

Registered Charity  
Number 1185236

SKT NICKOLAJ DANISH CHURCH CIO

FINANCIAL STATEMENTS

Period ended

31 DECEMBER 2020



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For the period ended 31 December 2020**

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**Report of the Board of Trustees  
For the period ended 31 December 2020**

The Trustees present their report with the financial statements of the Charitable Incorporated Organisation for the period ended 31 December 2020.

**Reference and Administrative Details of the Charity, its Trustees and Advisers**

Name of charity: Skt Nickolaj Danish Church CIO

Charity Registration Number: 1185236

Principal Operating Address: 104 Osborne Street  
Hull  
HU1 2PN

**Trustees:**

Names of Trustees who served during the period and since the year end were as follows:

Hanne Hamilton  
Dorthe Hostick  
Merethe Walgate  
Anette Gould  
Suzanne Gilbert  
Paul Towle  
Graham Gilbert  
Peter Aarosin  
Aase Somerscale – Treasurer, resigned March 2020

Independent Examiner: Sian Broughton ACMA, CGMA, DChA, MAAT  
Phoenix Accountancy and Business Consultancy Limited  
Morley's Cottage  
Morley's Yard  
Walkergate  
Beverley  
East Yorkshire  
HU17 9BY



## **Report of the Board of Trustees For the period ended 31 December 2020**

### Bankers:

Bank Account for Skt. Nikolaj Danish Church CIO is in the process of being set up.

Transactions for the CIO are currently going through the bank account of the unincorporated charity Skt. Nikolaj Danish Seamen's Church in Hull.

## **Structure, Governance and Management**

### Governing Document:

Skt Nikolaj Danish Seamens Church is a registered Charitable Incorporated Organisation governed by its Constitution (association model) adopted and registered on 09 September 2019.

If the CIO is wound up the members of the CIO have no liability to contribute to its assets and no personal responsibility for settling its debts and liabilities.

### History:

The first Skt Nikolaj Church was purchased in 1869 and was the old chapel 'Bethesda' in Osborne Street.

In 1871, on May 9<sup>th</sup>, a new church was consecrated. During the first World War the Sailors were forbidden to go ashore, so the church had to come to the Sailors.

On May 9<sup>th</sup> 1941 the church suffered a direct hit by bombs, as did the majority of Hull. On May 9<sup>th</sup> 1954 a new Skt Nikolaj Danish Seamen's Church was consecrated. This new church was built on Osborne Street and is the one still used today.

On 9<sup>th</sup> September 2019, a new Charitable Incorporated Organisation was registered and the name was changed to Skt. Nikolaj Danish Church.

### Recruitment and appointment of Trustees

The Trustees form the Church Council of the charity. The members of the Church Council are elected at the Annual General Meeting. Nominations for membership of the Church Council must be received by the Secretary 14 days before the date of the Annual General Meeting. The Constitution requires the Church Council to be comprised of:

- 1) Not less than 3 nor more than 12 elected members, elected at the Annual General Meeting
- 2) 1 ex officio Trustee, the Church Pastor
- 3) 1 nominee from the Trust Property Danish Lutheran Church of St Nicholas



**Report of the Board of Trustees  
For the period ended 31 December 2020**Recruitment and appointment of Trustees (continued):

One third of the elected members of the Church Council must retire each year in rotation but may be re-elected.

The quorum for Trustees meetings is 2 or the number nearest to one third of the Trustee Board whichever is greater.

Organisational Structure:

Skt Nickolaj Danish Church CIO is managed by the Church Council who meet regularly and are responsible for the proper use of the Church and other property and premises that belong to the Church, the strategic direction and policy of the charity. The Church Council may delegate tasks to the Centre Manager.

Risk Management:

Procedures are in place to ensure compliance with health and safety of staff, volunteers, service users and visitors to the Centre.

All procedures are periodically reviewed to ensure that they continue to meet the needs of the charity.

**Objectives and Activities for Public Benefit**

As set out in the Memorandum of Association, the Charity's objects are:

- 1) To advance the Christian faith for the benefit of the public through the holding of prayer meetings and ceremonies conducted in Danish according to the rules of the Danish National Church.
- 2) To promote for the benefit of the inhabitants of Hull and the East Riding of Yorkshire, the provision of facilities for education, recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants.



**Report of the Board of Trustees  
For the period ended 31 December 2020**Main objectives for the following year:

In developing the main objectives for the following year the Trustees have given regard to the Charity Commission guidance on public benefit.

