

DANSKE KIRKE I LONDON (DANISH CHURCH IN LONDON)

England & Wales · Charity number 237897

Details

Status Registered

Legal form Other

Registered 1965-02-02

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

Contact

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Activities

Objects: TO PREACH THE CHRISTIAN GOSPEL INCLUDING ARRANGING SERMONS AND CONDUCTING THE CHURCH'S CEREMONIES FOR DANISH IN THE LONDON AREA

Activities: The objects of the charity are to take care of the social, cultural and religious needs of the Danish community in London. The charity achieves these objectives by maintaining and supporting the buildings and fabric of the Danish Church in London and by providing events and bursaries to the Danish community in London

Classification

- **How:** Makes Grants To Individuals, Provides Human Resources, Provides Buildings/facilities/open Space
- **What:** General Charitable Purposes, Education/training, Religious Activities
- **Who:** Children/young People, Elderly/old People, People With Disabilities, People Of A Particular Ethnic Or Racial Origin, The General Public/mankind

Geography

- **Area of benefit:** LONDON AND NEIGHBOURING DISTRICTS
- Throughout London

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£553,905	£333,164	£2,538,995	3
2023-12-31	£348,585	£331,773	-	-
2022-12-31	£1,030,068	£355,671	£2,143,600	3
2021-12-31	£487,879	£793,569	-	-
2020-12-31	£860,282	£2,138,855	£1,794,678	3

Trustees

Name	Role	Appointed
Karen Elisabeth Petersen Broyd	Chair	2020-10-18
Anne-Grethe Jensen		2014-06-01
Connie Yilmaz Jantzen		2020-10-18
Dr Ebba Nielsen		2022-06-12
Karen Nystrom Simonsen		2023-06-11
Karsten Moller Hansen		2024-01-14
Kasper Iversen		2024-06-16
Mads Birkeland		2024-06-16
Martin Seebach		2024-06-16
Michael Bager		2024-06-16
PER GULLESTRUP		2013-06-18
Rebecca Anne Reichherzer		2025-06-29
Svend Kjaer		2022-06-12

Linked charities

- DANISH CHURCH IN LONDON BUILDING AND RESERVE FUND (237897-1)
- DANISH CHURCH IN LONDON SALARY AND PENSION FUND (237897-2)
- HJAELEFOND FOR DANSKE I LONDON (HELPING FUND FOR DANES IN LONDON) (237897-3)
- DANISH EMERGENCY TRUST FUND (237897-4)

Accounts

DANISH CHURCH IN LONDON
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

DANISH CHURCH IN LONDON

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees and members of the Church Council from 1 January 2024 to June 2025 are:

Bette Petersen Broyd (Chair) (appointed 18 October 2020, Chair since June 2021)

Svend Kjaer (Deputy Chair) (appointed 12 June 2022, Dep Chair since June 2024)

Mads Birkeland (Treasurer) (co-opted 11. June 2023, Elected June 2024, Treasurer since June 2024)

Anne-Grethe Jensen (Honorary Secretary) (appointed 1 June 2014)

Per Gullestrup (Church Warden) (appointed 18 June 2013)

Karen Simonsen (Church Warden) (elected 11. June 2023 – warden since April 2024)

Ole Justesen (Church Warden) (appointed 13 June 2021 – retired March 2024)

Anne-Sofie Lucan (appointed 12 June 2022, retired June 2025)

Dr Ebba Nielsen (appointed 12 June 2022)

Karsten Møller Hansen (Pastor) (appointed 14. January 2024)

Anne Dorothea Bruun Aubry (Ex-Officio - Royal Danish Embassy) (appointed 18 October 2020, retired June 2024)

Rebecca Anna Reichherzer (Ex-Officio – Royal Danish Embassy) (appointed 9. April 2025)

Connie Yilmaz Jantzen (Danish YWCA) (appointed 18 October 2020)

Carmen Hannibal (co-opted 11. June 2023, retired June 2024)

Martin Seebach (co-opted 11. June 2023, elected June 2024)

Michael Bager (co-opted 7. January 2024, elected June 2024)

Kasper Iversen (co-opted 7. January 2024, elected June 2024)

DANISH CHURCH IN LONDON

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DANISH CHURCH IN LONDON

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2024

The trustees present their annual report and financial statements for the year ended 31 December 2024.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Charities SORP "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)".

Objectives and activities

Aim and Purpose

The main purpose of the Danish Church in London is to preach the Christian Gospel according to the Lutheran Evangelical tradition, including conducting Services and performing religious ceremonies for Danes. Additionally, the purpose is to act as a cultural, educational and social meeting point for Danes in the Greater London area. At various times in the year, the pastor will travel to Norwich, Newcastle and Hull to perform services in Danish for the local congregations.

The Church Council ensures that activities are planned with due regard to the Charity Commission's public benefit guidance.

In order to continue this service in the years to come, the Church has recently upgraded, renovated and increased the usable areas of the church premises.

Achievements and Performance

In addition to Danish-language Sunday Services, The Danish Church in London normally performs a wide range of traditional religious acts, including Christenings, confirmations, weddings and funerals.

During the Covid-19 pandemic and lockdowns, when the church was closed or limited to reduced service, the Sunday Services, weddings and funerals were transmitted via Zoom. This proved very popular and boosted attendance numbers. The weekly hybrid Zoom services were reduced to about once a month and on special occasions from Spring 2022. Since late 2024, Zoom services are usually transmitted twice a month in order to include parishioners unable to attend in person.

The following are some figures for the year 2024. Figures in brackets are from the 2023 annual report.

In 2024 the Church conducted 47 (49) Services; 47 (49) were live and 13 (15) as hybrids with additional Zoom Services. In addition, there were 19 (8) Christenings, 11(17) confirmations, 5 (6) weddings / blessings and 7 (3) funerals. Some funerals take place at the church, some elsewhere near the home of the deceased.

The Pastor engaged in 165 (140) official conversations and conducted 31 (17) visits to the homebound or imprisoned. In the year 2024, 2815 (2327) attended church in person, an average of 59.8 (47.4). Another 270 (472) followed the service on Zoom, an average of 20.7 (31.46). There are 1016 (938) paying members (family and individual) of the Church, and in a normal year, a total of around 10,000 people benefit from all our activities.

Benevolent Fund made 3 payments to needy Danes in London with a total of £1981. Offers of assistance or subsidies to the needy are made in connection with events such as Christmas Dinner, Fastelavn (Lent Celebrations), Danish Fair and Midsummer's Eve.

In 2024 all usual and well-established church activities, group gatherings and events took place with increased numbers attending. A wider range of activities was on offer with more visits from speakers and performers from Denmark visiting the church for cultural and social events.

These include concerts, talks, debates and exhibitions, as well as lunches and gatherings. Several Danish groups were able to meet regularly in the church halls. These include a Parent and Toddler group (meeting every two weeks) a Book and Film Club (meeting 6 times a year) a monthly seniors' Hygge/Craft group and a monthly Wednesday Evening Group with activities, music and debates aimed primarily at students and working adults. The Bridge Club continues to meet in alternative premises closer to public transport.

DANISH CHURCH IN LONDON

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

2024 also saw an increase in Højskole study evenings (6) as well as lectures and concerts by current Danish performers and artists or friends of the church. There were 3 art exhibitions, each launching with private views for anyone interested.

Other Danish groups at the Church

The Association of Danish Women in England arrange meetings and lunches at the church about 5 times a year. In 2024 it was the 70th and final year that Danish Women's Association took the initiative and responsibility for the annual fundraising event Danish Fair which takes place every May. In future the responsibility for the event now lies entirely with the church.

Team Danmark, a football and running club, meet regularly on Saturdays at the church or in Regent's Park. The Anglo-Danish Society held an annual lunch / meeting as did the group DJØF London for young professionals.

Danish lessons

The Danish Language Saturday School for 100+ children resumed fortnightly from September in the newly renovated buildings with much improved facilities, including new furniture and AV equipment. Around 120 children and adults are taught Danish language and culture by volunteer teachers in the Saturday School which has been running for more than 50 years.

Every year the church sponsors a summer school placement in Denmark for a pupil from the Saturday School. Adult Danish evening classes continued at the Church on a weekly basis and follows the school year. Classes are taught weekly over 3 evenings in 5 classes / levels. Unlike the Saturday School, which relies on volunteers, teaching staff in the evening language provision are paid. There were about 46 adults attending classes regularly in September with some slight dropping off as the school year progressed.

All classes are open to students of all or no religious persuasion.

The Church donated 1 bursary of £2,000 from the FUHU Fund to a young Dane studying in the UK. Previously the fund gave 2 bursaries each of £600, but it was decided to increase the amount and then just offer it to one student.

Rector/Pastor

Following the retirement in 2023 of the full-time resident pastor Flemming Kloster Poulsen, a new pastor, Karsten Møller Hansen was selected as the new rector / pastor. A locum pastor, Margith Pedersen, took charge for the last 2 ½ months of 2023 and just one week into 2024. Karsten Møller Hansen moved to London in January 2024, bringing with him from Denmark his wife Lisa and 3 children of school age.

Karsten Møller Hansen was installed as pastor, as well as Social Attache working with the Royal Danish Embassy, by HM Queen Margrethe by decree and The Dean of The Danish Church Abroad in person on 14th January. The event was a major celebration. Later the same day the new king and queen of Denmark, King Frederik X and Queen Mary, were proclaimed in Copenhagen. Both nearly simultaneous events resulted in joyous celebration.

Karsten officially started his term of initially 4 years on 1st January 2024.

Administrative assistant

To assist the pastor, an administrative assistant is employed on a part-time basis. We rely on the support from Den Danske Kirke i Udlandet / The Danish Church Abroad to partially fund these 2 salaries.

DANISH CHURCH IN LONDON

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

Auxiliary Staffing

The church continues to employ Managers Andrew Atkinson and Lone Sigurdsson who live on the premises, act as caretakers and manage most aspects of the practical and catering work in the church and the church hall activities. In previous years, they were supported by 2 assistants from Denmark, who came as 'au pairs' for a year. Brexit rules no longer permit such employment, so replacements are now largely by non-Danish speakers. It is an expensive and ongoing challenge to find staff to assist with and commit to ad-hoc events and regular activities and services in the church and to maintain the gardens.

Musical Director / Organist / Kantor

Previously, the church organist was a Danish Music student spending a year at a London conservatoire while providing all music services for the church in return for a modest fee and free accommodation. Brexit rules no longer permit such arrangements, so the church now enjoys an alternative, more costly, but very satisfactory arrangement by employing Inge-Lise Nygaard as Musical Director. She organises all music and the choir for services and arranges musical events generally.

The Building

There continue to be considerable and costly challenges in maintaining such an old building. The church wardens have dealt with serious leaks, blocked drains, falling masonry / gargoyles as well as ensuring all utility services and safety precautions are maintained and updated and that staff are appropriately trained. Heating of the church remains a huge and expensive challenge following the building updates back in 2020.

The Gardens

The gardens surrounding the church became the focus once the building works and restoration was complete. Extensive paving and drains were laid as well as a new lawn, also with drains. Diseased trees were felled and new ones planted. Planting schemes for the gardens have now largely been completed and the challenge is now on more general maintenance and renewal. We are fortunate to have volunteer help for some of that work. The gardens are in regular use during events at the church.

Albany St. Garden Wall

The Church Council was notified in February 2025 by Crown Estates that the garden wall towards St. Albany was damaged. The pavement side has therefore been fenced off to protect the public in the event of collapse. Structural engineers have been engaged to investigate the matter. The damages may have been caused by root movements. The outcome may be that the wall has to be rebuilt with a stronger foundation. Investigations are ongoing.

Memorial Stone

On Sunday 7th May 2023 a new memorial stone, placed prominently in the church garden, was inaugurated. There was a special church service in the presence of uniformed personnel, members of the Royal Danish Lifeguard and the congregation, including donors towards the memorial stone. The stone was erected to honour "The Danish men and women who paid the ultimate price in service to Denmark". The initiative and organisation of all aspects of the memorial stone came about as a collaboration between The Danish Church, The DK-UK Association, The Danish Royal Lifeguard Association and The Anglo-Danish Society / Princess of Wales' Royal Regiment. The funding was through voluntary donations organised by the church.

8th September 2024 saw the first Flag Day Commemoration Service attended by representatives from all organisations and with wreath laying by Danish and British military personnel. Similar commemorations will take place every year on a Sunday close to the official Danish Flag Day on 5th September.

DANISH CHURCH IN LONDON

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

Financial Review

Overall, 2024 continued the trend from 2023 and showed return to more 'normal' years with a positive results, following the negative results during the Covid Pandemic.

In 2024, the Danish Church recorded an overall net income of £359,274 (2023: £36,121).

The increase is in part due to the greater investment income arising from the proceeds of the Royal College Street sale in 2022 and positive developments in the financial markets. Accordingly, Net gains in investments increased from £19,309 (2023) to £138,533 (2024). The unrealised or 'paper' gain on investments in the last two years has therefore now reversed the substantial loss of £125,535 seen in 2022.

The increase also relates in part to the increase in Donations and legacies from £103,344 (2023) to £339,157 (2024). Of this amount, the sum of £176,705 is a donation from Johan Otto Wroblewski's Fund to the Church Organ Fund to cover the cost of refurbishing the organ.

The total income on ordinary activities for the church was of £533,905 (2023: £348,585).

Total operating expenditure amounted to £333,164 (2023: £331,773). There was an increase in Staff cost from £53,721 (2023) to £66,607 (2024).

Investment policy

The charity's constitution requires its assets to be invested in Denmark or Great Britain, in bank accounts, investment assets or property. The total investments on 31 December 2024 were £2,049,191 (2023: £1,910,657).

The Church has set out its Investments Policy in line with guidelines set out by the Charity Commission. The Investment Policy is reviewed annually.

Reserves policy

The accumulated funds on 31 December 2024 were £2,538,995 (2023: £2,179,721) of which £879,767 (2023: £870,120) relates to endowment funds, £25,010 (2023: £25,815) relates to restricted funds and £1,634,218 (2023: £1,283,786) to unrestricted funds.

The increase in unrestricted funds mainly relates in part to the increase in the Organ Fund from £nil (2023) to £142,595 (2024) and in part the increased investment income of £138,533 (2024).

Free reserves at 31 December 2024 amounted to £1,491,623 (2023: £1,283,786).

It is the policy of the charity to maintain unrestricted funds, which are the free reserves of the charity, at a level which equates at least to approximately six months unrestricted expenditure. This provides sufficient funds to cover management and administration and support costs.

The trustees remain of the view that the charity is a going concern.

Risk review

The trustees have taken steps to identify the major risks to which the charity is exposed, and systems have been established to mitigate those risks. Identification and management of investment risk is addressed in the Investment Policy of the Church.

Plans for future periods

Interest in the Church during and after the pandemic and extensive building work, has been encouraging. The Trustees are confident of building on the strong recovery seen in 2023 and 2024.

In the longer term, the Trustees do not anticipate any fundamental changes in the development of the charity's operation.

DANISH CHURCH IN LONDON

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

Trustees' Responsibilities

The charity trustees are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Charity law 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 affairs of the charity and of the incoming resources and application of resources, including the income and expenditure of the charity for that period. In preparing the 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 2019 (FRS 102)
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- 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 keeping proper accounting records that 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 Charities (Accounts and Reports) Regulations 2008 and the provision of the trust deed. They are also responsible for safeguarding the assets of the charity and hence 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.

Independent Examination

A resolution proposing an independent examiner, Martin Gurney of Haines Watts Swindon Limited, Chartered Accountants, was approved by the Church Council following the retirement of the previous examiner, Susan Plumb, also of Haines Watts.

Structure, governance and management

The charity is governed by its Constitution, revised on 15 September 2013, and further updated on 18 October 2020, ratified in June 2021.

The Church Council manages the Church in practical, legal and financial affairs, and represents the Church in all respects. The Bishop of Copenhagen is the ecclesiastical supervisor for the church. The Danish Ambassador is Patron of the Church. In September 2022 the new ambassador HE René Dinesen was appointed and also accepted his role as Patron of the Danish Church.

The Royal Danish Embassy appoints one ex-officio member of the Church Council. As of October 2020, according to the update of the Constitution, the Danish YWCA can also appoint one member to the Church Council, should they so wish. Resident Pastors are automatically members of the Church Council, and Church Wardens are appointed directly by the Church Council.

All other members (minimum of 5) are elected by the members of the Church, at the annual general meeting in June. The last AGM was held on 16. June 2024.

Two or three of the elected members retire annually, in rotation. Proposals to elect or re-elect Church Council members are made either by the Church Council, or in writing by three members of the Church.

DANISH CHURCH IN LONDON

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

The Trustees' report approved on behalf of the Board of Trustees.



Bette Petersen Broyd (Chair)



Mads Birkeland (Honorary Treasurer)

27/06/2025

DANISH CHURCH IN LONDON

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF DANISH CHURCH IN LONDON

I report to the trustees on my examination of the financial statements of Danish Church in London (the charity) for the year ended 31 December 2024.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011.

I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011. In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the Charities Act 2011.

Independent examiner's statement

Since the charity's gross income exceeded £250,000, the independent examiner must be a member of a body listed in section 145 of the Charities Act 2011. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

Your attention is drawn to the fact that the charity has prepared the financial statements in accordance with the relevant version of the Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and 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 now been withdrawn. I understand that this has been done in order for the financial statements to provide a true and fair view in accordance with UK Generally Accepted Accounting Practice.

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:

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 the charity as required by section 130 of the Charities Act 2011.
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the applicable requirements concerning the form and content of financial statements set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the financial statements 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 financial statements to be reached



Martin Gurney FCA
ICAEW
Haines Watts Swindon Limited
Old Station Approach
Swindon
Wiltshire
SN1 3DU
27/06/2025

DANISH CHURCH IN LONDON

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2024

Current financial year		Unrestricted funds 2024 £	Restricted funds 2024 £	Endowment funds 2024 £	Total 2024 £	Total 2023 £
	Notes					
Income from:						
Donations and legacies	3	339,157	-	-	339,157	103,344
Charitable activities	4	116,272	-	-	116,272	160,243
Other trading activities	5	9,475	-	-	9,475	7,002
Investments	6	56,570	-	32,431	89,001	77,996
Total income and endowments		521,474	-	32,431	553,905	348,585
Expenditure on:						
Raising funds	7	31,386	-	-	31,386	66,396
Charitable activities	8	274,310	805	-	275,115	232,511
Other expenditure	13	-	-	26,663	26,663	32,866
Total expenditure		305,696	805	26,663	333,164	331,773
Net gains/(losses) on investments	14	134,654	-	3,879	138,533	19,309
Net income/(expenditure)		350,432	(805)	9,647	359,274	36,121
Net movement in funds	10	350,432	(805)	9,647	359,274	36,121
Reconciliation of funds:						
Fund balances at 1 January 2024		1,283,786	25,815	870,120	2,179,721	2,143,600
Fund balances at 31 December 2024		1,634,218	25,010	879,767	2,538,995	2,179,721

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

DANISH CHURCH IN LONDON

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

Prior financial year		Unrestricted funds 2023 £	Restricted funds 2023 £	Endowment funds 2023 £	Total 2023 £
	Notes				
Income from:					
Donations and legacies	3	93,166	10,178	-	103,344
Charitable activities	4	160,243	-	-	160,243
Other trading activities	5	7,002	-	-	7,002
Investments	6	45,717	-	32,279	77,996
Total income and endowments		<u>306,128</u>	<u>10,178</u>	<u>32,279</u>	<u>348,585</u>
Expenditure on:					
Raising funds	7	66,396	-	-	66,396
Charitable activities	8	219,415	13,096	-	232,511
Other expenditure	13	-	-	32,866	32,866
Total expenditure		<u>285,811</u>	<u>13,096</u>	<u>32,866</u>	<u>331,773</u>
Net gains/(losses) on investments	14	<u>22,442</u>	<u>-</u>	<u>(3,133)</u>	<u>19,309</u>
Net income/(expenditure)		42,759	(2,918)	(3,720)	36,121
Transfers between funds		<u>(2,230)</u>	<u>2,230</u>	<u>-</u>	<u>-</u>
Net movement in funds	10	40,529	(688)	(3,720)	36,121
Reconciliation of funds:					
Fund balances at 1 January 2023		<u>1,243,257</u>	<u>26,503</u>	<u>873,840</u>	<u>2,143,600</u>
Fund balances at 31 December 2023		<u>1,283,786</u>	<u>25,815</u>	<u>870,120</u>	<u>2,179,721</u>

DANISH CHURCH IN LONDON

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2024

		2024		2023	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	16		1,771		-
Investments	17		2,049,191		1,910,657
			<u>2,050,962</u>		<u>1,910,657</u>
Current assets					
Stocks	18	5,000		5,000	
Debtors	19	218,535		59,995	
Cash at bank and in hand		267,676		214,052	
		<u>491,211</u>		<u>279,047</u>	
Creditors: amounts falling due within one year	20	(3,178)		(9,983)	
		<u></u>		<u></u>	
Net current assets			488,033		269,064
Total assets less current liabilities			<u>2,538,995</u>		<u>2,179,721</u>
The funds of the charity					
Endowment funds	22		879,767		870,120
Restricted income funds	23		25,010		25,815
Unrestricted funds	24		1,634,218		1,283,786
			<u>2,538,995</u>		<u>2,179,721</u>

The financial statements were approved by the trustees on 27/06/2025



Bette Petersen Broyd (Chair)

DANISH CHURCH IN LONDON

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Charities SORP "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)". The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

DANISH CHURCH IN LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	10 years straight-line
-----------------------	------------------------

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/ (expenditure) for the year. Transaction costs are expensed as incurred.

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

DANISH CHURCH IN LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

(Continued)

1.11 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.12 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

DANISH CHURCH IN LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Income from donations and legacies

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Donations and gifts	285,245	-	285,245	38,698	10,178	48,876
Membership	53,912	-	53,912	54,468	-	54,468
	<u>339,157</u>	<u>-</u>	<u>339,157</u>	<u>93,166</u>	<u>10,178</u>	<u>103,344</u>

4 Income from charitable activities

Activity	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Church shop income	15,368	18,977
Catering for charitable activities & events	45,601	94,039
Educational fees and books	1,724	29,058
Danish Fair	34,783	-
DSUK allowances	18,796	18,169
	<u>116,272</u>	<u>160,243</u>

DANISH CHURCH IN LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

5 Income from other trading activities

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Church hall hire	2,844	5,092
Church magazine advertising	6,631	1,910
	<u>9,475</u>	<u>7,002</u>
Other trading activities	<u>9,475</u>	<u>7,002</u>

6 Income from investments

	Unrestricted funds 2024 £	Endowment funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Endowment funds 2023 £	Total 2023 £
Other income	<u>56,570</u>	<u>32,431</u>	<u>89,001</u>	<u>45,717</u>	<u>32,279</u>	<u>77,996</u>

7 Expenditure on raising funds

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Fundraising and publicity		
Catering, events & shop expenses	24,683	53,721
Advertising	5,849	5,316
Other fundraising costs	854	7,359
	<u>31,386</u>	<u>66,396</u>
	<u>31,386</u>	<u>66,396</u>

DANISH CHURCH IN LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

8 Expenditure on charitable activities

	Charitable activities 2024 £	Charitable activities 2023 £
Direct costs		
Staff costs	66,607	59,845
Depreciation and impairment	178	-
Direct church costs	189,439	167,166
Accountancy costs	4,300	1,500
Danish Fair costs	10,577	-
	<u>271,101</u>	<u>228,511</u>
Share of support and governance costs (see note 9)		
Support	4,014	4,000
	<u>275,115</u>	<u>232,511</u>
Analysis by fund		
Unrestricted funds	274,310	219,415
Restricted funds	805	13,096
	<u>275,115</u>	<u>232,511</u>

9 Support costs allocated to activities

	2024 £	2023 £
Independent examination fee	3,500	2,500
Other costs	-	924
Trustee liability insurance	514	576
	<u>4,014</u>	<u>4,000</u>
Analysed between:		
Charitable activities	<u>4,014</u>	<u>4,000</u>

10 Net movement in funds

	2024 £	2023 £
The net movement in funds is stated after charging/(crediting):		
Fees payable for the independent examination of the charity's financial statements	3,500	2,500
Depreciation of owned tangible fixed assets	178	-
	<u></u>	<u></u>

DANISH CHURCH IN LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

11 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

12 Employees

The average monthly number of employees during the year was:

	2024 Number	2023 Number
	3	3
Employment costs	2024	2023
	£	£
Wages and salaries	60,552	54,405
Other pension costs	6,055	5,440
	66,607	59,845

There were no employees whose annual remuneration was more than £60,000.

