

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

England & Wales · Charity number 248796

Details

Other names	THE ESSEX INCORPORATED CONGREGATIONAL UNION
Status	Registered
Legal form	Charitable company
Company number	00101685
Registered	1966-07-25
Register	View on the Charity Commission register

Contact

Address	United Reformed Church Eastern Synod 36 Duxford Road Whittlesford Cambridge CB22 4ND
Phone	01223830770
Email	finance@urceastern.org.uk
Website	urceastern.org.uk

Activities

Objects: THE CHARITY'S OBJECTS ("THE OBJECTS") ARE THE ADVANCEMENT OF THE CHRISTIAN RELIGION FOR THE BENEFIT OF THE PUBLIC IN ACCORDANCE WITH THE DOCTRINES, PRINCIPLES AND USAGES OF THE UNITED REFORMED CHURCH IN PARTICULAR (BUT WITHOUT PREJUDICE TO THE GENERALITY OF THE FOREGOING) BY SUPPORTING THE WORK OF THE EASTERN SYNOD OF THAT CHURCH.

Activities: The charity acts both as a Property Holding Trustee for church property and investments of churches within the Synod and holds the financial information of the Synod's activities.

Classification

- **How:** Makes Grants To Individuals, Makes Grants To Organisations, Acts As An Umbrella Or Resource Body
- **What:** Accommodation/housing, Religious Activities
- **Who:** Other Charities Or Voluntary Bodies

Geography

- **Area of benefit:** COUNTY OF ESSEX AND ELSEWHERE
- Cambridgeshire
- Essex
- Hertfordshire
- Norfolk
- Suffolk

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£3,205,366	£2,374,121	£25,625,864	11
2023-12-31	£2,358,782	£1,241,847	£24,260,683	11
2022-12-31	£1,257,702	£1,633,965	£21,575,939	8
2021-12-31	£805,538	£4,950,054	£22,845,284	8
2020-12-31	£2,222,324	£762,840	£21,938,052	6

Trustees

Name	Role	Appointed
Andrew East		2014-02-07
Clifford Patten		2015-01-30
David John Bird		2023-03-02
GILBERT HEATHCOTE FCA		2017-01-01
IAN REID MILLER		2024-03-09
REV PROF DAVID MICHAEL THOMPSON MA PHD BD		
REVEREND DR. Janet Elizabeth Tollington		2018-01-26
Rev Dr Rickey Lynn Mearkle		2024-03-09
Rev Lythan Nevard		2023-11-21

Linked charities

- SECRETARIAL FUND (248796-1)

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

England & Wales - Charity number 248796

Accounts

Charity registration number 248796 (England and Wales)

Company registration number 00101685

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr A L East Mr G Heathcote Mr C N Patten Revd Prof D M Thompson Revd Dr J E Tollington Mr D J Bird Revd L Nevard Mr I R Miller Revd R L Mearkle	(Appointed 9 March 2024) (Appointed 9 March 2024)
Synod officers	Revd L Nevard Revd D Coaker Vacant Mrs F Paulding Mrs P Davies-Brown	Moderator Synod clerk Treasurer Finance officer Resources officer
Charity number	248796	
Company number	00101685	
Registered office	The Eastern Synod Office The United Reformed Church 36 Duxford Road, Whittlesford CAMBRIDGE Cambridgeshire CB22 4ND	
Auditor	Annatrice Limited Statutory Auditor 10 The Thoroughfare Harleston Norfolk IP20 9AX	
Accountant	Waveney Accountants Limited T/as Newman & Co Chartered Accountants 4b Church Street Diss Norfolk IP22 4DD	
Solicitors	Veale Wasbrough Vizards Second floor 3 Brindley Place Birmingham B1 2JB	
Investment advisors	CCLA Investment Managers Limited Epworth Investment Managers Limited	

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

CONTENTS

	Page
Trustees' report	1 - 8
Statement of trustees' responsibilities	9
Independent auditor's report	10 - 11
Statement of financial activities	12
Balance sheet	13 - 14
Statement of cash flows	15
Notes to the financial statements	16 - 33

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' 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 Companies Act 2006 and "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).

Objectives and activities

The charitable company's purpose as set out in the objects contained in the company's Memorandum and Articles of Association is the advancement of the Christian religion especially by the means of, and in accordance with, the principles of the United Reformed Church as set out for the time being in "The Manual".

The aims of the charity are to support local churches in their outreach and mission and to share the vision of the URC's General Assembly with the local churches.

The United Reformed Church (Eastern Province) Trust has two distinct roles. The first is to act as the corporate Trustee of the funds of local URC churches, manses and other local church land. The second is to act as the holding Trustee of the collective financial assets of the Eastern Synod.

In relation to the first role, the Trust acts according to the United Reformed Church Acts 1972, 1981 and 2000: particularly the 1981 Act. Local URC churches operating in the Eastern Synod area are separate and independent charities. There is no common control or unity of administration with any of these bodies and they are not deemed to be connected charities within the understanding of the Charities SORP (FRS 102). None of the financial assets or liabilities of these bodies are incorporated in the Trust's financial statements as the Trust is not the beneficial owner and there is neither parent nor subsidiary relationships.

In relation to the second role, the Trust's responsibility is to exercise ultimate oversight over the finances of the Synod (including its budget and accounts), as set out below. The Trust is also responsible for employment of most remunerated Synod staff. The Trust is also exploring becoming a joint employer, alongside local church(es), to better support and enable the employment of lay workers.

Public benefit

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Strategies for achieving aims and objectives

The strategy for achieving the Trust's aims and objectives is to provide pastoral, educational and mission, technical and financial support. All these forms of support are designed to promote and share the Christian faith and, in particular, the principles of the URC in each area where a local congregation operates. The Trustees review the aims, objectives and proposed future activities on a regular basis. The Trustees follow the general guidance issued by the Charity Commission on the public benefit when doing so and the following sections of this report describe how the Trustees have carried out the purposes of the Trust for public benefit. It is important to note that the Trust's functions are generally exercised through the Eastern Synod of the United Reformed Church and its committees (see section headed "Structure, Governance and Management").

Pastoral Support

The Pastoral Committee works with and through the Synod Moderator and others to provide spiritual, pastoral and strategic leadership, care and challenge to local churches and their ministers. They have a particular role in encouraging conversations about pastorates' needs, ensuring effective but sympathetic deployment of ministerial resources as well as overseeing churches during ministerial vacancies. They also monitor the progress of those applying for, and undertaking, various types of ministerial training and work to develop ecumenical relations in the area covered by the Synod as well as encouraging local churches to "think ecumenically" when planning all their initiatives.

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

Educational and Mission Support

The Mission & Discipleship Committee works with and through the Moderator, Mission and Training Officer and Children and Youth Development Officer to provide or encourage training and development for ordained and lay people; organise and support activities for, and work with, children and young people; and encourage mission and outreach activities to be undertaken primarily by local churches in their own towns or villages. The Synod has a Mission Grant Scheme which through an accompanied process seeks to encourage and enable mission activities. Through the Faith in Action group of the Mission & Discipleship Committee, the Synod and local churches are made aware of need and injustice locally, nationally and intentionally and challenged to respond in ways which make a difference.

Technical Support

Synod officials are a resource available to help local churches understand and keep up to date with their obligations as charities, employers, providers of services to the public and occupiers of buildings. Where necessary, Trustees and Synod officials also help local churches through the process of considering the acquisition, modification or disposal of premises and issues of trust, property and charity law. The Listed Building Advisory Committee (as constituted by the Ecclesiastical Exemption [Listed Buildings and Conservation Areas] [England] Order 2010) offers independent advice to the Synod Property Committee, together with assisting local churches occupying "Listed" buildings through the complexities of the legal processes governing these types of buildings, including offering advice on their care and maintenance.

Financial Support

A range of grants (and, sometimes, loans - constituting Programme Related Investments) is made available to local churches and ministers to assist with children and young people engagement, IT, mission and outreach, maintenance and improvement (including environmental) of properties to enhance interaction with their communities and ministerial and lay training and development. In most cases this support is provided through the Resources/Property Committee, which meets four times a year and oversees financial and property-related matters for the Synod. The delegated powers of the Resources Committee and its interaction with the Trust and Trustees are set out in the Synod Financial Policy, which is revised periodically by Synod. The Finance Policy sets out the charity's investment policy and ethical constraints under which it operates. For further details see the section below headed "Investment Policy".

Churches are encouraged to invest capital whenever possible and to fund new building works, redevelopments, maintenance works and pastoral assistance from their investment income. Where there are insufficient funds, grants or loans may be made available to Churches, in the case of loans for a period normally not exceeding five years.

Achievements and performance

Mission & Discipleship Committee

The Faith in Action Group continues to arrange events and present matters of concern to Synod and gives links to websites that provide further information on issues such as social justice, racial justice, the environment and rural matters.

Through the Synod's Mission and Training Officer mission and worship resources have been provided to churches and a range of training and related on-line programmes have been provided for Elders and others.

Through the Synod's Children and Youth Development Officer training, advice and consultancy is provided to those working with children and young people, as well as advice and training related to employment issues and safeguarding. The Children and Youth Development Officer also organises or helps at events for youngsters, both Synod-wide and with local churches.

Through the Synod's Safeguarding Officer support, advice and intervention is provided to ensure compliance with good practice and legislation whilst the importance of diligence in all matters relating to safeguarding is promoted for the benefit of all.

Through the Synod's Green Advocate and a Working Group that includes members of the Resources Committee, the Synod has received the A Rocha Bronze Eco Synod award, carbon offsets its activities on an annual basis, and it encourages churches to work towards Eco Church awards.

Reports are received on the Synod's large-scale Mission Project, Loves Farm in Cambridgeshire, the ecumenical initiative of Northstowe Church Network, the Special Category Minister post in central Cambridge and explorations of other possibilities.

The Committee has developed and increased its programme for providing financial support for mission activities within churches.

The Committee has been very heartened by all the great mission work going on in churches.

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

Pastoral Committee

The Committee's work is largely of an ongoing nature, in particular supporting the Moderator as she considers ministerial vacancies and the challenges of deployment.

The Committee is progressing the implementation of the principles of Mission Partnership whereby a grouping of local churches share ministry and resources. These have now been formed in: Norwich and Wroxham, and Herts and Essex Borders.

The Committee is receiving reports of mission reviews carried out in local churches.

It also oversees the process for authorising lay persons to preside at the Sacraments. A full review of the process and those authorised to preside was carried out in 2024. A training programme has been introduced which will require individuals to refresh their training every three years.

The Committee also links with the work of the six Area Partnerships and what was known previously as Herts and Essex Borders Ecumenical Area (HAEBEA) which was dissolved in 2024. The churches that constituted HAEBEA are now within a Methodist Circuit and a URC Mission Partnership exploring ways to work together.

The Committee has noted with sadness the closures of Fowlmere URC, Trinity URC Norwich, Dunmow URC and Thetford URC.

Resources Committee

The Synod Finance Policy is to be fully reviewed in 2025.

The Committee continues to provide a range of property-related grants as well as grants for children's and youth work and a larger mission-related grants. It also recognises the need to support churches with their eco-related works.

The Committee recognised that there was insufficient voluntary help available for the work of the Ministry and Mission Advocates to continue. Oversight of the Fairshare scheme which determines the contributions that local churches make for the provision of ministry throughout the denomination has thus passed to the Finance Officer.

In this respect, the Committee continues to be grateful to local churches for their ongoing support for this central funding at a time when the cost-of-living crisis is placing considerable demand on church monies. The Synod continues to commit to compensating for what would otherwise be a shortfall in the Synod's contribution to the Ministry and Mission Fund.

Officers and Convenors Committee

The Committee's work is mainly concerned with organising Synod meetings, ensuring vacancies on Synod Committees are filled, co-ordinating the work of the committees and overseeing staff matters.

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

Financial review

Financial Statements

The financial statements, including the notes, have been prepared in compliance with the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102). The analysis of income and expenditure reflects the classification of activities, together with costs relating to administration. The Synod and Trust Company do not sell goods or services, nor are there any other trading activities.

A financial review document is made available to all members of Synod, and local churches if requested. This document highlights the main feature of these financial statements. The review includes a comparison between the budget and the final operating income resources and expenditure.

Statement of Financial Activities

The Statement of Financial Activities is shown on page 12, with a more detailed analysis of income and expenditure in notes 3 to 10.

The total income for the year was £3,252,746 (2023 - £2,358,782). This includes income from church sales and other transfers from church funds of £2,336,530 (2023 - £1,174,317). The majority of the remaining income is investment income.

This year the church property grants totalled £696,805 (2023 - £126,055).

Overall the funds have increased by £1,365,181 (2023 - £1,983,089). The deficit in 2022 was mainly due to the decrease in the value of investments which have recovered their values in 2024.

Programme Related Investments total £758,983 (2023 - £765,570) comprising 3 outstanding loans and 8 property investments (2023 : 1 loan and 8 property investments). These investments represent funds invested by Synod to provide accommodation for retired ministers.

Reserves policy

The Trust holds funds under a number of different terms. Funds which are restricted may only be used as directed by the funder at the time they were granted to the Trust. Details of the specific restrictions of those individual funds are disclosed in note 23 to the financial statements.

Other funds are unrestricted and can be used at the discretion of the Trustees in furtherance of the Trust's objects.

