropriate pastoral care when needed for church members and the wider Chapel community.

Provision of Outreach Activities: To open Union Chapel to as many people as possible, from all walks of life. This includes:

- Culture Cafe - to provide a safe and creative space for people to enjoy the chapel atmosphere and some with social interaction as well as cultural activities.
- Union Chapel Singers - A community choir open to all.
- Special events – to provide a series of events which tackle topical issues.
- Small groups – to provide space and facilitation for Sacred Justice Circle, bible studies and other small group activities.
- Artistic performance– To curate several performances during the year which explore spirituality, culture and context in depth using the arts.
- Supporting other charities - To support other charities with financial donations and facilitating fundraising and awareness events for them in the chapel.
- Supporting Union Chapel Project (UCP) - by ensuring the Memorandum of Understanding is well kept, by being the members of UCP and providing directors to sit on the project’s board of directors.
- Supporting Margins Project - by providing volunteer time and expertise to the project, advocating and being ambassadors for the work of Margins in the chapel.
- Encouraging diversity - by being advocates for those who are disadvantaged for whatever reason and raising awareness of discrimination where possible.

The organisation relies on donations and income from owned property to fund its charitable activities and cover its operating costs.

Union Chapel
Report and financial statements for the year ended 31st March 2021

Public Benefit

In shaping the objectives and planning activities for the year, the Trustees have considered the Charity Commission's guidance on public benefit, including the guidance on public benefit and fee charging.

In accordance with Section 17 of the Charities Act 2011, the trustees consider how planned activities will contribute to the aims and objectives that have been set. These objectives are carried out by the annual activities of the church and also by the church members supporting the ongoing work of Union Chapel Project, the charity set up by the church to manage a long term plan for the restoration of the Union Chapel so that the building can continue to be enjoyed by its many different users and visitors.

The trustees ensure that all activities are in accordance with the equal opportunities policy of UC and give careful consideration to the accessibility of the chapel to those on low incomes by offering free and low cost activities.

3. Achievements and Performance

Following a lengthy process of becoming a charity this is the fourth year Union Chapel Congregational Church has been active as its own charity.

The trustees review the aims, objectives and activities of the charity each year. This report looks at what the charity has achieved and the outcomes of its work within the last twelve months. The trustees report the success of each key activity and the benefits the charity has brought, to those groups of people that it is set up to help. The report also helps the trustees ensure the charity's aims, objectives and activities remain focused on its stated purposes.

The year has been dominated by the Covid pandemic, which has severely impacted on our activities. We have, however, been able to make good use of social media and communications technologies which has enabled the congregation to remain in contact and for worship to continue.

-) The church has continued to hold weekly Sunday worship services at 11am,
-) Services have been available on You Tube each Sunday and have received 2507 views.
-) Our Easter and Christmas special events were both cancelled because of the pandemic but celebrations took place online.
-) A greater variety of music has been introduced to our Sunday service and we have enjoyed listening to different organists as well as other instrumentalists, singers and choirs. We were able to support these musicians during the pandemic by recording their contributions and placing them online.
-) The church continues to celebrate Communion regularly on the first Sunday of the month, and there is a commitment to prayer and the reading of scripture at every gathering.
-) During the pandemic the church organized a consultation exercise with members and friends resulting in a new Covenant for the church
-) Webinars were held on environmental issues in Namibia, the work of Christians in Hong Kong and Black History Month
-) Our website was redesigned and we broadened our reach on social media.
-) Weekly bible studies have taken place on line.

Union Chapel Singers - The choir has been unable to meet in this year.

Provision of Pastoral Care

- The minister continued to meet with individuals from the chapel community and staff for UCP to help support and encourage them.
- Church attendees continue to support one another through meeting up, praying for one another and making hospital visits.
- The church has agreed a discretionary fund which has been used to help those in financial difficulty.

Supporting other charities - This year we have been able to continue to financially support, CARIS winter night shelter, and Christian Aid.