Remuneration of key management personnel

The remuneration of key management personnel for 2024 was £nil (2023: £nil). Key management are trustees or volunteers, none of whom are remunerated

13 Other expenditure

	Endowment funds 2024 £	Endowment funds 2023 £
Charitable activities	26,663	32,866

14 Gains and losses on investments

	Unrestricted funds 2024 £	Endowment funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Endowment funds 2023 £	Total 2023 £
Gains/(losses) arising on:						
Revaluation of investments	134,654	3,879	138,533	22,442	(3,133)	19,309

DANISH CHURCH IN LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

15 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

16 Tangible fixed assets

	Fixtures and fittings £
Cost	
At 1 January 2024	91,189
Additions	1,949
At 31 December 2024	93,138
Depreciation and impairment	
At 1 January 2024	91,189
Depreciation charged in the year	178
At 31 December 2024	91,367
Carrying amount	
At 31 December 2024	1,771

17 Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 January 2024	1,910,657
Valuation changes	138,534
At 31 December 2024	2,049,191
Carrying amount	
At 31 December 2024	2,049,191
At 31 December 2023	1,910,657

	2024 £	2023 £
Investments at fair value comprise:		
Charles Stanley M & G Charifund Benevolent Fund	127,325	(123,861)
Danske Bank - Summer School fund	21,860	(21,445)
General portfolio Charles Stanley & Co	312,759	301,190
General portfolio through Cazenove Schroder	1,587,247	1,464,161
	2,049,191	1,910,657

DANISH CHURCH IN LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

17 Fixed asset investments

(Continued)

The Benevolent Fund is invested with M&G Charifund, which is designed to provide a growing level of income for UK charities, while at the same time protecting their capital from the effects of inflation over a rolling ten year period. It aims to provide a level of income that is significantly higher than that of the FTSE All-Share Index. The investment is managed by Charles Stanley investment managers.

The Summer School Fund investments are placed with Danske Bank and aim to generate a high return through Danish Bonds in order to fund annual scholarships.

The objective of the Charles Stanley general portfolio is to produce a balance between capital growth and income without the income requirement eroding the potential to maintain capital.

The objective of the general portfolio managed by Cazenove Capital (part of Schroder & Co. Ltd.) is to maintain capital value whilst distributing 3-4% annually as income.

Portfolio Allocation

	2024 £	2023 £
Fixed income	201,462	233,905
Equities	1,526,532	1,326,480
Properties	11,918	15,208
Alternatives	257,341	299,164
Mixed Investments	7,253	7,320
Cash	44,685	28,580
	<u>2,049,191</u>	<u>1,910,657</u>

18 Stocks

	2024 £	2023 £
Finished goods and goods for resale	<u>5,000</u>	<u>5,000</u>

19 Debtors

	2024 £	2023 £
Amounts falling due within one year:		
Other debtors	7,954	1,934
Prepayments and accrued income	210,581	58,061
	<u>218,535</u>	<u>59,995</u>

DANISH CHURCH IN LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

20 Creditors: amounts falling due within one year

	2024 £	2023 £
Other taxation and social security	1,142	434
Accruals and deferred income	2,036	9,549
	<u>3,178</u>	<u>9,983</u>

21 Retirement benefit schemes

	2024 £	2023 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	<u>6,055</u>	<u>5,440</u>

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

22 Endowment funds

Endowment funds represent assets which must be held permanently by the charity. Income arising on the endowment funds can be used in accordance with the objects of the charity and is included as unrestricted income. Any capital gains or losses arising on the assets form part of the fund.

	At 1 January 2024 £	Incoming resources £	Resources expended £	Gains and losses £	At 31 December 2024 £
Permanent endowments					
Salary and pension fund	432,243	16,727	(16,727)	-	432,243
Benevolent fund	153,533	6,128	(500)	3,464	162,625
Expendable endowments					
FUHU fund	59,800	1,794	(1,654)	-	59,940
Building and reserve fund	207,525	7,782	(7,782)	-	207,525
Summer school fund	17,019	-	-	415	17,434
	<u>870,120</u>	<u>32,431</u>	<u>(26,663)</u>	<u>3,879</u>	<u>879,767</u>

DANISH CHURCH IN LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

22 Endowment funds

(Continued)

Previous year:	At 1 January 2023	Incoming resources	Resources expended	Gains and losses	At 31 December 2023
	£	£	£	£	£
Permanent endowments					
Salary and pension fund	432,243	16,727	(16,727)	-	432,243
Benevolent fund	154,310	5,970	(3,908)	(2,839)	153,533
Expendable endowments					
FUHU fund	60,000	1,800	(2,000)	-	59,800
Building and reserve fund	207,525	7,782	(7,782)	-	207,525
Summer school fund	19,762	-	(2,449)	(294)	17,019
	<u>873,840</u>	<u>32,279</u>	<u>(32,866)</u>	<u>(3,133)</u>	<u>870,120</u>

Endowment funds:

Salary and pension fund: Income from a permanent endowment to provide salaries and pensions for the pastors and support workers.

Benevolent fund: Income from a permanent endowment to be used for making grants to Danes in London, who are in financial need.

FUHU fund: Interest from a expendable endowment to provide help and financial assistance to Danish students living in the UK or with connections to the UK in the form of bi-annual scholarship grants.

Building and reserve fund: An expendable endowment for the purchasing or leasing of new sites or buildings or the repair or rebuilding of existing buildings to be used for Danish Church services in London or in other ways for the furtherance of the work of the church.

Summer School fund: An expendable endowment where the interest from the fund may be used to send pupil(s) to Summer School in Denmark.

23 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 January 2024	Incoming resources	Resources expended	Transfers	At 31 December 2024
	£	£	£	£	£
Mindestenen fund	2,700	-	-	-	2,700
In memoriam fund	4,338	-	(372)	-	3,966
Friends fund	16,042	-	-	-	16,042
Nordea fund	2,735	-	(433)	-	2,302
	<u>25,815</u>	<u>-</u>	<u>(805)</u>	<u>-</u>	<u>25,010</u>

DANISH CHURCH IN LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

23 Restricted funds

(Continued)

Previous year:	At 1 January 2023	Incoming resources	Resources expended	Transfers	At 31 December 2023
	£	£	£	£	£
Mindestenen fund	3,335	9,043	(9,678)	-	2,700
In memoriam fund	4,391	-	(53)	-	4,338
Friends fund	16,042	-	-	-	16,042
Nordea fund	2,735	-	-	-	2,735
Garden fund	-	1,135	(3,365)	2,230	-
	<u>26,503</u>	<u>10,178</u>	<u>(13,096)</u>	<u>2,230</u>	<u>25,815</u>

Restricted funds:

Garden fund: Renovation of the Church's courtyard and gardens.

Mindestenen fund: Commissioning of a memorial stone for Danes who have fallen in service to Denmark.

Friends fund: Support for the long-term financial stability of the church.

In Memoriam fund: To provide flowers and candles on specific dates in memory of deceased members.

Nordea fund: Educational supplies, particularly electronic equipment, as well as fixtures and fittings for educational and general purpose.

24 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 January 2024	Incoming resources	Resources expended	Transfers	Gains and losses	At 31 December 2024
	£	£	£	£	£	£
Organ fund	-	176,705	(34,110)	-	-	142,595
General funds	1,283,786	344,769	(271,586)	-	134,654	1,491,623
	<u>1,283,786</u>	<u>521,474</u>	<u>(305,696)</u>	<u>-</u>	<u>134,654</u>	<u>1,634,218</u>

DANISH CHURCH IN LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

24 Unrestricted funds

(Continued)

Previous year:	At 1 January 2023	Incoming resources	Resources expended	Transfers	Gains and losses	At 31 December 2023
	£	£	£	£	£	£
Organ fund	5,757	20	(8,841)	3,064	-	-
Second vicar accommodation fund	100	-	-	(100)	-	-
General funds	1,237,400	306,108	(276,970)	(5,194)	22,442	1,283,786
	<u>1,243,257</u>	<u>306,128</u>	<u>(285,811)</u>	<u>(2,230)</u>	<u>22,442</u>	<u>1,283,786</u>

General fund: Unrestricted and for use in the furtherance of the general objectives of the church

Designated funds:

Organ fund: for the maintenance and repair of the church organ.

Second vicar accommodation fund: Accommodation for a second priest over two years

25 Analysis of net assets between funds

	Unrestricted funds 2024 £	Restricted funds 2024 £	Endowment funds 2024 £	Total 2024 £
At 31 December 2024:				
Tangible assets	1,771	-	-	1,771
Investments	1,300,087	-	749,104	2,049,191
Current assets/(liabilities)	336,239	25,010	126,784	488,033
	<u>1,638,097</u>	<u>25,010</u>	<u>875,888</u>	<u>2,538,995</u>
Per balance sheet	1,634,218	25,010	879,767	2,538,995
Balance to allocate	(3,879)	-	3,879	-

	Unrestricted funds 2023 £	Restricted funds 2023 £	Endowment funds 2023 £	Total 2023 £
At 31 December 2023:				
Investments	1,165,017	-	745,640	1,910,657
Current assets/(liabilities)	118,769	25,815	124,480	269,064
	<u>1,283,786</u>	<u>25,815</u>	<u>870,120</u>	<u>2,179,721</u>

DANISH CHURCH IN LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) *FOR THE YEAR ENDED 31 DECEMBER 2024*

26 Related party transactions

There were no disclosable related party transactions during the year (2023 - none).

Accounts

**REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023
FOR
THE DANISH CHURCH IN LONDON**

Haines Watts
Chartered Accountants
Old Station House
Station Approach
Swindon
Wiltshire
SN1 3DU

THE DANISH CHURCH IN LONDON

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THE DANISH CHURCH IN LONDON

Trustees and members of the Church Council from 1 January 2023 to April 2024 are:

Bette Petersen Broyd (Chair) (appointed 18 October 2020, Chair since July 2021)

Palle Baggesgaard Pedersen (Deputy Chair) (elected DC 12 June 2022)

Niels Ring Andersen (Honorary Treasurer) (appointed 9 June 2019)

Anne-Grethe Jensen (Honorary Secretary) (appointed 1 June 2014)

Per Gullestrup (Church Warden) (appointed 18 June 2013)

Ole Justesen (Church Warden) (appointed 13 June 2021, retired March 2024)

Svend Kjaer (appointed 12 June 2022)

Anne-Sofie Lucan (appointed 12 June 2022)

Dr Ebba Nielsen (appointed 12 June 2022)

Flemming Kloster Poulsen (Pastor) (appointed 15 July 2016 Retired Oct 2023)

Casper Orlyk (Clerical & IT) (appointed 9 June 2019 Retired June 2023)

Anne Dorothea Bruum Aubry (Ex-Officio - Royal Danish Embassy) (appointed 18 October 2020)

Connie Yilmaz Jantzen (Ex-Officio – Danish YWCA) (appointed 18 October 2020)

Karen Nystrøm Simonsen (elected 11 June 2023)

Carmen Hannibal (co-opted 11 June 2023)

Mads Birkeland (co-opted 11 June 2023)

Martin Seebach (co-opted 11 June 2023)

Michael Bager (co-opted 7 January 2024)

Kasper Iversen (co-opted 7 January 2024)

THE DANISH CHURCH IN LONDON
REPORT OF THE 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. The trustees have adopted the provisions of 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 2019).

1. Structure, governance and management

The charity is governed by its Constitution, revised on 15 September 2013, and further updated on 18 October 2020, ratified in June 2021.

The Church Council manages the Church in practical, legal and financial affairs, and represents the Church in all respects. The Bishop of Copenhagen is the ecclesiastical supervisor for the church. The Danish Ambassador is Patron of the Church. In September 2022 the new ambassador H E René Dinesen was appointed and also accepted his role as Patron of the Danish Church

The Royal Danish Embassy appoints one ex-officio member of the Church Council. As of October 2020, according to the update of the Constitution, the Danish YWCA can also appoint one member to the Church Council, should they so wish. Resident Pastors are automatically members of the Church Council, and Church Wardens are appointed directly by the Church Council.

All other members (minimum of 5) are elected by the members of the Church, at the annual general meeting in June. The last AGM was held on 11 June 2023.

Two or three of the elected members retire annually, in rotation. Proposals to elect or re-elect Church Council members are made either by the Church Council, or in writing by three members of the Church.

2. Objects, objectives and achievements

Aim and Purpose

The main purpose of the Danish Church in London is to preach the Christian Gospel according to the Lutheran Evangelical tradition, including conducting Services and performing religious ceremonies for Danes, and to act as a cultural and social meeting point for Danes in the Greater London area. At various times in the year, the pastor will travel to Norwich, Newcastle and Hull to perform services in Danish.

The Church Council ensures that activities are planned with due regard to the Charity Commission's public benefit guidance.

In order to continue this service in the years to come, the Church has recently upgraded, renovated and increased the usable areas of the church premises.

Achievements and Performance

In addition to Danish-language Sunday Services, The Danish Church in London normally performs a wide range of traditional religious acts, including Christenings, confirmations, weddings and funerals.

During the Covid-19 pandemic and lockdowns, when the church was closed or limited to reduced service, the Sunday Services, weddings and funerals were transmitted via Zoom. This proved very popular and boosted attendance numbers. The weekly hybrid Zoom services were reduced to about once a month and on special occasions from Spring 2022.

In 2023 the Church conducted 49 Services; 49 were live and 15 as hybrids with additional Zoom Services. In addition, there were 8 Christenings, 17 confirmations, 6 weddings and 3 funerals. The Pastor engaged in 140 official conversations and conducted 17 visits to the homebound or imprisoned. In the year 2023, 2327 attended church in person, an average of 47.4. Another 472 followed the service on Zoom, an average of 31.46. There are 938 paying members (family and individual) of the Church, and in a normal year, a total of around 10,000 people benefit from all our activities.

THE DANISH CHURCH IN LONDON
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2023

In 2023 all usual church activities, group gatherings and events, previously part suspended due to the pandemic, were back.

These include concerts, talks, debates and exhibitions as well as lunches and gatherings. Several Danish groups were once again able to meet regularly in the church halls. These include a Parent and Toddler group, a Book and Film Club, a Seniors / Craft group and a monthly Wednesday Evening Group with activities, music and debates aimed primarily at students and working adults. The Bridge Club and the Open Evening Club had relocated during the building project/ pandemic and have, so far, chosen to remain in new premises closer to public transport. The Association of Danish Women in England and Team Danmark, a football and running club, meet regularly at the church. The Danish Lifeguards Association and The Anglo-Danish Society each hold an annual lunch / meeting.

The Danish Language Saturday School for 100+ children and adults resume fortnightly every September in the newly renovated buildings with much improved facilities, including new furniture and AV equipment. Around 120 children and adults are taught Danish language and culture by volunteer teachers in the Saturday School. Every year the church sponsors a summer school placement in Denmark for a pupil from the Saturday School. The Saturday school has been running for more than 50 years,

Adult Danish evening classes continued at the Church on a weekly basis from January 2023. Classes were taught over 3 evenings weekly in 5 classes / levels.

All classes are open to students of all or no religious persuasion.

The Church donated 1 bursary of £2,000 to a young Dane studying in the UK. It continues to offer financial support to needy and/or elderly Danes on an ad-hoc basis. In 2023 the Church assisted the needy from the Benevolent Fund with £3,908.

Pastor

During 2023 the full-time resident pastor, Flemming Kloster Poulsen announced his retirement in June and retired in October. In September the council chose Karsten Møller Hansen as the new rector / pastor. He was installed in January 2024. A locum pastor, Margith Pedersen, took charge for the last 2 ½ months of 2023. To assist the pastor, an administrative assistant is employed on a part-time basis. We rely on the support from *Danish Churches Abroad/Danish Seamen's Churches* to fund these 2 salaries.

Auxiliary Staffing

The church continues to employ Managers Andrew Atkinson and Lone Sigurdsson who live on the premises, act as caretakers and manage all aspects of the practical and catering work in the church and the church hall activities. In previous years, they were supported by 2 assistants from Denmark, who came as 'au pairs' for a year. Brexit rules no longer permit such employment, so replacements are largely by non-Danish speakers. It is an expensive and ongoing challenge to find staff to assist with and commit to ad-hoc events and regular activities and services in the church and to maintain the gardens.

Musical Director / Organist / Kantor

Previously, the church organist was a Danish Music student spending a year at a London conservatoire while providing all music services for the church in return for a modest fee and free accommodation. Brexit rules no longer permit such arrangements, so the church has found an alternative, more costly, but very satisfactory arrangement by employing Inge-Lise Nygaard as Musical Director. She organises all music and the choirs for services and arranges musical events generally.

The gardens surrounding the church became the focus once the building works and restoration was complete. Extensive paving and drains were laid as well as a new lawn, also with drains. Diseased trees were felled and new ones planted. Planting schemes for the gardens have now largely been completed and the challenge is now on more general maintenance and renewal. We are fortunate to have volunteer help for some of that work.

THE DANISH CHURCH IN LONDON
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2023

Memorial Stone

On Sunday 7th May 2023 a new memorial stone, placed prominently in the church garden, was inaugurated. There was a special church service in the presence of uniformed personnel, members of the Royal Danish Lifeguard and the congregation, including donors towards the memorial stone. The stone was erected to honour "The Danish men and women who paid the ultimate price in service to Denmark". The initiative and organisation of all aspects of the memorial stone came about as a collaboration between The Danish Church, The DK-UK Association, The Danish Royal Lifeguard Association and The Anglo-Danish Society / Princess of Wales' Royal Regiment. The funding was through voluntary donations organised by the church. On 8th September 2024 will be the first Flag Day Commemoration Service attended by representatives from all organisations and with wreath laying by the stone. The plan is that such a commemoration will take place every year on a Sunday close to Danish Flag Day on 5th September.

Feltham Prison Commemoration

On 11th November 2023 at 11 AM a group of people, arranged by the church, went to Feltham Prison to lay wreaths on the graves of 4 Danish soldiers who died in captivity after WW1. The soldiers had been forced to fight on the German side as they were among the many Danish men who ended up living in Germany after Germany captured land from Denmark. Bent Baggersgaard, former chair of the church council, has arranged such visits every 5 years for the last 25 years. He has also arranged cleaning of the tombstones within the grounds of the prison. The group consists of the ambassador, the Danish pastor, the chair of the church council and interested parties. Upon the retirement of Bent Baggersgaard in November 2023, two people Mads Birkeland from the church council and Gunnar Larsen, will share the planning of the next such event in 2028.

Selecting a new pastor

The council was ably assisted by *Danish Churches Abroad* in advertising for a new pastor once the outgoing pastor resigned in June 2023. All members of council gathered to scrutinise the applications with ecclesiastical help by The Bishop of Copenhagen and the Dean of Danish Churches Abroad. There were nine candidates from which four were shortlisted for interview in Copenhagen with their spouses. Of the four, two pastors and their spouses were invited to visit the church in September in order to give a mini service with a sermon to the church council. After the service the couple met with the entire council for a two way question and answer session before a meal was shared for more informal interaction.

Karsten Møller Hansen was offered the job as pastor and as Social Attache working with the Danish Embassy. Karsten started his term of initially 4 years on 1st January 2024 and was installed by The Dean of Danish Churches Abroad on 14th January. The event was a great celebration, with the addition of a shared event later that day when the new king and queen of Denmark, King Frederik X and Queen Mary were proclaimed in Copenhagen.

THE DANISH CHURCH IN LONDON
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2023

3. Financial review

Overall, 2023 showed return to a more 'normal' year with a small positive result, following the negative results during the Covid Pandemic. In 2023, the Danish Church recorded an overall net surplus of £16,812 (2022: deficit £30,386 before the significant net proceeds of £704,483 from the sale of Royal College Street).

The total income on ordinary activities for the church was of £348,585 (2022: £325,585). The increase was primarily due to the greater investment income arising from the proceeds of the Royal College Sale.

Total operating expenditure amounted to £331,773 (2022: £355,671). There was an increase in Other Staff Cost, whilst there was a reduction in irrecoverable VAT.

The net unrealised or 'paper' gain on investments of £19,309 reverses the substantial loss of £125,535 seen in 2022. The church holds its investment portfolios for the longer term (i.e. with a time horizon of at least 5 years) and fluctuations in investment value are to be expected. The capital is invested to ensure the investments provide reasonable capital growth over the medium to longer term together with a stream of annual net income (in 2023 £77,996) towards its ordinary activities.

4. Investment policy

The charity's constitution requires its assets to be invested in Denmark or Great Britain, in bank accounts, investment assets or property. The total investments on 31 December 2023 were £1,910,657 (2022 - £991,340).

The Church has set out its Investments Policy in line with guidelines set out by the Charity Commission. The Investment Policy is reviewed annually.

5. Reserves' policy

The accumulated funds on 31 December 2023 were £2,179,721 (2022 - £2,143,600) of which £870,120 related to endowment funds, £25,815 related to restricted funds and £1,283,786 to unrestricted funds.

Free reserves at 31 December 2023 amounted to £1,283,786.

It is the policy of the charity to maintain unrestricted funds, which are the free reserves of the charity, at a level which equates at least to six months unrestricted expenditure. This provides sufficient funds to cover management and administration and support costs.

The trustees remain of the view that the charity is a going concern.

THE DANISH CHURCH IN LONDON
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2023

6. Risk review

The trustees have taken steps to identify the major risks to which the charity is exposed, and systems have been established to mitigate those risks. Identification and management of investment risk is addressed in the Investment Policy of the Church.

7. Plans for future periods

Interest in the Church during and after the pandemic and the extensive building work, has been encouraging. The Trustees are confident of building on the recovery seen in 2023.

In the longer term, the Trustees do not anticipate any fundamental changes in the development of the charity's operation.

