

KENDAL UNITARIAN CHAPEL TRUST

ACCOUNTS FOR THE YEAR ENDED

31ST DECEMBER 2021

KENDAL UNITARIAN CHAPEL TRUST

CONTENTS

	PAGE
INDEPENDENT EXAMINER'S REPORT	1
STATEMENT OF FINANCIAL ACTIVITIES	2
BALANCE SHEET	3
NOTES TO THE ACCOUNTS	4-8

INDEPENDENT EXAMINER'S REPORT
TO THE TRUSTEES OF
KENDAL UNITARIAN CHAPEL TRUST

We report on the accounts of the Kendal Unitarian Chapel Trust for the year ended 31st December 2021, which are attached.

Respective responsibilities of the 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 the year ended 31st December 2021 under section 144 of the Charities Act 2011 ("the Charities Act") and that an independent examination is needed.

It is our 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 Commission under section 145(5)(b) of the Charities Act; and
- to state whether particular matters have come to our attention.

Basis of independent examiner's statement

Our examination was carried out in accordance with 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

In connection with our examination, no matter has come to our attention:

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

Jon Simon-Norris BFP ACA
Jackson & Graham Chartered Accountants
Date

Lynn Garth
Gillinggate
Kendal
Cumbria LA9 4JB

KENDAL UNITARIAN CHAPEL TRUST
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE FINANCIAL YEAR ENDED
31ST DECEMBER 2021

		<u>This Year</u>	<u>Last Year</u>
	Note	Unrestricted Funds	Unrestricted Funds
<u>Incoming Resources</u>	3		
Income from investments		90900	90042
Other income		<u>4144</u>	<u>3809</u>
Total income and endowments		<u>95044</u>	<u>93851</u>
 <u>Resources Expended</u>	4		
Expenditure on raising funds		27161	75477
Expenditure on charitable activities		53185	53681
Other		<u>512</u>	<u>-</u>
Total resources expended		<u>80858</u>	<u>129158</u>
Net Income/(Expenditure)		14186	(35307)
Realised Gain on investment fund		<u>159</u>	<u>-</u>
		14345	(35307)
Unrealised Gain/(Loss) on investment funds		<u>6667</u>	<u>(3082)</u>
Net movement in funds		21012	(38389)
 Reconciliation of funds:			
Total funds brought forward		<u>1292484</u>	<u>1330873</u>
Total funds carried forward		<u>1313496</u>	<u>1292484</u>

KENDAL UNITARIAN CHAPEL TRUST
BALANCE SHEET AS AT 31ST DECEMBER 2021

		<u>This Year</u> <u>Unrestricted</u> <u>Funds</u>	<u>Last Year</u> <u>Unrestricted</u> <u>Funds</u>
	Note		
<u>FIXED ASSETS</u>			
Tangible assets	8	253646	255702
Investments	9	<u>1009809</u>	<u>1002026</u>
		1263455	1257728
<u>CURRENT ASSETS</u>			
Debtors	10	39426	10822
Cash at bank and in hand	11	<u>19248</u>	<u>29469</u>
		58674	40291
<u>CREDITORS</u>			
Amounts falling due within one year	12	<u>8633</u>	<u>5535</u>
NET CURRENT ASSETS		<u>50041</u>	<u>34756</u>
NET ASSETS		<u>1313496</u>	<u>1292484</u>
<u>FUNDS OF THE CHARITY</u>			
Unrestricted funds		<u>1313496</u>	<u>1292484</u>
Total Funds		<u>1313496</u>	<u>1292484</u>

The notes on pages 4 to 8 form part of these accounts.

	Signature	Name	Date of Approval
Signed by:
On behalf of all the Trustees

KENDAL UNITARIAN CHAPEL TRUST

NOTES TO THE ACCOUNTS FOR THE FINANCIAL YEAR ENDED

31ST DECEMBER 2021

1. Basis of accounting

These accounts have been prepared under the historical cost convention with items recognised at cost or transaction value (except that investments are shown at market value). The accounts have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16th July 2014, and with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), and with the Charities Act 2011.