Supporting Union Chapel Project (UCP) - Two church members and our Minister have continued to serve Union Chapel Project on their board of directors. The church continues to give a financial donation to help with the running costs of UCP. Other church members help support the project by sitting on the Infrastructure committee and finance working group.

Union Chapel
Report and financial statements for the year ended 31st March 2021

Fundraising

UC invites members to make individual donations to the work of the church.

Operations Support

- UC employs a bookkeeper as required.
- We use PAXTON charity accounting.
- UCP continue to run our PAYE for us and provide some administrative support.

4. Plans for the Future

The current situation caused by the Covid-19 pandemic has disrupted the church's life, restricting many of its operations.

However, there is a determination that the church will be responsive and resilient.

Sunday Services will continue both in socially distanced services in the Chapel and online.

Bible Studies will be held weekly.

We will recruit an apprentice to develop digital marketing for the church.

Webinars on social, racial, economic and climate justice themes will be organized.

We are developing our musical life with the formation of Union Chapel Voices, a Gospel vocal group.

We are developing a partnership with an Eritrean Orthodox Church.

We will support the prayer life of the congregation through a regular prayer list.

We will organize events promoting social, racial, economic and climate justice.

5. Financial Review

Union Chapel Congregational Church maintained a consistent financial position with an income of £167k **in the year to March 2021, a decrease of £42k on the previous year and funds carried forward of £186k, an increase of £44k on the previous year.**

In summary:

-) Total income is £166,627
-) Total expenditure is £122,809
-) Total funds of £186,494

Income

Income is generated from the following sources:

-) Property Income - £154,371 (93% of total income)
-) Charitable Activities including special events, wedding and choir - £672 (**less than 1%** of total income)
-) Grants and Donations - £11,574 (**7%** of total income)

Expenditure

Expenditure is categorized as follows:

-) Church Activities - £98,932 (80% of total expenditure)
-) Church Events - £6,466 (5% of total expenditure)
-) Choir Activities - £2,140 (2% of total expenditure)
-) Weddings - £204 (**less than 1%** of total expenditure)
-) Property Costs - £15,067 (12% of total expenditure)

Balance Sheet

The Balance Sheet shows total net assets of £186,494, which includes restricted funds of £5,219 for the Choir.

Reserves Policy

Union Chapel does not have a formal reserve policy but recognizes that the properties require ongoing maintenance and may incur large repair bills from time to time. The Church therefore has built up a general reserve of £40k to be able to respond to any necessary property costs or any other unexpected costs.

6. Structure, Governance & Management

Constitution

UC is a registered charity. It is governed by its Consolidated Trust Deed dated 18th September 1889 (As amended by a resolution under section 280 Charities Act 2011).

The church meeting

The members of the church are the members of the charity, they have the powers to appoint the managing trustees of the charity.

Managing trustees

- The charity is managed by the managing trustees. The Managing Trustees consist of the Deacons of the Church, unless the Church Meeting shall specifically decide to the contrary by a special resolution.
- The Managing Trustees act as charity trustees and have all powers to control, manage and administer the Church Property and all other aspects of the Church in accordance with the trusts and in accordance with their charitable and other legal obligations.
- The Managing Trustees keep a written record of those who are Church Members and review and present it to the Church Meeting for formal approval on an annual basis.

Holding trustees

- The Church Property is vested in the name of the Holding Trustees who are currently the Congregational Federation Trustees.
- The Holding Trustees are not bound to make any enquiry as to the management and administration of the Church or the use of the Church Property.
- If at any time the church meeting deems it necessary, they can hand the managing trustee role to the holding trustees.

Organisation

- The business of the charity is supervised by the Deacons (The Managing Trustees) who meet at least once every three months and they can determine the quorum for their meetings which will be no less than two persons or half their number, whichever is the greater.
- The Church Meeting meets once every three months and at such other times as the Deacons may think fit.
- The Church Meeting considers at each meeting the actions that should be taken by the Church Meeting or any other officers of the Church to further the charities aims. The Deacons are asked to manage the actions agreed and may delegate to individuals and sub groups as appropriate.
- The Deacons assume the roles of Church Secretary, Treasurer and Fabric Deacon and as well as being responsible for meeting the charitable aims they will oversee communications, finance and the care of church property.
- The church meeting and the Deacons can appoint Ministers and other posts to serve the church who can assist with these roles and who also take on the responsibility for the spiritual growth of the church.