8. Trustees' Responsibilities

The charity trustees are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Charity law 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 affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing the 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 2019 (FRS 102)
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- 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 keeping proper accounting records that 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 Charities (Accounts and Reports) Regulations 2008 and the provision of the trust deed. They are also responsible for safeguarding the assets of the charity and hence 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.

9. Independent Examination

A resolution proposing an independent examiner, Susan Plumb of Haines Watts, Chartered Accountants, was approved by the Church Council following the retirement of the previous examiner. Malcolm Brown of Waterman Brown (London) Ltd.

THE DANISH CHURCH IN LONDON
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2023

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

237897

Principal address

4 St Katherine's Precinct
Regents Park
London
NW1 4HH

Independent Examiner

Haines Watts
Chartered Accountants
Old Station House
Station Approach
Swindon
Wiltshire
SN1 3DU

Approved by order of the board of trustees on and signed on its behalf by:

.....
Bette Petersen Broyd (Chair)

.....
Niels Ring Andersen (Honorary Treasurer)

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE DANISH CHURCH IN LONDON

Independent examiner's report to the trustees of The Danish Church in London

I report to the charity trustees on my examination of the accounts of Danish Church in London (the Trust) for the year ended 31 December 2023.

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 Act and in carrying out my examination I have followed all applicable Directions given by the Charity Commission under Section 145(5)(b) of the Act.

Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

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.

Susan Plumb
The Institute of Chartered Accountants in England and Wales
Haines Watts
Chartered Accountants
Old Station House
Station Approach
Swindon
Wiltshire
SN1 3DU

Date:

THE DANISH CHURCH IN LONDON

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	2023 Total funds £	2022 Total funds £
INCOME AND ENDOWMENTS FROM						
Donations and legacies	2	93,166	10,178	-	103,344	104,054
Charitable activities						
Charitable activities	5	160,243	-	-	160,243	161,209
Other trading activities	3	7,002	-	-	7,002	15,337
Investment income	4	45,717	-	32,279	77,996	44,985
Other income	6	-	-	-	-	704,483
Total		<u>306,128</u>	<u>10,178</u>	<u>32,279</u>	<u>348,585</u>	<u>1,030,068</u>
EXPENDITURE ON						
Raising funds	7	66,396	-	-	66,396	71,252
Charitable activities						
Charitable activities	8	<u>219,415</u>	<u>13,096</u>	<u>32,866</u>	<u>265,377</u>	<u>284,419</u>
Total		<u>285,811</u>	<u>13,096</u>	<u>32,866</u>	<u>331,773</u>	<u>355,671</u>
Net surplus/(deficit) for the year		20,317	(2,918)	(587)	16,812	674,397
Net gains/(losses) on investments		<u>22,442</u>	<u>-</u>	<u>(3,133)</u>	<u>19,309</u>	<u>(125,535)</u>
NET INCOME/(EXPENDITURE)						
Transfers between funds	19	<u>42,759</u> <u>(2,230)</u>	<u>(2,918)</u> <u>2,230</u>	<u>(3,720)</u> <u>-</u>	<u>36,121</u> <u>-</u>	<u>548,862</u> <u>-</u>
Net movement in funds		40,529	(688)	(3,720)	36,121	548,862
RECONCILIATION OF FUNDS						
Total funds brought forward		<u>1,243,257</u>	<u>26,503</u>	<u>873,840</u>	<u>2,143,600</u>	<u>1,594,738</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>1,283,786</u></u>	<u><u>25,815</u></u>	<u><u>870,120</u></u>	<u><u>2,179,721</u></u>	<u><u>2,143,600</u></u>

The notes form part of these financial statements

THE DANISH CHURCH IN LONDON

**STATEMENT OF FINANCIAL POSITION
31 DECEMBER 2023**

	Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	2023 Total funds £	2022 Total funds £
FIXED ASSETS						
Tangible assets	14	-	-	-	-	1,974
Investments	15	<u>1,165,017</u>	<u>-</u>	<u>745,640</u>	<u>1,910,657</u>	<u>991,340</u>
		1,165,017	-	745,640	1,910,657	993,314
CURRENT ASSETS						
Stocks	16	5,000	-	-	5,000	7,700
Debtors	17	59,995	-	-	59,995	38,770
Cash at bank		<u>63,757</u>	<u>25,815</u>	<u>124,480</u>	<u>214,052</u>	<u>1,136,465</u>
		128,752	25,815	124,480	279,047	1,182,935
CREDITORS						
Amounts falling due within one year	18	<u>(9,983)</u>	<u>-</u>	<u>-</u>	<u>(9,983)</u>	<u>(32,649)</u>
NET CURRENT ASSETS		<u>118,769</u>	<u>25,815</u>	<u>124,480</u>	<u>269,064</u>	<u>1,150,286</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,283,786</u>	<u>25,815</u>	<u>870,120</u>	<u>2,179,721</u>	<u>2,143,600</u>
NET ASSETS		<u><u>1,283,786</u></u>	<u><u>25,815</u></u>	<u><u>870,120</u></u>	<u><u>2,179,721</u></u>	<u><u>2,143,600</u></u>
FUNDS	19					
Unrestricted funds					1,283,786	1,243,257
Restricted funds					25,815	26,503
Endowment funds					<u>870,120</u>	<u>873,840</u>
TOTAL FUNDS					<u><u>2,179,721</u></u>	<u><u>2,143,600</u></u>

The financial statements were approved by the Board of Trustees and authorised for issue on and were signed on its behalf by:

.....
Bette Petersen Broyd (Chair)

.....
Niels Ring Andersen (Honorary Treasurer)

The notes form part of these financial statements

THE DANISH CHURCH IN LONDON

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Church activities and related income are accounted for in the period in which the service is provided. Fee receivables are stated after deducting discounts.

Donations are credited to revenue when receivable provided conditions for receipt have been complied with. Donations for specific categories of revenue expenditure are credited to restricted funds.

Investment income is included in the financial statements on an accruals basis.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided on certain classes of fixed assets to write off their cost over their expected useful lives, as follows:

Plant & Machinery 5 years
Furniture & fixtures 10 years
Organ (refurbishment) 5 years
Office equipment 5 years

Investments

Investments held as fixed assets are stated at market value at the close of the accounting period.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell.

Stocks represent canteen and shop items.

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

THE DANISH CHURCH IN LONDON

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2023

1. ACCOUNTING POLICIES - continued

Fund accounting

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Foreign currencies

Assets and liabilities in foreign currency are translated into sterling at the rates ruling at the dates of the balance sheet. Transactions in foreign currencies are translated into sterling at the rates ruling at the date of the transactions. Exchange differences are taken into account when arriving at the operating result.

Pension costs and other post-retirement benefits

The church operates a group money purchase defined contribution pension scheme under the auto-enrolment system. The assets of the scheme are held separately from those of the church in an independently administered fund. The pension cost represents the contributions payable under the scheme by the church and the church has no further liability other than the payment of those contributions.

Debtors & prepayments

Debtors are valued individually less any provisions applicable for potential bad debts. Prepaid expenditure is recognized if material to the accounts.

Creditors

Creditors are recognized where the church has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount to settle the obligation can be measured or estimated reliably.

2. DONATIONS AND LEGACIES

	2023	2022
	£	£
Membership	54,468	47,697
Collections, donations & gift	38,678	41,265
Organ fund donation	20	5,712
In memoriam fund donations	-	60
Mindestenen donations	9,043	9,320
Garden Fund	1,135	-
	<u>103,344</u>	<u>104,054</u>

3. OTHER TRADING ACTIVITIES

	2023	2022
	£	£
Church hall hire	5,092	3,320
Rents	-	4,500
Church magazine advertising	1,910	7,517
	<u>7,002</u>	<u>15,337</u>

THE DANISH CHURCH IN LONDON

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2023

4. INVESTMENT INCOME

	2023	2022
	£	£
Income from investments	<u>77,996</u>	<u>44,985</u>

5. INCOME FROM CHARITABLE ACTIVITIES

	2023	2022
	£	£
Activity		
Catering for charitable activities & events	94,039	97,282
Church shop income	18,977	19,959
Educational fees and books	29,058	22,981
DSUK allowances	<u>18,169</u>	<u>20,987</u>
	<u>160,243</u>	<u>161,209</u>

6. OTHER INCOME

	2023	2022
	£	£
Gain on sale of tangible fixed assets	<u>-</u>	<u>704,483</u>

Income above represents the gain on the sale of a freehold property.

7. RAISING FUNDS

Raising donations and legacies

	2023	2022
	£	£
Catering, events & shop expenses	53,721	51,727
Church Magazine Expenditure	5,316	12,206
Ecclesiastical expenses	7,359	6,830
Fundraising costs	<u>-</u>	<u>489</u>
	<u>66,396</u>	<u>71,252</u>

8. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 9)	Support costs (see note 10)	Totals
	£	£	£
Charitable activities	<u>261,377</u>	<u>4,000</u>	<u>265,377</u>

THE DANISH CHURCH IN LONDON

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2023

9. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2023 £	2022 £
Benevolent fund bursaries	3,908	2,080
Summer school & educational grants	4,449	3,976
Salaries and pension costs	59,845	52,549
Other staff costs	46,102	26,508
Premises costs	11,221	11,694
Insurance	14,332	14,207
Utilities	23,133	22,507
Repairs and maintenance	20,715	53,326
Organ expenses	8,841	1,045
Garden costs	3,366	3,865
Minsestenen costs	9,678	6,000
Building project costs	-	1,569
Motor & travel	1,997	4,617
Administrative costs and communications	15,417	16,341
Magazine costs	-	6,202
Depreciation	-	988
Support and accountancy costs	20,534	26,460
Bank charges	4,441	4,458
Irrecoverable VAT	7,979	15,395
Governance costs	4,000	5,576
Investment management costs	<u>5,419</u>	<u>5,056</u>
	<u>265,377</u>	<u>284,419</u>

10. SUPPORT COSTS

	Governance Costs	
	2023 £	2022 £
Independent examination fee	2,500	2,100
Other costs	924	2,900
Trustee liability insurance	<u>576</u>	<u>576</u>
	<u>4,000</u>	<u>5,576</u>

11. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2023 nor for the year ended 31 December 2022.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2023 nor for the year ended 31 December 2022.

12. STAFF COSTS

	2023 £	2022 £
Wages and salaries	54,405	47,772
Other pension costs	<u>5,440</u>	<u>4,777</u>
	<u>59,845</u>	<u>52,549</u>

THE DANISH CHURCH IN LONDON

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2023

12. STAFF COSTS (continued)

The average monthly number of employees during the year was as follows:

	<u>2023</u>	<u>2022</u>
No employees received emoluments in excess of £60,000 (2022 same)	3	3

Key Management Remuneration for 2023 was (£nil (2022 £nil). Key management are trustees or volunteers, none of whom are remunerated.

THE DANISH CHURCH IN LONDON

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2023

13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES (being Income and Expenditure for 2022)

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds £
INCOME AND ENDOWMENTS FROM				
Donations and legacies	94,673	9,380	1	104,054
Charitable activities				
Charitable activities	161,209	-	-	161,209
Other trading activities	15,337	-	-	15,337
Investment income	11,532	16	33,437	44,985
Other income	<u>704,483</u>	<u>-</u>	<u>-</u>	<u>704,483</u>
Total	<u>987,234</u>	<u>9,396</u>	<u>33,438</u>	<u>1,030,068</u>
EXPENDITURE ON				
Raising funds	71,252	-	-	71,252
Charitable activities				
Charitable activities	<u>239,879</u>	<u>12,959</u>	<u>31,581</u>	<u>284,419</u>
Total	<u>311,131</u>	<u>12,959</u>	<u>31,581</u>	<u>355,671</u>
Net surplus/(deficit) for the year	676,103	(3,563)	1,857	674,397
Net gains/(losses) on investments	<u>(115,434)</u>	<u>-</u>	<u>(10,101)</u>	<u>(125,535)</u>
NET INCOME/(EXPENDITURE)	560,669	(3,563)	(8,244)	548,862
RECONCILIATION OF FUNDS				
Total funds brought forward	<u>682,588</u>	<u>30,066</u>	<u>882,084</u>	<u>1,594,738</u>
TOTAL FUNDS CARRIED FORWARD	<u>1,243,257</u>	<u>26,503</u>	<u>873,840</u>	<u>2,143,600</u>

THE DANISH CHURCH IN LONDON

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2023

14. TANGIBLE FIXED ASSETS

	Fixtures and fittings £
COST	
At 1 January 2023	114,141
Disposals	<u>(22,952)</u>
At 31 December 2023	<u>91,189</u>
DEPRECIATION	
At 1 January 2023	112,167
Eliminated on disposal	<u>(20,978)</u>
At 31 December 2023	<u>91,189</u>
NET BOOK VALUE	
At 31 December 2023	<u>-</u>
At 31 December 2022	<u>1,974</u>

15. FIXED ASSET INVESTMENTS

	Investments £
MARKET VALUE	
At 1 January 2023	991,340
Additions	900,008
Revaluations	<u>19,309</u>
At 31 December 2023	<u>1,910,657</u>
NET BOOK VALUE	
At 31 December 2023	<u>1,910,657</u>
At 31 December 2022	<u>991,340</u>

	2023 £	2022 £
Fund split - Market value at year end		
Charles Stanley M & G Charifund Benevolent Fund	123,861	126,700
Danske Bank – Summer School fund	21,445	21,738
General portfolio Charles Stanley & Co	301,190	287,657
General portfolio through Cazenove Schroder	<u>1,464,161</u>	<u>555,245</u>
Total	<u>1,910,657</u>	<u>991,340</u>

THE DANISH CHURCH IN LONDON

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2023

15. FIXED ASSET INVESTMENTS - continued

The Benevolent Fund is invested with M&G Charifund, which is designed to provide a growing level of income for UK charities, while at the same time protecting their capital from the effects of inflation over a rolling ten year period. It aims to provide a level of income that is significantly higher than that of the FTSE All-Share Index. The investment is managed by Charles Stanley investment managers.

The Summer School Fund investments are placed with Danske Bank and aim to generate a high return through Danish Bonds in order to fund annual scholarships.

The objective of the Charles Stanley general portfolio is to produce a balance between capital growth and income without the income requirement eroding the potential to maintain capital.

The objective of the general portfolio managed by Cazenove Capital (part of Schroder & Co. Ltd.) is to maintain capital value whilst distributing 3-4% annually as income.

Portfolio allocation

	£
Fixed income	233,905
Equities	1,326,480
Properties	15,208
Alternatives	299,164
Mixed investments	7,320
Cash	28,580
	<u>1,910,657</u>

16. STOCKS

	2023	2022
	£	£
Canteen and shop stock	<u>5,000</u>	<u>7,700</u>

17. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Other debtors	435	12,479
VAT	1,499	-
Prepayments and accrued income	<u>58,061</u>	<u>26,291</u>
	<u>59,995</u>	<u>38,770</u>

18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Taxation and social security	434	1,151
Other creditors	<u>9,549</u>	<u>31,498</u>
	<u>9,983</u>	<u>32,649</u>

THE DANISH CHURCH IN LONDON

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2023

19. MOVEMENT IN FUNDS FOR 2023

	At 1/1/23 £	Net movement in funds £	Transfers between funds £	At 31/12/23 £
Unrestricted funds				
General fund	1,237,400	51,580	(5,194)	1,283,786
Organ fund	5,757	(8,821)	3,064	-
Second vicar accommodation fund	100	-	(100)	-
	<u>1,243,257</u>	<u>42,759</u>	<u>(2,230)</u>	<u>1,283,786</u>
Restricted funds				
Mindestenen fund	3,335	(635)	-	2,700
In memoriam fund	4,391	(53)	-	4,338
Friends fund	16,042	-	-	16,042
Nordea fund	2,735	-	-	2,735
Garden fund	-	(2,230)	2,230	-
	<u>26,503</u>	<u>(2,918)</u>	<u>2,230</u>	<u>25,815</u>
Endowment funds				
Salary and pension fund	432,243	-	-	432,243
Benevolent fund	154,310	(777)	-	153,533
FUHU fund	60,000	(200)	-	59,800
Building and reserve fund	207,525	-	-	207,525
Summer school fund	19,762	(2,743)	-	17,019
	<u>873,840</u>	<u>(3,720)</u>	<u>-</u>	<u>870,120</u>
TOTAL FUNDS	<u>2,143,600</u>	<u>36,121</u>	<u>-</u>	<u>2,179,721</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	306,108	(276,970)	22,442	51,580
Organ fund	20	(8,841)	-	(8,821)
	<u>306,128</u>	<u>(285,811)</u>	<u>22,442</u>	<u>42,759</u>
Restricted funds				
Mindestenen fund	9,043	(9,678)	-	(635)
In memoriam fund	-	(53)	-	(53)
Garden fund	1,135	(3,365)	-	(2,230)
	<u>10,178</u>	<u>(13,096)</u>	<u>-</u>	<u>(2,918)</u>
Endowment funds				
Salary and pension fund	16,727	(16,727)	-	-
Benevolent fund	5,970	(3,908)	(2,839)	(777)
FUHU fund	1,800	(2,000)	-	(200)
Building and reserve fund	7,782	(7,782)	-	-
Summer school fund	-	(2,449)	(294)	(2,743)
	<u>32,279</u>	<u>(32,866)</u>	<u>(3,133)</u>	<u>(3,720)</u>
TOTAL FUNDS	<u>348,585</u>	<u>(331,773)</u>	<u>19,309</u>	<u>36,121</u>

THE DANISH CHURCH IN LONDON

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2023

19. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds – being movements in funds for 2022

	At 1/1/22 £	Net movement in funds £	At 31/12/22 £
Unrestricted funds			
General fund	681,398	556,002	1,237,400
Organ fund	1,090	4,667	5,757
Second vicar accommodation fund	100	-	100
	682,588	560,669	1,243,257
Restricted funds			
Mindestenen fund	-	3,335	3,335
In memoriam fund	4,331	60	4,391
Friends fund	16,042	-	16,042
Nordea fund	9,693	(6,958)	2,735
	30,066	(3,563)	26,503
Endowment funds			
Salary and pension fund	432,243	-	432,243
Benevolent fund	157,377	(3,067)	154,310
FUHU fund	60,000	-	60,000
Building and reserve fund	207,525	-	207,525
Summer school fund	24,939	(5,177)	19,762
	882,084	(8,244)	873,840
TOTAL FUNDS	<u>1,594,738</u>	<u>548,862</u>	<u>2,143,600</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	981,522	(310,086)	(115,434)	556,002
Organ fund	5,712	(1,045)	-	4,667
	987,234	(311,131)	(115,434)	560,669
Restricted funds				
Mindestenen fund	9,336	(6,001)	-	3,335
In memoriam fund	60	-	-	60
Nordea fund	-	(6,958)	-	(6,958)
	9,396	(12,959)	-	(3,563)
Endowment funds				
Salary and pension fund	16,727	(16,727)	-	-
Benevolent fund	7,028	(3,095)	(7,000)	(3,067)
FUHU fund	1,800	(1,800)	-	-
Building and reserve fund	7,782	(7,782)	-	-
Summer school fund	101	(2,177)	(3,101)	(5,177)
	33,438	(31,581)	(10,101)	(8,244)
TOTAL FUNDS	<u>1,030,068</u>	<u>(355,671)</u>	<u>(125,535)</u>	<u>548,862</u>

THE DANISH CHURCH IN LONDON

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2023

19. MOVEMENT IN FUNDS - continued

Purpose of funds

General fund: Unrestricted and for use in the furtherance of the general objectives of the church

Designated funds:

Organ fund: for the maintenance and repair of the church organ.

Church interior fund: Maintenance and repair of the church interior.

Second vicar accommodation fund: Accommodation for a second priest over two years

Restricted funds:

Garden fund: Renovation of the Church's courtyard and gardens.

Mindestenen fund: Commissioning of a memorial stone for Danes who have fallen in service to Denmark

Friends fund: Support for the long-term financial stability of the church.

In Memoriam fund: To provide flowers and candles on specific dates in memory of deceased members.

Nordea fund: Educational supplies, particularly electronic equipment, as well as fixtures and fittings for educational and general purpose.

Endowment funds:

Salary and pension fund: Income from a permanent endowment to provide salaries and pensions for the pastors and support workers.

Benevolent fund: Income from a permanent endowment to be used for making grants to Danes in London, who are in financial need.

FUHU fund: Interest from a expendable endowment to provide help and financial assistance to Danish students living in the UK or with connections to the UK in the form of bi-annual scholarship grants.

Building and reserve fund: An expendable endowment for the purchasing or leasing of new sites or buildings or the repair or rebuilding of existing buildings to be used for Danish Church services in London or in other ways for the furtherance of the work of the church.

Summer School fund: An expendable endowment where the interest from the fund may be used to send pupil(s) to Summer School in Denmark.

20. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 December 2023.

21. LINKED CHARITIES

	2023 £	2022 £
21.1 Danish Church in London Building and Reserve Fund		
(Linked charity number 237897-1)		
Opening value of investments at 1st January	207,525	207,525
Income from investments (net return after management fees)	7,782	7,782
Less: Lease payment to Crown Estates	(2,000)	(2,000)
Façade expenditure	-	-
General repairs to buildings	(5,782)	(5,782)
Surplus to carry forward	-	-
Investment (losses)/ gains in year	-	-
Closing value of investments at 31st December	<u>207,525</u>	<u>207,525</u>

21.2 Danish Church in London Salary and Pension Fund	2023	2022
(Linked charity number 237897-2)	£	£
Opening value of investments at 1st January	432,243	432,243
Income from investments	16,727	16,727
Less: Salaries applied from employees & other costs	(16,727)	(16,727)
Surplus to carry forward	<u>-</u>	<u>-</u>
Investment (losses)/ gains in year	<u>-</u>	<u>-</u>
Closing value of investments at 31st December	<u>432,243</u>	<u>432,243</u>
21.3 Benevolent Fund: Hjaelfefond for Danske I London	2023	2022
(Linked charity number 237897-3)	£	£
Opening value of investments & cash at 1st January	154,310	157,377
Income from investments	5,970	7,028
Donations to benevolent fund	-	-
Less: Payments to beneficiaries	(3,908)	(1,981)
Bank charges	-	(98)
Portfolio management fees	-	(1,016)
Surplus to carry forward	<u>2,062</u>	<u>3,933</u>
Investment (losses)/ gains in year	<u>(2,839)</u>	<u>(7,000)</u>
Closing value of investments and cash at 31st December	<u>153,533</u>	<u>154,310</u>

DANSKE KIRKE I LONDON (DANISH CHURCH IN LONDON)

England & Wales - Charity number 237897

Accounts

THE DANISH CHURCH IN LONDON

REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

Registered charity number 237897

REPORTS AND FINANCIAL STATEMENTS FOR THE YEAR
ENDED 31 DECEMBER 2022

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CHARITY INFORMATION FOR THE YEAR ENDED 31 DECEMBER 2022

UK Registered Charity No. 237897

Name of the charity: The Danish Church in London

Registered office The Danish Church in London
4 St Katherine's Precinct
Regent's Park, London NW1 4HH

Trustees Trustees and members of the Church Council from January 2022 to April 2023 are:

Bette Petersen Broyd (Chair) (appointed 18 October 2020, Chair since July 2021)
Christine Bergstedt Jørgensen (Deputy Chair) (retired 12 June 2022)
Palle Baggesgaard Pedersen (Deputy Chair) (elected 12 June 2022)
Niels Ring Andersen (Honorary Treasurer) (appointed 9 June 2019)
Anne-Grethe Jensen (Honorary Secretary) (appointed 1 June 2014)
Per Gullestrup (Church Warden) (appointed 18 June 2013)
Ole Justesen (Church Warden) (appointed 13 June 2021)
Svend Kjaer (appointed 12 June 2022)
Anne-Sofie Lucan (appointed 12 June 2022)
Dr Ebba Nielsen (appointed 12 June 2022)
Flemming Kloster Poulsen (Pastor) (appointed 15 July 2016)
Casper Orlyk (Clerical & IT) (appointed 9 June 2019)
Anne Dorothea Bruum Aubry (Ex-Officio - Royal Danish Embassy)
(appointed 18 October 2020)
Connie Yilmaz Jantzen (Ex-Officio – Danish YWCA) (appointed 18
October 2020)
Peter Melbye (Organ & IT) (retired 12 June 2022)
Helle Diget Bond (Saturday School) (retired 12 June 2022)

CHARITY INFORMATION FOR THE YEAR ENDED 31 DECEMBER 2022

Independent examiner	Malcolm Brown BSc, FCA, DChA. Waterman Brown (London) Ltd Chartered Accountants 66 Norman Road, London SW19 1BN
Principal bankers	Barclays Bank Plc Danske Bank Cazenove (custody/investments) Charles Stanley & Co. (custody/investments)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

The Trustees present their report and financial statements for the year ended 31 December 2022.

