

Registered Charity
Number 1185236

SKT NICKOLAJ DANISH CHURCH CIO

FINANCIAL STATEMENTS

Period ended

31 DECEMBER 2022

Phoenix Accountancy and Business Consultancy Limited

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For the period ended 31 December 2022**

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**Report of the Board of Trustees
For the year ended 31 December 2022**

The Trustees present their report with the financial statements of the Charity for the year ended 31 December 2022.

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 year and since the year end were as follows:

Hanne Hamilton
Dorthe Hostick
Merethe Walgate
Anette Gould
Susanne Gilbert
Paul Towle
Graham Gilbert
Peter Aarosin

Independent Examiner: Rebecca Triffitt 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 year ended 31 December 2022**

Bankers:

NatWest
34 King Edward Street
Hull
HU1 3SS

HSBC Bank Plc
63 Market Place
Beverley
East Yorkshire
HU17 8AL

Investments:

BNY Mellon Fund Managers Ltd
Client Service Centre
PO Box 366
Darlington
DL1 9RF

Structure, Governance and Management

Governing Document:

Skt Nickolaj Danish Church CIO is a registered charity governed by its Constitution adopted on 09 September 2019. Skt Nickolaj Danish Church CIO registered as a charity 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 9th, 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 9th 1941 the church suffered a direct hit by bombs, as did the majority of Hull. On May 9th 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.

**Report of the Board of Trustees
For the year ended 31 December 2022**

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 5 ordinary members, elected at the Annual General Meeting
- 2) The Church's Pastor
- 3) A nominee of DSUK

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

Four Trustees are required to make a quorum.

A meeting of the Church Council is empowered to take decisions, when it has convened by 7 days written notice and not less than one half of its numbers are present.

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.

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.

**Report of the Board of Trustees
For the year ended 31 December 2022****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 by the holding of prayer meetings and ceremonies conducted according to the rules of the Danish National Church.
- 2) To promote for 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 or 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

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 transfer the last remaining bank accounts & investments to the new Charitable Incorporated Organisation.
- 2) Continue to develop the Church's network of contacts with charitable organisations active within the local and wider Hull community.
- 3) Sustain the relationship with DSUK and fellow Danish churches based in the UK
- 4) Continue to develop and deepen the Nordic House brand principally by raising the profile of the Church's facilities among Hull-based organisations and by promoting activities with a Scandinavian aspect
- 5) Upgrade the Church premises to improve accessibility and attractiveness to potential users and to reinforce the Nordic House brand
- 6) Build on the recent success of the Annual Christmas market to sustain the Church's connections with the ex-patriate Danish and broader Scandinavian communities
- 7) Continue work to secure financial breakeven within a two--year timeframe with particular emphasis on improving income generation through appropriate and more intensive use of the Church's lettable facilities
- 8) Continue to act as a spiritual and cultural centre for the Church's members.

Achievements and Performance

Transfer of responsibility for the activities of the Skt Nikolaj Danish Church (the Founding Charity) to the Skt Nickolaj Danish Church CIO (the CIO) was completed during the year. A new bank account was set up in March 2022 for the CIO, all transactions since then have been routed through to that account.

Report of the Board of Trustees

For the year ended 31 December 2022

Achievements and Performance (Con't)

The Social funds and the Investment accounts are still to be transferred over.

Well-attended church services were held to mark Easter and to celebrate Harvest and Christmas. Members of the Church also attended a memorial service in Newcastle on May 1st and the traditional mid-summer and Hoest events were popular. There was a good turnout for the AGM and lunch in April and there were lunches in September and in October after the Harvest church meeting.

In August the Church was represented at the DSUK meeting in Denmark and took part in The Heritage Open Day event in September.

Though again limited to one day, the Annual Christmas Market proved extremely popular, drawing support both from the local community and the wider region. Significant difficulties in securing adequate supplies post Brexit limited the sale of dairy and grocery products but any shortfalls were more than offset by stronger sales of decorations and prepared food. Towards the close of the event attendees were given the opportunity to watch the Denmark v France World Cup match. The result of the match was disappointing but the initiative was extremely well-received and generated additional income for the Market.

The post-event review of the Christmas Market confirmed that the one-day format should be retained but that there should be a return to the use of both floors and some reorganisation of the selling space. The changes would enhance the customer experience as well as creating opportunities for further improvement in gross and net revenue.

The CIO accounted for the bulk of the year's income and costs but income was also generated within the Founding Charity during the first quarter. Taking both together the Church's activities produced a net deficit of £14.4k.

Financial Review

From March 2022 the CIO took full responsibility for the management of the Original Charity's financial affairs. To support its activities balances totalling approximately £75k in pre-existing current and deposit accounts were transferred in to new bank accounts under the CIO. £51.7k of investments and Social funds are still to be transferred over, this will happen during 2023.

During the year the CIO recorded income of £39.3k supplemented by a further £6.6k earned by the Original Charity. Total turnover was flat year on year, but previous year total did include £10k of HMRC Job Retention Income. During 2022 the overall charity has increased income across most areas (Christmas Market, Room Rental and General Sales), with a slight reduction in Flat Rent Income.

Report of the Board of Trustees For the year ended 31 December 2022

Overheads were well-contained with maintenance costs lower than previous year, energy costs were more-or-less flat year on year.

The Church is planning to achieve financial self-sufficiency within the next two years.

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 transfer of the balances in the Social Funds & Investment accounts 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.