Our main objectives for the following year are:

- 1) To complete the transfer of all assets and liabilities from the unincorporated association Skt Nikolaj Danish Seamen's Church into the Charitable Incorporated Organisation.
- 2) Following the withdrawal of the pastoral support previously provided by the Danske Soemands og Udlandskirker (DSUK) the Church has developed plans to preserve its capacity to provide for divine services according to the traditions of the Danish Church. In the first two years DSUK is committed to make a pastor regularly available and the Church is using this period to implement a business plan that will give it the means to fund its own future pastoral provision.

**Achievements and Performance**Review of Activities 2020

The Skt Nickolaj Danish Church in Hull began the year by progressing the changes entailed by the withdrawal of fulltime pastoral support. This process allowed us to develop and implement plans that would ensure the longer- term financial sustainability of the church organisation as a whole and to provide for day-to-day management of the church and its buildings. Good early progress had been made but was disrupted in March by the onset of the Covid-19 epidemic. As a result of this we made full use of the Government's furlough scheme to facilitate retention of the Church Manager.

The plan to transfer the assets from the unincorporated association Skt Nickolaj Danish Seamen's Church into the new CIO was frustrated by continuing delays in securing full operability of the CIO's bank account. These problems should be overcome during the next financial year. In the meantime, accounts both for this entity and the new CIO will continue to be produced separately and should be read together to provide a full picture of the Church's ongoing financial position. During the period 09 September 2019 to 31 December 2020, the costs of the new CIO were fully covered by contributions from the Government's Job Retention Scheme and qualifying charitable transfers from the unincorporated association of £18,602 (£9,227 in the financial year ending 31 December 2019 and £9,375 in the financial year ending 31 December 2020).



## **Report of the Board of Trustees For the period ended 31 December 2020**

### **Financial Review**

#### Reserves Policy

It is the general policy of the charity to maintain unrestricted funds, which are the free reserves of the charity. Any surplus will be retained in the unrestricted fund to support future running costs.

### **Plans for Future periods**

1) To complete the delayed transfer of all assets and liabilities to the new Charitable Incorporated Organisation.

2) To sustain the Church's capacity to provide for divine services according to the traditions of the Danish Church.

This will continue to be supported by the DSUK for a further year. Thereafter it is intended that the church will fund its own pastoral provision as well as developing cultural activities designed to forge a link between the Church and the wider community.

3) Progress the implementation of the business plan agreed in 2019

As noted above, the covid-19 pandemic has significantly interfered with the Church's plan to achieve financial sustainability. Some important progress has been made however and the underlying plan remains intact. Assuming continuing abatement of the covid-19 control measures, we will resume the full range of activities aimed at raising income and achieving breakeven within two years. In the interim, any emerging deficits can be more than adequately covered from existing reserves. In developing its plans, the Church will seek to ensure that the commitment to securing additional income is complementary to the Church's primary objective of serving the needs of its congregation whilst promoting and sustaining awareness and understanding of Scandinavian religious and cultural traditions.

### **Trustees Responsibilities**

The Charities Act requires the trustees to prepare financial statements for each financial year. In accordance with the Charity Commission Guidance the Trustees have elected to prepare the accounts on the Receipts and Payments basis. This is an acceptable format for all non-company charities with an income below £250,000.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011. The trustees 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.



**Report of the Board of Trustees  
For the period ended 31 December 2020****Statement of disclosure of information to Independent Examiner**

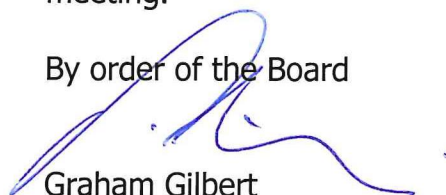
The Charity has an income between £25,000 and £1m and therefore falls under the Independent Examination regime. We, the Trustees of the Charity who held office at the date of approval of these financial statements, each confirm so far as we are aware, that:

- ⊗ there is no relevant information of which the Charity's Independent Examiner is unaware; and
- ⊗ we have taken all the steps that we ought to have taken as Trustees in order to make ourselves aware of any relevant information and to establish that the Charity's Independent Examiner is aware of that information.

**Independent Examiner**

A resolution to reappoint Independent Examiner, Sian Broughton of Phoenix Accountancy and Business Consultancy Limited will be proposed at the forthcoming annual general meeting.

By order of the Board



Graham Gilbert  
**Trustee**

Date: 3/6/21



**Independent Examiner's Report to the Members of  
Skt Nickolaj Danish Church CIO**

I report on the accounts of Skt Nickolaj Danish Church CIO for the period ended 31 December 2020, which are set out on pages 10 to 13.

**Respective responsibilities of trustees and examiner**

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

It is my responsibility to:

- examine the accounts under section 145 of the Charities Act;
- to follow the procedures laid down in the General Directions given by the Charity Commissioners under section 145 (5)(b) of the Charities Act; and
- to state whether particular matters have come to my attention.