It is the policy of the Trustees to designate certain funds for particular purposes as agreed from time to time and details of the purpose and use of those designated funds can be found in note 24 to the financial statements.

The Synod seeks to recognise the needs of both the present generation and future generations within the Church by retaining those one-off capital receipts to which it from time to time becomes entitled under the provision of the URC Acts. It is the present policy that, normally, only the income on these reserves is expended upon charitable purpose but an exception is made in relation to money going into specific designated funds to support mission initiatives.

The remaining unrestricted funds are required to cover the support costs and grants awarded. The Synod Finance Policy specifies that, typically, sufficient cash should be held on short or medium term deposits to cover at least one full year's anticipated revenue expenditure and also allow for the capital purchase of a manse or similar building - though the exercise of discretion is permitted in deciding how much cash it would be advisable to hold at any particular time.

At the year-end general unrestricted funds, excluding designated amounts, amounted to £2,040,484 (2023 - £1,067,076). The Trustees are satisfied this is sufficient to meet day to day objectives.

Principal funding sources

The main sources of regular income are investment and rental income. In addition, in some years, substantial sums become available to the Trust as a result of church closures. No fundraising activities are carried out at Synod or Trust level.

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

Investment policy

The policy seeks to achieve as high an income as possible, subject to protecting the capital value of the funds against inflation. The investments include sharing in some churches' property developments but are otherwise a mixture of fixed interest and equity marketable securities. The Synod seeks to ensure that none of its investments can be seen to support practices which are against the conscience of Christians following the Ethical Investment Guidelines approved by the URC General Assembly from time to time. These Common Investment Funds are governed by Charity Commission Schemes.

A number of local churches have asked the Synod to hold, and invest, certain funds on their behalf. Such funds are not Synod funds and are not included in the Trust financial statements.

Major risks

Financial and risk management objectives and policies

The Trustees are responsible for the management of the risks faced by the charity. Risks are identified, assessed and controls established throughout the year. A formal review of the charity's risks is undertaken on a regular basis and reported to the Trust Directors.

The most serious risk facing the charity would be the Synod failing to achieve its strategic and charitable objectives, either through resources being put into programmes which do not meet those objectives or through failure of Trustees and other Committees to consider the charity's objectives when making decisions.

To manage and mitigate this risk, the Trustees consider the "Aims and Objectives" section of their annual report each year to ensure this remains appropriate and, in so doing, are reminded of the objectives which they must constantly keep in mind.

Another principal risk is business interruption: either through absent personnel or a disaster causing restricted or no access to the Synod office. A Business Continuity Plan was approved by Synod Trust Directors in the spring of 2013 and reviewed and updated in November 2015.

Among the key risk controls used by the charity are:

- a written financial policy subject to periodic review (an updated version was adopted by the October 2023 Synod meeting);
- clear financial authorisation and approval levels (reviewed and tightened in 2022 with the introduction of dual or triple bank authorisations of amounts in excess of £10,000 and £200,000 respectively);
- detailed summary accounts produced for scrutiny by Trust Directors and Resources Committee at every meeting during the year;
- financial statements presented at each Synod meeting; and
- Synod Officers and others having been vetted through the DBS service, where appropriate and satisfying the Synod's "Safeguarding" policy. The Trustees are aware of the potential risks associated with safeguarding issues and are diligent in attempting to mitigate these.

Through the risk management process established for the charity, the Trustees are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable, but not absolute, assurance that the major risks have been adequately managed.

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

Plans for future periods

In 2025, the Synod will continue to strengthen missional discipleship establishing Mission Partnerships and will provide a range of resources for local churches to grow more committed in their faith and more able to reach out to help others discover their need for God.

The Mission & Discipleship Committee will continue to have a prominent role to play in enthusing congregations and facilitating the provision of resources. Efforts to reach out to children and young people within the Synod will be pursued and we hope to make progress in building greater awareness of, and commitment to, the World Church as well as promoting justice, peace and the integrity of creation. And, together with the Resources Committee, it will take forward the work required to develop as an Eco Synod and for local congregations to develop as Eco Churches.

The Pastoral Committee will continue to support the pastoral work of the Moderator as appropriate and reviewing the Synod's deployment strategy. It will also continue to oversee the process of declaring and filling vacancies, identifying and training candidates for ministry (both ordained and lay) and for promoting health and healing.

The Resources Committee will continue to act in conjunction with and on behalf of the Synod Trustees in administering its various grant awarding processes and safeguarding the Synod's finances and investments. It will also participate in the review of the denomination's pension schemes, recognising that all Synods have a part to play in ensuring the schemes meet the requirements of the Pension Regulator. And it will oversee a review of the level of contributions sought from churches to the national Ministry and Mission Fund.

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

Structure, governance and management

The charity is controlled by its governing document, a deed of trust, and constitutes a legal company, limited by guarantee, as defined by the Companies Act 2006.

The United Reformed Church (Eastern Province) Trust ("the Trust") is a company limited by guarantee formed on 20 March 2007 and is a registered charity, number 248796. It is governed by its Memorandum and Articles of Association as revised in 2008.

All of the financial assets and liabilities of the Eastern Synod of the United Reformed Church ("Synod") are shown in the Trust's financial statements. However, while the Trust holds the assets and liabilities of Synod, it is the Synod which is the decision making body, except in relation to matters relating exclusively to the business of the Trust for which the Trust Directors are responsible.

The Trust is corporate Trustee for most land and buildings utilised by local URC Churches. The Finance Officer and the Resources Officer attend Trustee meetings but are not themselves Trustees.

Constitution of the Synod

Eastern Synod is one of thirteen Synods of the United Reformed Church ("URC") within the United Kingdom. It is constituted in accordance with the Scheme of Union and the United Reformed Church Acts of 1972, 1981 and 2000 (see www.urc.org.uk). It has oversight of the URC in the East of England, covering Norfolk, Suffolk, most of Essex, most of Cambridgeshire and part of Hertfordshire.

In accordance with "the Structure of the United Reformed Church" it is responsible for:

- Overseeing six area partnerships;
- Promoting church extension;
- Promoting ecumenical relations;
- Opening, closing and extending church buildings;
- Overseeing matters affecting the ordained ministry, including discipline;
- Dealing with matters referred from General Assembly and Assembly Executive;
- Undertaking such other things which promote the welfare of the United Reformed Church.

The Easter Synod, which is made up of ministers and lay representatives of each local church together with Synod officers, meets to transact business routinely twice a year but has delegated various powers to a number of committees as well as the Trust. The following committees are responsible for specific elements in the life of the Synod:

- Pastoral Committee;
- Mission and Discipleship Committee;
- Resources/Property Committee;
- Listed Buildings Advisory Committee; and
- Recruitment and appointment of new Trustees.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr A L East

Mr G Heathcote

Mr K R Hounsome

(Resigned 9 March 2024)

Mr C N Patten

Revd Prof D M Thompson

Revd Dr J E Tollington

Mr D J Bird

Revd L Nevard

Mr I R Miller

(Appointed 9 March 2024)

Revd R L Mearkle

(Appointed 9 March 2024)

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

Recruitment and appointment of trustees

The Trustees nominate members to serve as Trustees of the Trust and Synod meeting ratifies the appointment.

There is an informal programme for the induction of Trustees.

Organisational structure

Day-to-day financial and property activities are dealt with by the Finance Officer and Resources Officer. In accordance with the URC Acts, many decisions need a Church Meeting resolution, a Synod approval (at present Synod has delegated its power of approval to Resources Committee) and a decision by the Trust Directors before actions can be taken by, or on behalf of, the Trust as Trustee.

Other matters

Use of volunteers

Most Ministers of Word and Sacrament receive a stipend directly from the Finance Office of the United Reformed Church in London. The URC Trust (acting at denominational level) is a separate charity, again not under common control. The Clerk, Finance Officer, Resources Officer, Moderator's PA, Administrator, Mission & Training Officer, Children's & Youth Development Officer, and Safeguarding Officer are paid by the Synod. Other than that, all members of Synod Committees and others who support and enable Synod activities are volunteers, almost all being members of their local URC or Local Ecumenical Partnership.

Key Management Personnel

The key management group within the Synod structure is made up of the Synod Moderator, the Synod Clerk and the Synod Treasurer. The first of these receives a stipend from the denomination centrally at the same rate as all stipendiary Ministers of Word and Sacrament serving the denomination. The Synod Clerk role moved from a voluntary to a paid post funded by the Synod in 2022. The Treasurer is entitled to a claim a small honorarium.

Relationship with related parties

During 2010 a subsidiary company, United Reformed Church (Eastern Province) Design & Build Limited, was established. This company has remained dormant throughout the year.

There have been no significant related party transactions between the Trust and any of its Trustees or Synod officials during the year.

Auditor

In accordance with the company's articles, a resolution proposing that Annatrice Limited be reappointed as auditor of the company will be put at a General Meeting.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees' report was approved by the Board of Trustees.

Andrew East
Andrew East (Dec 19, 2025, 11:08:53 GMT)

Mr A L East

Date: 19/12/2025.....

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2024

The trustees, who are also the directors of The United Reformed Church (Eastern Province) Trust for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law 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 charitable company for that year.

In preparing these 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;
- 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; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Company law 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 charitable company for that year.

In preparing these 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;
- 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

Opinion

We have audited the financial statements of The United Reformed Church (Eastern Province) Trust (the 'charity') for the year ended 31 December 2024 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2024 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Our audit procedures included analytical techniques, third party confirmation of balances and verification of transactions on a sample basis to provide sufficient appropriate evidence that the accounts show a true and fair view and are free from material irregularities including fraud, error and non-compliance with applicable laws and regulations. In designing these procedures and in particular we considered the risk of fraud over completeness and presentation of income, occurrence and presentation of expenditure, valuation and existence of assets and completeness of liabilities.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



for and on behalf of Annatrice Limited

19/12/2025

Chartered Certified Accountant

Statutory Auditor

10 The Thoroughfare
Harleston
Norfolk
IP20 9AX

Annatrice Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2024

		Unrestricted funds	Restricted funds	Total	Unrestricted funds as restated	Restricted funds	Total
		2024	2024	2024	2023	2023	as restated 2023
Notes		£	£	£	£	£	£
Income and endowments from:							
Donations and legacies	3	52,500	-	52,500	5,000	-	5,000
Charitable activities	4	126,561	116,199	242,760	117,789	104,272	222,061
Investment income	5	472,981	65,193	538,174	323,279	63,719	386,998
Other income	6	2,419,312	-	2,419,312	1,744,723	-	1,744,723
Total income		3,071,354	181,392	3,252,746	2,190,791	167,991	2,358,782
Expenditure on:							
Raising funds	7	373,583	132,435	506,018	210,110	96,271	306,381
Charitable activities							
Ministry and Mission	8	783,350	9,166	792,516	501,859	1,052	502,911
Property	8	861,582	-	861,582	260,063	-	260,063
Training	8	214,005	-	214,005	172,492	-	172,492
Total charitable expenditure		1,858,937	9,166	1,868,103	934,414	1,052	935,466
Total expenditure		2,232,520	141,601	2,374,121	1,144,524	97,323	1,241,847
Net gains on investments	14	394,230	92,326	486,556	732,676	133,478	866,154
Net income		1,233,064	132,117	1,365,181	1,778,943	204,146	1,983,089
Transfers between funds		(211,392)	211,392	-	-	-	-
Net movement in funds	11	1,021,672	343,509	1,365,181	1,778,943	204,146	1,983,089
Reconciliation of funds:							
Fund balances at 1 January 2024		15,280,708	8,979,975	24,260,683	13,501,765	8,775,829	22,277,594
Fund balances at 31 December 2024		16,302,380	9,323,484	25,625,864	15,280,708	8,979,975	24,260,683

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

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

BALANCE SHEET

AS AT 31 DECEMBER 2024

		2024	2023
	Notes	£	£
Fixed assets			
Tangible assets	16	7,354,507	7,038,623
Investment property	17	1,421,000	2,089,000
Investments	18	13,317,514	12,831,069
		<u>22,093,021</u>	<u>21,958,692</u>
Current assets			
Debtors	19	113,803	111,713
Cash at bank and in hand		5,140,186	2,987,455
		<u>5,253,989</u>	<u>3,099,168</u>
Creditors: amounts falling due within one year	20	<u>(1,473,340)</u>	<u>(639,342)</u>
Net current assets		<u>3,780,649</u>	<u>2,459,826</u>
Total assets less current liabilities		<u>25,873,670</u>	<u>24,418,518</u>
Creditors: amounts falling due after more than one year	21	<u>(247,806)</u>	<u>(157,835)</u>
Net assets excluding pension liability		<u>25,625,864</u>	<u>24,260,683</u>
Net assets		<u><u>25,625,864</u></u>	<u><u>24,260,683</u></u>
The funds of the charity			
Restricted income funds	23	9,323,484	8,979,975
Unrestricted funds		16,302,380	15,280,708
		<u>25,625,864</u>	<u>24,260,683</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2024.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2024

The financial statements were approved by the trustees on 19/12/2025.