1. Structure, governance and management

The charity is governed by its Constitution, revised on 15 September 2013, and further updated on 18 October 2020, ratified in June 2021.

The Church Council manages the Church in practical, legal and financial affairs, and represents the Church in all respects. The Bishop of Copenhagen is the ecclesiastical supervisor for the church. The Danish Ambassador is Patron of the Church. In September 2022 the new ambassador H E René Dinesen was appointed and also accepted his role as Patron of the Danish Church

The Royal Danish Embassy appoints one ex-officio member of the Church Council. As of October 2020, according to the update of the Constitution, the Danish YWCA can also appoint one member to the Church Council, should they so wish. Resident Pastors are automatically members of the Church Council, and Church Wardens are appointed directly by the Church Council.

All other members (minimum of 5) are elected by the members of the Church, at the annual general meeting in June. The last AGM was held on 12 June 2022.

Two or three of the elected members retire annually, in rotation. Proposals to elect or re-elect Church Council members are made either by the Church Council, or in writing by three members of the Church.

2. Objects, objectives and achievements

Aim and Purpose

The main purpose of the Danish Church in London is to preach the Christian Gospel according to the Lutheran Evangelical tradition, including conducting Services and performing religious ceremonies for Danes, and to act as a cultural and social meeting point for Danes in the Greater London area. At various times in the year, the pastor will travel to Norwich, Newcastle and Hull to perform services in Danish.

The Church Council ensures that activities are planned with due regard to the Charity Commission's public benefit guidance.

In order to continue this service in the years to come, the Church has recently upgraded, renovated and increased the usable areas of the church premises.

Achievements and Performance

In addition to Danish-language Sunday Services, The Danish Church in London normally performs a wide range of traditional religious acts, including Christenings, confirmations, weddings and funerals.

During the Covid-19 pandemic and lockdowns, when the church was closed or limited to reduced service, the Sunday Services, weddings and funerals were transmitted via Zoom. This proved very popular and boosted attendance numbers. The weekly Zoom services were reduced to about once a month and on special occasions from Spring 2022.

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

In 2022 the Church conducted 50 Services; 50 were live and 19 as hybrids with additional Zoom Services. In addition, there were 15 Christenings, 9 confirmations, 3 weddings and 3 funerals. The Pastor engaged in 150 official conversations and conducted 8 visits to the homebound or imprisoned. In the year 2022, 1820 attended church in person, an average of 36.6. Another 512 followed the service on Zoom, an average of 26.9. There are 903 paying members (family and individual) of the Church, and in a normal year, a total of around 10,000 people benefit from all our activities.

2022 was the first complete year since the pandemic and the conclusion of the building works which has allowed a resuming of the usual church activities, group gatherings and events.

Once the Covid-19 restrictions were lifted during 2021, the Church's activities resumed with religious services attended in person, as well as a full programme of cultural and social activities and events. These include concerts, talks, debates and exhibitions as well as lunches and gatherings. Several Danish groups were once again able to meet regularly in the church halls. These include a Parent and Toddler group, a Book and Film Club and a Seniors / Craft group. The Bridge Club and the Open Evening Club had relocated during the building project/ pandemic and have, so far, chosen to remain in new premises closer to public transport. In September 2022 a new Wednesday Evening gathering started every first Wednesday of the month with activities aimed primarily at students and working adults. The Association of Danish Women in England and Team Danmark, a football and running club, meet regularly at the church.

In September 2021, the Danish Language Saturday School for 100+ children and adults resumed classes at the church in the newly renovated buildings with much improved facilities, including new furniture and AV equipment. Pre-pandemic, around 120 children and adults were taught Danish language and culture by volunteer teachers in the Saturday School and numbers are back to normal. The school has been running for 50 years and marked the occasion with a special delayed celebration in April 2022.

Adult Danish evening classes resumed at the Church on a weekly basis from January 2022.

The Church donated 2 bursaries of £600 to young Danes studying in the UK. It continues to offer financial support to needy and/or elderly Danes on an ad-hoc basis. In 2022 the church assisted the needy from the benevolent fund with £1981.

On 4th December 2022 the church held a thanksgiving and celebration service to honour the 50th Jubilee of Her Majesty Queen Margrethe II of Denmark, who attended the service in a packed church.

In liaison with three other UK-Danish organisations, the church started a collection for a memorial stone for fallen Danes to be erected in the church gardens in 2023.

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

Pastor

During 2022 the Church has relied entirely on one full-time resident pastor, Flemming Kloster Poulsen. To assist the pastor, an administrative assistant has been employed on a part-time basis. We rely on the support from *Danish Churches Abroad/Danish Seamen's Churches* to fund these 2 salaries.

Auxiliary Staffing

The church continues to employ Managers Andrew Atkinson and Lone Sigurdsson who live on the premises, act as caretakers and manage all aspects of the practical and catering work involved with the church and church hall activities. In previous years, they were supported by 2 assistants from Denmark, who came as 'au pairs' for a year. Brexit rules no longer permit such employment, so replacements are largely by non-Danish speakers. It is an expensive and ongoing challenge to find staff to assist with and commit to ad-hoc events and regular activities and services in the church and to maintain the gardens.

Musical Director / Organist / Kantor

Previously, the church organist was a Danish Music student spending a year at a London conservatoire while providing all music services for the church in return for a modest fee and free accommodation. Brexit rules no longer permit such arrangements, so the church has found an alternative, more costly but very satisfactory arrangement in employing Inge-Lise Nygaard as Musical Director. She organises all music and the choirs for services and arranges musical events generally.

Building Project Completed

The Church's essential and extensive building project, prepared and overseen by CF Møller Architects in London, was substantially completed in December 2021. The project ran to a total of approximately £3.5 million, funded mainly on donations from funds, companies, benefactors and the congregation. Some delays and losses were incurred, due in large part to Covid-19.

A celebration thanksgiving service took place in December 2021 with an ecclesiastical procession in front of a large gathering of invited guests and the congregation. H.M. Queen Margrethe of Denmark was due to have attended but cancelled last minute due to the rapid spread of the Omicron variant of Covid in Denmark. The many invited guests who had been involved in the project in a variety of roles, were largely able to attend and to see the finished building and restoration work in full.

The gardens surrounding the church became the focus once the building works and restoration was complete. Extensive paving and drains were laid as well as a new lawn, also with drains. Diseased trees were felled and new ones planted. Planting schemes for the gardens continue to be carried out in stages.

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

3. Financial review

In 2022 the Danish Church recorded an overall net surplus of £548,862 (2021: deficit £199,940) and this comprises a deficit on usual church activities of £30,086, a paper investment loss of £125,535 and a gain of £704,483 on the sale of 123 Royal College Street. As the Statement of Recommended Practice (SORP) for charity accounting requires us to show the one-off property gain within annual income, the accounts don't readily display the figure of £30,086. The total income on ordinary activities for the church was of £325,585 (£2021: 487,879) but the total income displayed in the accounts of £1,030,068 includes the gain of £704,483. Total expenditure amounted to £355,671 (2021: £793,569).

Once again it is difficult to make comparisons between the two accounting periods because 2021 included significant donations and expenditure to the main building works, which are not typical and in 2022 there is the non-recurring event of the disposal of Royal College Street.

It is useful to look at the unrestricted fund column in the statement of financial activities to monitor the ongoing financial performance on the church's ordinary activities as adjusted for the 2022 property gain. In 2022 total income relating to ongoing ordinary activities was £282,751 (2021: £205,321, 2020: £157,371), a 37.7% increase on 2021 and a 79.7% increase on 2020. Expenditure relating to ordinary activities amounted to £311,131 (2021: £234,888, 2020: £195,552), an increase of £76,243 (32.5%) on the previous year and £115,579 (59.1%) on 2020. The increases in income and expenditure on ordinary church activities reflect the increase in ecclesiastical and charitable activities since emerging from the pandemic and from several years of building renovations.

Putting aside the 2022 property gain, the church made a deficit on its unrestricted funds before movements in the value of its investment portfolios of £28,380 (2021: deficit £29,567, 2020: deficit £38,181).

The net unrealised or 'paper' loss on investments of £125,535 reverses the substantial gain of £105,750 seen in 2021. The church holds its investment portfolios for the longer term (i.e. with a time horizon of at least 5 years) and fluctuations in investment value are to be expected. The capital is invested to ensure the investments provide reasonable capital growth over the medium to longer term together with a stream of annual income (around £45,000) towards its ordinary activities.

The second column on the statement of financial activities, labelled 'Restricted funds', represents principally the income and expenditure relating to the Mindestenen Project and new equipment purchased with funds from the Nordea Fund, but please refer to note 14 on pages 22-23 for a full breakdown.

The statement of cash flows records the flow of cash coming into the church from various sources and the larger out flows. It reconciles the statement of financial activities to the movement of cash deposits between years recorded on the balance sheet. 2021 shows a major injection of cash reserves from the liquidation of £200,000 of investments from the 'Building & Reserve Fund' to complete the main building project. 2022 shows another inflow of cash (£949,483) from the sale of 123 Royal College Street. The church was able to recover £250,000 of VAT incurred during the main building works, although this recovery is subject to annual HMRC recalculation over 10 years.

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

4. Investment policy

The charity's constitution requires its assets to be invested in Denmark or Great Britain, in bank accounts, investment assets or property. The total investments on 31 December 2022 shown at note 10, pages 20-21, were £991,340 (2021 - £1,118,229).

The Church has set out its Investments Policy in line with guidelines set out by the Charity Commission. The Investment Policy is reviewed annually.

5. Reserves' policy

The accumulated funds on 31 December 2022 were £2,143,600 (2021 - £1,594,738) of which £873,840 related to endowment funds, £26,503 related to restricted funds and £1,243,257 to unrestricted funds.

It is the policy of the charity to maintain unrestricted funds, which are the free reserves of the charity, at a level which equates at least to approximately six months unrestricted expenditure. This provides sufficient funds to cover management and administration and support costs.

The trustees remain of the view that the charity is a going concern.

6. Risk review

The trustees have taken steps to identify the major risks to which the charity is exposed, and systems have been established to mitigate those risks. Identification and management of investment risk is addressed in the Investment Policy of the Church.

7. The decision to sell 123 Royal College Street

Thirty years ago, the church purchased a terraced house in Camden and within walking distance of the church. This was where the assistants / au pairs and the organist were housed. When Brexit prevented their entry into UK to work, the building was let on a short contract in case the regulations changed. They have not and are unlikely to for the foreseeable future. When the temporary tenant moved out in spring 2022, the trustees found that any formal re-letting would require expensive modernisation. The trustees investigated the possibility of housing Ukrainian refugees. However, the standard and safety of the property was found wanting. Consequently, the trustees agreed to put the property on the market to avoid the substantial costs required to bring the accommodation up to a standard for letting. The building was sold for £975,000, a substantial gain on the historical cost price of £245,000.

8. Plans for future periods

Interest in the Church during and after the pandemic and extensive building work, has been encouraging. The Trustees are confident of building on the strong recovery seen in 2022.

In the longer term, the Trustees do not anticipate any fundamental changes in the development of the charity's operation.

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

9. Trustees' Responsibilities

The charity trustees are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Charity law 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 affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing the 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 2019 (FRS 102)
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- 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 keeping proper accounting records that 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 Charities (Accounts and Reports) Regulations 2008 and the provision of the trust deed. They are also responsible for safeguarding the assets of the charity and hence 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.

10. Independent Examination

A resolution proposing an independent examiner, Malcolm Brown of Waterman Brown (London) Ltd, was approved by the Church Council following the retirement of the previous examiner.

Approved and signed on behalf of the trustees, by

Bette Petersen Broyd

Niels Ring Andersen

Bette Petersen Broyd - Chair

Niels Ring Andersen – Honorary Treasurer

Dated: 9th May 2023

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE DANISH CHURCH IN LONDON

I report to the trustees on the accounts of the Danish Church in London for the year ended 31 December 2022, which are set out on pages 12 to 25.

Responsibilities and basis of report

As the charity's trustees, 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 charity'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.

An Independent Examination has been carried out rather than an audit under Regulation 31(f). The charity has been granted an audit dispensation by the Charities Commission, dated 27th June 2023, under Regulation 34(3)(b) of the Charities (Accounts and Reports) Regulations 2008.

This dispensation is given based upon the information provided by the trustees, that:

- the exceptional circumstances outlined mean that an audit would be disproportionate
- there are no constitutional or other requirements on the charity which require an audit; and
- the charity is not incorporated under company law.

Exceptional circumstances

The high level of income during the year is entirely due to the gain on the sale of a freehold property, which will not be repeated in future years.

Independent Examiner's Statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England & Wales, which is one of the listed bodies.

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

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the accounts do not accord with the accounting 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.

Signed: *Malcolm Brown*

Malcolm Brown FCA

Institute of Chartered Accountants in England & Wales

For Waterman Brown (London) Ltd

Chartered Accountants

66 Norman Road, Wimbledon, London, SW19 1BN

Dated: 28th July 2023

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	Unrestricted Funds GB £	Restricted Funds GB £	Endowment Funds GB £	Total Funds 2022 GB £	Total Funds 2021 GB £
INCOME & ENDOWMENTS						
Donations & legacies	2.1	94,673	9,380	1	104,054	327,594
Income from charitable activities	2.2	161,209	-	-	161,209	88,242
Income from other trading activities	2.3	15,337	-	-	15,337	27,617
Income from Investments	2.4	11,532	16	33,437	44,985	44,426
Other income	2.5	704,483	-	-	704,483	-
Total income & endowments		987,234	9,396	33,438	1,030,068	487,879
EXPENDITURE						
Costs of raising funds						
Costs of generating activity income	3.1	71,252	-	-	71,252	31,406
Investment Management costs	3.2	4,040	-	1,016	5,056	5,620
Expenditure on charitable activities	4	235,839	12,959	30,565	279,363	756,543
Total expenditure		311,131	12,959	31,581	355,671	793,569
Net (expenditure)/ income before gain/(losses) on investments		676,103	(3,563)	1,857	674,397	(305,690)
Net (loss)/gain on investments	8	(115,434)	-	(10,101)	(125,535)	105,750
Net income/ (expenditure) for the year		560,669	(3,563)	(8,244)	548,862	(199,940)
Transfer between funds		-	-	-	-	-
Net movement in funds		560,669	(3,563)	(8,244)	548,862	(199,940)
Reconciliation of Funds:						
Total funds brought forward	14	682,588	30,066	882,084	1,594,738	1,794,678
Total funds carried forward	14	1,243,257	26,503	873,840	2,143,600	1,594,738

STATEMENT OF CASH FLOWS: YEAR ENDED 31 DECEMBER 2022

	Notes	Total 2022 GB £	Total 2021 GB £
Cash flows from operating activities:			
Reconciliation of net movement in funds to net cash flow from operating activities			
Net movement in funds		548,862	(199,940)
Add: depreciation		988	988
Deduct: interest and dividend income		(44,985)	(44,426)
Add: loss/ (deduct gain) on revaluation of investments		125,535	(105,750)
Add: loss/ (deduct gain) on disposal of freehold property		(704,483)	-
(Increase)/Decrease in stocks		900	(8,600)
(Increase)/Decrease in debtors		(7,180)	8,063
(Decrease)/Increase in creditors		(3,119)	(92,828)
Cash (used in)/ provided by operating activities	A	(83,482)	(442,493)
Cash flows from investing activities			
Income from interest and dividends		44,985	44,426
Net movements in foreign exchange		428	(1,915)
Net movement on disposal of freehold property		949,483	-
Net movements on investment funds		926	202,299
Cash provided by/ (used in) investing activities	B	995,822	244,810
Cash flows from financing activities	C	-	-
(Decrease)/Increase in cash and cash equivalents in the year (A+B+C)		912,340	(197,683)
Total cash & cash equivalents brought forward		224,125	421,808
Total cash & cash equivalents carried forward *		1,136,465	224,125

*refer to balance sheet

STATEMENT OF FINANCIAL POSITION (BALANCE SHEET) AT 31 DECEMBER 2022

		2022		2021	
	Notes	GB £	GB £	GB £	GB £
Fixed assets					
Tangible assets	9		1,974		247,962
Investments	10		991,340		1,118,229
			<u>993,314</u>		<u>1,366,191</u>
Current assets					
Stocks	11	7,700		8,600	
Debtors	12	38,770		31,590	
Cash at bank and in hand		1,136,465		224,125	
		<u>1,182,935</u>		<u>264,315</u>	
Creditors					
Amounts falling due within one year	13	32,649		35,768	
Net current assets			<u>1,150,286</u>		<u>228,547</u>
Total net assets			<u><u>2,143,600</u></u>		<u><u>1,594,738</u></u>
Funds					
Unrestricted funds	14		1,243,257		682,588
Restricted funds	14		26,503		30,066
Endowment funds	14		873,840		882,084
Total Church funds	14		<u><u>2,143,600</u></u>		<u><u>1,594,738</u></u>

These accounts were approved on behalf of the trustees on 9th May 2023.

Bette Petersen Broyd

Niels Ring Andersen

Bette Petersen Broyd – Chair

Niels Ring Andersen - Honorary Treasurer

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies**Accounting basis and standards**

The accounts have been prepared on the going concern basis and in accordance with applicable accounting standards and the Statement of Recommended Practice on Accounting and Reporting by Charities SORP (FRS 102).

Income

Church activities and related income are accounted for in the period in which the service is provided. Fee receivables are stated after deducting discounts.

Donations are credited to revenue when receivable provided conditions for receipt have been complied with. Donations for specific categories of revenue expenditure are credited to restricted funds.

Investment income is included in the financial statements on an accruals basis.

Expenditure

Expenditure, including staff costs, is included in the accounts on an accruals basis and has been classified under heading that aggregate all costs relating to that category. The irrecoverable VAT is included in the accounts as a total rather than with the item of expense to which it relates.

Tangible assets

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided on certain classes of fixed assets to write off their cost over their expected useful lives, as follows:

Plant & Machinery	5 years
Furniture & fixtures	10 years
Organ (refurbishment)	5 years
Office equipment	5 years
Motor vehicles	10 years

No depreciation was charged on the Royal College Street property. Heritage, consecrated and beneficed property is excluded from the accounts by virtue of section 10(2)(a)-(c) of the Charities Act 2011. All expenditure incurred on such property is written off in the accounting period it is incurred.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

Foreign currencies

Assets and liabilities in foreign currency are translated into sterling at the rates ruling at the dates of the balance sheet. Transactions in foreign currencies are translated into sterling at the rates ruling at the date of the transactions. Exchange differences are taken into account when arriving at the operating result.

Investments

Investments held as fixed assets are stated at market value at the close of the accounting period.

Debtors & prepayments

Debtors are valued individually less any provisions applicable for potential bad debts. Prepaid expenditure is recognized if material to the accounts.

Creditors

Creditors are recognized where the church has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount to settle the obligation can be measured or estimated reliably.

Fund accounting

Permanent endowment funds are recognized when a donor has provided an asset(s) where the income therefrom is applied for a specific purpose. Expendable endowment funds allow the spending of both the related income and capital value on a specified purpose. Restricted funds are to be used for specific purposes as laid down by the donor or funder. Designated funds are unrestricted funds that have been set aside by the trustees for a particular purpose. General funds are unrestricted and available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for any other purpose. Transfers between funds are made where income for a project has been exceeded by related expenditure or where it has been agreed with the funder to use unspent balances at the end of a project on activities with a similar objective.