Employees

Day to day management and operations of the Charity are delegated to its paid staff. The permanent full time complement of staff for the year was part time Minister of Word and Sacrament, a full-time Social Justice and Community Outreach Worker (from June 2019) and a part-time artist in residence. The organization was supported by a team of around 20 volunteers.

Union Chapel

Report and financial statements for the year ended 31st March 2021

UC strives to be an equal opportunities employer and applies objective criteria to assess merit. It aims to ensure that no job applicant or employee receives less than favourable treatment on the grounds of age, race, colour, nationality, religion, ethnic or national origin, gender, marital status, sexual orientation or disability.

Selection criteria and procedures are reviewed to ensure that individuals are selected, promoted and treated on the basis of their relevant merits and abilities. Salaries are reviewed on an annual basis by the Deacons. All employees are given equal opportunity and, where appropriate and possible, special training to enable them to progress both within and outside the organisation.

Appointment of trustees

- Deacons are appointed at the church meeting, which can be called either by the deacons or by 20% of church members with 14 days notice. Deacons are only ever appointed from the church membership, there is no limit to the number of Deacons who can be elected, we currently have four.
- The Deacons shall be appointed for an initial term of 3 years with the opportunity to be nominated for re-appointment at the end of each 3 year term.
- When considering appointing new deacons, the church meeting has regard both to the organisation's need for any specialist skills and to the diversity of the trustee membership.
- All trustees give their time voluntarily and receive no benefits from the charity.

Trustee Induction and Training

New trustees undergo an orientation day to meet key staff and other trustees. An information pack is provided that includes the Charity's Trust deed, recent audited and management accounts, the business plans for Union Chapel Project and organisational charts and the Charity Commission's information on Responsibilities of Trustees.

Trustees are encouraged to attend appropriate external training events, where these will facilitate the undertaking of their role.

Risk Management

The trustees are responsible for overseeing the risk management strategy for the organisation, outside of church activities Union Chapel Project is delegated with risk management for the building and event activities. A comprehensive review of risks and opportunities is carried out annually by the UCP trustees and relevant findings are fed back into the church meeting. Subsidiary boards and working groups within the chapel are responsible for overseeing and mitigating risks throughout the year.

Currently, the key risks facing the church are health and safety of the building, low church attendance and small membership. Covid-19 has increased risk for our daughter charities UCP and Margins.

- The Infrastructure Working Group continues to focus on health and safety which will be a factor in an old building such as the chapel. Quinquennial inspections and the recent appointment of a health and safety consultancy in conjunction with our insurance company, ensure that issues are identified and can be acted on.
- Our focus on community activity and small group work will help to build stronger relationships within the community and more consistent attendance.
- The Church is following all the government guidelines for Covid-19 rigorously.
- The Deacons are in close communication with UCP and Margins through its representatives on the Boards of the two charities.

Therefore, the trustees are satisfied that systems are in place to mitigate risks identified.

7. Fundraising Approach

Union Chapel's current approach to fundraising is to be transparent, clear and friendly. Union Chapel does not engage with third party fundraisers or commercial partners save for online facilitators such as justgiving.com. Fundraising activities are for church activities and for generating income which is donated to other charities whose activities lie within the organisation's aims and objectives.

The Deacons review fundraising income, expenditure and procedures on a quarterly basis and the fundraising strategy is reviewed annually. Fundraising is not the primary income or operational focus for Union Chapel.

UC fundraises through the following methods:

Donations - a weekly collection is taken during the Sunday service and some church attendees give regularly by direct debit. There is always the opportunity for people to donate at the end of any other free events. There are also options on the website for individuals to donate money directly to the church.

