

Registered Charity
Number 1185236

SKT NICKOLAJ DANISH CHURCH CIO

FINANCIAL STATEMENTS

Period ended

31 DECEMBER 2023

Phoenix Accountancy and Business Consultancy Limited

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For the period ended 31 December 2023**

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**Report of the Board of Trustees
For the year ended 31 December 2023**

The Trustees present their report with the financial statements of the Charity for the year ended 31 December 2023.

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 2023**

Bankers:

NatWest
34 King Edward Street
Hull
HU1 3SS

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

Structure, Governance and Management

Governing Document:

Skt Nikolaj Danish Church CIO is a registered charity governed by its Constitution adopted on 09 September 2019. Skt Nikolaj 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 2023****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 both 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

The CIO fulfilled its obligations to provide regular church services and a focus for the local and broader UK-based Scandinavian communities. The planned changes to the annual Christmas market were carried out successfully.

**Report of the Board of Trustees
For the year ended 31 December 2023
Achievements and Performance (Con't)**

These changes improved gross income generation which also benefited from some limited growth in letting income and car-parking fees.

Well-attended church services were held to mark the New Year, Easter and to celebrate Harvest and Christmas. The traditional mid-summer and Hoest events were again popular. There was a good turnout for the AGM and lunch in April and there were well-attended 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 held in November proved extremely popular, drawing support both from the local community and the wider region. Including sales from the mini-market, total Christmas income was 33% up on the previous year although net income was down mainly reflecting higher grocery costs and restocking, particularly in Decorations and Design.

Execution of the changes identified in 2022 went smoothly and produced the desired effect of increasing gross income and of improving the customer experience. Sales increases in the Cafeteria, Decorations and in Design were particularly encouraging.

Financial Review

During the year the CIO recorded income of £47k. On an equivalent basis, an increase of 20% over the previous year driven principally by higher sales during the Christmas period and increase in rental Income (car parking, room hire & property rent). Total CIO expenditure, however, has also increased by 32% so producing an overall shortfall of £24k, an increase of £9.5k from last year. Of this deterioration, 75% was attributable to non-recurring items including the rebuilding of Christmas Market inventories, payment for access to the DSUK website, the purchase of replacement kitchen equipment and the creation of overnight accommodation for visiting pastors.

Cashflow has also decreased from prior year by £9.3k which also includes the £14.7k which was transferred over from the social funds during October 2023 which were held under the old incorporated charity.

Still under the old incorporated charity are security bonds with a value of £40,921, which is an increase of £1,126 from the previous year. This still needs to be transferred to the CIO

When set against the ambition to achieve financial self-sufficiency, the size of the year's cash shortfall is disappointing. We should expect performance in the current year to show a significant improvement both as stock levels unwind and as plans to increase letting income mature and begin to be implemented.

**Report of the Board of Trustees
For the year ended 31 December 2023**

The Church is looking at securing financial self-sufficiency within the next two years. In the interim we consider the value of cash balances and investments to be more than sufficient to meet any further shortfall.

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

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

The church will continue to 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 2023****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, Rebecca Triffitt 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: 18/4/24

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 2023, 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



Date: 24/4/24

Receipts and Payments Account **For the period ended 31 December 2023**

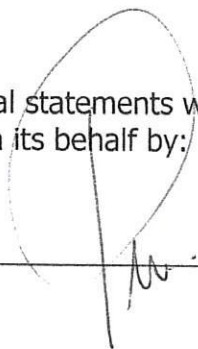
	Notes	2023 Unrestricted	2023 Restricted	2023 Total Funds £	2022 Unrestricted	2022 Restricted	2022 Total Funds £
RECEIPTS	1						
Donations & Gift Aid		1,692	-	1,692	1,651	-	1,651
Sales		2,416	-	2,416	3,179	-	3,179
Christmas Market Sales		21,764	-	21,764	16,195	-	16,195
Parking		1,087	-	1,087	638	-	638
Room Hire		2,718	-	2,718	3,095	-	3,095
Flat Rent		16,045	-	16,045	11,045	-	11,045
Other		623	-	623	913	-	913
DCF Subscriptions		295	-	295	279	-	279
Interest		511	-	511	117	-	117
Employment Allowance		-	-	-	2,167	-	2,167
		47,151	-	47,151	39,280	-	39,280
PAYMENTS							
Staffing Costs	2	25,987	-	25,987	26,778	-	26,778
Christmas Market		19,526	-	19,526	8,822	-	8,822
Utilities Costs		3,416	-	3,416	2,455	-	2,455
Telephones, Printing and Stationery		1,888	-	1,888	918	-	918
Travelling and Entertainment		1,389	-	1,389	1,834	-	1,834
Marketing & Advertising		3,792	-	3,792	1,906	-	1,906
Insurance		588	-	588	554	-	554
Cleaning		1,676	-	1,676	1,380	-	1,380
Maintenance		5,716	-	5,716	6,563	-	6,563
Costs in relation to rental premises		3,646	-	3,646	1,441	-	1,441
Sundries		1,161	-	1,161	52	-	52
Payroll Fees	3	142	-	142	155	-	155
Accounts Fees	3	720	-	720	600	-	600
Equipment		731	-	731	-	-	-
Bank & Card Charges		819	-	819	340	-	340
		71,197	-	71,197	53,799	-	53,799
Net Surplus/(Deficit) for the period		(24,046)	-	(24,046)	(14,519)	-	(14,519)
Cash & Bank Balances brought forward		60,544	-	60,544	-	-	-
Transfer from Skt. Nikolaj Danish Seamen's Church (1120852)	6	14,713	-	14,713	75,063	-	75,063
Cash and Bank Balances carried forward		51,211	-	51,211	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 2023**

	Notes	2023 £	2022 £
Monetary Assets			
NatWest Current Account (305)		18,072	10,285
NatWest Reserves Account (313)		32,660	50,159
Cash Float		479	100
Total Monetary Assets		<u>51,211</u>	<u>60,544</u>
Comprising:			
Unrestricted Funds		51,211	60,544
Restricted Funds		-	-
		<u>51,211</u>	<u>60,544</u>
Non Monetary Assets and Liabilities			
Fixed Assets			
Office Equipment		380	380
Fixtures & Fittings		1,413	1,413
Fridge		541	-
Sum up machines x2		130	-
Other Equipment		575	515
		<u>3,039</u>	<u>2,308</u>
Debtors			
Sundry Debtors		-	465
Creditors			
Salary Control Account		-	-
HMRC		(1,010)	(926)
Pension		(111)	(104)
Payroll Fee		(-)	(41)
Accounts Fee		(480)	(480)
		<u>(1,601)</u>	<u>(1,551)</u>

These financial statements were approved by the committee on 18/4/24 (date)
and signed on its behalf by:


Peter Aarasin, 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 2023

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 2022 to 31 December 2022.

2 Staffing Costs

	2023	2022
	£	£
Gross Pay	25,412	24,078
Pension Contributions	575	533
Employers National Insurance	-	2,167
	<u>25,987</u>	<u>26,778</u>
 Average number of staff	 1	 1

3 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:

	2023	2022
	£	£
Payroll Services	142	155
Independent Examination	720	600
	<u>842</u>	<u>755</u>

4 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.

**Notes to the Financial Statements
For the year ended 31 December 2023**

5 Trustee Remuneration

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

6 Transfer to Skt. Nikolaj 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 and during 2023 the social funds were also transferred over £14,713, which just leaves the investments still sitting under the old charity.