Pensions

The church operates a group money purchase defined contribution pension scheme under the auto-enrolment system. The assets of the scheme are held separately from those of the church in an independently administered fund. The pension cost represents the contributions payable under the scheme by the church and the church has no further liability other than the payment of those contributions.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

2. Income summary

	Unrestricted GB £	Restricted GB £	Endowment GB £	Total 2022 GB £	Total 2021 GB £
2.1 Income from donations and legacies					
Membership	47,696	-	-	47,696	38,261
Collections, donations & gift aid	41,265	-	1	41,266	40,581
Organ fund donations	5,712	-	-	5,712	-
In memoriam fund donations	-	60	-	60	-
Garden fund grants and donations	-	-	-	-	32,500
Mindestenenen donations	-	9,320	-	9,320	-
Church interior fund designated	-	-	-	-	-
Building project fund grants & donations	-	-	-	-	216,252
	<u>94,673</u>	<u>9,380</u>	<u>1</u>	<u>104,054</u>	<u>327,594</u>
2.2 Income from charitable activities					
Catering for charitable activities & events	97,282	-	-	97,282	37,671
Church shop income	19,959	-	-	19,959	19,479
Educational fees and books	22,981	-	-	22,981	16,714
DSUK allowances	20,987	-	-	20,987	14,378
	<u>161,209</u>	<u>-</u>	<u>-</u>	<u>161,209</u>	<u>88,242</u>
2.3 Income from other trading activities					
Church hall hire	3,320	-	-	3,320	1,600
Rents	4,500	-	-	4,500	20,047
Church magazine advertising	7,517	-	-	7,517	5,970
	<u>15,337</u>	<u>-</u>	<u>-</u>	<u>15,337</u>	<u>27,617</u>
2.4 Income from investments	11,532	16	33,437	44,985	44,426
2.5 Gain on the sale of freehold property	704,483	-	-	704,483	-
Total Income	<u>987,234</u>	<u>9,396</u>	<u>33,438</u>	<u>1,030,068</u>	<u>487,879</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

3.1 Costs of generating activity income

	Unrestricted GB £	Restricted GB £	Endowment GB £	Total GB £	Total 2021 GB £
Catering, event & shop expenses	51,727	-	-	51,727	19,656
Books & education	12,206	-	-	12,206	7,218
Ecclesiastical expenses	6,830	-	-	6,830	4,402
Fundraising costs	489	-	-	489	130
	<u>71,252</u>	<u>-</u>	<u>-</u>	<u>71,252</u>	<u>31,406</u>

3.2 Investment Management costs

	Unrestricted GB £	Restricted GB £	Endowment GB £	Total GB £	Total 2021 GB £
Fees paid to investment managers	4,040	-	1,016	5,056	5,620
	<u>4,040</u>	<u>-</u>	<u>1,016</u>	<u>5,056</u>	<u>5,620</u>

4. Expenditure on charitable activities

	Unrestricted GB £	Restricted GB £	Endowment GB £	Total GB £	Total 2021 GB £
Benevolent fund bursaries	-	-	2,080	2,080	3,999
Summer School & educational grants	-	-	3,976	3,976	2,354
Salaries & staff costs (note 6)	62,330	-	16,727	79,057	68,054
Premises costs	9,694	-	2,000	11,694	13,619
Insurance	14,207	-	-	14,207	15,227
Utilities	22,507	-	-	22,507	18,754
Repairs, maintenance & refurbishment	42,606	6,958	3,762	53,326	26,919
Organ expenses	1,045	-	-	1,045	11,030
Church interior fund expenses	-	-	-	-	36
Nordea Fund: furniture & equipment costs	-	-	-	-	11,451
Garden costs	3,414	-	451	3,865	50,271
Mindestenen costs	-	6,000	-	6,000	-
Building project costs	-	-	1,569	1,569	468,676
Second Priest accommodation costs	-	-	-	-	1,619
Motor & travel expenses	4,617	-	-	4,617	3,128
Administrative costs & communications	16,341	-	-	16,341	9,648
Magazine costs	6,202	-	-	6,202	5,179
Depreciation	988	-	-	988	988
Support & accountancy costs	26,460	-	-	26,460	23,730
Bank charges	4,457	1	-	4,458	1,925
Irrecoverable VAT on general expenditure	15,395	-	-	15,395	14,360
Governance costs (note 5 below)	5,576	-	-	5,576	5,576
	<u>235,839</u>	<u>12,959</u>	<u>30,565</u>	<u>279,363</u>	<u>756,543</u>

5. Governance costs

	Unrestricted GB £	Restricted GB £	Endowment GB £	Total GB £	Total 2021 GB £
Independent examination fee	2,100	-	-	2,100	2,100
Accounts drafting fee	2,900	-	-	2,900	2,900
Trustee liability insurance	576	-	-	576	576
Trustee and AGM costs (note 7)	-	-	-	-	-
As restated	<u>5,576</u>	<u>-</u>	<u>-</u>	<u>5,576</u>	<u>5,576</u>

Total Expenditure (notes 3.1, 3.2 & 4)	<u>311,131</u>	<u>12,959</u>	<u>31,581</u>	<u>355,671</u>	<u>793,569</u>
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

6. Staff costs

	2022	2021
	GB £	GB £
Wages and salaries	47,772	40,142
Social security costs	3,008	2,187
Less: employment allowance	(3,008)	(2,187)
Other pension costs	4,777	4,014
	<u>52,549</u>	<u>44,156</u>
Other staff costs (temps, child protection etc.)	26,508	19,512
DSUK Contribution	-	4,386
Total	<u>79,057</u>	<u>68,054</u>
	2022	2021
	No.	No.
Staff (full time equivalent)	<u>3.0</u>	<u>3.0</u>

The average number of staff was three and no member of staff earned more than £60,000

7. Trustees & related party transactions

No trustee was paid any remuneration in either year. The trustees are regarded as the key management of the church. No trustee or other person related to the church had any personal interest in any contract or transaction.

8 Gain/(Loss) on investments

	Unrestricted GB £	Restricted GB £	Endowment GB £	Total 2022 GB £	Total 2021 GB £
Unrealised gain/(loss) on investments	(115,862)	-	(11,184)	(127,046)	107,665
Gain/(loss) on foreign exchange translation	428	-	1,083	1,511	(1,915)
	<u>(115,434)</u>	<u>-</u>	<u>(10,101)</u>	<u>(125,535)</u>	<u>105,750</u>

9. Tangible fixed assets

	Freehold Property	Cars, Fittings & Equipment	Total
Cost	GB £	GB £	GB £
At 1 January 2022	245,000	114,141	359,141
Additions /(disposals)	(245,000)	-	(245,000)
At 31 December 2022	<u>-</u>	<u>114,141</u>	<u>114,141</u>
Depreciation			
At 1 January 2022	-	111,179	111,179
On disposals			-
Charge for year	-	988	988
At 31 December 2022	<u>-</u>	<u>112,167</u>	<u>112,167</u>
Net book value			
At 31 December 2022	<u>-</u>	<u>1,974</u>	<u>1,974</u>
At 31 December 2021	<u>245,000</u>	<u>2,962</u>	<u>247,962</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

10. Investments

	2022 GB £	2021 GB £
Benevolent fund investments:		
<i>M&G Securities Ltd Charifund Income Units</i>		
Value of 8466.31 units at 1st January	133,700	117,645
Net movement on funds *	-	-
Sub-total	133,700	117,645
Value of 8466.31 units at 31st December	126,700	133,700
Unrealised (loss)/ gain - market movement	(7,000)	16,055
Summer School fund investments:		
<i>Danske Bank</i>		
Value of investments at 1st January	25,765	28,030
Net movement on funds *	(926)	504
Value of investments at 31st December	21,738	25,765
Unrealised (loss)/ gain - market movement	(3,101)	(2,769)
Other fund investments:		
<i>General portfolio through Charles Stanley & Co. Ltd</i>		
Value of investments at 1st January	343,405	488,980
Net movement on funds *	-	(202,803)
Value of investments at 31st December	287,657	343,405
Unrealised (loss)/ gain - market movement	(55,748)	57,228
<i>General portfolio through Cazenove Schroder</i>		
Value of investments at 1st January	615,359	578,208
Net movement on funds *	-	-
Value of investments at 31st December	555,245	615,359
Unrealised (loss)/ gain - market movement	(60,114)	37,151
Total value of investments		
Closing value at 31st December	991,340	1,118,229
Opening value at 1st January	1,118,229	1,212,863

* movement on funds include dividend income less distributions to church and portfolio management fees

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

10. Investments continued

Portfolio asset allocation and total investment value	Charles Stanley M&G Charifund Benevolent Fund	Danske Bank Summer School Fund	Charles Stanley General Portfolio	Cazenove Capital General Portfolio
GB £	GB £	GB £	GB £	GB £
Fixed Income	-	21,716	23,586	57,685
Equities	124,414	-	210,577	320,240
Property	-	-	11,275	88,399
Alternatives	-	-	18,576	54,088
Mixed investments	-	-	7,217	8,256
Cash	2,286	22	16,426	26,577
991,340	126,700	21,738	287,657	555,245

The Benevolent Fund is invested with M&G Charifund, which is designed to provide a growing level of income for UK charities, while at the same time protecting their capital from the effects of inflation over a rolling ten year period. It aims to provide a level of income that is significantly higher than that of the FTSE All-Share Index. The investment is managed by Charles Stanley investment managers.

The Summer School Fund investments are placed with Danske Bank and aim to generate a high return through Danish Bonds in order to fund annual scholarships.

The objective of the Charles Stanley general portfolio is to produce a balance between capital growth and income without the income requirement eroding the potential to maintain capital.

The objective of the general portfolio managed by Cazenove Capital (part of Schroder & Co. Ltd.) is to maintain capital value whilst distributing 3-4% annually as income.

11. Stocks

	2022 GB £	2021 GB £
Stocks of canteen and shop goods	7,700	8,600
Total	7,700	8,600

12. Debtors: Amounts falling due within one year

	2022 GB £	2021 GB £
Registrations, memberships & advertising	4,479	4,762
Accrued income	6,921	1,990
Other debtors & prepayments	19,370	13,920
Listed places of worship grant due	-	1,676
Gift aid recoverable	8,000	5,000
VAT repayable	-	4,242
Total	38,770	31,590

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

13. Creditors: Amounts falling due within one year

	2022	2021
	GB £	GB £
Shop creditors	-	-
VAT payable	1,151	-
PAYE/ NIC payable	-	-
Other creditors & accruals	31,498	35,768
Total	32,649	35,768

14. Movement in funds

	At 1st January 2021 GB £	Net Movement in funds GB £	Transfer between funds GB £	At 31st December 2022 GB £
Unrestricted funds				
General Fund	681,398	556,002	-	1,237,400
Designated funds				
Organ fund	1,090	4,667	-	5,757
Church interior fund	-	-	-	-
Second vicar accommodation fund	100	-	-	100
Total designated funds	1,190	4,667	-	5,857
Total unrestricted funds (general & designated)	682,588	560,669	-	1,243,257
Restricted funds				
Garden fund	-	-	-	-
Mindestenen fund	-	3,335	-	3,335
Friends fund	16,042	-	-	16,042
In memoriam fund	4,331	60	-	4,391
Nordea fund	9,693	(6,958)	-	2,735
Total restricted funds	30,066	(3,563)	-	26,503
Endowment Funds				
Salary and pension fund (17.2)	432,243	-	-	432,243
Benevolent fund (17.3)	157,377	(3,067)	-	154,310
FUHU fund	60,000	-	-	60,000
Building and reserve fund (17.1)	207,525	-	-	207,525
Summer School fund	24,939	(5,177)	-	19,762
Total endowment funds	882,084	(8,244)	-	873,840
Total church funds	1,594,738	548,862	-	2,143,600

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

14 cont. Net movement in funds in year

	Incoming resources	Resources expended	Gains/ (losses) on investments & property	Movement in funds
	GB £	GB £	GB £	GB £
Unrestricted funds				
General fund	981,522	(310,086)	(115,434)	556,002
Designated funds				
Organ fund	5,712	(1,045)	-	4,667
Church interior fund	-	-	-	-
Second vicar accommodation fund	-	-	-	-
Total designated funds	5,712	(1,045)	-	4,667
Total unrestricted funds (general & designated)	987,234	(311,131)	(115,434)	560,669
Restricted funds				
Garden fund	-	-	-	-
Mindestenen fund	9,336	(6,001)	-	3,335
Friends fund	-	-	-	-
In memoriam fund	60	-	-	60
Nordea fund	-	(6,958)	-	(6,958)
Total restricted funds	9,396	(12,959)	-	(3,563)
Endowment Funds				
Salary and pension fund (17.2)	16,727	(16,727)	-	-
Benevolent fund (17.3)	7,028	(3,095)	(7,000)	(3,067)
FUHU fund	1,800	(1,800)	-	-
Building and reserve fund (17.1)	7,782	(7,782)	-	-
Summer School fund	101	(2,177)	(3,101)	(5,177)
Total endowment funds	33,438	(31,581)	(10,101)	(8,244)
Total church funds	1,030,068	(355,671)	(125,535)	548,862

Purpose of funds

General fund: Unrestricted and for use in the furtherance of the general objectives of the church

Designated funds:

Organ fund: for the maintenance and repair of the church organ.

Church interior fund: Maintenance and repair of the church interior.

Second vicar accommodation fund: Accommodation for a second priest over two years

Restricted funds:

Garden fund: Renovation of the Church's courtyard and gardens.

Mindestenen fund: Commissioning of a memorial stone for Danes who have fallen in service to Denmark

Friends fund: Support for the long-term financial stability of the church.

In Memoriam fund: To provide flowers and candles on specific dates in memory of deceased members.

Building project fund: Internal rebuilding and redevelopment of the church buildings.

Nordea fund: Educational supplies, particularly electronic equipment, as well as fixtures and fittings for educational and general purpose.

Endowment funds:

Salary and pension fund: Income from a permanent endowment to provide salaries and pensions for the pastors and support workers.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

Purpose of funds cont.

Benevolent fund: Income from a permanent endowment to be used for making grants to Danes in London, who are in financial need.

FUHU fund: Interest from a permanent endowment to provide help and financial assistance to Danish students living in the UK or with connections to the UK in the form of bi-annual scholarship grants.

Building and reserve fund: An expendable endowment for the purchasing or leasing of new sites or buildings or the repair or rebuilding of existing buildings to be used for Danish Church services in London or in other ways for the furtherance of the work of the church.

Summer School fund: An expendable endowment where the interest from the fund may be used to send pupil(s) to Summer School in Denmark.

15. Analysis of net assets between funds

	Fixed Assets GB £	Investments GB £	Bank & Cash GB £	Other Net Current Assets GB £	Net Assets GB £
Unrestricted funds					
General fund	1,974	242,568	979,037	13,821	1,237,400
Designated funds					
Organ fund	-	-	5,757	-	5,757
Church interior fund	-	-	-	-	-
Second vicar accommodation fund	-	-	100	-	100
Total designated funds	-	-	5,857	-	5,857
Total unrestricted funds (general & designated)	1,974	242,568	984,894	13,821	1,243,257
Restricted funds					
Garden fund	-	-	-	-	-
Mindestenen fund	-	-	3,335	-	3,335
Friends fund	-	-	16,042	-	16,042
In memoriam fund	-	-	4,391	-	4,391
Building project fund	-	-	-	-	-
Nordea fund	-	-	2,735	-	2,735
Total restricted funds	-	-	26,503	-	26,503
Endowment Funds					
Salary and pension fund* (17.2)	-	432,243	-	-	432,243
Benevolent fund (17.3)	-	126,700	27,610	-	154,310
FUHU fund	-	-	60,000	-	60,000
Building and reserve fund* (17.1)	-	168,091	39,434	-	207,525
Summer School fund	-	21,738	(1,976)	-	19,762
Total endowment funds	-	748,772	125,068	-	873,840
Total church funds	1,974	991,340	1,136,465	13,821	2,143,600

* The Building and Reserve Fund and the Salary and Pensions Fund investments are held as if in cash equivalents attracting a set return. The risks and rewards from losses and gains on investments is assumed by the General Fund.

16. Taxation

No taxation was payable on any surplus or deficit or investment income in 2022 because the church is regarded as a charitable organisation and is not engaged in trading activities as defined by the Income & Corporation Taxes Act 1988.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

17. Linked Charities

	2022		2021	
17.1 Danish Church in London Building and Reserve Fund (Linked charity number 237897-1)	GB £	GB £	GB £	GB £
Opening value of investments at 1st January		207,525		488,295
Income from investments (net return after management fees)	7,782		12,149	
Less: Lease payment to Crown Estates	(2,000)		(2,000)	
Façade expenditure	-		-	
General repairs to buildings	(5,782)		(6,376)	
Surplus to carry forward		-		3,773
Transfers to main building project fund		-		(284,543)
Investment (losses)/ gains in year		-		-
Closing value of investments at 31st December		207,525		207,525
17.2 Danish Church in London Salary and Pension Fund (Linked charity number 237897-2)		GB £		GB £
Opening value of investments at 1st January		432,243		432,243
Income from investments	16,727		12,535	
Less: Salaries applied from employees & other costs	(16,727)		(12,535)	
Surplus to carry forward		-		-
Investment (losses)/ gains in year		-		-
Closing value of investments at 31st December		432,243		432,243
17.3 Benevolent Fund: Hjaelfond for Danske I London (Linked charity number 237897-3)		GB £		GB £
Opening value of investments & cash at 1st January		157,377		140,583
Income from investments	7,028		6,265	
Donations to benevolent fund	-		-	
Less: Payments to beneficiaries	(1,981)		(3,999)	
Bank charges	(98)		-	
Portfolio management fees	(1,016)		(1,019)	
Surplus to carry forward		3,933		1,247
Investment (losses)/ gains in year		(7,000)		15,547
Closing value of investments and cash at 31st December		154,310		157,377
Represented by:				
Investments		126,700		133,700
Cash balances (benevolent account & with general fund)		27,610		23,677
		154,310		157,377

17.4 Danish Emergency Trust Fund summary
(Linked charity number 237897-4)

During 2020, assets of £9,221 were transferred to the Benevolent Fund within the Danish Church in London (see note 17.3 above). They were previously held by a separate charity.

Accounts



St Katharine's
Den Danske Kirke i London

March 17 2023

Charities Commission
Att; Filing
P O Box 211
Bootle
L20 7YX

Dear Sirs

237897 The Danish Church in London

We have several times uploaded the attached Annual Accounts 2021.
They continue to come out partially unreadable! We tried several different browsers.

We talked to your online help. Having tried now several times, we agreed to mail you a hard copy of the accounts for you to scan and upload, please. Many thanks.

Any questions, please call me on 07802 213322.

Thank you.

Niels Ring Andersen
Treasurer

THE DANISH CHURCH IN LONDON

**REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

CHARITY COMMISSION
FIRST CONTACT

30 MAR 2023

ACCOUNTS
RECEIVED

Registered charity number 237897

REPORTS AND FINANCIAL STATEMENTS FOR THE YEAR
ENDED 31 DECEMBER 2021

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CHARITY INFORMATION FOR THE YEAR ENDED 31 DECEMBER 2021

UK Registered Charity No. 237897

Name of the charity: The Danish Church in London

Registered office The Danish Church in London
4 St Katherine's Precinct
Regent's Park, London NW1 4HH

Trustees Trustees and members of the Church Council from January 2021 to June 2022 are:

Bette Petersen Broyd (Chair, appointed June 2021)
Dorte Bille Harding (Chair, retired June 2021)
Christine Bergstedt Jørgensen (Deputy Chair)
Niels Ring Andersen (Honorary Treasurer)
Anne-Grethe Jensen (Honorary Secretary)
Per Gullestrup (Church Warden)
Ole Justesen (Church Warden from Spring 2022)
Palle Baggesgaard Pedersen (Church Warden until Spring 2022)
Andy Marino (Church Warden, retired June 2021)
Flemming Kloster Poulsen (Pastor)
Johanne Nørtoft Thomsen (Pastor, to March 2021)
Peter Melbye (Organ & IT)
Helle Diget Bond (Saturday School)
Jacob Christiansen (retired June 2021)
Casper Orlyk (Clerical & IT)
Anne Dorothea Bruum Aubry (Ex-Officio - Royal Danish Embassy)
Connie Yilmaz Jantzen (Ex-Officio – Danish YWCA)

CHARITY INFORMATION FOR THE YEAR ENDED 31 DECEMBER 2021

Independent examiner

Michael Laughton C.A.
Munro Brown Ltd
Chartered Accountants
38 Gay Street,
Bath,
BA1 2NT

Principal bankers

Barclays Bank Plc
Danske Bank
HSBC Plc
Cazenove (custody/investments)
Charles Stanley & Co. (custody/investments)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

The Trustees present their report and financial statements for the year ended 31 December 2021.

1. Structure, governance, and management

The charity is governed by its Constitution, revised on 15 September 2013, and further updated on 18 October 2020, ratified in June 2021.

The Church Council manages the Church in practical, legal and financial affairs, and represents the Church in all respects. The Bishop of Copenhagen is the ecclesiastical supervisor for the church. The Danish Ambassador is Patron of the Church.

The Royal Danish Embassy appoints one ex-officio member of the Church Council. As of October 2020, according to the update of the Constitution, Danish YWCA can also appoint one member to the Church Council, should they so wish. Resident Pastors are automatically members of the Church Council, and Church Wardens are appointed directly by the Church Council.

All other members (minimum of 5) are elected by the members of the Church, at the annual general meeting in June. The last AGM was held on 13th June 2021.

Two or three of the elected members retire annually, in rotation. Proposals to elect or re-elect Church Council members are made either by the Church Council, or in writing by three members of the Church.

2. Objects, objectives and achievements***Aim and Purpose***

The main purpose of the Danish Church in London is to preach the Christian Gospel according to the Lutheran Evangelical tradition, including conducting Services and performing religious ceremonies for Danes, and to act as a cultural and social meeting point for Danes in the Greater London area. At various times in the year, the pastor will travel to Norwich and Hull to perform services in Danish.

The Church Council ensures that activities are planned with due regard to the Charity Commission's public benefit guidance.

In order to continue this service in the years to come, the Church has recently upgraded, renovated and increased the usable areas of the church premises.

Achievements and Performance

In addition to Danish-language Sunday Services, The Danish Church in London normally performs a wide range of traditional religious acts, including Christenings, confirmations, weddings and funerals.

During the Covid-19 pandemic and lockdowns, when the church was closed or limited to reduced service, the Sunday Services, weddings and funerals were transmitted via Zoom. This proved very popular and boosted attendance numbers. The weekly Zoom services will be reduced to about once a month and on special occasions from Spring 2022.

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

In 2021 the Church conducted 49 Services; 2 were live, 9 via Zoom only, and 38 as hybrids with a limited number of churchgoers present in the church, and more participating via Zoom. In addition, there were 10 Christenings, 17 confirmations, 10 weddings and 8 funerals. The Pastor engaged in 110 official conversations and conducted 4 visits to the homebound or imprisoned. In the year 2021 (during the pandemic), 1465 attended church in person, an average of 37. 1977 followed the service on Zoom, an average of 42. There are around 461 paying memberships (family and individual) of the Church, and in a normal year, a total of around 10,000 people benefit from all our activities.

Very few activities, group gatherings and events took place during the pandemic.

The Church donated 1 bursary to a young Dane studying in the UK, and continues to offer financial support to needy and/or elderly Danes on an ad-hoc basis. In 2021 the church assisted the needy from the benevolent fund on 9 occasions.

Many Church activities were curtailed in the first half of 2021 due to the pandemic. This clearly had a negative impact on the financial result for the year. The refurbishment project - started in September 2019 - experienced delays and extra costs due to the pandemic. The building works were substantially completed in December 2021. Snagging issues in and around the building were dealt with throughout 2021 and to date. At times, they further depleted finances where there was not always a transparent demarcation of responsibility for the additional costs.

Once the Covid-19 restrictions were lifted, the Church's activities resumed with religious services attended in person, as well as a full programme of cultural and social activities and events. These include concerts, talks, debates and exhibitions as well as lunches and gatherings. Several Danish groups were once again able to meet regularly in the church halls. These include a Parent and Toddler group, a Book and Film Club and a Seniors / Craft group. The Bridge Club and the Open Evening Club had relocated during the building project/ pandemic and have, so far, chosen to remain in new premises closer to public transport. The Association of Danish Women in England and Team Danmark, a football and running club, still meet regularly at the church.

The Danish Language Saturday School for 100+ children and adults closed during spring 2021, due to the pandemic. In September 2021, normal classes resumed at the church in the newly renovated buildings with much improved facilities, including new furniture and AV equipment. Pre-pandemic, around 120 children and adults were taught Danish language and culture by volunteer teachers in the Saturday School. Numbers are nearly back to normal. The school has been running for 50 years and marked the occasion with a special delayed celebration in April 2022.

Adult Danish evening classes continued via Zoom during the pandemic for the 49 students spread over 5 different levels of language competency. From September 2021, classes continued via Zoom for a few weeks. Classes then resumed at the Church on alternate weeks, before finally resuming Danish language tuition for adults in person and entirely as weekly evening classes, on the premises, from January 2022.