Ticket Sales - For some events we charge for tickets, the price of the ticket is kept as low as possible and when appropriate free tickets are offered to those on low income to encourage accessibility. The ticket sales always go towards the cost of the event itself or to fundraise for the next event.

Profit from the Union Chapel Directions (UCD) trading arm - After covering costs UCD give to the church any profit which has been made on church events. This helps to cover the costs of free community events such as the Carols by Candlelight service, and also enables us to increase our budgets so we can put on more ambitious creative events paying our performers and contributors an acceptable fee. These opportunities have been limited by the pandemic.

Trusts and Foundations - Specific projects may require extra funding, on these occasions we make standard applications for relevant grants.

Investment funds - Union Chapel currently has a small amount of money invested in the Congregational Federation investment scheme.

We have not received any complaints about our fundraising approach. We would encourage unhappy donors to complain directly to the Deacons who would address the complaint in house. Failing that we notify donors that they can make an official complaint to The Fundraising Regulator.

UC has not failed to comply with a scheme or standard cited in the fundraising code of practice.

UC does not consider its fundraising methods as intrusive into person's privacy and does not carry out unreasonably persistent approaches or create undue pressure to give. However, to ensure that vulnerable people are protected the organisation has adopted the guidance from the Institute of Fundraising's Treating Donors Fairly – Fundraising with people in vulnerable circumstances guide.

8. Statement of Trustees' Responsibilities

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed/constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the trustees on 27 Feb 2022 and signed on their behalf by



M.G. Jones
Church Secretary

Independent examiner's report to the trustees of Union Chapel

I report to the trustees on my examination of the accounts of Union Chapel for the year ended 31 March 2021.

Responsibilities and basis of report

As the charity trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Anthony Epton BA FCA CTA FCIE
Goldwins
Chartered accountants
75 Maygrove Road
West Hampstead
London NW6 2EG

31 January 2022

Union Chapel Church
Statement of Financial Activities
For the period from 1 April 2020 to 31 March 2021

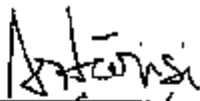
	Note	Unrestricted £	Restricted £	2021 Total £	2020 Total £
Income from:					
Grants and donations	2	11,574	-	11,574	18,084
Charitable activities:	3	-	672	672	25,326
Other trading activities	4	154,371	-	154,371	164,974
Investment income	5	10	-	10	17
Total income		165,955	672	166,627	208,401
Expenditure on:					
Raising funds	6	15,067	-	15,067	10,910
<i>Charitable activities:</i>	6				
Church		98,932	-	98,932	104,065
Events		6,466	-	6,466	45,916
Weddings		204	-	204	1,478
Choir		-	2,140	2,140	4,712
Total expenditure		120,669	2,140	122,809	167,081
Net income / (expenditure) before net gains / (losses) on		45,286	(1,468)	43,818	41,320
Net gains / (losses) on investments		47	-	47	34
Net income / (expenditure) for the year	7	45,333	(1,468)	43,865	41,354
Transfers between funds		-	-	-	-
Net movement in funds		45,333	(1,468)	43,865	41,354
Reconciliation of funds:					
Total funds brought forward		135,942	6,687	142,629	101,275
Total funds carried forward		181,275	5,219	186,494	142,629

All of the above results are derived from continuing activities.
There were no other recognised gains or losses other than those stated above.
The attached notes form part of these financial statements.

Union Chapel Church
Balance sheet
As at 31 March 2021

	Note	2021 £	2020 £
Fixed assets:			
Tangible assets	9	37,902	41,747
Investments	10	<u>1,442</u>	<u>1,395</u>
		39,344	43,142
Current assets:			
Debtors	11	6,417	36,435
Cash at bank and in hand		<u>152,046</u>	<u>66,267</u>
		158,464	102,702
Liabilities:			
Creditors: amounts falling due within one year	12	<u>(11,313)</u>	<u>(3,215)</u>
Net current assets / (liabilities)		147,150	99,487
Total net assets / (liabilities)		186,494	142,629
Funds	13		
Restricted funds		5,219	6,687
Unrestricted funds:		<u>181,275</u>	<u>135,942</u>
Total funds		186,494	142,629

Approved by the trustees on ... 27 February 2022
and signed on their behalf by:



Constantin Arțăriș
Treasurer

The attached notes form part of the financial statements.