Andrew East
Andrew East (Dec 19, 2025 11:09:53 GMT)

Mr A L East

Company registration number 00101685 (England and Wales)

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	2024 £	£	2023 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	33		1,554,740		(912,033)
Investing activities					
Purchase of tangible fixed assets		(22,800)		(31,244)	
Proceeds from disposal of tangible fixed assets		374,650		-	
Purchase of investments		(1,468,547)		(3,156,851)	
Sale of fixed asset investments		1,503,598		3,112,984	
Repayment of programme related loans		30,057		6,074	
New programme related loans		(31,815)		(8,546)	
Interest received		212,848		67,582	
Net cash generated from/(used in) investing activities			597,991		(10,001)
Net cash used in financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			2,152,731		(922,034)
Cash and cash equivalents at beginning of year			2,987,455		3,909,489
Cash and cash equivalents at end of year			5,140,186		2,987,455

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

Charity information

The United Reformed Church (Eastern Province) Trust is a private company limited by guarantee incorporated in England and Wales. The registered office is The Eastern Synod Office, The United Reformed Church, 36 Duxford Road, Whittlesford, CAMBRIDGE, Cambridgeshire, CB22 4ND.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's government document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") 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)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

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 investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

Preparation of consolidated financial statements

The company is the parent undertaking of a small group and, as such, is not required by the Companies Act 2006 to prepare consolidated financial statements. It has also taken advantage of the exemption under the SORP not to prepare consolidated financial statements on the grounds of materiality. These financial statements present information about the individual company only and not the group.

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.

The financial statements have been prepared on a going concern basis. The Trustees have considered relevant information, including the annual budget and forecast future cash flows in making their assessment. The current economic environment has not had a significant impact on the charity's operations although adaptations have been made to reflect changes in working practices. The Trustees are monitoring the impact on future revenue streams and the impact on our beneficiaries and any support they may require. Based on these assessments and having regard to resources available to the charity, the Trustees have concluded that there is no material uncertainty and the financial statements can continue to be prepared on a going concern basis.

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

All incoming resources are included in the Statement of Financial Activities (SoFA) 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.

Fixed asset gifts in kind are recognised when receivable and are included at fair value. They are not deferred over the life of the asset.

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

(Continued)

The charity receives grants which are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

Investment income is earned through holding assets for investment purposes such as shares and property. It includes dividends, interest and rent. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy, the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest income is recognised using the effective interest method. Dividend and rental income is recognised as the charity's right to receive payment is established.

1.5 Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Costs of raising funds includes the costs of managing investments and programme related investments;
- Expenditure on charitable activities includes costs of ministry, mission, training and property grants; and
- Other expenditure represents those items not falling into the categories above.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Grants payable to local churches, organisations and individuals are within the charitable objectives. Where unconditional grants are offered, this is accrued as soon as the recipient is notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive the grants. Where grants are conditional relating to performance then the grant is only accrued when any unfulfilled conditions are outside the control of the charity.

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include premises costs, office costs, governance costs and salary costs. They are incurred directly in support of expenditure on the objects of the charity. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with the use of the resources.

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:

Freehold land and buildings	Freehold property is not depreciated
Plant and equipment	Straight line over 5 years
Fixtures and fittings	Straight line over 10 years
Computers	Straight line over 5 years
Motor vehicles	Straight line over 5 years

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.

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

(Continued)

No amounts under £500 are capitalised. The Trustees conduct an annual impairment review.

Freehold properties include some burial grounds. Due to the nature of this land, they are included at £nil value.

Individual church property

The Trust is sole Trustee of the land and buildings of most local URCs but they are not the property of the Synod and are not shown in the financial statements. Sale proceeds from redundant properties or from part thereof which come into Synod funds are treated as unrestricted income from general funds. The income is recognised when the amount can be measured reliably and it is probable that the income will be received.

1.7 Investment property

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in the Statement of Financial Activities.

1.8 Fixed asset investments

Listed investments are recognised initially at fair value, which is normally the transaction price, excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in "net gains/(losses) on investments" in the SoFA if the shares are publicly traded or their fair value can otherwise be measured reliably.

Social investments

Programme related investments are those held to further our charitable purposes. Programme related investments include investment in a percentage share of properties and bridging or other loans.

Related investments in properties are stated at cost subject to any adjustment arising from impairment which is considered on an annual basis. Gains on disposal of these investments are shown as other income in the SoFA. Investments by way of loans are stated at cost. Interest is charged on the loans at the COIF rate of interest, being the rate of interest the Trust would otherwise have earned.

1.9 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).

1.10 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.

1.11 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

1.12 Taxation

The charity is exempt from corporation tax on its charitable activities.

1.13 Provisions

Provisions are recognised when the charity has a legal or constructive present obligation as a result of a past event, it is probable that the charity will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

1.14 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.

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

(Continued)

1.15 Retirement benefits

The charity operates a defined contribution scheme. Contributions are charged as expenditure as they become payable in accordance with the rules of the scheme.

The charity participates in a defined benefit scheme, The Pensions Trust Defined Benefit Scheme, which is a multi employer scheme where the underlying assets and liabilities are not separately identifiable. In accordance with the SORP, it is accounted for as a defined contribution scheme. Contributions are charged as expenditure as they become payable in accordance with the rules of the scheme.

1.16 Description and use of funds

The financial statements show the combined income, expenditure, assets and liabilities of the following funds, which are administered for the benefit of the United Reformed Church within the Eastern Synod:

Synod Administration Fund
Church Life and Mission Fund
Retired Ministers Housing Fund
Retired Ministers Holiday Fund
Manse Funds
Pioneer Fund
Heritage Fund
Ten Per Cent Fund
Great Yarmouth Fund
Norwich Fund
HAEBEA Fund

Funds administered on behalf of local churches are not included.

Restricted income funds are funds whose use is restricted to specific purposes according to the terms on which the funds were received.

Unrestricted income funds may be spent generally for furthering the Christian and charitable work of the United Reformed Church in the Eastern Province. The main fund in this category is the Church Life and Mission Fund. Certain funds have been allocated to the Resources Committee, but the committee retains authority to re-allocate such funds and so they are treated as Designated Funds within Unrestricted Income Funds.

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

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.

Investments - estimate of fair value

Fixed assets - estimate of useful life and estimate of impairment

Support cost - allocation to activities

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

3 Income from donations and legacies

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Donations and gifts	47,500	-
Grants	5,000	5,000
	<u>52,500</u>	<u>5,000</u>

4 Income from charitable activities

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Ministry and Mission						
Loan interest	182	-	182	-	-	-
Property						
Charitable rental income	126,379	116,199	242,578	117,789	104,272	222,061
	<u>126,561</u>	<u>116,199</u>	<u>242,760</u>	<u>117,789</u>	<u>104,272</u>	<u>222,061</u>

5 Income from investments

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Rental income	275,382	49,944	325,326	267,730	51,686	319,416
Interest receivable	197,599	15,249	212,848	55,549	12,033	67,582
	<u>472,981</u>	<u>65,193</u>	<u>538,174</u>	<u>323,279</u>	<u>63,719</u>	<u>386,998</u>

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

6 Other income

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Net gain on disposal of tangible fixed assets	47,380	-
Grant of headlease	-	568,000
Other income	35,402	2,406
Sale of church properties and transfers of church's funds	2,336,530	1,174,317
	<u>2,371,932</u>	<u>1,744,723</u>

7 Expenditure on raising funds

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Fundraising and publicity						
Legal and professional fees	114,702	760	115,462	59,993	75	60,068
Leasing of premises	115,832	1,753	117,585	41,668	1,133	42,801
Synod manse scheme	24,646	122,408	147,054	9,760	87,986	97,746
Support costs	98,866	-	98,866	80,405	-	80,405
	<u>354,046</u>	<u>124,921</u>	<u>478,967</u>	<u>191,826</u>	<u>89,194</u>	<u>281,020</u>
Investment management	19,537	7,514	27,051	18,284	7,077	25,361
Total costs	<u>373,583</u>	<u>132,435</u>	<u>506,018</u>	<u>210,110</u>	<u>96,271</u>	<u>306,381</u>

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

8 Expenditure on charitable activities

	Ministry and Mission	Property	Training	Total	Ministry and Mission	Property	Training	Total
	2024	2024	2024	2024	2023	2023	2023	2023
	£	£	£	£	£	£	£	£
Direct costs								
Staff costs	51,308	-	154,162	205,470	62,997	-	130,880	193,877
Sundries	3	-	18,196	18,199	3	-	10,022	10,025
Depreciation of motor vehicles	-	-	8,692	8,692	-	-	4,789	4,789
	<u>51,311</u>	<u>-</u>	<u>181,050</u>	<u>232,361</u>	<u>63,000</u>	<u>-</u>	<u>145,691</u>	<u>208,691</u>
Grant funding of activities (see note 9)	708,250	696,805	-	1,405,055	413,110	126,055	-	539,165
Share of support and governance costs (see note 10)								
Support	32,955	164,777	32,955	230,687	26,801	134,008	26,801	187,610
	<u>792,516</u>	<u>861,582</u>	<u>214,005</u>	<u>1,868,103</u>	<u>502,911</u>	<u>260,063</u>	<u>172,492</u>	<u>935,466</u>
Analysis by fund								
Unrestricted funds	783,350	861,582	214,005	1,858,937	501,859	260,063	172,492	934,414
Restricted funds	9,166	-	-	9,166	1,052	-	-	1,052
	<u>792,516</u>	<u>861,582</u>	<u>214,005</u>	<u>1,868,103</u>	<u>502,911</u>	<u>260,063</u>	<u>172,492</u>	<u>935,466</u>

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

9 Grants payable

	Ministry and Mission	Property	Total	Ministry and Mission	Property	Total
	2024	2024	2024	2024	2024	2024
	£	£	£	£	£	£
Grants to institutions:						
Other	708,250	696,805	1,405,055	413,110	126,055	539,165
	<u>708,250</u>	<u>696,805</u>	<u>1,405,055</u>	<u>413,110</u>	<u>126,055</u>	<u>539,165</u>

10 Support costs allocated to activities

	2024	2023
	£	£
Staff costs	198,525	184,550
Depreciation	5,954	5,559
Rates and water	238	227
Rent	16,313	15,514
Gas and electricity	4,033	3,078
Cleaning	1,161	1,096
Property repairs	55,495	1,684
Insurance	4,716	5,819
Telephone	2,074	1,917
Postage and stationery	1,974	1,836
Sundries	235	368
Computer costs	9,675	10,794
Refreshments and office costs	260	211
Staff travel, subs and training	3,240	1,318
Photocopier costs	4,050	4,105
Year book and communication	1,383	762
Moderator expenses	-	246
Synod Council	1,868	2,057
Synod Treasurer and Clerk costs	1,386	996
Honoraria	-	2,000
Legal and professional	3,469	11,689
Bank charges and interest	155	164
Governance costs	13,349	12,025
	<u>329,553</u>	<u>268,015</u>
Analysed between:		
Fundraising	98,866	80,405
Ministry and Mission	32,955	26,801
Property	164,777	134,008
Training	32,955	26,801
	<u>329,553</u>	<u>268,015</u>

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

10 Support costs allocated to activities **(Continued)**

	2024	2023
	£	£
Governance costs comprise:		
Audit fees	9,180	9,744
Committee and office holder costs	4,169	2,281
	<u>13,349</u>	<u>12,025</u>

11 Net movement in funds **2024** **2023**

£ **£**

The net movement in funds is stated after charging/(crediting):

Fees payable for the audit of the charity's financial statements	9,180	9,600
Depreciation of owned tangible fixed assets	14,646	9,733
(Profit)/loss on disposal of tangible fixed assets	<u>(47,380)</u>	<u>614</u>

12 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year nor for the prior year.

Reimbursed expenses were paid to 6 Trustees of the Synod in aggregate of £288 (2023 - £917 for 5 trustees). Synod recognises an honoraria of £2,000 for the Treasurer in respect of their role within the Synod. In 2024 this was not expended due to a vacancy within the role (2023 - £2,000). During the year the charity acquired services of £5,048 (2023 - £21,360) from Lewis Pattern Chartered Architects, a company in which Mr C Patten is a director and owner. No other remuneration or expenses were paid to the Trustees or members of the Resources Committee, other than the reimbursement of travel expenses.

13 Employees

The average monthly number of employees during the year was:

	2024	2023
	Number	Number
Synod administration	<u>11</u>	<u>11</u>

Employment costs	2024	2023
	£	£
Wages and salaries	326,627	304,214
Social security costs	31,877	31,050
Other pension costs	45,491	43,163
	<u>403,995</u>	<u>378,427</u>

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

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

14 Gains and losses on investments

	Unrestricted funds	Restricted funds	Total	Unrestricted funds as restated 2023	Restricted funds as restated 2023	Total as restated 2023
	2024 £	2024 £	2024 £	2023 £	2023 £	2023 £
Gains/(losses) arising on:						
Revaluation of investments	388,770	90,226	478,996	742,095	137,135	879,230
Sale of investments	5,460	2,100	7,560	(9,419)	(3,657)	(13,076)
	<u>394,230</u>	<u>92,326</u>	<u>486,556</u>	<u>732,676</u>	<u>133,478</u>	<u>866,154</u>

The Trust had gains arising from the revaluation of listed investments £520,523 (2023 - £940,112) and losses on Social Investments property of £8,527 (2023 - £6,117 gain) and investment properties of £33,000 (2023 - £67,000). The gain from the revaluation of listed investments includes £90,226 of restricted funds (2023 - £137,135).