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

Pastor

During 2021/22 the Church has relied entirely on one full-time resident pastor, Flemming Kloster Poulsen. This is a regrettable reduction in staffing since 2020. To assist the pastor, an administrative assistant has been employed on a part-time basis (18 hours per week).

We rely on the support from *Danish Churches Abroad/Danish Seamen's Churches* to fund these 2 salaries.

Auxiliary Staffing

The church continues to employ Managers Andrew Atkinson and Lone Sigurdsson who live on the premises, act as caretakers and manage all aspects of the practical and catering work involved with the church and church hall activities. In previous years, they were supported by 2 assistants from Denmark, who came as 'au pairs' for a year. Brexit rules no longer permit such employment, so replacements are largely by non-Danish speakers. It is an expensive and ongoing challenge to find staff to assist with and commit to ad-hoc events and regular activities and services in the church and to maintain the gardens.

Musical Director / Organist / Kantor

Previously, the church organist was a Danish Music student spending a year at a London conservatoire while providing all music services for the church in return for a modest fee and free accommodation. Brexit rules no longer permit such arrangements, so the church has found an alternative and very satisfactory arrangement in employing Inge-Lise Nygaard as Musical Director. She organises all music and the choirs for services and arranges musical events generally.

Building Project Completed

The Church's essential and extensive building project, prepared and overseen by CF Møller Architects in London, was substantially completed in December 2021. The project ran to a total of approximately £3.5 million, funded mainly on donations from funds, companies, benefactors and the congregation. Some delays and losses were incurred, due in large part to Covid-19.

A celebration thanksgiving service took place in December 2021 with an ecclesiastical procession in front of a large gathering of invited guests and the congregation. H.M. Queen Margrethe of Denmark was due to have attended but cancelled last minute due to the rapid spread of the Omicron variant of Covid in Denmark. The many invited guests who had been involved in the project in a variety of roles, were largely able to attend and to see the finished building and restoration work in full.

The gardens surrounding the church became the focus once the building works and restoration was complete. Extensive paving and drains were laid as well as a new lawn, also with drains. Diseased trees were felled and new ones planted. Planting schemes for the gardens continue to be carried out in stages.

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

3. Financial review

In 2021 the Danish Church recorded an overall net deficit of £199,940 (2020: deficit £1,309,443).

The large donations and expenditure related to the building project makes it somewhat difficult to read the financial statements over recent years. Looking at the summary financial statement on page 12, we suggest you focus on the first column as representing the 'operational' results for 2021. It shows total income of £205,321 (2020: £157,371) and total expenditure of £234,888 (2020: £195,552), giving a net operational deficit of £29,567 *before investment gains/losses and transfers between funds* (a deficit of £38,181 in 2020). There was a net surplus on the unrestricted funds *after transfers and investment revaluations* amounting to £63,405 (2020: deficit of £46,194). In the context of both the Building Project and Covid-19, this must be considered a very reasonable result, partly reflecting a number of cost-saving measures as well.

The Net Gain on Investments of £105,750 represents the unrealised paper gain (2020: unrealised loss £30,870). Since the 2021 year end some of these gains have reversed.

The second column on page 12 labelled, 'Restricted funds', represents principally the Building Project Fund (see also note 14, pages 22-23). For the year 2021 alone, it shows a deficit (outflow of funds) of £252,424 (see note 14, page 23). A transfer was made of £284,543 from the Building & Reserve Fund to clear the overspend on the Main Building Fund.

The Building Project is now completed. Taking the total project as a whole, we are showing total cost of £3.5m against total specific donations of £2.9m, resulting in a deficit of £600,000. We were able to recover some of the VAT incurred of some £250,000, although this recovery is subject to annual HMRC recalculation over the next 10 years. The remainder of the deficit has been covered by the 'Building & Reserve Fund', and consequent liquidation of some £200,000 of our investments.

As mentioned earlier, we are in advanced negotiations for the disposal of our property '123 Royal College Street'.

4. Investment policy

The charity's constitution requires its assets to be invested in Denmark or Great Britain, in bank accounts, investment assets or property. The total investments on 31 December 2021 shown at note 10, pages 20-21, were £1,118,229 (2020 - £1,212,863) after the liquidation of some investments during 2021.

The Church has set out its Investments Policy in line with guidelines set out by the Charity Commission. The Investment Policy is reviewed annually.

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

5. Reserves' policy

The accumulated funds on 31 December 2021 were £1,594,738 (2020 - £1,794,678) of which £882,084 related to endowment funds, £30,066 related to restricted funds and £682,588 to unrestricted funds.

It is the policy of the charity to maintain unrestricted funds, which are the free reserves of the charity, at a level which equates at least to approximately six months unrestricted expenditure. This provides sufficient funds to cover management and administration and support costs.

The trustees remain of the view that the charity is a going concern.

6. Risk review

The trustees have taken steps to identify the major risks to which the charity is exposed, and systems have been established to mitigate those risks. Identification and management of investment risk is addressed in the Investment Policy of the Church.

7. Post balance sheet events

As mentioned below, we are currently in negotiations to dispose of 123 Royal College Street, which will give rise to a significant capital gain from the current historical cost book value of £245,000. This will be a welcome replenishment of our reserves against the deficit from the Building Project.

8. Plans for future periods

Interest in the Church during and after the pandemic and extensive building work, has been encouraging. The Trustees are confident of a complete and full return to normal activity levels by the spring 2022.

Thirty years ago, the church purchased a terraced house in Camden and within walking distance of the church. This was where the assistants / au pairs and the organist were housed. When Brexit prevented their entry into UK to work, the building was let on a short contract in case the regulations changed. They have not and are unlikely to for the foreseeable future. When the temporary tenant moved out in spring 2022, the trustees found that any formal re-letting would require expensive modernisation. The trustees investigated the possibility of housing Ukrainian refugees. However, the standard and safety of the property was found wanting. Consequently, due to heavy liabilities associated with the property, the trustees have reluctantly agreed to put the property on the market.

In the longer term, the Trustees do not anticipate any fundamental changes in the development of the charity's operation.

9. Trustees' Responsibilities

The charity trustees are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

Charity law 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 affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing the 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 2019 (FRS 102)
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- 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 keeping proper accounting records that 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 Charities (Accounts and Reports) Regulations 2008 and the provision of the trust deed. They are also responsible for safeguarding the assets of the charity and hence 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.

10. Independent Examination

A resolution proposing an independent examiner, Michael Laughton of Munro Brown Ltd, was approved at the last AGM.

Approved and signed on behalf of the trustees, by



Bette Petersen Broyd - Chairman



Niels Ring Andersen – Honorary Treasurer

Dated: 20th May 2022

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
THE DANISH CHURCH IN LONDON**

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 December 2021, which are set out on pages 12 to 25.

Responsibilities and basis of report

As the charity's trustees 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 charity'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

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants of Scotland, which is one of the listed bodies.

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 charity 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.



Signed: **Michael Laughton**

Michael Laughton
Institute of Chartered Accountants of Scotland
For Munro Brown Ltd

Dated: 25th May 2022

Munro Brown Ltd
Chartered Accountants
38 Gay Street, Bath, BA1 2NT

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	Unrestricted Funds GB £	Restricted Funds GB £	Endowment Funds GB £	Total Funds 2021 GB £	Total Funds 2020 GB £
INCOME & ENDOWMENTS						
Donations & legacies	2.1	78,842	248,752	-	327,594	758,978
Income from charitable activities	2.2	88,242	-	-	88,242	19,835
Income from other trading activities	2.3	27,617	-	-	27,617	37,074
Income from Investments	2.4	10,620	-	33,806	44,426	44,395
Total income & endowments		205,321	248,752	33,806	487,879	860,282
EXPENDITURE						
Costs of raising funds						
Costs of generating activity income	3.1	31,406	-	-	31,406	18,643
Investment Management costs	3.2	427	-	5,193	5,620	6,664
Expenditure on charitable activities	4	203,055	530,398	23,090	756,543	2,113,548
Total expenditure		234,888	530,398	28,283	793,569	2,138,855
Net (expenditure)/ income before gain/(losses) on investments		(29,567)	(281,646)	5,523	(305,690)	(1,278,573)
Net (loss)/gain on investments	8	92,972	-	12,778	105,750	(30,870)
Net (expenditure)/ income for the year		63,405	(281,646)	18,301	(199,940)	(1,309,443)
Transfer between funds		-	284,543	(284,543)	-	-
Net movement in funds		63,405	2,897	(266,242)	(199,940)	(1,309,443)
Reconciliation of Funds:						
Total funds brought forward	14	619,183	27,169	1,148,326	1,794,678	3,104,121
Total funds carried forward	14	682,588	30,066	882,084	1,594,738	1,794,678

STATEMENT OF CASH FLOWS: YEAR ENDED 31 DECEMBER 2021

	Notes	Total 2021 GB £	Total 2020 GB £
Cash flows from operating activities:			
Reconciliation of net movement in funds to net cash flow from operating activities			
Net movement in funds		(199,940)	(1,309,443)
Add: depreciation		988	1,150
Deduct: interest and dividend income		(44,426)	(44,395)
Add: loss/ (deduct gain) on revaluation of investments		(105,750)	30,870
(Increase)/Decrease in stocks		(8,600)	0
(Increase)/Decrease in debtors		8,063	56,885
(Decrease)/Increase in creditors		(92,828)	(102,398)
Cash (used in)/ provided by operating activities	A	(442,493)	(1,367,331)
Cash flows from investing activities			
Income from interest and dividends		44,426	44,395
Net movements in foreign exchange		(1,915)	(400)
Net movements on investment funds		202,299	7,215
Cash provided by/ (used in) investing activities	B	244,810	51,210
Cash flows from financing activities	C		
(Decrease)/Increase in cash and cash equivalents in the year (A+B+C)		(197,683)	(1,316,121)
Total cash & cash equivalents brought forward		421,808	1,737,929
Total cash & cash equivalents carried forward *		224,125	421,808

*refer to balance sheet

STATEMENT OF FINANCIAL POSITION (BALANCE SHEET) AT 31 DECEMBER 2021

		2021		2020	
	Notes	GB £	GB £	GB £	GB £
Fixed assets					
Tangible assets	9		247,962		248,950
Investments	10		1,118,229		1,212,863
			<u>1,366,191</u>		<u>1,461,813</u>
Current assets					
Stocks	11	8,600			
Debtors	12	31,590		39,653	
Cash at bank and in hand		<u>224,125</u>		<u>421,808</u>	
		<u>264,315</u>		<u>461,461</u>	
Creditors					
Amounts falling due within one year	13	<u>35,768</u>		<u>128,596</u>	
Net current assets			<u>228,547</u>		<u>332,865</u>
Total net assets			<u>1,594,738</u>		<u>1,794,678</u>
Funds					
Unrestricted funds	14		682,588		619,183
Restricted funds	14		30,066		27,169
Endowment funds	14		<u>882,084</u>		<u>1,148,326</u>
Total Church funds	14		<u>1,594,738</u>		<u>1,794,678</u>

These accounts were approved on behalf of the trustees on 20th May 2022.



Bette Petersen Broyd – Chairman



Niels Ring Andersen - Honorary Treasurer

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies**Accounting basis and standards**

The accounts have been prepared on the going concern basis and in accordance with applicable accounting standards and the Statement of Recommended Practice on Accounting and Reporting by Charities SORP (FRS 102).

Income

Church activities and related income are accounted for in the period in which the service is provided. Fee receivables are stated after deducting discounts.

Donations are credited to revenue when receivable provided conditions for receipt have been complied with. Donations for specific categories of revenue expenditure are credited to restricted funds.

Investment income is included in the financial statements on an accruals basis.

Expenditure

Expenditure, including staff costs, is included in the accounts on an accruals basis and has been classified under heading that aggregate all costs relating to that category. The irrecoverable VAT is included with the item of expense to which it relates.

Tangible assets

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided on certain classes of fixed assets to write off their cost over their expected useful lives, as follows:

Plant & Machinery	5 years
Furniture & fixtures	10 years
Organ (refurbishment)	5 years
Office equipment	5 years
Motor vehicles	10 years

No depreciation is charged on the Royal College Street property. Heritage, consecrated and beneficed property is excluded from the accounts by virtue of section 10(2)(a)-(c) of the Charities Act 2011. All expenditure incurred on such property is written off in the accounting period it is incurred.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

Foreign currencies

Assets and liabilities in foreign currency are translated into sterling at the rates ruling at the dates of the balance sheet. Transactions in foreign currencies are translated into sterling at the rates ruling at the date of the transactions. Exchange differences are taken into account when arriving at the operating result.

Investments

Investments held as fixed assets are stated at market value at the close of the accounting period.

Debtors & prepayments

Debtors are valued individually less any provisions applicable for potential bad debts. Prepaid expenditure is recognized if material to the accounts.

Creditors

Creditors are recognized where the church has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount to settle the obligation can be measured or estimated reliably.

Fund accounting

Permanent endowment funds are recognized when a donor has provided an asset(s) where the income therefrom is applied for a specific purpose. Expendable endowment funds allow the spending of both the related income and capital value on a specified purpose. Restricted funds are to be used for specific purposes as laid down by the donor or funder. Designated funds are unrestricted funds that have been set aside by the trustees for a particular purpose. General funds are unrestricted and available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for any other purpose. Transfers between funds are made where income for a project has been exceeded by related expenditure or where it has been agreed with the funder to use unspent balances at the end of a project on activities with a similar objective.

Pensions

The church operates a group money purchase defined contribution pension scheme under the auto-enrolment system. The assets of the scheme are held separately from those of the church in an independently administered fund. The pension cost represents the contributions payable under the scheme by the church and the church has no further liability other than the payment of those contributions.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2. Income summary

	Unrestricted GB £	Restricted GB £	Endowment GB £	Total 2021 GB £	Total 2020 GB £
2.1 Income from donations and legacies					
Membership	38,261	-	-	38,261	35,457
Collections, donations & gift aid	40,581	-	-	40,581	74,083
Organ fund donations	-	-	-	-	1,733
In memoriam fund donations	-	-	-	-	60
Garden fund grants and donations	-	32,500	-	32,500	-
Nordea fund grants and donations	-	-	-	-	-
Second Priest accommodation designated	-	-	-	-	-
Church interior fund designated	-	-	-	-	-
Building project fund grants & donations	-	216,252	-	216,252	647,645
	<u>78,842</u>	<u>248,752</u>	<u>-</u>	<u>327,594</u>	<u>758,978</u>
2.2 Income from charitable activities					
Catering for charitable activities & events	37,671	-	-	37,671	4,813
Church shop income	19,479	-	-	19,479	767
Educational fees and books	16,714	-	-	16,714	10,447
DSUK allowances	14,378	-	-	14,378	3,808
	<u>88,242</u>	<u>-</u>	<u>-</u>	<u>88,242</u>	<u>19,835</u>
2.3 Income from other trading activities					
Church hall hire	1,600	-	-	1,600	-
Rents	20,047	-	-	20,047	20,040
Church magazine advertising	5,970	-	-	5,970	5,574
Coronavirus Job Retention Scheme	-	-	-	-	11,460
	<u>27,617</u>	<u>-</u>	<u>-</u>	<u>27,617</u>	<u>37,074</u>
2.4 Income from investments					
	10,620	-	33,806	44,426	44,395
Total Income	<u>205,321</u>	<u>248,752</u>	<u>33,806</u>	<u>487,879</u>	<u>860,282</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

3.1 Costs of generating activity income

	Unrestricted GB £	Restricted GB £	Endowment GB £	Total 2021 GB £	Total 2020 GB £
Catering & shop expenses	19,656	-	-	19,656	512
Books & education	7,218	-	-	7,218	7,040
Ecclesiastical expenses	4,402	-	-	4,402	11,091
Fundraising costs	130	-	-	130	-
	<u>31,406</u>	<u>-</u>	<u>-</u>	<u>31,406</u>	<u>18,643</u>

3.2 Investment Management costs

	Unrestricted GB £	Restricted GB £	Endowment GB £	Total 2021 GB £	Total 2020 GB £
Fees paid to investment managers	427	-	5,193	5,620	6,664
	<u>427</u>	<u>-</u>	<u>5,193</u>	<u>5,620</u>	<u>6,664</u>

4. Expenditure on charitable activities

	Unrestricted GB £	Restricted GB £	Endowment GB £	Total 2021 GB £	Total 2020 GB £
Benevolent fund bursaries	-	-	3,999	3,999	8,694
Summer School & educational grants	-	-	2,354	2,354	1,800
Salaries & staff costs (note 6)	59,693	-	8,361	68,054	45,532
Premises costs	11,619	-	2,000	13,619	13,031
Insurance	15,227	-	-	15,227	12,149
Utilities	18,754	-	-	18,754	25,642
Repairs, maintenance & refurbishment	20,543	-	6,376	26,919	13,602
Organ expenses	11,030	-	-	11,030	-
Church interior fund expenses	36	-	-	36	-
Nordea Fund: furniture & equipment costs	-	11,451	-	11,451	31,468
Garden costs	-	50,271	-	50,271	481
Building project costs	-	468,676	-	468,676	1,877,271
Second Priest accommodation costs	1,619	-	-	1,619	13,400
Motor & travel expenses	3,128	-	-	3,128	3,337
Administrative costs & communications	9,648	-	-	9,648	15,502
Magazine costs	5,179	-	-	5,179	6,466
Depreciation	988	-	-	988	1,150
Support & accountancy costs	23,730	-	-	23,730	22,485
Bank charges	1,925	-	-	1,925	2,007
Irrecoverable VAT on general expenditure	14,360	-	-	14,360	13,500
Governance costs (note 5)	5,576	-	-	5,576	6,031
	<u>203,055</u>	<u>530,398</u>	<u>23,090</u>	<u>756,543</u>	<u>2,113,548</u>

5. Governance costs

	Unrestricted GB £	Restricted GB £	Endowment GB £	Total 2021 GB £	Total 2020 GB £
Independent examination fee	2,100	-	-	2,100	1,900
Accounts drafting fee	2,900	-	-	2,900	3,555
Trustee liability insurance	576	-	-	576	576
Trustee and AGM costs (note 7)	-	-	-	-	-
As restated	<u>5,576</u>	<u>-</u>	<u>-</u>	<u>5,576</u>	<u>6,031</u>

Total Expenditure (notes 3.1, 3.2 & 4)

	<u>234,888</u>	<u>530,398</u>	<u>28,283</u>	<u>793,569</u>	<u>2,138,855</u>
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

6. Staff costs

	2021 GB £	2020 GB £
Wages and salaries	40,142	33,050
Social security costs	2,187	1,586
Less: employment allowance	(2,187)	(1,585)
Other pension costs	4,014	2,898
	<u>44,156</u>	<u>35,949</u>
Other staff costs (temps, child protection etc.)	19,512	5,223
DSUK Contribution	4,386	4,360
Total	<u>68,054</u>	<u>45,532</u>
	2021 No.	2020 No.
Staff (full time equivalent)	<u>3.0</u>	<u>2.0</u>

The average number of staff was three and no member of staff earned more than £60,000

7. Trustees & related party transactions

No trustee was paid any remuneration in either year. The trustees are regarded as the key management of the church.

No trustee or other person related to the church had any personal interest in any contract or transaction.

8. Gain/(Loss) on investments

	Unrestricted GB £	Restricted GB £	Endowment GB £	Total 2021 GB £	Total 2020 GB £
Unrealised gain/(loss) on investments	93,293	-	14,372	107,665	(30,470)
Gain/(loss) on foreign exchange translation	(321)	-	(1,594)	(1,915)	(400)
	<u>92,972</u>	<u>-</u>	<u>12,778</u>	<u>105,750</u>	<u>(30,870)</u>

9. Tangible fixed assets

	Freehold Property GB £	Cars, Fittings & Equipment GB £	Total GB £
Cost			
At 1 January 2021	245,000	114,141	359,141
Additions /(disposals)	-	-	-
At 31 December 2021	<u>245,000</u>	<u>114,141</u>	<u>359,141</u>
Depreciation			
At 1 January 2021	-	110,191	110,191
On disposals	-	-	-
Charge for year	-	988	988
At 31 December 2021	<u>-</u>	<u>111,179</u>	<u>111,179</u>
Net book value			
At 31 December 2021	<u>245,000</u>	<u>2,962</u>	<u>247,962</u>
At 31 December 2020	<u>245,000</u>	<u>3,950</u>	<u>248,950</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

10. Investments

	2021	2020
	GB £	GB £
Benevolent fund investments:		
<i>M&G Securities Ltd Charifund Income Units</i>		
Value of 8466.31 units at 1st January	117,645	143,181
Net movement on funds *	-	-
Sub-total	117,645	143,181
Value of 8466.31 units at 31st December	133,700	117,645
Unrealised (loss)/ gain - market movement	16,055	(25,536)
Summer School fund investments:		
<i>Danske Bank</i>		
Value of investments at 1st January	28,030	25,411
Net movement on funds *	504	(60)
Value of investments at 31st December	25,765	28,030
Unrealised (loss)/ gain - market movement	(2,769)	2,679
Other fund investments:		
<i>General portfolio through Charles Stanley & Co. Ltd</i>		
Value of investments at 1st January	488,980	515,267
Net movement on funds *	(202,803)	(7,155)
Value of investments at 31st December	343,405	488,980
Unrealised (loss)/ gain - market movement	57,228	(19,132)
<i>General portfolio through Cazenove Schroder</i>		
Value of investments at 1st January	578,208	566,689
Net movement on funds *	-	-
Value of investments at 31st December	615,359	578,208
Unrealised (loss)/ gain - market movement	37,151	11,519
Total value of investments		
Closing value at 31st December	1,118,229	1,212,863
Opening value at 1st January	1,212,863	1,250,548

* movement on funds include dividend income less distributions to church and portfolio management fees

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

10. Investments continued

Portfolio asset allocation and total investment value	Charles Stanley M&G Charifund Benevolent Fund	Danske Bank Summer School Fund	Charles Stanley General Portfolio	Cazenove Capital General Portfolio
GB £	GB £	GB £	GB £	GB £
Fixed Income	-	24,817	28,922	49,460
Equities	131,753	-	270,240	400,474
Property	-	-	13,420	93,431
Alternatives	-	-	15,123	52,176
Mixed investments	-	-	7,931	9,379
Cash	1,947	948	7,769	10,439
1,118,229	133,700	25,765	343,405	615,359

The Benevolent Fund is invested with M&G Charifund, which is designed to provide a growing level of income for UK charities, while at the same time protecting their capital from the effects of inflation over a rolling ten year period. It aims to provide a level of income that is significantly higher than that of the FTSE All-Share Index. The investment is managed by Charles Stanley investment managers.

The Summer School Fund investments are placed with Danske Bank and aim to generate a high return through Danish Bonds in order to fund annual scholarships.

The objective of the Charles Stanley general portfolio is to produce a balance between capital growth and income without the income requirement eroding the potential to maintain capital.

The objective of the general portfolio managed by Cazenove Capital (part of Schroder & Co. Ltd.) is to maintain capital value whilst distributing 3-4% annually as income.