It is intended that the church will fund its own future pastoral provision as well as developing cultural activities designed to forge a link between the Church and the wider community. The Church's strategy, staffing arrangements and financial planning reflect this objective.

In developing its plans, the Church has sought 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 year ended 31 December 2022

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, Katie Sauvage 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:

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 2022, which are set out on pages 11 to 14.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this period under section 144 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.

Rebecca Triffitt MAAT

Practice Accountant

Phoenix Accountancy and Business Consultancy Limited

Morley's Cottage, Morley's Yard

Walkergate, Beverley, HU17 9BY

SKT NICKOLAJ DANISH CHURCH CIO

Charity No: 1185236

Date:

Receipts and Payments Account
For the period ended 31 December 2022

	Note s	2022 Unrestrict ed	2022 Restrict ed	2022 Total Funds	2021 Unrestrict ed	2021 Restr icted	2021 Total Funds
RECEIPTS	1			£			£
HMRC Coronavirus Job Retention	2	-	-	-	-	9,972	9,972
Donations		1,651	-	1,651	-	-	-
Sales		8,442	-	8,442	-	-	-
Christmas Market Sales		10,932	-	10,932	-	-	-
Parking		638	-	638	-	-	-
Room Hire		3,095	-	3,095	-	-	-
Flat Rent		11,045	-	11,045	-	-	-
Other		913	-	913	-	-	-
DCF Subscriptions		279	-	279	-	-	-
Interest		117	-	117	-	-	-
Employment Allowance		2,167	-	2,167	2,096	-	2,096
		39,280	-	39,280	2,096	9,972	12,068
PAYMENTS							
Staffing Costs	3	26,778	-	26,778	18,268	9,972	28,240
Christmas Market		8,822	-	8,822	-	-	-
Utilities Costs		2,455	-	2,455	-	-	-
Telephones, Printing and Stationery		918	-	918	-	-	-
Travelling and Entertainment		1,834	-	1,834	-	-	-
Marketing		1,906	-	1,906	-	-	-
Insurance		554	-	554	-	-	-
Cleaning		1,380	-	1,380	-	-	-
Maintenance		6,563	-	6,563	-	-	-
Costs in relation to rental premises		1,441	-	1,441	-	-	-
Sundries		52	-	52	-	-	-
Payroll Fees	4	155	-	155	20	-	20
Accounts Fees	4	600	-	600	200	-	200
Bank & Card Charges		340	-	340	-	-	-
		53,799	-	53,799	18,488	9,972	28,460
Net Surplus/ (Deficit) for the period		(14,519)	-	(14,519)	(16,392)	-	(16,392)
Cash & Bank Balances brought forward		-	-	-	-	-	-
Transfer from Skt. Nikolaj Danish Seamen's Church (unincorporated)	7	5,116	-	5,116	16,392	-	16,392
Funds transferred from Skt. Nikolaj Danish Seamen's Church (unincorporated)	7	69,947	-	69,947	-	-	-

Cash and Bank						
Balances carried forward	60,544	-	60,544	-	-	-

The notes on page 13 and 14 form part of these financial statements.

**Statement of Assets and Liabilities
As at 31 December 2022**

	Note s	2022 £	2021 £
Monetary Assets			
NatWest Current Account (305)		10,285	-
NatWest Reserves Account (313)		50,159	-
Cash Float		100	-
Total Monetary Assets		<u>60,544</u>	<u>-</u>
Comprising:			
Unrestricted Funds		60,544	-
Restricted Funds		-	-
		<u>60,544</u>	<u>-</u>
Non Monetary Assets and Liabilities			
Fixed Assets			
Office Equipment		380	-
Fixtures & Fittings		1,413	-
Other Equipment		515	-
		<u>2,308</u>	<u>-</u>
Debtors			
Sundry Debtors		<u>465</u>	<u>523</u>
Creditors			
Salary Control Account		-	-
HMRC		(926)	(1,524)
Pension		(104)	(104)
Payroll Fee		(41)	(84)
Accounts Fee		(480)	(200)
		<u>(1,551)</u>	<u>(1,912)</u>

These financial statements were approved by the committee on
 _____(date) and signed on its behalf by:

_____Peter Aarosin, Chairperson

The notes on pages 13 and 14 form part of these financial statements.

Notes to the Financial Statements

For the year ended 31 December 2022

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.

The comparative period of operation 1 January 2021 to 31 December 2021.

2 HMRC Coronavirus Job Retention Scheme Funding

DURING 2021 the Manager was furloughed. Funds have been reclaimed from the HMRC Coronavirus Job Retention Scheme to contribute to the costs in relation to this.

3 Staffing Costs

	2022	2021
	£	£
Gross Pay	24,078	25,611
Pension Contributions	533	533
Employers National Insurance	2,167	2,096
	<u>26,778</u>	<u>28,240</u>
Average number of staff	1	1

4 Other professional services provided by Independent Examiner

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

	2022	2021
	£	£
Payroll Services	155	20
Consultancy re: CIO registration	-	-
Independent Examination	600	200
	<u>755</u>	<u>220</u>

**Notes to the Financial Statements
For the year ended 31 December 2022****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. Nikolaj Danish Seamen's Church (registered Charity No: 1120852), which was mostly completed during 2022. The CIO has received a transfer of £5,116 (2020 £16,392) to cover the quarter one payroll costs which was paid from the unincorporated bank account. The new bank account for the CIO was opened March 2022, and funds from the unincorporated bank account of £69,947 have been transferred during the year. The social funds & investments are still to be transferred over, hopefully this is done during 2023.