15 Taxation

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

16 Tangible fixed assets

	Freehold land and buildings £	Plant and equipment £	Fixtures and fittings £	Computers £	Motor vehicles £	Total £
Cost						
At 1 January 2024	6,985,670	9,197	17,758	19,966	43,460	7,076,051
Additions	-	1,937	19,186	1,677	-	22,800
Disposals	(327,270)	-	(2,746)	-	-	(330,016)
Transfer from investment property	635,000	-	-	-	-	635,000
At 31 December 2024	<u>7,293,400</u>	<u>11,134</u>	<u>34,198</u>	<u>21,643</u>	<u>43,460</u>	<u>7,403,835</u>
Depreciation and impairment						
At 1 January 2024	-	3,755	12,108	11,765	9,800	37,428
Depreciation charged in the year	-	1,502	1,937	2,515	8,692	14,646
Eliminated in respect of disposals	-	-	(2,746)	-	-	(2,746)
At 31 December 2024	<u>-</u>	<u>5,257</u>	<u>11,299</u>	<u>14,280</u>	<u>18,492</u>	<u>49,328</u>
Carrying amount						
At 31 December 2024	<u>7,293,400</u>	<u>5,877</u>	<u>22,899</u>	<u>7,363</u>	<u>24,968</u>	<u>7,354,507</u>
At 31 December 2023	<u>6,985,670</u>	<u>5,442</u>	<u>5,650</u>	<u>8,201</u>	<u>33,660</u>	<u>7,038,623</u>

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

16 Tangible fixed assets

(Continued)

At the year end the Synod Manse Scheme had beneficial ownership of 22 properties valued at approximately £7.3 million registered in the name of URC (Eastern Province) Trust. Of this, 17 properties totalling £6.5 million are included within tangible and investment properties.

17 Investment property

2024

£

Fair value

At 1 January 2024	2,089,000
Transfers to owner-occupied property	(635,000)
Net gains or losses through fair value adjustments	(33,000)
At 31 December 2024	1,421,000

The fair value of the investment property has been arrived at on the basis of a valuation carried out at 31 December 2024 by the Trustees. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties.

If investment properties were stated on an historical cost basis rather than a fair value basis, the amounts would have been included as follows:

	2024	2023
	£	£
Cost	689,000	1,660,447
Accumulated depreciation	-	-
Carrying amount	689,000	1,660,447

18 Fixed asset investments

	Listed investments	Social investments	Other investments	Total
	£	£	£	£
Cost or valuation				
At 1 January 2024	12,065,499	762,024	3,546	12,831,069
Additions	1,468,547	-	31,815	1,500,362
Valuation changes	520,523	(8,527)	-	511,996
Repayments	-	-	(30,057)	(30,057)
Other movements	-	-	182	182
Disposals	(1,496,038)	-	-	(1,496,038)
At 31 December 2024	12,558,531	753,497	5,486	13,317,514
Carrying amount				
At 31 December 2024	12,558,531	753,497	5,486	13,317,514
At 31 December 2023	12,065,499	762,024	3,546	12,831,069

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

18 Fixed asset investments (Continued)

	2024	2023
	£	£
Other investments comprise:		
Loans	5,486	3,546

Fixed asset investments revalued

If the listed investments had not been revalued they would have been included at the historical cost of £11,053,979 (2023 - £11,073,355).

Fixed asset investments were valued on an open market basis at 31 December 2024 by CCLA and Epworth.

There were no investment assets outside the UK.

Social investments

Social investments comprise programme related investments, which are properties.

Loans are subject to the Epworth CashPlus Fund rate of interest that would otherwise have been received.

The Synod has no contingent liability arising from any undertaking to guarantee the repayment of loans made by the General Assembly of the URC to congregations in the Synod.

In relation to residential properties, no interest is charged on the initial value of the investment. A proportion of the costs of repair are met by the Trust during the period of investment but the benefit should arise on disposal of the properties when the Trust receives a proportion of the proceeds relating to the investment proportion of the original cost.

If the residential properties had not been revalued they would have been included at the historical cost of £297,555 (2023 - £297,555). Social investments were valued on an open market basis on 31 December 2024 by the Trustees.

19 Debtors

	2024	2023
	£	£
Amounts falling due within one year:		
Trade debtors	24,665	-
Other debtors	39,411	84,904
Prepayments and accrued income	49,727	26,809
	<u>113,803</u>	<u>111,713</u>

20 Creditors: amounts falling due within one year

	2024	2023
	£	£
Other taxation and social security	8,144	7,160
Other creditors	233,483	7,168
Grants approved	1,087,025	536,729
M & M Reserve Fund	25,447	46,650
Accruals and deferred income	119,241	41,635
	<u>1,473,340</u>	<u>639,342</u>

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

21 Creditors: amounts falling due after more than one year

	2024	2023
	£	£
Grants approved	191,737	122,865
Other creditors	56,069	34,970
	<u>247,806</u>	<u>157,835</u>

22 Retirement benefit schemes

	2024	2023
	£	£
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	<u>45,491</u>	<u>33,901</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.

23 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations, grants and other income 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	Gains and losses	At 31 December 2024
	£	£	£	£	£	£
Church Life & Mission fund	1,336,092	22,191	(5,741)	(79,897)	62,233	1,334,878
Ret'd Ministers Housing fund	1,233,219	17,198	(3,526)	-	17,445	1,264,336
Ret'd Ministers Holiday fund	12,275	-	(7,100)	-	-	5,175
Manse fund	6,398,389	142,003	(125,234)	291,289	12,648	6,719,095
	<u>8,979,975</u>	<u>181,392</u>	<u>(141,601)</u>	<u>211,392</u>	<u>92,326</u>	<u>9,323,484</u>
Previous year:	At 1 January 2023	Incoming resources	Resources expended	Transfers	Gains and losses	At 31 December 2023
	£	£	£	£	£	£
Church Life & Mission fund	1,275,598	23,239	(5,327)	-	42,581	1,336,091
Ret'd Ministers Housing fund	1,169,675	17,224	(2,781)	-	49,101	1,233,219
Ret'd Ministers Holiday fund	11,766	223	(48)	-	334	12,275
Manse fund	6,318,790	127,305	(89,167)	-	41,462	6,398,390
	<u>8,775,829</u>	<u>167,991</u>	<u>(97,323)</u>	<u>-</u>	<u>133,478</u>	<u>8,979,975</u>

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

23 Restricted funds

(Continued)

Church Life & Mission Fund

This fund has been created from the asset apportionment of former Trustee bodies and the sale proceeds of redundant churches. Income only is used for grants and training support, but the capital can be loaned to churches in accordance with the Synod Finance Policy.

Retired Ministers' Housing Fund

The fund is available to help with the housing of ministers in retirement.

Retired Ministers' Holiday Fund

The fund was established from the sale proceeds of the Synod caravan and is used to benefit ministers.

Synod Manse Funds

In October 2005 the Synod Manse Policy was endorsed. A number of property sales were recognised and set aside as initial funding. The fund is designed to allow churches to release their interest in a property to the Synod's control thereby allowing Synod to position manses where they are required and to ensure that the houses within the manse scheme are kept in a good state of repair.

24 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations, grants and other income 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 as restated £	Incoming resources £	Resources expended £	Transfers £	Gains and losses £	At 31 December 2024 £
Church Life & Mission fund	10,519,420	1,062,529	(1,960,340)	-	394,230	10,015,839
Manse fund	211,392	670,803	-	(211,392)	-	670,803
Heritage fund	1,860,450	-	(102,360)	-	-	1,758,090
Pioneer fund	1,352,158	8,751	(48,927)	-	-	1,311,982
10% property sale	270,212	51,643	-	-	-	321,855
Great Yarmouth	-	108,895	-	-	-	108,895
Norwich	-	54,489	-	-	-	54,489
HAEBEA	-	22,168	(2,225)	-	-	19,943
General funds	1,067,076	1,092,076	(118,668)	-	-	2,040,484
	<u>15,280,708</u>	<u>3,071,354</u>	<u>(2,232,520)</u>	<u>(211,392)</u>	<u>394,230</u>	<u>16,302,380</u>

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

24 Unrestricted funds

(Continued)

Previous year:	At 1 January 2023 as restated £	Incoming resources as restated £	Resources expended as restated £	Transfers as restated £	Gains and losses as restated £	At 31 December 2023 as restated £
Church Life & Mission fund	8,720,166	1,976,124	(776,210)	-	599,340	10,519,420
Manse fund	254,729	-	(43,337)	-	-	211,392
Heritage fund	1,717,961	126,549	(48,304)	-	64,245	1,860,451
Pioneer fund	1,384,624	7,492	(54,770)	-	14,811	1,352,157
10% property sale	221,571	48,641	-	-	-	270,212
General funds	1,202,714	31,985	(221,903)	-	54,280	1,067,076
	<u>13,501,765</u>	<u>2,190,791</u>	<u>(1,144,524)</u>	<u>-</u>	<u>732,676</u>	<u>15,280,708</u>

Heritage Fund

The fund has been set up specifically to support those churches who have the responsibility of maintaining buildings which are listed on the National Register. Grants of up to 50% of the cost may be awarded, providing churches can demonstrate that they have regularly maintained their properties up to a reasonable standard. The money to support such grants comes from part of the proceeds of sales of redundant Listed buildings.

Pioneer Fund

The Pioneer Fund was approved by Synod in October 2008 with the sole purpose to support churches envisioned with a pioneer project costing in excess of £250,000. In March 2013, Synod meeting amended the normal minimum project cost to £100,000. The money in this fund comes from part of the proceeds of sales of redundant buildings which are not Listed.

The Pioneer Love's Farm Fund is a sub-fund of the work of the Pioneer Fund set aside to support an ecumenical project in the St Neots area.

Great Yarmouth

The Great Yarmouth Fund are designated for mission and outreach work in the Great Yarmouth area. The fund corresponds to an investment previously held by Great Yarmouth URC prior to its closure in 2024.

Norwich

The Norwich funds are designated for use within the Norwich group of churches. The fund represents monies previously held by the Princes Street URC prior to its closure in 2021.

HAEBEA

The HAEBEA funds are designated to support service and ministerial costs for which the churches in the Herts and Essex Borders Mission Partnership are liable. The monies were previously held by the Herts and Essex Borders Ecumenical Area prior to its dissolution in 2024.

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

25 Analysis of net assets between funds

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
At 31 December 2024:			
Tangible assets	1,226,107	6,128,400	7,354,507
Investment properties	1,421,000	-	1,421,000
Investments	10,927,403	2,390,111	13,317,514
Current assets/(liabilities)	2,975,676	804,973	3,780,649
Long term liabilities	(247,806)	-	(247,806)
	<u>16,302,380</u>	<u>9,323,484</u>	<u>25,625,864</u>
	Unrestricted funds as restated 2023 £	Restricted funds as restated 2023 £	Total as restated 2023 £
At 31 December 2023:			
Tangible assets	910,222	6,128,401	7,038,623
Investment properties	2,089,000	-	2,089,000
Investments	10,490,254	2,340,815	12,831,069
Current assets/(liabilities)	1,949,067	510,759	2,459,826
Long term liabilities	(157,835)	-	(157,835)
	<u>15,280,708</u>	<u>8,979,975</u>	<u>24,260,683</u>

26 Employee benefit obligations

Defined benefit scheme

The Trust is a participating member of The United Reformed Church Final Salary Scheme, a pension scheme principally for lay staff which is administered by TPT Retirement Solutions Trust (formerly The Pensions Trust). The scheme is a defined benefit scheme. It was closed to future accrual on 28 February 2023 and staff were moved into a defined contribution scheme administered by the Aon Master Trust on 1 March 2023. The Trust contributed £9,278 (2023 - £9,262) into this defined contribution scheme during the year.

The Trust is unable to identify its share of the underlying assets and liabilities of the defined benefit scheme. The most recent formal actuarial review of the defined benefit scheme was at 30 September 2022, when the scheme had a surplus of £1,446,000. The assumptions underlying that valuation include:

- Discount rate: Initial rate of gilt yield curve plus 1.80% p.a. at the valuation date tapering linearly to gilt yield curve plus 0.5% p.a. by 30 September 2027 (5 years from the valuation date)
- RPI inflation: Gilt RPI Inflation Curve at each term
- CPI Inflation: RPI Inflation less 1.0% p.a. at each term until 2030 and RPI Inflation from 2030 onwards
- Rate of increase in earnings: CPI Inflation plus 1.0% p.a. at each term

Defined contribution scheme

A defined contribution scheme has also been opened for more recently appointed staff. Contributions for the year to this scheme were £16,735 (2023 - £33,901).

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

27 Financial commitments, guarantees and contingent liabilities

The Trust has a mortgage charge over freehold land which is held in trust under the URC Acts and therefore does not appear in the balance sheet of the Trust. The loan was advanced to Lewis Gibson Limited, a company in which the Trust holds one third of the share capital, in connection with the construction on the land. Loan repayments are made by Lewis Gibson Limited and there is a charge in place between the lender and Lewis Gibson Limited. In the event that Lewis Gibson Limited were to default on the loan and its security was insufficient then the Trust security could be called upon. The balance outstanding on the loan in the financial statements of Lewis Gibson Limited at 31 December 2024 was £203,009 (2023 - £266,352).

28 Operating lease commitments

Lessee

The office used by the company is situated on land that is registered in the name of The United Reformed Church (Eastern Province) Trust and held on statutory trust in favour of Whittlesford United Reformed Church. The agreement has lapsed however the trust continues to pay a sum of £1,183 per month for the use of the building.