2. Accounting Policies

2.1 Reconciliation with previous generally accepted accounting practice

In preparing the accounts, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 a restatement of comparative items was needed. No restatements were required.

2.2 Income

(i) Recognition of income

These are included in the Statement of Financial Activities (SoFA) when:

- the charity becomes entitled to the resources;
- the trustees are virtually certain they will receive the resources; and
- the monetary value can be measured with sufficient reliability.

(ii) Offsetting

There has been no offsetting of assets and liabilities, or income and expenses, unless required or permitted by the FRS 102 SORP or FRS 102.

(iii) Grants and donations

Grants and donations are only included on the SoFA when the general income recognition criteria are met (5.10 to 5.12 FRS 102 SORP).

(iv) Tax reclaims on donations and gifts

Gift Aid receivable is included in income when there is a valid declaration from the donor. Any Gift Aid amount recovered on a donation is considered to be part of that gift and is treated as an addition to the same fund as the initial donation unless the donor or the terms of the appeal have specified otherwise.

(v) Income from interest, royalties and dividends

This is included in the accounts when receipt is probable and the amount receivable can be measured reliably.

(vi) Income from membership subscriptions

Membership subscriptions received in the nature of a gift are recognised in Donations and Legacies.

(vii) Investment gains and losses

This includes any realised or unrealised gains or losses on the sale of investments and any gain or loss resulting from revaluing investments to market value at the end of the year.

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KENDAL UNITARIAN CHAPEL TRUST

NOTES TO THE ACCOUNTS FOR THE FINANCIAL YEAR ENDED

31ST DECEMBER 2021

2.3 Expenditure and Liabilities

(i) Liability recognition

Liabilities are recognised where it is more likely than not that there is a legal or constructive obligation committing the charity to pay out resources and the amount of the obligation can be measured with reasonable certainty.

(ii) Governance and support costs

Support costs have been allocated between governance costs and other support. Governance costs comprise all costs involving public accountability of the charity and its compliance with regulation and good practice.

(iii) Creditors

The charity has creditors which are measured at settlement amounts less any trade discounts.

2.4 Assets

(i) Tangible fixed assets for use by charity

These are capitalised if they can be used for more than one year, and cost at least £100. They are valued at cost. The depreciation rates and methods used are disclosed in note 8.

(ii) Investment Properties

These are let properties included at a valuation at 31st December 2018 by Peill & Co, Kendal. They are not depreciated and are revalued every 5 years.

(iii) Investments

Fixed asset investments in quoted shares, traded bonds and similar investments are valued initially at cost and subsequently at fair value (their market value) at the year end.

(iii) Debtors

Debtors are measured on initial recognition at settlement amount after any trade discounts or amounts advanced by the charity. Subsequently, they are measured at the cash or other consideration expected to be received.

3. Incoming Resources

This Year

Last Year

Income from investments:

Rental income	89928	88947
Bank and other interest	15	43
Dividends (from Investment Assets)	<u>957</u>	<u>1052</u>
	<u>90900</u>	<u>90042</u>

Other income

Covid grants received	2639	1600
Sundry income	-	60
From Kendal Unitarian Congregation Accounts	<u>1505</u>	<u>2149</u>
	<u>4144</u>	<u>3809</u>

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KENDAL UNITARIAN CHAPEL TRUST
NOTES TO THE ACCOUNTS FOR THE FINANCIAL YEAR ENDED
31ST DECEMBER 2021 (continued)