Union Chapel Church
Statement of cash flows
For the period ended 31 March 2021

	Note	2021 £	2021 £	2020 £	2020 £
Cash flows from operating activities:					
Net cash provided by / (used in) operating activities	15		(51,287)		(141,822)
Cash flows from investing activities:					
Rent and Interest from investments		138,231		164,991	
Purchase of Fixed Assets		(1,165)		(32,073)	
Cash provided by / (used in) investing activities			137,066		132,918
Change in cash and cash equivalents in the year			85,779		(8,904)
Cash and cash equivalents at the beginning of the year			66,267		75,171
Cash and cash equivalents at the end of the year	16		152,046		66,267

Union Chapel Church
Notes to the financial statements
For the period from 1 April 2020 to 31 March 2021

1 Accounting policies

a) Basis of preparation

The financial statements have been prepared in accordance with 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 - effective 1 January 2015) - (Charities SORP FRS 102) and with the Charities Act 2011.

The charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

b) Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

c) Incoming resources

Incoming resources are recognised in the period in which the charity is entitled to receive them and the amount can be measured with reasonable certainty and it is probable that income will be received.

d) Resources expended

Expenditure is included in the statement of financial activities when incurred and includes attributable VAT which cannot be recovered.

Resources expended comprise the following:

- a. Raising funds incurred from property maintenance.
- b. Charitable activities undertaken by Union Chapel Church.

e) Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets less their estimated residual value over their expected useful lives on the following basis

Property Improvements	10% reducing balance
Fixtures & Fittings	25% reducing balance

f) Investments

Union Chapel has an investment which is held by the Congregational Federation as custodians.

g) Fund accounting

The general fund comprises those monies which may be used towards meeting the charitable objectives of the charity and which may be applied at the discretion of the trustees.

The restricted funds are monies raised for, and their use restricted to, a specific purpose, or donations subject to donor-imposed conditions.

Union Chapel Church
Notes to the financial statements
For the period from 1 April 2020 to 31 March 2021

2 Income from donations and legacies

	Unrestricted £	Restricted £	2021 Total £	2020 Total £
Grants Donations:				
General donations	11,574	-	11,574	12,218
Gifts in Kind	-	-	-	5,865
	11,574	-	11,574	18,083

3 Income from charitable activities

	Unrestricted £	Restricted £	2021 Total £	2020 Total £
Events	-	-	-	13,825
Weddings	-	-	-	4,350
Choir	-	672	672	7,151
	-	672	672	25,326

Total income from charitable activities

4 Income from other trading activities

	Unrestricted £	Restricted £	2021 Total £	2020 Total £
Rental income	138,220	-	138,220	164,974
Other income	16,151	-	16,151	-
Total	154,371	-	154,371	164,974

5 Income from investments

	Unrestricted £	Restricted £	2021 Total £	2020 Total £
Bank interest	10	-	10	17
	10	-	10	17

6 Analysis of expenditure

	Charitable activities			Raising Funds		2021	2020
	Church	Events	Wedding	Choir	Property	£	£
	£	£	£	£	£		
Staff costs	66,217	-	-	-	-	66,217	62,446
Event Costs	-	1,813	-	-	-	1,813	40,376
Open Wednesdays	-	4,654	-	-	-	4,654	5,540
Choir Expenditure	-	-	-	2,140	-	2,140	4,712
Donations	16,641	-	-	-	-	16,641	28,855
Church Resources	9,729	-	-	-	-	9,729	4,826
Support costs	2,775	-	-	-	-	2,775	5,125
Wedding Costs	-	-	204	-	-	204	1,478
Governance	2,370	-	-	-	-	2,370	1,602
Property Costs	-	-	-	-	11,256	11,256	6,675
Depreciation	1,200	-	-	-	3,811	5,011	5,446
Total expenditure 2021	98,932	6,466	204	2,140	15,067	122,809	-
Total expenditure 2020	100,742	45,473	3,757	4,390	11,936	-	167,081