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2024	2023
	£	£
Within one year	2,405	2,405
Between two and five years	3,607	6,012
	<u>6,012</u>	<u>8,417</u>

Lessor

There is one non-cancellable lease which has been granted on an investment property. The lease will end when the current tenant dies or chooses to surrender the lease. The rent receivable is £7,930 per annum.

29 Related party transactions

There were no disclosable related party transactions during the year (2023 - none) other than the expenses paid to trustees detailed in note 12.

30 Contingent assets

At the year end the property of five churches (2023 - six) were held on Statutory Trusts in accordance with the United Reformed Church Acts of 1972, 1981 and 2000 by the Company following church closures. The proceeds of sale will revert to the Trust on sale in accordance with the Statutory Trusts on which the properties are held.

31 Subsidiaries

Details of the charity's subsidiaries at 31 December 2024 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
The United Reformed Church (Eastern Province) Design & Build Limited	Eastern Synod Office, 36 Duxford Road, Whittlesford, CB2 4ND	Dormant	Ordinary	100.00	

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

32 Associates

Details of the charity's associates at 31 December 2024 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Lewis Gibson Limited	Downing Place, United Reformed Church, 4 Downing Place, Cambridge, CB2 3EL	Letting of property	Ordinary	33.00	-

33 Cash generated from operations

	2024 £	2023 £
Surplus for the year	1,365,181	1,983,089
Adjustments for:		
Interest received	(212,848)	(67,582)
(Gain)/loss on disposal of tangible fixed assets	(47,380)	614
(Gain)/loss on disposal of investments	(7,560)	13,076
Fair value gains and losses on investments	(478,996)	(879,230)
Depreciation and impairment of tangible fixed assets	14,646	9,734
Loan interest	(182)	-
Movements in working capital:		
(Increase)/decrease in debtors	(2,090)	194,150
Increase/(decrease) in creditors	923,969	(2,165,883)
Cash generated from/(absorbed by) operations	1,554,740	(912,032)

34 Analysis of changes in net funds

The charity had no material debt during the year.

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

England & Wales - Charity number 248796

Accounts

Charity registration number 248796

Company registration number 00101685 (England and Wales)

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr A L East Mr G Heathcote Mr K R Hounsome Mr C N Patten Revd Prof D M Thompson Revd Dr J E Tollington Mr D J Bird Revd L Nevard	(Appointed 28 February 2023) (Appointed 21 November 2023)
Synod officers	Revd L Nevard Revd D Coaker Mr G Heathcote Mrs F Paulding Mrs P Davies-Brown	Moderator Synod clerk Synod treasurer Finance officer Resources officer
Charity number	248796	
Company number	00101685	
Registered office	The Eastern Synod Office The United Reformed Church 36 Duxford Road Whittlesford Cambridgeshire CB22 4ND	
Auditor	Annatrice Limited Statutory Auditor 10 The Thoroughfare Harleston Norfolk IP20 9AX	
Accountant	Waveney Accountants Limited T/as Newman & Co Chartered Accountants 4b Church Street Diss Norfolk IP22 4DD	
Solicitors	Veale Wasbrough Vizards Second floor 3 Brindley Place Birmingham B1 2JB	
Investment advisors	CCLA Investment Managers Limited Epworth Investment Managers Limited	

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

CONTENTS

	Page
Trustees' report	1 - 8
Statement of trustees' responsibilities	9
Independent auditor's report	10 - 11
Statement of financial activities	12
Balance sheet	13 - 14
Statement of cash flows	15
Notes to the financial statements	16 - 33

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2023

The trustees present their annual report and financial statements for the year ended 31 December 2023.

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 Companies Act 2006 and "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).

Objectives and activities

The charitable company's purpose as set out in the objects contained in the company's Memorandum and Articles of Association is the advancement of the Christian religion especially by the means of, and in accordance with, the principles of the United Reformed Church as set out for the time being in "The Manual".

The aims of the charity are to support local churches in their outreach and mission and to share the vision of the URC's General Assembly with the local churches.

The United Reformed Church (Eastern Province) Trust has two distinct roles. The first is to act as the corporate Trustee of the funds of local URC churches, manses and other local church land. The second is to act as the holding Trustee of the collective financial assets of the Eastern Synod.

In relation to the first role, the Trust acts according to the United Reformed Church Acts 1972, 1981 and 2000; particularly the 1981 Act. Local URC churches operating in the Eastern Synod area are separate and independent charities. There is no common control or unity of administration with any of these bodies and they are not deemed to be connected charities within the understanding of the Charities SORP (FRS 102). None of the financial assets or liabilities of these bodies are incorporated in the Trust's financial statements as the Trust is not the beneficial owner and there is neither parent nor subsidiary relationships.

In relation to the second role, the Trust's responsibility is to exercise ultimate oversight over the finances of the Synod (including its budget and accounts), as set out below. The Trust is also responsible for employment of most remunerated Synod staff.

Public benefit

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Strategies for achieving aims and objectives

The strategy for achieving the Trust's aims and objectives is to provide pastoral, educational and mission, technical and financial support. All these forms of support are designed to promote and share the Christian faith and, in particular, the principles of the URC in each area where a local congregation operates. The Trustees review the aims, objectives and proposed future activities on a regular basis. The Trustees follow the general guidance issued by the Charity Commission on the public benefit when doing so and the following sections of this report describe how the Trustees have carried out the purposes of the Trust for public benefit. It is important to note that the Trust's functions are generally exercised through the Eastern Synod of the United Reformed Church and its committees (see section headed "Structure, Governance and Management").

Pastoral Support

The Pastoral Committee works with and through the Synod Moderator and others to provide spiritual, pastoral and strategic leadership, care and challenge to local churches and their ministers. They have a particular role in encouraging conversations about pastorates' needs, ensuring effective but sympathetic deployment of ministerial resources as well as overseeing churches during ministerial vacancies. They also monitor the progress of those applying for, and undertaking, various types of ministerial training and work to develop ecumenical relations in the area covered by the Synod as well as encouraging local churches to "think ecumenically" when planning all their initiatives.

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Educational and Mission Support

The Mission & Discipleship Committee works with and through the Moderator, Mission and Training Officer and Children and Youth Development Officer to provide or encourage training and development for ordained and lay people; organise and support activities for, and work with, children and young people; and encourage mission and outreach activities to be undertaken primarily by local churches in their own towns or villages. The Synod has a Mission Grant Scheme which through an accompanied process seeks to encourage and enable mission activities. Through the Faith in Action group of the Mission & Discipleship Committee, the Synod and local churches are made aware of need and injustice locally, nationally and internationally and challenged to respond in ways which make a difference.

Technical Support

Synod officials are a resource available to help local churches understand and keep up to date with their obligations as charities, employers, providers of services to the public and occupiers of buildings. Where necessary, Trustees and Synod officials also help local churches through the process of considering the acquisition, modification or disposal of premises and issues of trust, property and charity law. The Listed Building Advisory Committee (as constituted by the Ecclesiastical Exemption [Listed Buildings and Conservation Areas] [England] Order 2010) offers independent advice to the Synod Property Committee, together with assisting local churches occupying "Listed" buildings through the complexities of the legal processes governing these types of buildings, including offering advice on their care and maintenance.

Financial Support

A range of grants (and, sometimes, loans - constituting Programme Related Investments) is made available to local churches and ministers to assist with children and young people engagement, IT, mission and outreach, maintenance and improvement (including environmental) of properties to enhance interaction with their communities and ministerial and lay training and development. (This year included a utility grants scheme as energy costs rose). In most cases this support is provided through the Resources/Property Committee, which meets four times a year and oversees financial and property-related matters for the Synod. The delegated powers of the Resources Committee and its interaction with the Trust and Trustees are set out in the Synod Financial Policy, which is revised periodically by Synod. The Finance Policy sets out the charity's investment policy and ethical constraints under which it operates. For further details see the section below headed "Investment Policy".

Churches are encouraged to invest capital whenever possible and to fund new building works, redevelopments, maintenance works and pastoral assistance from their investment income. Where there are insufficient funds, grants or loans may be made available to Churches, in the case of loans for a period normally not exceeding five years.

Achievements and performance

Mission & Discipleship Committee

The Faith in Action Group continues to arrange events and present matters of concern to Synod and gives links to websites that provide further information on issues such as social justice, racial justice, the environment and rural matters.

Through the Synod's Mission and Training Officer mission (including worship) resources have been provided to churches and a range of training and related on-line programmes have been provided for Elders and others.

Through the Synod's Children and Youth Development Officer training, advice and consultancy is provided to those working with children and young people, as well as advice and training related to employment issues and safeguarding. The Children and Youth Development Officer also organises or helps at events for youngsters, both Synod-wide and with local churches.

Through the Synod's Safeguarding Officer support, advice and intervention is provided to ensure compliance with good practice and legislation whilst the importance of diligence in all matters relating to safeguarding is promoted for the benefit of all.

Through the Synod's Green Advocate and a Working Group that includes members of the Resources Committee, we have been awarded Bronze Eco Synod and we encourage churches to use Eco Church Awards.

Reports are received on the Synod's large-scale Mission Project, Loves Farm in Cambridgeshire, the ecumenical initiative of Northstowe Church Network, the Special Category Minister post in central Cambridge and explorations of other possibilities.

The Committee has developed and increased its programme for providing financial support for mission activities within churches.

The Committee has been very heartened by all the great mission work going on in churches.

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Pastoral Committee

The Committee's work is largely of an ongoing nature, in particular supporting the Moderator as she considers ministerial vacancies and the challenges of deployment.

The Committee is progressing the implementation of the principles of Mission Partnership whereby a grouping of local churches share ministry and resources.

The Committee is receiving reports of mission reviews carried out in local churches.

It also oversees the process for authorising lay persons to preside at the Sacraments and has instigated a full review of this process during 2023.

The Committee also links with the work of the six Area Partnerships and one United Area.

The Committee has noted with sadness the closures of Brentwood URC, Castle Camps URC, and the URC congregation within Christchurch, Colchester.

Resources Committee

The Synod Finance Policy has been updated so that it is clear that there is no longer a requirement to reserve income from property sales for the Retired Ministers' Pension Fund and/or the Retired Ministers Housing Society.

The Committee continues to provide a range of property-related grants as well as grants for children's and youth work and also to support the making of larger mission-related grants. It also recognises the need to support churches with their eco-related works.

The Committee set a budget of £300,000 to assist churches with increased utility costs for the period 1 October 2022 to 31 March 2023 arising from the removal of the energy price cap.

The Committee continues to support the work of the Ministry and Mission Advocates in their work overseeing the Fair Share scheme which determines the contributions that local churches make for the provision of ministry throughout the denomination. In this respect, the Committee continues to be grateful to local churches for their ongoing support for this central funding at a time when the cost-of-living crisis and removal of the energy cap have placed considerable demand on church monies. The Synod continues to commit to compensating for what would otherwise be a shortfall in the Synod's contribution to the Ministry and Mission Fund. A failure to recruit replacement Area Partnership Ministry and Mission Advocates is prompting a review of how the process will be managed from 2024.

Officers and Convenors Committee

The Committee's work is mainly concerned with organising Synod meetings, ensuring vacancies on Synod Committees are filled, co-ordinating the work of the committees and overseeing staff matters.

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Financial review

Financial Statements

The financial statements, including the notes, have been prepared in compliance with the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102). The analysis of income and expenditure reflects the classification of activities, together with costs relating to administration. The Synod and Trust Company do not sell goods or services, nor are there any other trading activities.

A financial review document is made available to all members of Synod, and local churches if requested. This document highlights the main feature of these financial statements. The review includes a comparison between the budget and the final operating income resources and expenditure.

Statement of Financial Activities

The Statement of Financial Activities is shown on page 12, with a more detailed analysis of income and expenditure in notes 3 to 10.

The total income for the year was £2,358,782 (2022 : £1,257,702). This includes income from church sales and other transfers from church funds of £1,174,317 (2022 : £652,072). The majority of the remaining income is investment income.

This year the church property grants totalled £126,055 (2022 : £427,002). This is a positive development in so much as churches had been struggling to find the matched funding to proceed with projects.

Overall the funds have increased by £1,983,089 (2022 : £1,376,623 decrease). The deficit in 2022 was mainly due to the decrease in the value of investments, which have recovered their values in 2023.

Programme Related Investments total £765,570 (2022 : £756,981) comprising 1 outstanding loan (considerably reduced) and 8 property investments (2022 : 1 loan and 8 property investments). These investments represent funds invested by Synod to provide accommodation for retired ministers.

Reserves policy

The Trust holds funds under a number of different terms. Funds which are restricted may only be used as directed by the funder at the time they were granted to the Trust. Details of the specific restrictions of those individual funds are disclosed in note 23 to the financial statements.

Other funds are unrestricted and can be used at the discretion of the Trustees in furtherance of the Trust's objects.

It is the policy of the Trustees to designate certain funds for particular purposes as agreed from time to time and details of the purpose and use of those designated funds can be found in note 24 to the financial statements.

The Synod seeks to recognise the needs of both the present generation and future generations within the Church by retaining those one-off capital receipts to which it from time to time becomes entitled under the provision of the URC Acts. It is the present policy that, normally, only the income on these reserves is expended upon charitable purpose but an exception is made in relation to money going into the Pioneer Fund or a small mission support budget.