4. Resources Expended

	<u>This Year</u> Unrestricted Funds	<u>Last Year</u> Unrestricted Funds
<u>Expenditure on Raising Funds</u>		
Let property expenses	8848	24968
Let property bad debts written off	-	11310
Professional fees	6079	10661
Repairs to let properties	8268	25081
Property insurance	<u>3966</u>	<u>3457</u>
	<u>27161</u>	<u>75477</u>
<u>Expenditure on Charitable Activities</u>		
Costs of Minister	12997	12379
Pulpit supply	1090	951
Caretaker	10899	10647
Administrator	400	850
Treasurer Honorarium	-	1000
Treasurer and Property Manager	5200	2600
Fellowship Editor Honorarium	-	150
Organists	1400	680
Travel expenses	126	37
Property expenses - Chapel	11871	12096
- Manse	1818	4541
Building alterations depreciation	1985	1986
Donations (Note 7)	20	20
General assembly quota	1505	1750
Governance & support costs (Note 5)	<u>3874</u>	<u>3994</u>
	<u>53185</u>	<u>53681</u>
<u>Other</u>		
Received by Kendal Unitarian Congregation Accounts	512	-

5. Governance & support costs

Accountancy	2580	2568
Telephone & internet	-	168
Equipment depreciation	71	90
Sundries and training	<u>1223</u>	<u>1168</u>
	<u>3874</u>	<u>3994</u>

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KENDAL UNITARIAN CHAPEL TRUST
NOTES TO THE ACCOUNTS FOR THE FINANCIAL YEAR ENDED
31ST DECEMBER 2021 (continued)

	<u>This Year</u>	<u>Last Year</u>
6. <u>Paid Employees</u>		
Gross wages	30952	27860
Employers NIC	-	-
Pension costs	<u>334</u>	<u>307</u>
	<u>31286</u>	<u>28167</u>

7. Donations

The following donations were made during the year ended 31st December 2021:-

SLACC £20

8. Tangible Fixed Assets

	<u>Computer Equipment</u>	<u>Chapel Alterations</u>	<u>Let Properties & Manse</u>	<u>Plant & Equipment</u>	<u>Total</u>
ASSET COST/VALUE					
At 1 st January 2021	3891	99274	187250	3956	294371
Additions	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
At 31 st December 2021	<u>3891</u>	<u>99274</u>	<u>187250</u>	<u>3956</u>	<u>294371</u>
DEPRECIATION					
At 1 st January 2021	3891	31178	-	3600	38669
Charge for year	<u>-</u>	<u>1985</u>	<u>-</u>	<u>71</u>	<u>2056</u>
At 31 st December 2021	<u>3891</u>	<u>33163</u>	<u>-</u>	<u>3671</u>	<u>40725</u>
WRITTEN DOWN VALUE					
At 31 st December 2020	<u>-</u>	<u>68096</u>	<u>187250</u>	<u>356</u>	<u>255702</u>
At 31 st December 2021	<u>-</u>	<u>66111</u>	<u>187250</u>	<u>285</u>	<u>253646</u>

Depreciation is provided for at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Chapel alterations	2% straight line basis
Computer equipment	33% straight line basis
Plant & equipment	20% reducing balance basis

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KENDAL UNITARIAN CHAPEL TRUST
NOTES TO THE ACCOUNTS FOR THE FINANCIAL YEAR ENDED
31ST DECEMBER 2021 (continued)

9. <u>Fixed Asset Investments</u>	Listed Investments	Investment Properties
Carrying value at 1 st January 2021	52026	950000
Acquisitions at cost	957	-
Realised Gain on disposal	159	
Net Gain on revaluation	<u>6667</u>	<u>-</u>
Carrying value at 31 st December 2021	<u>59809</u>	<u>950000</u>

10. <u>Debtors & Prepayments</u>	<u>This Year</u>	<u>Last Year</u>
Other debtors	3429	1610
Prepayments	4999	4557
Other debtors (accrued rents)	<u>30998</u>	<u>4655</u>
	<u>39426</u>	<u>10822</u>

11. <u>Cash at Bank and in Hand</u>	<u>This Year</u>	<u>Last Year</u>
Cash at bank and in hand	19248	29469

12. <u>Creditors & Accruals</u>		
Amounts falling due within one year		
	<u>This Year</u>	<u>Last Year</u>
Accruals & deferred income	<u>8633</u>	<u>5535</u>
	<u>8633</u>	<u>5535</u>

Deferred income comprises rent paid in advance.