**Basis of independent examiner's report**

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

**Independent examiner's statement**

I have completed my examination. I confirm that no material matters have come to my attention (other than that disclosed below \*) in connection with the examination which gives me cause to believe that in, any material respect:

- accounting records were not kept in accordance with section 130 of the Act or
- the accounts do not accord with the accounting records

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



Sian Broughton ACMA, CGMA, DChA, MAAT

Chartered Management Accountant  
Director of Phoenix Accountancy and Business Consultancy Limited  
Morley's Cottage, Morley's Yard  
Walkergate, Beverley, HU17 9BY

Date: 07 June 2021



**Receipts and Payments Account**  
**For the period ended 31 December 2020**

	<b>Notes</b>	<b>2020 Total Funds £</b>
<b>RECEIPTS</b>	<b>1</b>	
HMRC Coronavirus Job Retention Scheme Funding	2	13,787
Employment Allowance		2,913
		<u>16,700</u>
<b>PAYMENTS</b>		
Staffing Costs	3	34,863
Payroll Fees	4	159
Professional Fees	4	280
		<u>35,302</u>
<b>Net Surplus/(Deficit) for the period</b>		<u><b>(18,602)</b></u>
Cash & Bank Balances brought forward		-
Transfer from Skt. Nikolaj Danish Seamen's Church (unincorporated)	7	18,602
<b>Cash and Bank Balances carried forward</b>		<u><b>-</b></u>

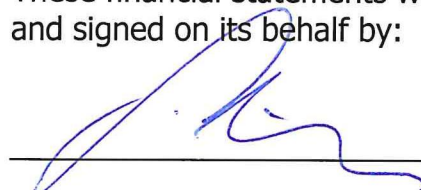
The notes on page 12 and 13 form part of these financial statements.



**Statement of Assets and Liabilities**  
**As at 31 December 2020**

	Notes	2020 £
<b>Monetary Assets</b>		
Cash and Bank Balances		-
<b>Total Monetary Assets</b>		-
Comprising:		
Unrestricted Funds		-
Restricted Funds		-
		-
<b>Non Monetary Assets and Liabilities</b>		
<b>Fixed Assets</b>		-
<b>Debtors</b>		
Sundry Debtors		175
<b>Creditors</b>		
Salary Control Account		(1,604)
HMRC		(1,184)
Pension		(104)
Accounts Fee		(200)
		(3,092)

These financial statements were approved by the committee on 3/6/21 (date)  
 and signed on its behalf by:

 \_\_\_\_\_ Graham Gilbert, Chairperson

The notes on pages 12 and 13 form part of these financial statements.



## Notes to the Financial Statements

### For the year ended 31 December 2020

#### Notes

#### 1 Basis of Preparation

These accounts have been prepared on a receipts and payments (R&P) basis in line with charity commission guidance for a charity of this size.

This is the first period of operation for the Charitable Incorporated Organisation and covers the period 09 September 2019 to 31 December 2020 therefore there are no comparative figures.

#### 2 HMRC Coronavirus Job Retention Scheme Funding

Due to the Covid-19 global pandemic, the Manager has been furloughed. Funds have been reclaimed from the HMRC Coronavirus Job Retention Scheme to contribute to the costs in relation to this.

#### 3 Staffing Costs

	<b>2020</b>
	<b>£</b>
Gross Pay	30,496
Pension Contributions	1,454
Employers National Insurance	2,913
	<u>34,863</u>
Average number of staff	<u>1</u>

#### 4 Other professional services provided by Independent Examiner

The Independent Examination has been provided by Sian Broughton of Phoenix Accountancy and Business Consultancy Limited. Services provided by Phoenix Accountancy and Business Consultancy Limited during the period are as follows:

	<b>2020</b>
	<b>£</b>
Payroll Services	159
Consultancy re: CIO registration	280
	<u>439</u>



**Notes to the Financial Statements  
For the year ended 31 December 2020****5 Taxation**

Skt. Nickolaj Danish Church is a registered Charitable Incorporated Organisation, registration number 1185236. All the Charities' income is applied to its charitable objectives and the association is therefore exempt under current legislation from most forms of taxation.

**6 Trustee Remuneration**

No Remuneration was paid to Trustees during the period out of the funds of the charity.

**7 Transfer to Skt. Nickolaj Danish Church CIO**

The Charitable Incorporated Organisation (CIO) is still in the process of finalising the transfer from Skt. Nickolaj Danish Seamen's Church (registered Charity No: 1120852), however this has been further delayed due to the Covid-19 pandemic. The CIO has received a transfer of £18,602 to cover the deficit for the period on the salaries. It is anticipated that all assets, liabilities and activities will be transferred in the next accounting period.