The remaining general unrestricted funds are required to cover the support costs and grants awarded. The Synod Finance Policy specifies that, typically, sufficient cash should be held on short or medium term deposits to cover at least one full year's anticipated revenue expenditure and also allow for the capital purchase of a manse or similar building - though the exercise of discretion is permitted in deciding how much cash it would be advisable to hold at any particular time.

At the year-end general unrestricted funds, excluding designated amounts, amounted to £1,067,076 (2022 : £1,202,714). The Trustees are satisfied this is sufficient to meet day to day objectives.

Principal funding sources

The main sources of regular income are investment and rental income. In addition, in some years, substantial sums become available to the Trust as a result of church closures. No fundraising activities are carried out at Synod or Trust level.

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Investment policy

The policy seeks to achieve as high an income as possible, subject to protecting the capital value of the funds against inflation. The investments include sharing in some churches' property developments but are otherwise a mixture of fixed interest and equity marketable securities. The Synod seeks to ensure that none of its investments can be seen to support practices which are against the conscience of Christians following the Ethical Investment Guidelines approved by the URC General Assembly from time to time. These Common Investment Funds are governed by Charity Commission Schemes.

A number of local churches have asked the Synod to hold, and invest, certain funds on their behalf. Such funds are not Synod funds and are not included in the Trust financial statements.

Major risks

Financial and risk management objectives and policies

The Trustees are responsible for the management of the risks faced by the charity. Risks are identified, assessed and controls established throughout the year. A formal review of the charity's risks was undertaken in 2023, and reported to the Trust Directors.

The most serious risk facing the charity would be the Synod failing to achieve its strategic and charitable objectives, either through resources being put into programmes which do not meet those objectives or through failure of Trustees and other Committees to consider the charity's objectives when making decisions.

To manage and mitigate this risk, the Trustees consider the "Aims and Objectives" section of their annual report each year to ensure this remains appropriate and, in so doing, are reminded of the objectives which they must constantly keep in mind.

Another principal risk is business interruption: either through absent personnel or a disaster causing restricted or no access to the Synod office. A Business Continuity Plan was approved by Synod Trust Directors in the spring of 2013 and reviewed and updated in November 2015.

Among the key risk controls used by the charity are:

- a written financial policy subject to periodic review (an updated version was adopted by the October 2023 Synod meeting);
- clear financial authorisation and approval levels (reviewed and tightened in 2022 with the introduction of dual or triple bank authorisations of amounts in excess of £10,000 and £200,000 respectively);
- detailed summary accounts produced for scrutiny by Trust Directors and Resources Committee at every meeting during the year;
- financial statements presented at each Synod meeting; and
- Synod Officers and others having been vetted through the DBS service, where appropriate and satisfying the Synod's "Safeguarding" policy. The Trustees are aware of the potential risks associated with safeguarding issues and are diligent in attempting to mitigate these.

Through the risk management process established for the charity, the Trustees are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable, but not absolute, assurance that the major risks have been adequately managed.

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Plans for future periods

In 2024, the Synod will continue to strengthen missional discipleship establishing Mission Partnerships and will provide a range of resources for local churches to grow more committed in their faith and more able to reach out to help others discover their need for God.

The Mission & Discipleship Committee will continue to have a prominent role to play in enthusing congregations and facilitating the provision of resources. Efforts to reach out to children and young people within the Synod will be pursued and we hope to make progress in building greater awareness of, and commitment to, the World Church as well as promoting justice, peace and the integrity of creation. And, together with the Resources Committee, it will take forward the work required to develop as an Eco Synod and for local congregations to develop as Eco Churches.

The Pastoral Committee will continue to support the pastoral work of the Moderator as appropriate and reviewing the Synod's deployment strategy. It will also continue to oversee the process of declaring and filling vacancies, identifying and training candidates for ministry (both ordained and lay) and for promoting health and healing.

The Resources Committee will continue to act in conjunction with and on behalf of the Synod Trustees in administering its various grant awarding processes and safeguarding the Synod's finances and investments. It will also participate in the review of the denomination's pension schemes, recognising that all Synods have a part to play in ensuring the schemes meet the requirements of the Pension Regulator. And it will oversee a review of the level of contributions sought from churches to the national Ministry and Mission Fund.

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Structure, governance and management

The charity is controlled by its governing document, a deed of trust, and constitutes a legal company, limited by guarantee, as defined by the Companies Act 2006.

The United Reformed Church (Eastern Province) Trust ("the Trust") is a company limited by guarantee formed on 20 March 2007 and is a registered charity, number 248796. It is governed by its Memorandum and Articles of Association as revised in 2008.

All of the financial assets and liabilities of the Eastern Synod of the United Reformed Church ("Synod") are shown in the Trust's financial statements. However, while the Trust holds the assets and liabilities of Synod, it is the Synod which is the decision making body, except in relation to matters relating exclusively to the business of the Trust for which the Trust Directors are responsible.

The Trust is corporate Trustee for most land and buildings utilised by local URC Churches. The Finance Officer and the Resources Officer attend Trustee meetings but are not themselves Trustees.

Constitution of the Synod

Eastern Synod is one of thirteen Synods of the United Reformed Church ("URC") within the United Kingdom. It is constituted in accordance with the Scheme of Union and the United Reformed Church Acts of 1972, 1981 and 2000 (see www.urc.org.uk). It has oversight of the URC in the East of England, covering Norfolk, Suffolk, most of Essex, most of Cambridgeshire and part of Hertfordshire.

In accordance with "the Structure of the United Reformed Church" it is responsible for:

- Overseeing six area partnerships;
- Promoting church extension;
- Promoting ecumenical relations;
- Opening, closing and extending church buildings;
- Overseeing matters affecting the ordained ministry, including discipline;
- Dealing with matters referred from General Assembly and Assembly Executive;
- Undertaking such other things which promote the welfare of the United Reformed Church.

The Easter Synod, which is made up of ministers and lay representatives of each local church together with Synod officers, meets to transact business routinely twice a year but has delegated various powers to a number of committees as well as the Trust. The following committees are responsible for specific elements in the life of the Synod:

- Pastoral Committee;
- Mission and Discipleship Committee;
- Resources/Property Committee;
- Listed Buildings Advisory Committee; and
- Recruitment and appointment of new Trustees.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr A L East

Mr G Heathcote

Mr K R Hounsome

Mr C N Patten

Revd Prof D M Thompson

Revd Dr J E Tollington

Mr D J Bird

(Appointed 28 February 2023)

Revd L Nevard

(Appointed 21 November 2023)

Recruitment and appointment of trustees

The Trustees nominate members to serve as Trustees of the Trust and Synod meeting ratifies the appointment.

There is an informal programme for the induction of Trustees.

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Organisational structure

Day-to-day financial and property activities are dealt with by the Finance Officer and Resources Officer. In accordance with the URC Acts, many decisions need a Church Meeting resolution, a Synod approval (at present Synod has delegated its power of approval to Resources Committee) and a decision by the Trust Directors before actions can be taken by, or on behalf of, the Trust as Trustee.

Other matters

Use of volunteers

Most Ministers of Word and Sacrament receive a stipend directly from the Finance Office of the United Reformed Church in London. The URC Trust (acting at denominational level) is a separate charity, again not under common control. The Clerk, Finance Officer, Resources Officer, Moderator's PA, Administrator, Mission & Training Officer, Children's & Youth Development Officer, and Safeguarding Officer are paid by the Synod. Other than that, all members of Synod Committees and others who support and enable Synod activities are volunteers, almost all being members of their local URC or Local Ecumenical Partnership.

Key Management Personnel

The key management group within the Synod structure is made up of the Synod Moderator, the Synod Clerk and the Synod Treasurer. The first of these receives a stipend from the denomination centrally at the same rate as all stipendiary Ministers of Word and Sacrament serving the denomination. The Synod Clerk role moved from a voluntary to a paid post funded by the Synod in 2022. The Treasurer is entitled to a claim a small honorarium.

Relationship with related parties

During 2010 a subsidiary company, United Reformed Church (Eastern Province) Design & Build Limited, was established. This company has remained dormant throughout the year.

There have been no significant related party transactions between the Trust and any of its Trustees or Synod officials during the year.

Auditor

In accordance with the company's articles, a resolution proposing that Annatrice Limited be reappointed as auditor of the company will be put at a General Meeting.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees' report was approved by the Board of Trustees.

.....
Mr A L East

Date:

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2023

The trustees, who are also the directors of The United Reformed Church (Eastern Province) Trust for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law 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 charitable company for that year.

In preparing these 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;
- 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; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

Opinion

We have audited the financial statements of The United Reformed Church (Eastern Province) Trust (the 'charity') for the year ended 31 December 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2023 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Our audit procedures included analytical techniques, third party confirmation of balances and verification of transactions on a sample basis to provide sufficient appropriate evidence that the accounts show a true and fair view and are free from material irregularities including fraud, error and non-compliance with applicable laws and regulations. In designing these procedures and in particular we considered the risk of fraud over completeness and presentation of income, occurrence and presentation of expenditure, valuation and existence of assets and completeness of liabilities.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Anthony James Brice FCCA (Senior Statutory Auditor)
for and on behalf of Annatrice Limited

.....

Chartered Certified Accountant
Statutory Auditor

10 The Thoroughfare
Harleston
Norfolk
IP20 9AX

Annatrice Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

STATEMENT OF FINANCIAL ACTIVITIES

INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2023

		Unrestricted funds	Restricted funds	Total	Unrestricted funds as restated	Restricted funds	Total
		2023	2023	2023	2022	2022	as restated 2022
Notes		£	£	£	£	£	£
Income and endowments from:							
Donations and legacies	3	5,000	-	5,000	5,749	-	5,749
Charitable activities	4	117,789	104,272	222,061	162,280	78,487	240,767
Investment income	5	323,279	63,719	386,998	292,955	66,094	359,049
Other income	6	1,744,723	-	1,744,723	652,137	-	652,137
Total income		2,190,791	167,991	2,358,782	1,113,121	144,581	1,257,702
Expenditure on:							
Raising funds	7	210,110	96,271	306,381	117,811	39,851	157,662
Charitable activities							
Ministry and Mission	8	501,859	1,052	502,911	787,905	-	787,905
Property	8	260,063	-	260,063	552,514	-	552,514
Training	8	172,492	-	172,492	135,884	-	135,884
Total charitable expenditure		934,414	1,052	935,466	1,476,303	-	1,476,303
Total expenditure		1,144,524	97,323	1,241,847	1,594,114	39,851	1,633,965
Net gains/(losses) on investments	14	732,676	133,478	866,154	(912,463)	(87,897)	(1,000,360)
Net income/(expenditure) and movement in funds		1,778,943	204,146	1,983,089	(1,393,456)	16,833	(1,376,623)
Reconciliation of funds:							
Fund balances at 1 January 2023		13,501,765	8,775,829	22,277,594	14,895,221	8,758,996	23,654,217
Fund balances at 31 December 2023		15,280,708	8,979,975	24,260,683	13,501,765	8,775,829	22,277,594

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

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

BALANCE SHEET

AS AT 31 DECEMBER 2023

		2023		2022 as restated	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	16		7,038,623		7,017,723
Investment property	17		2,089,000		2,156,000
Investments	18		12,831,069		11,851,579
			<u>21,958,692</u>		<u>21,025,302</u>
Current assets					
Debtors	19	111,713		305,863	
Cash at bank and in hand		2,987,455		3,909,489	
		<u>3,099,168</u>		<u>4,215,352</u>	
Creditors: amounts falling due within one year	20	(639,342)		(2,817,482)	
Net current assets			<u>2,459,826</u>		<u>1,397,870</u>
Total assets less current liabilities			<u>24,418,518</u>		<u>22,423,172</u>
Creditors: amounts falling due after more than one year	21		(157,835)		(145,578)
Net assets excluding pension liability			<u>24,260,683</u>		<u>22,277,594</u>
Net assets			<u><u>24,260,683</u></u>		<u><u>22,277,594</u></u>
The funds of the charity					
Restricted income funds	23		8,979,975		8,775,829
Unrestricted funds			15,280,708		13,501,765
			<u>24,260,683</u>		<u>22,277,594</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2023, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2023

The financial statements were approved by the trustees on

.....

Mr A L East

Company registration number 00101685 (England and Wales)

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	33		(912,033)		330,117
Investing activities					
Purchase of tangible fixed assets		(31,244)		(5,679)	
Purchase of investments		(3,156,851)		(593,997)	
Sale of fixed asset investments		3,112,984		338,177	
Repayment of programme related loans		6,074		361,047	
New programme related loans		(8,546)		-	
Interest received		67,582		25,065	
Net cash (used in)/generated from investing activities			(10,001)		124,613
Net cash used in financing activities			-		-
Net (decrease)/increase in cash and cash equivalents			(922,034)		454,730
Cash and cash equivalents at beginning of year			3,909,489		3,454,759
Cash and cash equivalents at end of year			2,987,455		3,909,489

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

Charity information

The United Reformed Church (Eastern Province) Trust is a private company limited by guarantee incorporated in England and Wales. The registered office is The Eastern Synod Office, The United Reformed Church, 36 Duxford Road, Whittlesford, Cambridgeshire, CB22 4ND.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's government document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") 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)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

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 investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

Preparation of consolidated financial statements

The company is the parent undertaking of a small group and, as such, is not required by the Companies Act 2006 to prepare consolidated financial statements. It has also taken advantage of the exemption under the SORP not to prepare consolidated financial statements on the grounds of materiality. These financial statements present information about the individual company only and not the group.