KENDAL UNITARIAN
CHAPEL
ANNUAL REPORT
2022

Trustees' report July 2021 to June 2022

The trustees' role is to manage the chapel's financial and business affairs, and they are currently also helping to support ministry activities, and co-ordinate pastoral care and other organisational matters. During this period the trustees had their usual meetings in April and October, with additional meetings throughout the year.

A statement on the chapel's financial situation and a let-property update can be found in the Treasurer's report.

Other work of the trustees, 2021-22

Trustees (2021-22) – Hazel Clarke (chair), John Campbell (treasurer), Susan Blunt, Rob Crompton, Katie Hall, Fred Jordan, John Pickering, Jo Rogers, Ann Wilcox

In addition to their core financial role, this year the trustees' remit has spread more widely as the committee has been unable to meet. Here are some updates and highlights of chapel life this year, which the trustees' work supports. Thanks to everyone at chapel for making these happen!

Our **services** continue to be fresh, varied and inspiring – with Mandy and the ministry team leading services, along with many chapel members who have taken that brave step. Well done to everyone, and to all those who have helped with Sunday Service time more widely, including Debbie for providing us with tea and coffee afterwards. Thanks especially to Jo, Clare, John and others who have provided us with beautiful music to accompany our Sunday services.

The trustees have invested in improved **Zoom** access to the chapel services, and this continues to provide a valuable connection for those who are unable to come to the chapel in person. Thanks to Dave Green and everyone who helps with the technology.

As part of the chapel's **open weekend** in June, a small sub-group of the trustees organised the re-opening celebrations for the Multi-Faith Garden of Remembrance. Thanks in particular to John P for the vibrant posters, and to Katie and John C for all their hard work. Thanks also to Sally and Marilyn for putting together the marvellous flower festival, and for all others who contributed to the chapel's Open Weekend in any way! I hope you all enjoyed this celebratory event.

The switch to **charity-run Saturday coffee mornings** is going well – not only reducing the demands on our limited staffing resources, but enabling the chapel to help a number of local charities raise money.

Thanks to Bamba for his hard work in our **buildings**; and to Bamba and Phil for keeping the **gardens** looking so lovely.

Sue Gill continues to do a great job putting our in-house digital magazine, **Connections**, together, and keeping us all in touch with all aspects of chapel life. John C has re-started his monthly open house (and now discussion group), which provides a valuable informal setting in which to meet and enjoy each other's company.

In addition we're grateful for John's ability to relate the chapel's **history** and Unitarian values to visitors, and his role in making the **schoolroom facilities** available to local organisations and the wider general public. All

these raise our profile in Kendal and enable us to play a greater part in our local community. The diversity of groups who share our premises are a joy – in turn, they contribute to our life at the chapel and make it a genuinely open and welcoming space for all.

Finally, I'd like to thank each and every one of the trustees for their hard work and commitment to the chapel this year, and to Barbara (and others) for taking our minutes. Each one of you brings your own skills and experience, and makes an individual contribution. I would particularly like to thank John for his work as treasurer and property manager.

You are all the often unsung heroes who have kept the financial and other wheels turning in the background – and it is this work that enables others to create a treasured spiritual space at the chapel.