11. Stocks

	2021 GB £	2020 GB £
Stocks of canteen and shop goods	8,600	-
Total	8,600	-

12. Debtors: Amounts falling due within one year

	2021 GB £	2020 GB £
Registrations, memberships & advertising	4,762	4,765
Accrued income	1,990	4,056
Other debtors & prepayments	13,920	6,034
Listed places of worship grant due	1,676	6,998
Gift aid repayable	5,000	8,593
VAT repayable	4,242	9,207
Total	31,590	39,653

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

13. Creditors: Amounts falling due within one year

	2021 GB £	2020 GB £
Shop creditors	-	-
VAT payable	-	-
PAYE/ NIC payable	-	-
Other creditors & accruals	35,768	128,596
Total	35,768	128,596

14. Movement in funds

	At 1st January 2021 GB £	Net Movement in funds GB £	Transfer between funds GB £	At 31st December 2021 GB £
Unrestricted funds				
General Fund	605,132	76,266	-	681,398
Designated funds				
Organ fund	12,120	(11,030)	-	1,090
Church interior fund	212	(212)	-	-
Second vicar accommodation fund	1,719	(1,619)	-	100
Total designated funds	14,051	(12,861)	-	1,190
Total unrestricted funds (general & designated)	619,183	63,405	-	682,588
Restricted funds				
Garden fund	17,771	(17,771)	-	-
Friends fund	16,042	-	-	16,042
In memoriam fund	4,331	-	-	4,331
Building project fund	(32,119)	(252,424)	284,543	-
Nordea fund	21,144	(11,451)	-	9,693
Total restricted funds	27,169	(281,646)	284,543	30,066
Endowment Funds				
Salary and pension fund (17.2)	432,243	-	-	432,243
Benevolent fund (17.3)	140,583	16,794	-	157,377
FUHU fund	60,000	-	-	60,000
Building and reserve fund (17.1)	488,295	3,773	(284,543)	207,525
Summer School fund	27,205	(2,266)	-	24,939
Total endowment funds	1,148,326	18,301	(284,543)	882,084
Total church funds	1,794,678	(199,940)	-	1,594,738

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

14 cont. Net movement in funds in year

	Incoming resources GB £	Resources expended GB £	Gains/ (losses) on investments GB £	Movement in funds GB £
Unrestricted funds				
General fund	205,321	(222,027)	92,972	76,266
Designated funds				
Organ fund	-	(11,030)	-	(11,030)
Church interior fund	-	(212)	-	(212)
Second vicar accommodation fund	-	(1,619)	-	(1,619)
Total designated funds	-	(12,861)	-	(12,861)
Total unrestricted funds (general & designated)	205,321	(234,888)	92,972	63,405
Restricted funds				
Garden fund	32,500	(50,271)	-	(17,771)
Friends fund	-	-	-	-
In memoriam fund	-	-	-	-
Building project fund	216,252	(468,676)	-	(252,424)
Nordea fund	-	(11,451)	-	(11,451)
Total restricted funds	248,752	(530,398)	-	(281,646)
Endowment Funds				
Salary and pension fund (17.2)	12,535	(12,535)	-	-
Benevolent fund (17.3)	6,265	(5,018)	15,547	16,794
FUHU fund	1,200	(1,200)	-	-
Building and reserve fund (17.1)	12,149	(8,376)	-	3,773
Summer School fund	1,657	(1,154)	(2,769)	(2,266)
Total endowment funds	33,806	(28,283)	12,778	18,301
Total church funds	487,879	(793,569)	105,750	(199,940)

Purpose of funds

General fund: Unrestricted and for use in the furtherance of the general objectives of the church

Designated funds:

Organ fund: for the maintenance and repair of the church organ.

Church interior fund: Maintenance and repair of the church interior.

Second vicar accommodation fund: Accommodation for a second priest over two years

Restricted funds:

Garden fund: Renovation of the Church's courtyard and gardens.

Friends fund: Support for the long-term financial stability of the church.

In Memoriam fund: To provide flowers and candles on specific dates in memory of deceased members.

Building project fund: Internal rebuilding and redevelopment of the church buildings.

Nordea fund: Educational supplies, particularly electronic equipment, as well as fixtures and fittings for educational and general purpose.

Endowment funds:

Salary and pension fund: Income from a permanent endowment to provide salaries and pensions for the pastors and support workers.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

Purpose of funds cont.

Benevolent fund: Income from a permanent endowment to be used for making grants to Danes in London, who are in financial need.

FUHU fund: Interest from a permanent endowment to provide help and financial assistance to Danish students living in the UK or with connections to the UK in the form of bi-annual scholarship grants.

Building and reserve fund: An expendable endowment for the purchasing or leasing of new sites or buildings or the repair or rebuilding of existing buildings to be used for Danish Church services in London or in other ways for the furtherance of the work of the church.

Summer School fund: An expendable endowment where the interest from the fund may be used to send pupil(s) to Summer school in Denmark.

15. Analysis of net assets between funds

	Fixed Assets GB £	Investments GB £	Bank & Cash GB £	Other Net Current Assets GB £	Net Assets GB £
Unrestricted funds					
General fund	247,962	358,430	70,584	4,422	681,398
Designated funds					
Organ fund	-	-	1,090	-	1,090
Church interior fund	-	-	-	-	-
Second vicar accommodation fund	-	-	100	-	100
Total designated funds	-	-	1,190	-	1,190
Total unrestricted funds (general & designated)	247,962	358,430	71,774	4,422	682,588
Restricted funds					
Garden fund	-	-	-	-	-
Friends fund	-	-	16,042	-	16,042
In memoriam fund	-	-	4,331	-	4,331
Building project fund	-	-	-	-	-
Façade project fund	-	-	-	-	-
Nordea fund	-	-	9,693	-	9,693
Total restricted funds	-	-	30,066	-	30,066
Endowment Funds					
Salary and pension fund* (17.2)	-	432,243	-	-	432,243
Benevolent fund (17.3)	-	133,700	23,677	-	157,377
FUHU fund	-	-	60,000	-	60,000
Building and reserve fund* (17.1)	-	168,091	39,434	-	207,525
Summer School fund	-	25,765	(826)	-	24,939
Total endowment funds	-	759,799	122,285	-	882,084
Total church funds	247,962	1,118,229	224,125	4,422	1,594,738

* The Building and Reserve Fund and Salary and Pensions Fund investments are held as if in cash equivalents attracting a set return. The risk from capital gains and losses on investment properties and other investments is taken by the General Fund.

16. Taxation

No taxation was payable on any surplus or deficit or investment income in 2021 because the church is regarded as a charitable organisation and is not engaged in trading activities as defined by the Income & Corporation Taxes Act 1988.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

17. Linked Charities

	2021		2020	
	GB £	GB £	GB £	GB £
17.1 Danish Church in London Building and Reserve Fund (Linked charity number 237897-1)				
Opening value of investments at 1st January		488,295		488,295
Income from investments (net return after management fees)	12,149		24,803	
Less: Lease payment to Crown Estates	(2,000)		(2,000)	
Façade expenditure	-		-	
General repairs to buildings	(6,376)		(6,949)	
Surplus to carry forward		3,773		15,854
Transfers to main building project fund		(284,543)		(15,854)
Investment (losses)/ gains in year		-		-
Closing value of investments at 31st December		<u>207,525</u>		<u>488,295</u>
17.2 Danish Church in London Salary and Pension Fund (Linked charity number 237897-2)		GB £		GB £
Opening value of investments at 1st January		432,243		432,243
Income from investments	12,535		11,617	
Less: Salaries applied from employees	(8,361)		(7,695)	
Portfolio management & transaction fees	(4,174)		(3,922)	
Surplus to carry forward		-		-
Investment (losses)/ gains in year		-		-
Closing value of investments at 31st December		<u>432,243</u>		<u>432,243</u>
17.3 Benevolent Fund: Hjaelfond for Danske I London (Linked charity number 237897-3)		GB £		GB £
Opening value of investments & cash at 1st January		140,583		160,118
Income from investments	6,265		5,674	
Donations to benevolent fund	-		9,921	
Less: Payments to beneficiaries	(3,999)		(8,694)	
Portfolio management fees	(1,019)		(900)	
Surplus to carry forward		1,247		6,001
Investment (losses)/ gains in year		15,547		(25,536)
Closing value of investments and cash at 31st December		<u>157,377</u>		<u>140,583</u>
Represented by:				
Investments		133,700		117,645
Cash balances (benevolent account & with general fund)		23,677		22,938
		<u>157,377</u>		<u>140,583</u>

17.4 Danish Emergency Trust Fund summary
(Linked charity number 237897-4)

The assets of the Danish Emergency Trust Fund were registered as a separate charity number 213338. During 2020, the assets were transferred to the Benevolent Fund within the Danish Church in London and shown as the £9921 donation.

Accounts

THE DANISH CHURCH IN LONDON

REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

Registered charity number 237897

REPORTS AND FINANCIAL STATEMENTS FOR THE YEAR
ENDED 31 DECEMBER 2020

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CHARITY INFORMATION FOR THE YEAR ENDED 31 DECEMBER 2020

UK Registered Charity No. 237897

Name of the charity: The Danish Church in London

Registered office The Danish Church in London
4 St Katherine's Precinct
Regent's Park, London NW1 4HH

Trustees Trustees and members of the Church Council from January 2020 to June 2021 are:

Dorte Bille Harding (Chair)
Christine Bergstedt Jørgensen (Deputy Chair)
Niels Ring Andersen (Honorary Treasurer)
Anne-Grethe Jensen (Secretary)
Andy Marino (Church Warden)
Ole Justesen (Church Warden, to October 2020)
Flemming Kloster Poulsen (Pastor)
Johanne Nørtoft Thomsen (Pastor, to March 2021)
Peter Melbye
Palle Baggesgaard Pedersen
Per Gullestrup
Jacob Christiansen
Helle Diget Bond
Casper Orlyk
Ulrik E. Petersen (Royal Danish Embassy, to Sept 2020)
Anne Dorothea Bruum Aubry (Royal Danish Embassy, from Sept 2020)
Bette Petersen Broyd (from October 2020)
Connie Yilmaz Jantzen (from October 2020)

CHARITY INFORMATION FOR THE YEAR ENDED 31 DECEMBER 2020

Independent examiner	Michael Laughton C.A. Munro Brown Ltd Chartered Accountants 38 Gay Street, Bath, BA1 2NT
Principal bankers	Barclays Bank Plc Danske Bank HSBC Plc Cazenove (custody/investments) Charles Stanley & Co. (custody/investments)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

The Trustees present their report and financial statements for the year ended 31 December 2020.

1. Structure, governance, and management

The charity is governed by its Constitution, revised on 15 September 2013, and further updated on 18 October 2020.

The Church Council manages the Church in practical, legal and financial affairs, and represents the Church in all respects. The Bishop of Copenhagen is the Church's ecclesiastical supervisor. The Danish Ambassador is Patron of the Church.

The Royal Danish Embassy appoints one ex-officio member of the Church Council. As of October 2020, according to the update of the Constitution, Danish YWCA can appoint one member of the Danish Church Council, if they want. Resident Pastors are automatically members of the Church Council, and Church Wardens are appointed directly by the Church Council.

All other members (minimum of 5) are elected by the members of the Church, at the annual general meeting in June. Due to the corona virus pandemic, the 2020 annual general meeting was postponed to 18 October 2020.

Two or three of the elected members retire annually, in rotation. Proposals to elect or re-elect Church Council members are made either by the Church Council, or in writing by three members of the Church.

2. Objects, objectives and achievements

Aim and Purpose

The main purpose of the Danish Church in London is to preach the Christian Gospel according to the Lutheran Evangelical tradition, including conducting Services and performing religious ceremonies for Danes in London, and to act as cultural and social meeting point for Danes in the Greater London area.

The Church Council ensures that activities are planned with due regard to the Charity Commission's public benefit guidance.

In order to continue this service in the years to come, the Church has recently upgraded, renovated and increased the usable areas of the church premises.

Achievements and Performance

In addition to Danish-language Sunday Services, The Danish Church in London normally performs a wide range of traditional religious acts, including Christenings, confirmations, weddings and funerals.

When the Covid-19 pandemic hit London in March 2020, and the Church was forced to close the doors completely, we found ways to continue the Sunday Services via Zoom. This proved a great success, and, in fact, we have had more participants in Services in 2020 than ever before!

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

In 2020 the Church conducted 50 Services; 14 in the church nave, 21 via Zoom, and 15 as hybrids, with a limited number of church goers present in the church, and more participating via Zoom. In addition, there were 2 Christenings, 3 full marriages, 4 funerals and 12 confirmations. The Pastors were called to around 125 official conversations and had 6 visits to the homebound or imprisoned.

Other Church activities had to stop completely during the extensive lock-down periods, and obviously, this had a negative impact on the financial result for the year. Despite the pandemic, the refurbishment project - started in September 2019 - continued, albeit at a slower pace due to the restrictions, causing delay and extra costs. The building works were substantially completed in December 2020.

Covid-19 restrictions continue to limit the Church's activities in 2021, but it is our hope that we will soon be able to resume traditional religious acts, as well as the usual full program of cultural and social activities and events.

Pre-pandemic, some Church activities took place at nearby Danish YWCA, and others were temporarily cancelled, as the church halls and kitchens, shop and facilities were under renovation. Normal activities include showing Danish films, and hosting concerts, talks and debates. Several Danish groups normally meet in the church halls, amongst them parents and toddlers' group, Open Evening Café, book club, bridge club, sewing club, Senior Group, Danish Women in England and Team Danmark, a football and running club.

Due to the building works, the Church's Saturday School continued in temporary rented premises at St David's Church in Islington, until the pandemic forced a premature closure. The Church is expecting to resume running Saturday School in September 2021 in the newly renovated buildings. Pre-pandemic, around 120 children were taught Danish language and culture in the Saturday School, which has been running for 50 years.

Adult Danish classes continued via Zoom, during the pandemic, and the Church hopes to resume Danish language tuition for adults as evening classes on the premises from September 2021.

There are around 700 paying members of the Church, and in a normal year, a total of around 10,000 people benefit from our activities.

The Church donated 3 bursaries to young Danes studying in the UK and continues to offer financial support to needy and/or elderly Danes on an ad-hoc basis.

Pastors

In 2020 the Church has benefitted from a full-time resident pastor, Flemming Kloster Poulsen. In addition, Johanne Nørtoft Thomsen, was employed as pastor on a fixed contract, from March 2019 to March 2021. Apart from her work at St Katharine's, Johanne had a special focus on Danish students/young people, and conducted occasional Services in Hull.

Due to financial constraints, we rely on Danish Church Abroad/Danish Seamen's Church to fund the pastors' salaries. Unfortunately, for the time being, only the resident pastor is employed. An administrative assistant has been employed on a part-time basis, to assist the pastor.

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

3. Financial review

In 2020 the Danish Church recorded an overall net deficit of £1,309,443 (2019: surplus £1,199,471).

The large donations and expenditure related to the building project makes it somewhat difficult to read the financial statements. Looking at the summary financial statement on page 12, we suggest you focus on the first column as representing the ‘operational’ results for 2020. It shows total income of £157,371 (2019: £273,914) and total expenditure of £195,552 (2019: £249,915), giving a net operational deficit of £38,181 *before investment gains/losses and transfers between funds* (a surplus of £23,999 in 2019). There was a net deficit on the unrestricted funds *after transfers and investment revaluations* amounting to £46,194 (2019: surplus of £129,688). In the context of both the Building Project and Covid-19, this must be considered a very reasonable result, partly reflecting a number of cost-saving measures as well.

The Net Loss on Investments of £30,870 represents the unrealised paper loss (2019: unrealised gain £127,464). Coronavirus caused a very significant drop in value in March 2020, but values recovered somewhat in the latter part of 2020.

The second column on page 12 labelled, ‘Restricted funds’, represents various funds including the Building Project fund (see also note 14, pages 22-23). It shows a significant outflow of funds of £1,246,456 (including transfers) during 2020 of which an outflow of £1,228,779 relates to the Building Project (note 14, page 23). The 2019 accounts showed significant inflows of funds to finance the project and 2020 simply records the application of these funds as the building work was completed. Our budgets show that there was a small overspend to the building project, but we are hopeful that further donations will be made to cover this over the forthcoming 12 months. Overall, the trustees are satisfied with the outcome to this extensive piece of work completed despite the effect of Covid-19, covered elsewhere.

We hope that 2021 will prove to be a better year as we, as a community, emerge from lockdown.

4. Investment policy

The charity’s constitution requires its assets to be invested in Denmark or Great Britain, in bank accounts, investment assets or property. The total investments on 31 December 2020 shown at note 10, pages 20-21, were £1,212,863 (2019 - £1,250,548).

The Church has set out its Investments Policy in line with guidelines set out by the Charity Commission. The Investment Policy is reviewed annually.

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

5. Reserves' policy

The accumulated funds on 31 December 2020 were £1,794,678 (2019 - £3,104,121) of which £1,148,326 related to endowment funds, £27,169 related to restricted funds and £619,183 to unrestricted funds.

It is the policy of the charity to maintain unrestricted funds, which are the free reserves of the charity, at a level which equates at least to approximately six months unrestricted expenditure. This provides sufficient funds to cover management and administration and support costs.

The Church's finances have been highly liquid in the last three years due to the incoming amounts from fundraising to the Façade Project Fund and then the Building Project Fund.

Grants and donations raised for the Building Project Fund through the fundraising campaign are held in segregated DKK and GBP denominated bank accounts with Danske Bank, Barclays Bank and HSBC. The trustees remain of the view that the charity is a going concern.

6. Risk review

The trustees have taken steps to identify the major risks to which the charity is exposed, and systems have been established to mitigate those risks. Identification and management of investment risk is addressed in the Investment Policy of the Church.

7. Post balance sheet events

As we are only too well aware, Covid-19 has continued to have major impact on the Church activities, and consequently on our financial health. As also detailed under 'Building Project', there remain potentially significant obligations to Coniston Limited, the building contractor.

We must therefore consider 2021 to be another year of transition, which may result in a further operational deficit.

8. Building Project

The Church's essential and extensive building project, prepared and overseen by CF Møller Architects in London was substantially completed in December 2020.

Ground source heating has been installed in the church nave, and gas heating in all other areas.

Underneath the church halls, a full basement has been excavated, for extra storage area, as well as a new shop and extended facilities. 3 new meeting rooms are formed under the vicarage, with impressive terraces in front. A dormer is compensating the vicarage for lost space, and all areas have been thoroughly modernised and renovated.

Disabled access is improved via a platform lift from the garden to the church halls, and new fully accessible toilet facilities.

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

In March 2020, the corona virus pandemic affected the building works, like all other areas of life. Restrictions to avoid spreading the disease caused wide-spread difficulties on site, as well as supply chain problems. Delays were unavoidable, but the project continued and was substantially completed in December 2020.

In total, the building project has cost approximately £3 million to date. We are still in discussions with the main contractors, Coniston Limited, about a number of claims, partially arising from Covid-19 and the consequent delays. As of writing, it is not possible to give a clear indication of the size of any eventual agreement with Coniston.

We were fortunate to receive a total of £2.9 million, in a mix of large and small donations to the building project. At the earliest possibility, we look forward to show all of our donators what we consider to be a very successful renovation of the historic buildings.

Although as a religious and educational organisation we are only able to recover a portion of the VAT we incur, we were able to recover about £200,000 VAT relating to the building project. However, this is adjusted over the next 10 years, subject to the proportion of 'commercial' income we generate from the shop, café and events. There is a risk that some of this VAT recovery will reduce.

The net result is that there will be a significant overall deficit for the building project.

9. Plans for future periods

The combination of building works and Covid-19 pandemic meant that 2020 was a difficult year for the Danish Church in London.

However, the interest in the Church during these difficult times has been encouraging. And, with the buildings now fully renovated, and ready for use post-pandemic, the Trustees are confident of a gradual, full return to normal activity level, in line with UK Government guidelines.

In the longer term, Trustees do not anticipate any fundamental changes in the development of the charity's operation.

10. Trustees' Responsibilities

The charity trustees are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Charity law 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 affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing the financial statements, the trustees are required to:

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP 2019 (FRS 102)
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- 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 keeping proper accounting records that 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 Charities (Accounts and Reports) Regulations 2008 and the provision of the trust deed. They are also responsible for safeguarding the assets of the charity and hence 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.

11. Independent Examination

A resolution proposing auditors was approved at the last AGM, but, due to a substantial reduction in income, an independent examination was sufficient for the financial year under review. The church previously required an independent examination prior to the building projects.

Approved and signed on behalf of the trustees, by



Dorte Bille Harding



Niels Ring Andersen

Dorte Bille Harding - Chairman

Niels Ring Andersen – Honorary Treasurer

Dated: 4th June 2021

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE DANISH CHURCH IN LONDON

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 December 2020, which are set out on pages 12 to 25.

Responsibilities and basis of report

As the charity's trustees 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 charity'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

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants of Scotland, which is one of the listed bodies.

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 charity 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.



Michael Laughton
Institute of Chartered Accountants of Scotland
For Munro Brown Ltd

Dated: 9th June 2021

Munro Brown Ltd
Chartered Accountants
38 Gay Street, Bath, BA1 2NT

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	Unrestricted Funds GB £	Restricted Funds GB £	Endowment Funds GB £	Total Funds 2020 GB £	Total Funds 2019 GB £
INCOME & ENDOWMENTS						
Donations & legacies	2.1	101,352	647,705	9,921	758,978	1,762,559
Income from charitable activities	2.2	19,835	-	-	19,835	77,983
Income from other trading activities	2.3	21,394	-	15,680	37,074	19,367
Income from Investments	2.4	14,790	1,328	28,277	44,395	51,295
Total income & endowments		157,371	649,033	53,878	860,282	1,911,204
EXPENDITURE						
Costs of raising funds						
Costs of generating activity income	3	18,600	43	-	18,643	36,772
Investment Management costs		1,842	-	4,822	6,664	5,811
Expenditure on charitable activities	4	175,110	1,911,300	27,138	2,113,548	796,614
Total expenditure		195,552	1,911,343	31,960	2,138,855	839,197
Net (expenditure)/ income before gain/(losses) on investments		(38,181)	(1,262,310)	21,918	(1,278,573)	1,072,007
Net (loss)/gain on investments	8	(8,013)	-	(22,857)	(30,870)	127,464
Net (expenditure)/ income for the year		(46,194)	(1,262,310)	(939)	(1,309,443)	1,199,471
Transfer between funds		-	15,854	(15,854)	-	-
Net movement in funds		(46,194)	(1,246,456)	(16,793)	(1,309,443)	1,199,471
Reconciliation of Funds:						
Total funds brought forward	14	665,377	1,273,625	1,165,119	3,104,121	1,904,650
Total funds carried forward	14	619,183	27,169	1,148,326	1,794,678	3,104,121

STATEMENT OF CASH FLOWS: YEAR ENDED 31 DECEMBER 2020

	Notes	Total 2020 GB £	Total 2019 GB £
Cash flows from operating activities:			
Reconciliation of net movement in funds to net cash flow from operating activities			
Net movement in funds		(1,309,443)	1,199,471
Add: depreciation		1,150	10,655
Deduct: interest and dividend income		(44,395)	(51,295)
Add: loss/ (deduct gain) on revaluation of investments		30,870	(127,464)
(Increase)/Decrease in stocks		-	4,828
(Increase)/Decrease in debtors		56,885	(48,027)
(Decrease)/Increase in creditors		(102,398)	187,949
Cash (used in)/ provided by operating activities	A	(1,367,331)	1,176,117
Cash flows from investing activities			
Income from interest and dividends		44,395	51,295
Net movements in foreign exchange		(400)	(1,994)
Net movements on investment funds		7,215	6,534
Cash provided by/ (used in) investing activities	B	51,210	55,835
Cash flows from financing activities	C	-	-
(Decrease)/Increase in cash and cash equivalents in the year (A+B+C)		(1,316,121)	1,231,952
Total cash & cash equivalents brought forward		1,737,929	505,977
Total cash & cash equivalents carried forward *		421,808	1,737,929

*refer to balance sheet

STATEMENT OF FINANCIAL POSITION (BALANCE SHEET) AT 31 DECEMBER 2020

		2020		2019	
	Notes	GB £	GB £	GB £	GB £
Fixed assets					
Tangible assets	9		248,950		250,100
Investments	10		1,212,863		1,250,548
			<u>1,461,813</u>		<u>1,500,648</u>
Current assets					
Stocks	11	-	-	-	-
Debtors	12	39,653		96,538	
Cash at bank and in hand		<u>421,808</u>		<u>1,737,929</u>	
		<u>461,461</u>		<u>1,834,467</u>	
Creditors					
Amounts falling due within one year	13	<u>128,596</u>		<u>230,994</u>	
Net current assets			<u>332,865</u>		<u>1,603,473</u>
Total net assets			<u>1,794,678</u>		<u>3,104,121</u>
Funds					
Unrestricted funds	14		619,183		665,377
Restricted funds	14		27,169		1,273,625
Endowment funds	14		<u>1,148,326</u>		<u>1,165,119</u>
Total Church funds	14		<u>1,794,678</u>		<u>3,104,121</u>

These accounts were approved on behalf of the trustees on 4th June 2021.