1.2 Prior period error

Prior period errors are set out in the notes below. Where relevant, comparative amounts have been restated and the opening balances of assets, liabilities and equity.

1.3 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.

The financial statements have been prepared on a going concern basis. The Trustees have considered relevant information, including the annual budget and forecast future cash flows in making their assessment. The current economic environment has not had a significant impact on the charity's operations although adaptations have been made to reflect changes in working practices. The Trustees are monitoring the impact on future revenue streams and the impact on our beneficiaries and any support they may require. Based on these assessments and having regard to resources available to the charity, the Trustees have concluded that there is no material uncertainty and the financial statements can continue to be prepared on a going concern basis.

1.4 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.

1.5 Income

All incoming resources are included in the Statement of Financial Activities (SoFA) 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.

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

Fixed asset gifts in kind are recognised when receivable and are included at fair value. They are not deferred over the life of the asset.

The charity receives grants which are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

Investment income is earned through holding assets for investment purposes such as shares and property. It includes dividends, interest and rent. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy, the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest income is recognised using the effective interest method. Dividend and rental income is recognised as the charity's right to receive payment is established.

1.6 Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Costs of raising funds includes the costs of managing investments and programme related investments;
- Expenditure on charitable activities includes costs of ministry, mission, training and property grants; and
- Other expenditure represents those items not falling into the categories above.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Grants payable to local churches, organisations and individuals are within the charitable objectives. Where unconditional grants are offered, this is accrued as soon as the recipient is notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive the grants. Where grants are conditional relating to performance then the grant is only accrued when any unfulfilled conditions are outside the control of the charity.

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include premises costs, office costs, governance costs and salary costs. They are incurred directly in support of expenditure on the objects of the charity. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with the use of the resources.

1.7 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:

Freehold land and buildings	Freehold property is not depreciated
Plant and equipment	Straight line over 5 years
Fixtures and fittings	Straight line over 10 years
Computers	Straight line over 5 years
Motor vehicles	Straight line over 5 years

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.

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

No amounts under £500 are capitalised. The Trustees conduct an annual impairment review.

Freehold properties include some burial grounds. Due to the nature of this land, they are included at £nil value.

Individual church property

The Trust is sole Trustee of the land and buildings of most local URCs but they are not the property of the Synod and are not shown in the financial statements. Sale proceeds from redundant properties or from part thereof which come into Synod funds are treated as unrestricted income from general funds. The income is recognised when the amount can be measured reliably and it is probable that the income will be received.

1.8 Investment property

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in the Statement of Financial Activities.

1.9 Fixed asset investments

Listed investments are recognised initially at fair value, which is normally the transaction price, excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in "net gains/(losses) on investments" in the SoFA if the shares are publicly traded or their fair value can otherwise be measured reliably.

Social investments

Programme related investments are those held to further our charitable purposes. Programme related investments include investment in a percentage share of properties and bridging or other loans.

Related investments in properties are stated at cost subject to any adjustment arising from impairment which is considered on an annual basis. Gains on disposal of these investments are shown as other income in the SoFA. Investments by way of loans are stated at cost. Interest is charged on the loans at the COIF rate of interest, being the rate of interest the Trust would otherwise have earned.

1.10 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).

1.11 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.

1.12 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

1.13 Taxation

The charity is exempt from corporation tax on its charitable activities.

1.14 Provisions

Provisions are recognised when the charity has a legal or constructive present obligation as a result of a past event, it is probable that the charity will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

1.15 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.

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

1.16 Retirement benefits

The charity operates a defined contribution scheme. Contributions are charged as expenditure as they become payable in accordance with the rules of the scheme.

The charity participates in a defined benefit scheme, The Pensions Trust Defined Benefit Scheme, which is a multi employer scheme where the underlying assets and liabilities are not separately identifiable. In accordance with the SORP, it is accounted for as a defined contribution scheme. Contributions are charged as expenditure as they become payable in accordance with the rules of the scheme.

1.17 Description and use of funds

The financial statements show the combined income, expenditure, assets and liabilities of the following funds, which are administered for the benefit of the United Reformed Church within the Eastern Synod:

Synod Administration Fund
Church Life and Mission Fund
Retired Ministers Housing Fund
Retired Ministers Holiday Fund
Manse Funds
Pioneer Fund
Heritage Fund
Ten Per Cent Fund

Funds administered on behalf of local churches are not included.

Restricted income funds are funds whose use is restricted to specific purposes according to the terms on which the funds were received.

Unrestricted income funds may be spent generally for furthering the Christian and charitable work of the United Reformed Church in the Eastern Province. The main fund in this category is the Church Life and Mission Fund. Certain funds have been allocated to the Resources Committee, but the committee retains authority to re-allocate such funds and so they are treated as Designated Funds within Unrestricted Income Funds.

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

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.

Investments - estimate of fair value
Fixed assets - estimate of useful life and estimate of impairment
Support cost - allocation to activities

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

3 Income from donations and legacies

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Donations and gifts	-	750
Grants	5,000	4,999
	<u>5,000</u>	<u>5,749</u>

4 Income from charitable activities

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Ministry and Mission						
Loan interest	-	-	-	1,417	-	1,417
Property						
Charitable rental income	117,789	104,272	222,061	160,863	78,487	239,350
	<u>117,789</u>	<u>104,272</u>	<u>222,061</u>	<u>162,280</u>	<u>78,487</u>	<u>240,767</u>

5 Income from investments

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Rental income	267,730	51,686	319,416	267,890	66,094	333,984
Interest receivable	55,549	12,033	67,582	25,065	-	25,065
	<u>323,279</u>	<u>63,719</u>	<u>386,998</u>	<u>292,955</u>	<u>66,094</u>	<u>359,049</u>

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

6 Other income

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Grant of headlease	568,000	-
Other income	2,406	65
Sale of church properties and transfers of church's funds	1,174,317	652,072
	<u>1,744,723</u>	<u>652,137</u>

7 Expenditure on raising funds

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Fundraising and publicity						
Legal and professional fees	59,993	75	60,068	20,951	1,557	22,508
Leasing of premises	41,668	1,133	42,801	15,948	-	15,948
Synod manse scheme	9,760	87,986	97,746	4,201	38,294	42,495
Support costs	80,405	-	80,405	75,308	-	75,308
	<u>191,826</u>	<u>89,194</u>	<u>281,020</u>	<u>116,408</u>	<u>39,851</u>	<u>156,259</u>
Investment management	18,284	7,077	25,361	1,403	-	1,403
Total costs	<u>210,110</u>	<u>96,271</u>	<u>306,381</u>	<u>117,811</u>	<u>39,851</u>	<u>157,662</u>

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

8 Expenditure on charitable activities

	Ministry and Mission	Property	Training	Total	Ministry and Mission	Property	Training	Total
	2023	2023	2023	2023	2022	2022	2022	2022
	£	£	£	£	£	£	£	£
Direct costs								
Staff costs	62,997	-	130,880	193,877	49,598	-	98,530	148,128
Sundries	3	-	10,022	10,025	-	-	8,242	8,242
Depreciation of motor vehicles	-	-	4,789	4,789	-	-	4,009	4,009
	63,000	-	145,691	208,691	49,598	-	110,781	160,379
Grant funding of activities (see note 9)	413,110	126,055	-	539,165	713,204	427,002	-	1,140,206
Share of support and governance costs (see note 10)								
Support	26,801	134,008	26,801	187,610	25,103	125,512	25,103	175,718
	502,911	260,063	172,492	935,466	787,905	552,514	135,884	1,476,303
Analysis by fund								
Unrestricted funds	501,859	260,063	172,492	934,414	787,905	552,514	135,884	1,476,303
Restricted funds	1,052	-	-	1,052	-	-	-	-
	502,911	260,063	172,492	935,466	787,905	552,514	135,884	1,476,303

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

9 Grants payable

	Ministry and Mission	Property	Total	Ministry and Mission	Property	Total
	2023	2023	2023	2023	2023	2023
	£	£	£	£	£	£
Grants to institutions:						
Other	413,110	126,055	539,165	713,204	427,002	1,140,206
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

10 Support costs allocated to activities

	2023	2022
	£	£
Staff costs	184,550	156,858
Depreciation	5,558	3,797
Rates and water	227	223
Rent	15,514	15,212
Gas and electricity	3,079	1,612
Cleaning	1,096	1,828
Property repairs	1,684	5,287
Insurance	5,819	4,426
Telephone	1,917	2,423
Postage and stationery	1,836	1,926
Sundries	368	372
Computer costs	10,794	9,642
Refreshments and office costs	211	221
Staff travel, subs and training	1,318	1,637
Photocopier costs	4,105	3,452
Year book and communication	762	-
Moderator expenses	246	109
Synod Council	2,057	3,196
Synod treasure and clerk costs	996	700
Honoraria	2,000	1,500
Legal and professional	11,689	16,575
Bank charges and interest	164	181
Governance costs	12,025	19,849
	<u> </u>	<u> </u>
	268,015	251,026
	<u> </u>	<u> </u>
Analysed between:		
Fundraising	80,405	75,308
Ministry and Mission	26,801	25,103
Property	134,008	125,512
Training	26,801	25,103
	<u> </u>	<u> </u>
	268,015	251,026
	<u> </u>	<u> </u>

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

10 Support costs allocated to activities **(Continued)**

	2023	2022
	£	£
Governance costs comprise:		
Audit fees	9,744	17,340
Committee and office holder costs	2,281	2,509
	12,025	19,849

11 Net movement in funds **2023**
£ **2022**
£

The net movement in funds is stated after charging/(crediting):

Fees payable for the audit of the charity's financial statements	9,600	17,340
Depreciation of owned tangible fixed assets	9,733	7,805
Loss on disposal of tangible fixed assets	614	-
	19,947	25,145

12 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year nor for the prior year.

Reimbursed expenses were paid to 5 Trustees of the Synod in aggregate of £917 (2022 : £1,096 for 3 trustees). Synod recognises an honoraria of £2,000 (2022 : £1,500) for the Treasurer in respect of their role within the Synod. During the year the charity acquired services of £21,360 (2022 : £11,386) from Lewis Pattern Chartered Architects, a company in which Mr C Patten is a director and owner. No other remuneration or expenses were paid to the Trustees or members of the Resources Committee, other than the reimbursement of travel expenses.

13 Employees

The average monthly number of employees during the year was:

	2023	2022
	Number	Number
Synod administration	11	8

Employment costs	2023	2022
	£	£
Wages and salaries	304,214	238,406
Social security costs	31,050	26,005
Other pension costs	43,163	40,575
	378,427	304,986

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

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

14 Gains and losses on investments

	Unrestricted funds	Restricted funds	Total	Unrestricted funds as restated 2022	Restricted funds as restated 2022	Total as restated 2022
	2023 £	2023 £	2023 £	2022 £	2022 £	2022 £
Gains/(losses) arising on:						
Revaluation of investments	742,095	137,135	879,230	(912,463)	(87,897)	(1,000,360)
Sale of investments	(9,419)	(3,657)	(13,076)	-	-	-
	<u>732,676</u>	<u>133,478</u>	<u>866,154</u>	<u>(912,463)</u>	<u>(87,897)</u>	<u>(1,000,360)</u>

The Trust had gains arising from the revaluation of listed investments £940,112 (2022 : losses of £1,595,712) and on Social Investments property of £6,117 (2022 : £458,352 gain) and losses on investment properties of £67,000 (2022 : £137,000 gains). The gain from the revaluation of listed investments includes £137,135 of restricted funds (2022 : £87,897 loss).

15 Taxation

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

16 Tangible fixed assets

	Freehold land and buildings £	Plant and equipment £	Fixtures and fittings £	Computers £	Motor vehicles £	Total £
Cost						
At 1 January 2023	6,985,670	6,347	17,758	19,775	20,045	7,049,595
Additions	-	3,293	-	4,539	23,415	31,247
Disposals	-	(443)	-	(4,350)	-	(4,793)
	<u>6,985,670</u>	<u>9,197</u>	<u>17,758</u>	<u>19,964</u>	<u>43,460</u>	<u>7,076,049</u>
Depreciation and impairment						
At 1 January 2023	-	2,582	11,041	13,238	5,011	31,872
Depreciation charged in the year	-	1,616	1,067	2,261	4,789	9,733
Eliminated in respect of disposals	-	(443)	-	(3,736)	-	(4,179)
	<u>-</u>	<u>3,755</u>	<u>12,108</u>	<u>11,763</u>	<u>9,800</u>	<u>37,426</u>
Carrying amount						
At 31 December 2023	<u>6,985,670</u>	<u>5,442</u>	<u>5,650</u>	<u>8,201</u>	<u>33,660</u>	<u>7,038,623</u>
At 31 December 2022	<u>6,985,670</u>	<u>3,765</u>	<u>6,717</u>	<u>6,537</u>	<u>15,034</u>	<u>7,017,723</u>

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

16 Tangible fixed assets **(Continued)**

At the year end the Synod Manse Scheme had beneficial ownership of 22 properties valued at approximately £7.8 million registered in the name of URC (Eastern Province) Trust. Of this, 17 properties totalling £6.5 million are included within tangible and investment properties.