Union Chapel Church
Notes to the financial statements
For the period from 1 April 2020 to 31 March 2021

7 Net income / (expenditure) for the year

This is stated after charging:	2021	2020
	£	£
Depreciation	5,011	5,446
Accountancy Software	567	567
Independent Examiner's Fee	1,668	900
	<u>1,668</u>	<u>900</u>

8 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:	2021	2020
	£	£
Salaries and wages	60,468	50,271
Social security costs	4,979	7,081
Employer's contribution to defined contribution pension schemes	669	1,185
	<u>66,116</u>	<u>58,537</u>

The charity trustees were not paid or received any other benefits from employment with the Trust neither were they reimbursed expenses during the year. No charity trustee received payment for professional or other services supplied to the charity. No staff earned more than £60,000 per year.

Staff numbers

Union Chapel Church employed 4 part time staff during the year, including 1 part time ministers.

9 Tangible fixed assets

	Property Improvement s	Fixtures & Fittings	Total
	£	£	£
Cost			
At the start of the year	75,550	17,991	93,541
Additions in year	-	1,165	1,165
Disposals in year	-	-	-
At the end of the year	<u>75,550</u>	<u>19,156</u>	<u>94,705</u>
Depreciation			
At the start of the year	37,436	14,357	51,793
Charge for the year	3,811	1,200	5,011
Eliminated on disposal	-	-	-
At the end of the year	<u>41,247</u>	<u>15,557</u>	<u>56,804</u>
Net book value			
At the end of the year	<u>34,302</u>	<u>3,599</u>	<u>37,902</u>
At the start of the year	<u>38,114</u>	<u>3,634</u>	<u>41,748</u>

10 Investments

	2021	2020
	£	£
At the start of the year	1,395	1,361
Gain / loss on investment	47	34
At the end of the year	<u>1,442</u>	<u>1,395</u>

11 Debtors

	2021	2020
	£	£
Prepayments	552	1,935
Accrued income	5,865	34,500
	<u>6,417</u>	<u>36,435</u>

12 Creditors: amounts falling due within one year

	2021	2020
	£	£
Accrued Expenses	11,313	3,215
	<u>11,313</u>	<u>3,215</u>

Union Chapel Church
Notes to the financial statements
For the period from 1 April 2020 to 31 March 2021

13 Analysis of net assets between funds

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	37,902	-	-	37,902
Net current assets	147,150	-	5,219	152,369
Net assets at the end of the year	181,275	-	5,219	186,494

14 Movements in funds

	At the start of the year £	Incoming resources & gains £	Outgoing resources & losses £	Transfers £	At the end of the year £
					-
Total unrestricted funds	135,942	166,002	120,669	-	181,275
Total Restricted funds	6,687	672	2,140	-	5,219
Total funds	142,629	166,674	122,809	-	186,494

15 Reconciliation of net income / (expenditure) to net cash flow from operating activities

	2021 £	2020 £
Net income / (expenditure) for the reporting period	43,865	41,354
Depreciation	5,011	5,446
Rent / interest from investments	(138,231)	(164,991)
(Increase)/ decrease in investments	(47)	(34)
(Increase)/ decrease in debtors	30,017	(22,578)
Increase/ (decrease) in creditors	8,098	(1,019)
Net cash provided by / (used in) operating activities	(51,287)	(141,822)

16 Analysis of cash and cash equivalents

	At 1 April 2020 £	Cash flows £	Other changes £	At 31 March 2021 £
Cash at bank and in hand	66,267	85,779	-	152,046
Total cash and cash equivalents	66,267	85,779	-	152,046

17 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. Each member is liable to contribute a sum not exceeding £1 in the event of the charity being wound up.

18 Related party transactions

Union Chapel Project paid rent of £16,000 to Union Chapel for use of office space. Union Chapel made an unrelated unrestricted donation of £16,000.