Dorte Bille Harding


Niels Ring Andersen

Dorte Bille Harding – Chairman

Niels Ring Andersen - Honorary Treasurer

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies**Accounting basis and standards**

The accounts have been prepared on the going concern basis and in accordance with applicable accounting standards and the Statement of Recommended Practice on Accounting and Reporting by Charities SORP (FRS 102).

Income

Church activities and related income are accounted for in the period in which the service is provided. Fee receivables are stated after deducting discounts.

Donations are credited to revenue when receivable provided conditions for receipt have been complied with. Donations for specific categories of revenue expenditure are credited to restricted funds.

Investment income is included in the financial statements on an accruals basis.

Expenditure

Expenditure, including staff costs, is included in the accounts on an accruals basis and has been classified under heading that aggregate all costs relating to that category. The irrecoverable VAT is included with the item of expense to which it relates.

Tangible assets

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided on certain classes of fixed assets to write off their cost over their expected useful lives, as follows:

Plant & Machinery	5 years
Furniture & fixtures	10 years
Organ (refurbishment)	5 years
Office equipment	5 years
Motor vehicles	10 years

No depreciation is charged on the Royal College Street property. Heritage, consecrated and beneficed property is excluded from the accounts by virtue of section 10(2)(a)-(c) of the Charities Act 2011. All expenditure incurred on such property is written off in the accounting period it is incurred.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

Foreign currencies

Assets and liabilities in foreign currency are translated into sterling at the rates ruling at the dates of the balance sheet. Transactions in foreign currencies are translated into sterling at the rates ruling at the date of the transactions. Exchange differences are taken into account when arriving at the operating result.

Investments

Investments held as fixed assets are stated at market value at the close of the accounting period.

Debtors & prepayments

Debtors are valued individually less any provisions applicable for potential bad debts. Prepaid expenditure is recognized if material to the accounts.

Creditors

Creditors are recognized where the church has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount to settle the obligation can be measured or estimated reliably.

Fund accounting

Permanent endowment funds are recognized when a donor has provided an asset(s) where the income therefrom is applied for a specific purpose. Expendable endowment funds allow the spending of both the related income and capital value on a specified purpose. Restricted funds are to be used for specific purposes as laid down by the donor or funder. Designated funds are unrestricted funds that have been set aside by the trustees for a particular purpose. General funds are unrestricted and available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for any other purpose. Transfers between funds are made where income for a project has been exceeded by related expenditure or where it has been agreed with the funder to use unspent balances at the end of a project on activities with a similar objective.

Pensions

The church operates a group money purchase defined contribution pension scheme under the auto-enrolment system. The assets of the scheme are held separately from those of the church in an independently administered fund. The pension cost represents the contributions payable under the scheme by the church and the church has no further liability other than the payment of those contributions.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

2. Income summary

	Unrestricted GB £	Restricted GB £	Endowment GB £	Total 2020 GB £	Total 2019 GB £
2.1 Income from donations and legacies					
Membership	35,457	-	-	35,457	36,178
Collections, donations & gift aid	64,162	-	9,921	74,083	88,683
Organ fund donations	1,733	-	-	1,733	-
In memoriam fund donations	-	60	-	60	316
Façade fund grants and donations	-	-	-	-	40,000
Nordea fund grants and donations	-	-	-	-	-
Second Priest accommodation designated	-	-	-	-	30,000
Church interior fund designated	-	-	-	-	15,125
Building project fund grants & donations	-	647,645	-	647,645	1,552,257
	<u>101,352</u>	<u>647,705</u>	<u>9,921</u>	<u>758,978</u>	<u>1,762,559</u>
2.2 Income from charitable activities					
Catering for charitable activities & events	4,813	-	-	4,813	48,687
Church shop income	767	-	-	767	8,089
Educational fees and books	10,447	-	-	10,447	17,193
DSUK allowances	3,808	-	-	3,808	4,014
	<u>19,835</u>	<u>-</u>	<u>-</u>	<u>19,835</u>	<u>77,983</u>
2.3 Income from other trading activities					
Church hall hire	-	-	-	-	1,030
Rents	4,360	-	15,680	20,040	14,601
Church magazine advertising	5,574	-	-	5,574	3,736
Coronavirus Job Retention Scheme	11,460	-	-	11,460	-
	<u>21,394</u>	<u>-</u>	<u>15,680</u>	<u>37,074</u>	<u>19,367</u>
2.4 Income from investments	14,790	1,328	28,277	44,395	51,295
Total Income	<u>157,371</u>	<u>649,033</u>	<u>53,878</u>	<u>860,282</u>	<u>1,911,204</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

3. Costs of generating activity income

	Unrestricted GB £	Restricted GB £	Endowment GB £	Total 2020 GB £	Total 2019 GB £
Catering & shop expenses	717	-	-	717	16,861
Danish fair	-	-	-	-	10,353
Other events	(205)	-	-	(205)	874
Books & education	7,040	-	-	7,040	6,509
Ecclesiastical expenses	11,048	43	-	11,091	1,085
Fundraising costs	-	-	-	-	1,090
	<u>18,600</u>	<u>43</u>	<u>-</u>	<u>18,643</u>	<u>36,772</u>

4. Expenditure on charitable activities

	Unrestricted GB £	Restricted GB £	Endowment GB £	Total 2020 GB £	Total 2019 GB £
Benevolent fund bursaries	-	-	8,694	8,694	2,680
Summer School & educational grants	-	-	1,800	1,800	3,258
Salaries & staff costs (note 6)	37,837	-	7,695	45,532	58,891
Premises costs	11,031	-	2,000	13,031	15,614
Insurance	12,149	-	-	12,149	12,886
Utilities	25,642	-	-	25,642	27,400
Repairs, maintenance & refurbishment	4,573	2,080	6,949	13,602	28,666
Nordea Fund furniture costs	-	31,468	-	31,468	-
Building project costs	-	1,877,752	-	1,877,752	545,949
Motor & travel expenses	3,337	-	-	3,337	4,659
Administrative costs & communications	15,502	-	-	15,502	18,683
Magazine costs	6,466	-	-	6,466	6,702
Second Priest accommodation costs	13,400	-	-	13,400	14,881
Depreciation	1,150	-	-	1,150	10,655
Support & accountancy costs	22,485	-	-	22,485	26,166
Bank charges	2,007	-	-	2,007	2,543
Irrecoverable VAT on general expenditure	13,500	-	-	13,500	11,500
Governance costs (note 5)	6,031	-	-	6,031	5,481
	<u>175,110</u>	<u>1,911,300</u>	<u>27,138</u>	<u>2,113,548</u>	<u>796,614</u>

5. Governance costs

	Unrestricted GB £	Restricted GB £	Endowment GB £	Total 2020 GB £	Total 2019 GB £
Independent examination fee (2019: audit)	1,900	-	-	1,900	2,700
Accounts drafting fee	2,700	-	-	2,700	2,205
Room hire & drafting fees from 2019	855	-	-	855	-
Trustee and AGM costs (note 7)	-	-	-	-	-
As previously stated in 2019	5,455	-	-	5,455	4,905
Trustee liability insurance	576	-	-	576	576
As restated	<u>6,031</u>	<u>-</u>	<u>-</u>	<u>6,031</u>	<u>5,481</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

6. Staff costs

	2020	2019
	GB £	GB £
Wages and salaries	33,050	41,210
Social security costs	1,586	1,778
Less: employment allowance	(1,585)	(1,778)
Other pension costs	2,898	2,998
	<u>35,949</u>	<u>44,208</u>
Other staff costs (temps, child protection etc.)	5,223	9,683
DSUK Contribution	4,360	5,000
Total	<u>45,532</u>	<u>58,891</u>
	2020	2019
	No.	No.
Staff (full time equivalent)	<u>2.0</u>	<u>2.5</u>

The average number of staff was three and no member of staff earned more than £60,000

7. Trustees & related party transactions

No trustee was paid any remuneration in either year. The trustees are regarded as the key management of the church.

No trustee or other person related to the church had any personal interest in any contract or transaction.

8. Gain/(Loss) on investments

	Unrestricted	Restricted	Endowment	Total 2020	Total 2019
	GB £	GB £	GB £	GB £	GB £
Unrealised gain/(loss) on investments	(7,613)	-	(22,857)	(30,470)	129,458
Gain/(loss) on foreign exchange translation	(400)	-	-	(400)	(1,994)
	<u>(8,013)</u>	<u>-</u>	<u>(22,857)</u>	<u>(30,870)</u>	<u>127,464</u>

9. Tangible fixed assets

	Freehold	Cars,	Organ	Total
	Property	Fittings &	Refurbish't	
	GB £	Equipment	GB £	GB £
Cost				
At 1 January 2020	245,000	114,141	107,917	467,058
Additions /(disposals)	-	-	(107,917)	(107,917)
At 31 December 2020	<u>245,000</u>	<u>114,141</u>	<u>-</u>	<u>359,141</u>
Depreciation				
At 1 January 2020	-	109,041	107,917	216,958
On disposals	-	-	(107,917)	(107,917)
Charge for year	-	1,150	-	1,150
At 31 December 2020	<u>-</u>	<u>110,191</u>	<u>-</u>	<u>110,191</u>
Net book value				
At 31 December 2020	<u>245,000</u>	<u>3,950</u>	<u>-</u>	<u>248,950</u>
At 31 December 2019	<u>245,000</u>	<u>5,100</u>	<u>-</u>	<u>250,100</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

10. Investments

	2020	2019
	GB £	GB £
Benevolent fund investments:		
<i>M&G Securities Ltd Charifund Income Units</i>		
Value of 8466.31 units at 1st January	143,181	123,018
Net movement on funds *	-	127
Sub-total	143,181	123,145
Value of 8466.31 units at 31st December	117,645	143,181
Unrealised (loss)/ gain - market movement	(25,536)	20,036
Summer School fund investments:		
<i>Danske Bank</i>		
Value of investments at 1st January	25,411	27,920
Net movement on funds *	(60)	(1,851)
Value of investments at 31st December	28,030	25,411
Unrealised (loss)/ gain - market movement	2,679	(658)
Other fund investments:		
<i>General portfolio through Charles Stanley & Co. Ltd</i>		
Value of investments at 1st January	515,267	448,732
Net movement on funds *	(7,155)	(4,940)
Value of investments at 31st December	488,980	515,267
Unrealised (loss)/ gain - market movement	(19,132)	71,475
<i>General portfolio through Cazenove Schroder</i>		
Value of investments at 1st January	566,689	528,084
Net movement on funds *	-	-
Value of investments at 31st December	578,208	566,689
Unrealised (loss)/ gain - market movement	11,519	38,605
Total value of investments		
Closing value at 31st December	1,212,863	1,250,548
Opening value at 1st January	1,250,548	1,127,754

* movement on funds include dividend income less distributions to church and portfolio management fees

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

10. Investments continued

Portfolio asset allocation and total investment value	Charles Stanley M&G Charifund Benevolent Fund	Danske Bank Summer School Fund	Charles Stanley General Portfolio	Cazenove Capital General Portfolio
GB £	GB £	GB £	GB £	GB £
Fixed Income	-	27,587	33,090	49,380
Equities	116,206	-	400,983	366,716
Property	-	-	11,715	85,033
Alternatives	-	-	27,658	46,348
Mixed investments	-	-	12,070	16,452
Cash	1,439	443	3,464	14,279
1,212,863	117,645	28,030	488,980	578,208

The Benevolent Fund is invested with M&G Charifund, which is designed to provide a growing level of income for UK charities, while at the same time protecting their capital from the effects of inflation over a rolling ten year period. It aims to provide a level of income that is significantly higher than that of the FTSE All-Share Index. The investment is managed by Charles Stanley investment managers.

The Summer School Fund investments are placed with Danske Bank and aim to generate a high return through Danish Bonds in order to fund annual scholarships.

The objective of the Charles Stanley general portfolio is to produce a balance between capital growth and income without the income requirement eroding the potential to maintain capital.

The objective of the general portfolio managed by Cazenove Capital (part of Schroder & Co. Ltd.) is to maintain capital value whilst distributing 3-4% annually as income.

11. Stocks

	2020	2019
	GB £	GB £
Stocks of canteen and shop goods	-	-
Total	-	-

12. Debtors: Amounts falling due within one year

	2020	2019
	GB £	GB £
Registrations, memberships & advertising	4,765	5,885
Accrued income	4,056	16,120
Other debtors & prepayments	6,034	5,232
Listed places of worship grant due	6,998	37,959
Gift aid repayable	8,593	6,695
VAT repayable	9,207	24,647
Total	39,653	96,538

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

13. Creditors: Amounts falling due within one year

	2020	2019
	GB £	GB £
Shop creditors	-	434
VAT payable	-	-
PAYE/ NIC payable	-	-
Other creditors & accruals	128,596	230,560
Total	128,596	230,994

14. Movement in funds

	At 1st January 2020 GB £	Net Movement in funds GB £	Transfer between funds GB £	At 31st December 2020 GB £
Unrestricted funds				
General Fund	635,086	(29,954)	-	605,132
Designated funds				
Organ fund	10,171	1,949	-	12,120
Church interior fund	5,001	(4,789)	-	212
Second vicar accommodation fund	15,119	(13,400)	-	1,719
Total designated funds	30,291	(16,240)	-	14,051
Total unrestricted funds (general & designated)	665,377	(46,194)	-	619,183
Restricted funds				
Garden fund	19,851	(2,080)	-	17,771
Friends fund	16,042	-	-	16,042
In memoriam fund	4,314	17	-	4,331
Building project fund	1,180,806	(1,228,779)	15,854	(32,119)
Nordea fund	52,612	(31,468)	-	21,144
Total restricted funds	1,273,625	(1,262,310)	15,854	27,169
Endowment Funds				
Salary and pension fund (18.2)	432,243	-	-	432,243
Benevolent fund (18.3)	160,118	(19,535)	-	140,583
FUHU fund	60,000	-	-	60,000
Building and reserve fund (18.1)	488,295	15,854	(15,854)	488,295
Summer School fund	24,463	2,742	-	27,205
Total endowment funds	1,165,119	(939)	(15,854)	1,148,326
Total church funds	3,104,121	(1,309,443)	-	1,794,678

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

14 cont. Net movement in funds in year

	Incoming resources	Resources expended	Gains/ (losses) on investments	Movement in funds
	GB £	GB £	GB £	GB £
Unrestricted funds				
General fund	155,638	(177,579)	(8,013)	(29,954)
Designated funds				
Organ fund	1,733	216	-	1,949
Church interior fund	-	(4,789)	-	(4,789)
Second vicar accommodation fund	-	(13,400)	-	(13,400)
Total designated funds	1,733	(17,973)	-	(16,240)
Total unrestricted funds (general & designated)	157,371	(195,552)	(8,013)	(46,194)
Restricted funds				
Garden fund	-	(2,080)	-	(2,080)
Friends fund	-	-	-	-
In memoriam fund	60	(43)	-	17
Building project fund	648,973	(1,877,752)	-	(1,228,779)
Nordea fund	-	(31,468)	-	(31,468)
Total restricted funds	649,033	(1,911,343)	-	(1,262,310)
Endowment Funds				
Salary and pension fund (18.2)	11,617	(11,617)	-	-
Benevolent fund (18.3)	15,595	(9,594)	(25,536)	(19,535)
FUHU fund	1,800	(1,800)	-	-
Building and reserve fund (18.1)	24,803	(8,949)	-	15,854
Summer School fund	63	-	2,679	2,742
Total endowment funds	53,878	(31,960)	(22,857)	(939)
Total church funds	860,282	(2,138,855)	(30,870)	(1,309,443)

Purpose of funds

General fund: Unrestricted and for use in the furtherance of the general objectives of the church

Designated funds:

Organ fund: for the maintenance and repair of the church organ.

Church interior fund: Maintenance and repair of the church interior.

Second vicar accommodation fund: Accommodation for a second priest over two years

Restricted funds:

Garden fund: Renovation of the Church's courtyard and gardens.

Friends fund: Support for the long-term financial stability of the church.

In Memoriam fund: To provide flowers and candles on specific dates in memory of deceased members.

Building project fund: Internal rebuilding and redevelopment of the church buildings.

Façade project fund: External rebuilding and maintenance.

Nordea fund: Educational supplies, particularly electronic equipment, as well as fixtures and fittings for educational and general purpose.

Endowment funds:

Salary and pension fund: Income from a permanent endowment to provide salaries and pensions for the pastors and support workers.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

Purpose of funds cont.

Benevolent fund: Income from a permanent endowment to be used for making grants to Danes in London, who are in financial need.

FUHU fund: Interest from a permanent endowment to provide help and financial assistance to Danish students living in the UK or with connections to the UK in the form of bi-annual scholarship grants.

Building and reserve fund: An expendable endowment for the purchasing or leasing of new sites or buildings or the repair or rebuilding of existing buildings to be used for Danish Church services in London or in other ways for the furtherance of the work of the church.

Summer School fund: An expendable endowment where the interest from the fund may be used to send pupil(s) to Summer school in Denmark.

15. Analysis of net assets between funds

	Fixed Assets GB £	Investments GB £	Bank & Cash GB £	Other Net Current Assets GB £	Net Assets GB £
Unrestricted funds					
General fund	3,950	391,650	120,223	89,309	605,132
Designated funds					
Organ fund	-	-	12,120	-	12,120
Church interior fund			212	-	212
Second vicar accommodation fund	-	-	1,719	-	1,719
Total designated funds	-	-	14,051	-	14,051
Total unrestricted funds (general & designated)	3,950	391,650	134,274	89,309	619,183
Restricted funds					
Garden fund	-	-	17,771	-	17,771
Friends fund	-	-	16,042	-	16,042
In memoriam fund	-	-	4,331	-	4,331
Building project fund	-	-	146,133	(178,252)	(32,119)
Façade project fund	-	-	-	-	-
Nordea fund	-	-	21,144	-	21,144
Total restricted funds	-	-	205,421	(178,252)	27,169
Endowment Funds					
Salary and pension fund* (18.2)	-	432,243	-	-	432,243
Benevolent fund (18.3)	-	117,645	22,938	-	140,583
FUHU fund	-	-	60,000	-	60,000
Building and reserve fund* (18.1)	245,000	243,295	-	-	488,295
Summer School fund	-	28,030	(825)	-	27,205
Total endowment funds	245,000	821,213	82,113	-	1,148,326
Total church funds	248,950	1,212,863	421,808	(88,943)	1,794,678

* The Building and Reserve Fund and Salary and Pensions Fund investments are held as if in cash equivalents attracting a set return. The risk from capital gains and losses on investment properties and other investments is taken by the General Fund.

16. Funds in deficit

At 31st December 2020, the main building project was in deficit by £32,119, but it is hoped that this will be cleared by donations during 2021. Otherwise, the balance will be transferred against the Building & Reserve Fund.

17. Taxation

No taxation was payable on any surplus or deficit or investment income in 2020 because the church is regarded as a charitable organisation and is not engaged in trading activities as defined by the Income & Corporation Taxes Act 1988.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

18. Linked Charities

	2020		2019	
18.1 Danish Church in London Building and Reserve Fund (Linked charity number 237897-1)	GB £	GB £	GB £	GB £
Opening value of investments at 1st January		488,295		489,834
Income from investments (net return after management fees)	24,803		18,782	
Less: Lease payment to Crown Estates	(2,000)		(6,041)	
Façade expenditure	-		(2,480)	
General repairs to buildings	(6,949)		(11,800)	
Surplus to carry forward		15,854		(1,539)
Transfers to main building project fund		(15,854)		-
Investment (losses)/ gains in year		-		-
Closing value of investments at 31st December		488,295		488,295
18.2 Danish Church in London Salary and Pension Fund (Linked charity number 237897-2)		GB £		GB £
Opening value of investments at 1st January		432,243		432,243
Income from investments	11,617		18,567	
Less: Salaries applied from employees	(7,695)		(14,090)	
Portfolio management & transaction fees	(3,922)		(4,477)	
Surplus to carry forward		-		-
Investment (losses)/ gains in year		-		-
Closing value of investments at 31st December		432,243		432,243
18.3 Benevolent Fund: Hjaelfond for Danske I London (Linked charity number 237897-3)		GB £		GB £
Opening value of investments & cash at 1st January		160,118		135,713
Income from investments	5,674		7,049	
Donations to benevolent fund	9,921			
Less: Payments to beneficiaries	(8,694)		(2,680)	
Portfolio management fees	(900)		-	
Surplus to carry forward		6,001		4,369
Investment (losses)/ gains in year		(25,536)		20,036
Closing value of investments and cash at 31st December		140,583		160,118
Represented by:				
Investments		117,645		143,181
Cash balances (benevolent account & with general fund)		22,938		16,937
		140,583		160,118

18.4 Danish Emergency Trust Fund summary
(Linked charity number 237897-4)

The assets of the Danish Emergency Trust Fund were registered as a separate charity number 213338. During 2020, the assets were transferred to the Benevolent Fund within the Danish Church in London and shown as the £9921 donation.

19 Contingent Liability

The Charity is in discussions with its main building contractors, about a number of claims, partially arising from Covid-19 and the consequent delays. At present it is not possible to quantify any financial impact on the charity and therefore a provision has not been included in the financial statements for the year ending 31 December 2020.