Hazel Clarke

30th May 2022

Treasurer's Report for the year 2021

The Chapel owns a number of buildings. These include not only those within the curtilage of the Chapel but also commercial properties in Finkle Street, the New Shambles and the Market Place, which were bequeathed to us or purchased in the 18th century and are thus all of a considerable age. The lock-up shops in the New Shambles were rebuilt in 1804; the shop in Finkle Street is probably of much earlier origin (though perhaps rebuilt), and the building at nos. 17–21 Market Place is also of 18th-century date. The upper floor, with its long windows, looks as if it was originally an assembly room. It is the historic 'Caledonian Room', where the Unitarian Baptists met in the period 1801–1817. The fine stone building at the Chapel entrance, 40 Market Place, with its beautifully designed curved staircase extension, has long since been converted for use as a shop but was built as the Manse in about 1780 on 17th-century foundations where there had previously been a continuous row of shops. The ginnel now gave entrance to the Chapel from Branthwaite Brow for the first time and the recently restored gates would appear to date from this period. All these buildings are a significant part of Kendal's townscape and heritage and it is our responsibility to look after them. The Chapel also owns a house in Nether Street which was occupied from 2006 to 2016 as the Manse. The commercial properties are looked after by our Managing Agents, Messrs Peill & Co, whilst the house is looked after by Turner Scott.

The Chapel has two current bank accounts with the Cumberland Building Society. The **Trust Account** derives its income chiefly from the rent of the commercial and residential properties. In 2021 this amounted to £55,448.65, which was about £9,000 less than in 2020 as the tenant of our largest commercial property was paying a much reduced rent. The balance of the Trust Account at the beginning of 2021 was £22,282.27. Total income during the year was £58,102.53 and expenditure was £58,542.42. The resultant balance at the end of the year was £21,842.38. Expenditure from the Trust Account is concerned primarily with the following items: maintenance and refurbishment of the properties (c.£18,700); regular salaries and occasional wages (c.£28,300); payments to HMRC (c.£800); and professional and legal fees (c.£7,800). The above amounts are those paid directly from the account. It should be noted that other running costs and fees due to our Managing Agents are deducted before we receive payment of rents.

The **Chapel Account** is used for the day to day running of the Chapel. The balance of the account at the beginning of 2021 was £10,593.66. Income during the year was £23,973.41 and expenditure was £23,531.51. The balance therefore rose slightly to £11,035.56 at the end of the year. The main single source of income was the regular donations, which amounted to £12,340.40, on which Gift Aid is claimed, for which thanks are due to Don. Members and friends, old and new, continued to give generously to maintain the life of this ancient Chapel, which belongs to us all and plays such an important part not only in the lives of those who attend services in person and on Zoom but also increasingly in the life of this town. Income is also derived from room rental (mostly from the Schoolroom and amounting to £3,256.00) and rites of passage. Friday Prayers recommenced in March 2021 and regular use of the Schoolroom began in May. It is difficult to calculate the actual profit accruing from rental as it is impossible to assess expenditure in relation to specific items (e.g. heating of the Schoolroom). The biggest single item of expenditure from the account (£7,696.80) was for the installation of WiFi throughout the buildings and the system enabling services to be zoomed from the Chapel. Other expenditure from the Chapel account includes the various utilities (energy, telephones, waste etc), cleaning materials, window cleaning, printing of posters etc, and office supplies. The annual General Assembly quota of £35 per member (amounting to £1,505.00) also comes from this account, as do donations to the various charities we support.

The Chapel also has a **Savings Account** book with the Cumberland, in which there is a sum of nearly £14,000. As well as these accounts, the Chapel has **investments**, which are looked after by the Charities Aid Foundation

and have a value of about £50,000. Finally there is the small **B Thompson Dr Holme and Ralph Ford Hall Trust** with a value of about £600. Incidentally the Dr Holme referred to in this is he whose portrait hangs in the Vestry, whilst Ralph Ford Hall is the original name of the Masons' Arms and Yard, given to the Chapel in 1777 and sold in 1941.

Update to Spring 2022

We are very fortunate to have commercial properties in the town. At present all of them are either let and occupied or lease arrangements have been agreed. In the case of 13–15 New Shambles work needs to be done inside to make it damp-proof and there is an issue at the back where damage has been caused by the owners of an adjacent building. There is also work to be done on the face of the Caledonian Room and decoration inside. Whilst we cannot control the national or world economy, it seems that the outlook for our properties is not unfavourable, especially as small independent shops are forecast to do better than multiple chain stores.

John Campbell

12th May 2022

Minister's Report July 2020 to June 2021

We are blessed to have so many people in Chapel willing and able to take services throughout the year. We have continued the pattern of me taking one or two services each month and stepping in to fill gaps where necessary. This year I will have taken 19 services and co-ordinated 2 shared services including the extra 'GA Reflections' shared service in April. All services have taken place in the Chapel save for the shared services in July, August and October 2021 and January 2022. Some members and attenders are only able to attend via Zoom because of distance or infirmity and others are 'hybrids' who manage to attend several times a year whilst visiting the Lake District. It has been lovely to see friendships developing on and off screen. On occasions Zoom technology has let us down. It would be great if there were at least two 'tech support' people - one to act as welcomer and host and another to help and manage the 'chat', but for now I will continue to do my best for the 'Zoomers' whether I am sitting in the pew or in the pulpit.

Although I am the Minister we still have our Ministry Team - Ann W, Rob and John P. Ann has agreed to put together some services that could be delivered by someone else from the pulpit and will be co-ordinating the next shared service which will be delivered via Zoom. This will enable 'Zoomers' to take a more active part again as they did during 'lockdown'. Thank you Rob and John for your services, for helping others put theirs together and for all that you do to support me.

Griff keeps trying to ease his way out of taking services, but Remembrance Sunday and the Carol Service are hard to let go of - thank you Griff and also for the Spring service in March.

Thanks must go (in alphabetical order) to:-

David Birkett, John Campbell, Hazel Clarke, Helen Jones, Catherine Kentridge, Trish Lindsay, Jo Rogers, Jan Smith and Rosie Whiting

who have all taken or been involved in one, two, three or even four services - or will have done so by the end of the year. It is much appreciated as is the willingness of many people to read, light the chalice, welcome people on the door, arrange and fettle the flowers and to come forward to speak from the heart at the lectern when invited to do so. We also have a recorder quartet (Jo, Sue, Pat & Denise) now who play from time to time in addition to our three organists. You are all special.

We have had just four visiting service leaders this year - Kyle McDonald from Dundee (via Zoom), Karen Balmer, Mark Rotherham and GA President Anne Mills.

I continue to send out a Zoom link and hymn sheet by email every week and also a Sunday email focusing on the service, what is happening next Sunday and 'What's On' during the week. I attach electronic copies of 'The Inquirer' magazine (to supplement the bulk order which we subscribe to on your behalf) and links to other things that I think will be of interest. I have recently introduced a Wednesday morning Zoom Drop In session for those who want to talk about something specific or just join me for a chat. I also look after the Chapel's Facebook page advertising our weekly services and community related events. The website needs updating, but that is a big project for us to get to grips with.

My plans for activities during the week either daytime or evening - a monthly talk or a Build Your Own Theology course, for example, have yet to come to fruition, but now that we begin to emerge properly from the pandemic perhaps the time is right. One or two have shown interest in working through Rev Erika Hewitt's book 'The Shared Pulpit', so I will concentrate on that.

We had three weddings in 2021 and two in 2022, including our first same-sex wedding joining two men in marriage. Mark & Neil were overjoyed to be able to get married in a church and I co-celebrated that with a Minister from the URC. There were two baby naming ceremonies - Boheme Johnson and Honey Turner - and a service celebrating the life of the late Hugh Isherwood, one of our 'old' coffee morning regulars.

Rob co-ordinates pastoral care, and there are many members of the congregation who are very willing to help if anyone is in need - so do please get in touch with Rob or me if the informal channels of communication are not working well for you.

Outside of Chapel I was pleased to be able to attend the Annual General Meetings of the 'GA' in April with others from Chapel. I have also been to a Committee Meeting of NELUM as your voting delegate and, accompanied by Rob, to the AGM in Bury. I continue to attend a weekly 'Heart & Soul' gathering via Zoom led by Rev Jane Blackall from Kensington Unitarians.

Mandy Reynolds - Minister
1st June 2022