17 Investment property

	2023
	£
Fair value	
At 1 January 2023	2,156,000
Net gains or losses through fair value adjustments	(67,000)
At 31 December 2023	2,089,000

The fair value of the investment property has been arrived at on the basis of a valuation carried out at 31 December 2023 by the Trustees. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties.

If investment properties were stated on an historical cost basis rather than a fair value basis, the amounts would have been included as follows:

	2023	2022
	£	£
Cost	1,660,447	1,660,447
Accumulated depreciation	-	-
Carrying amount	1,660,447	1,660,447

18 Fixed asset investments

	Listed	Social	Other	Total
	investments	investments	investments	
	£	£	£	£
Cost or valuation				
At 1 January 2023	11,094,598	755,907	1,074	11,851,579
Additions	3,156,851	-	8,546	3,165,397
Valuation changes	940,110	6,117	-	946,227
Repayments	-	-	(6,074)	(6,074)
Disposals	(3,126,060)	-	-	(3,126,060)
At 31 December 2023	12,065,499	762,024	3,546	12,831,069
Carrying amount				
At 31 December 2023	12,065,499	762,024	3,546	12,831,069
At 31 December 2022	11,094,598	755,907	1,074	11,851,579

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

18 Fixed asset investments **(Continued)**

	2023	2022
	£	£
Other investments comprise:		
Loans	3,546	1,074
	<u> </u>	<u> </u>

Fixed asset investments revalued

If the listed investments had not been revalued they would have been included at the historical cost of £11,073,355 (2022 : £7,888,224).

Fixed asset investments were valued on an open market basis at 31 December 2023 by CCLA and Epworth.

There were no investment assets outside the UK.

Social investments

Social investments comprise programme related investments, which are properties.

Loans are subject to the Epworth rate of interest that would otherwise have been received.

The Synod has no contingent liability arising from any undertaking to guarantee the repayment of loans made by the General Assembly of the URC to congregations in the Synod.

In relation to residential properties, no interest is charged on the initial value of the investment. A proportion of the costs of repair are met by the Trust during the period of investment but the benefit should arise on disposal of the properties when the Trust receives a proportion of the proceeds relating to the investment proportion of the original cost.

If the residential properties had not been revalued they would have been included at the historical cost of £297,555 (2022 : £297,555). Social investments were valued on an open market basis on 31 December 2023 by the Trustees.

19 Debtors

	2023	2022
	£	£
Amounts falling due within one year:		
Other debtors	84,904	280,483
Prepayments and accrued income	26,809	25,380
	<u> </u>	<u> </u>
	111,713	305,863
	<u> </u>	<u> </u>

20 Creditors: amounts falling due within one year

	2023	2022
	£	£
Other taxation and social security	7,160	5,075
Other creditors	7,168	2,088,919
Grants approved	536,729	541,290
M & M Reserve Fund	46,650	166,951
Accruals and deferred income	41,635	15,247
	<u> </u>	<u> </u>
	639,342	2,817,482
	<u> </u>	<u> </u>

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

21 Creditors: amounts falling due after more than one year

	2023	2022
	£	£
Grants approved	122,865	141,883
Other creditors	34,970	3,695
	<u>157,835</u>	<u>145,578</u>

22 Retirement benefit schemes

	2023	2022
	£	£
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	33,901	28,421
	<u>33,901</u>	<u>28,421</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.

23 Restricted funds

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

	At 1 January 2023	Incoming resources	Resources expended	Gains and losses	At 31 December 2023
	£	£	£	£	£
Church Life & Mission fund	1,275,598	23,239	(5,327)	42,581	1,336,091
Ret'd Ministers Housing fund	1,169,675	17,224	(2,781)	49,101	1,233,219
Ret'd Ministers Holiday fund	11,766	223	(48)	334	12,275
Manse fund	6,318,790	127,305	(89,167)	41,462	6,398,390
	<u>8,775,829</u>	<u>167,991</u>	<u>(97,323)</u>	<u>133,478</u>	<u>8,979,975</u>

Previous year:	At 1 January 2022	Incoming resources	Resources expended	Gains and losses	At 31 December 2022
	£	£	£	£	£
Church Life & Mission fund	1,371,950	30,243	-	(126,595)	1,275,598
Ret'd Ministers Housing fund	1,053,012	18,897	(1,554)	99,320	1,169,675
Ret'd Ministers Holiday fund	12,573	264	(3)	(1,067)	11,767
Manse fund	6,321,461	95,177	(38,294)	(59,555)	6,318,789
	<u>8,758,996</u>	<u>144,581</u>	<u>(39,851)</u>	<u>(87,897)</u>	<u>8,775,829</u>

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

23 Restricted funds

(Continued)

Church Life & Mission Fund

This fund has been created from the asset apportionment of former Trustee bodies and the sale proceeds of redundant churches. Income only is used for grants and training support, but the capital can be loaned to churches in accordance with the Synod Finance Policy.

Retired Ministers' Housing Fund

The fund is available to help with the housing of ministers in retirement.

Retired Ministers' Holiday Fund

The fund was established from the sale proceeds of the Synod caravan and is used to benefit ministers.

Synod Manse Funds

In October 2005 the Synod Manse Policy was endorsed. A number of property sales were recognised and set aside as initial funding. The fund is designed to allow churches to release their interest in a property to the Synod's control thereby allowing Synod to position manses where they are required and to ensure that the houses within the manse scheme are kept in a good state of repair.

24 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations, grants and other income 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 2023 as restated £	Incoming resources £	Resources expended £	Transfers £	Gains and losses £	At 31 December 2023 £
Church Life & Mission fund	8,720,166	1,976,124	(776,210)	-	599,340	10,519,420
Manse fund	254,729	-	(43,337)	-	-	211,392
Heritage fund	1,717,961	126,549	(48,304)	-	64,245	1,860,451
Pioneer fund	1,384,624	7,492	(54,770)	-	14,811	1,352,157
10% property sale	221,571	48,641	-	-	-	270,212
General funds	1,202,714	31,985	(221,903)	-	54,280	1,067,076
	<u>13,501,765</u>	<u>2,190,791</u>	<u>(1,144,524)</u>	<u>-</u>	<u>732,676</u>	<u>15,280,708</u>
Previous year:	At 1 January 2022 as restated £	Incoming resources as restated £	Resources expended as restated £	Transfers as restated £	Gains and losses as restated £	At 31 December 2022 as restated £
Church Life & Mission fund	10,053,992	545,583	(1,176,622)	(71,790)	(630,998)	8,720,165
Manse fund	744,395	942	-	(490,608)	-	254,729
Heritage fund	1,691,350	292,937	(174,033)	-	(92,294)	1,717,960
Pioneer fund	1,440,105	10,412	(44,717)	-	(21,175)	1,384,625
10% property sale	-	221,571	-	-	-	221,571
General funds	965,379	41,676	(198,742)	562,398	(167,996)	1,202,715
	<u>14,895,221</u>	<u>1,113,121</u>	<u>(1,594,114)</u>	<u>-</u>	<u>(912,463)</u>	<u>13,501,765</u>

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

24 Unrestricted funds

(Continued)

Heritage Fund

The fund has been set up specifically to support those churches who have the responsibility of maintaining buildings which are listed on the National Register. Grants of up to 50% of the cost will be awarded up to a maximum of £25,000 providing churches can demonstrate that they have regularly maintained their properties up to a reasonable standard. The money to support such grants comes from part of the proceeds of sales of redundant Listed buildings.

Pioneer Fund

The Pioneer Fund was approved by Synod in October 2008 with the sole purpose to support churches envisioned with a pioneer project costing in excess of £250,000. In March 2013, Synod meeting amended the normal minimum project cost to £100,000. The money in this fund comes from part of the proceeds of sales of redundant buildings which are not Listed.

The Pioneer Love's Farm Fund is a sub-fund of the work of the Pioneer Fund set aside to support a five year project in the St Neots area.

Prior year adjustment

Opening unrestricted reserves have been adjusted for investment balances of £701,655 which had not been previously recognised. The effect on the surplus for the year is a profit of £68,271 (2022 : £107,278 loss). The value of the investment at 1 January 2022 was £808,933.

25 Analysis of net assets between funds

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
At 31 December 2023:			
Tangible assets	910,222	6,128,401	7,038,623
Investment properties	2,089,000	-	2,089,000
Investments	10,490,254	2,340,815	12,831,069
Current assets/(liabilities)	1,949,067	510,759	2,459,826
Long term liabilities	(157,835)	-	(157,835)
	<u>15,280,708</u>	<u>8,979,975</u>	<u>24,260,683</u>
	Unrestricted funds as restated 2022 £	Restricted funds as restated 2022 £	Total as restated 2022 £
At 31 December 2022:			
Tangible assets	889,322	6,128,401	7,017,723
Investment properties	2,156,000	-	2,156,000
Investments	9,649,175	2,202,404	11,851,579
Current assets/(liabilities)	952,846	445,024	1,397,870
Long term liabilities	(145,578)	-	(145,578)
	<u>13,501,765</u>	<u>8,775,829</u>	<u>22,277,594</u>

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

26 Employee benefit obligations

Defined benefit scheme

The Trust contributed £9,262 (2022 : £12,154) to the United Reformed Church Final Salary Scheme, a pension scheme principally for lay staff which is administered by TPT Retirement Solutions Trust (formerly The Pensions Trust). The scheme is a defined benefit scheme but the Trust is unable to identify its share of the underlying assets and liabilities - each member in the scheme pays a common contribution rate, and accordingly it has accounted for its contributions as if it were a defined contribution scheme.

The most recent formal actuarial review of the scheme was a preliminary valuation at 20 September 2023, when the scheme had a surplus of £1,100,000. The assumptions underlying that valuation include:

- Discount rate of Gilt rate + 5% pa
- Pensionable earnings growth of CPI + 2% pa
- Price inflation and pension increases of CPI + 2.0%
- Retirement age (active members) of 65, with maximum commutation.

The employer contribution rate is 26%.

Defined contribution scheme

A defined contribution scheme has also been opened for more recently appointed staff. Contributions for the year to this scheme were £33,901 (2022 : £28,421).

27 Financial commitments, guarantees and contingent liabilities

The Trust has a mortgage charge over freehold land which is held in trust under the URC Acts and therefore does not appear in the balance sheet of the Trust. The loan was advanced to Lewis Gibson Limited, a company in which the Trust holds one third of the share capital, in connection with the construction on the land. Loan repayments are made by Lewis Gibson Limited and there is a charge in place between the lender and Lewis Gibson Limited. In the event that Lewis Gibson Limited were to default on the loan and its security was insufficient then the Trust security could be called upon. The balance outstanding on the loan in the financial statements of Lewis Gibson Limited at 31 December 2023 was £266,352 (2022 : £321,541).

28 Operating lease commitments

Lessee

The office used by the company is situated on land that is registered in the name of The United Reformed Church (Eastern Province) Trust and held on statutory trust in favour of Whittlesford United Reformed Church. The agreement has lapsed however the trust continues to pay a sum of £1,183 per month for the use of the building and this is included in the figures below.

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2023	2022
	£	£
Between two and five years	8,417	2,404
	<u> </u>	<u> </u>

Lessor

There is one non-cancellable lease which has been granted on an investment property. The lease will end when the current tenant dies or chooses to surrender the lease. The rent receivable is £7,930 per annum.

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

29 Related party transactions

There were no disclosable related party transactions during the year (2022 - none).

30 Contingent assets

At the year end the property of six churches (2022 : five) were held on Statutory Trusts in accordance with the United Reformed Church Acts of 1972, 1981 and 2000 by the Company following church closures. The proceeds of sale will revert to the Trust on sale in accordance with the Statutory Trusts on which the properties are held.

31 Subsidiaries

Details of the charity's subsidiaries at 31 December 2023 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
The United Reformed Church (Eastern Province) Design & Build Limited	Eastern Synod Office, 36 Duxford Road, Whittlesford, CB2 4ND	Dormant	Ordinary	100.00	

32 Associates

Details of the charity's associates at 31 December 2023 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Lewis Gibson Limited	Downing Place, United Reformed Church, 4 Downing Place, Cambridge, CB2 3EL	Letting of property	Ordinary	33.00	-

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

33 Cash generated from operations	2023	2022
	£	£
Surplus/(deficit) for the year	1,983,089	(1,376,623)
Adjustments for:		
Interest received	(67,582)	(25,065)
Loss on disposal of tangible fixed assets	614	-
Loss on disposal of investments	13,076	-
Fair value gains and losses on investments	(879,230)	1,000,360
Depreciation and impairment of tangible fixed assets	9,733	7,806
Loan interest	-	(1,417)
Loans written off	-	97,504
Movements in working capital:		
Decrease/(increase) in debtors	194,150	(216,546)
(Decrease)/increase in creditors	(2,165,883)	844,098
Cash (absorbed by)/generated from operations	(912,033)	330,117

34 Analysis of changes in net funds

The charity had no material debt during the year.

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

England & Wales - Charity number 248796

Accounts

REGISTERED COMPANY NUMBER: 00101685 (England and Wales)
REGISTERED CHARITY NUMBER: 248796

REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022
FOR
THE UNITED REFORMED CHURCH
(EASTERN PROVINCE) TRUST

Annatrice Limited
Statutory Auditor
10 The Thoroughfare
Harleston
Norfolk
IP20 9AX

**THE UNITED REFORMED CHURCH
(EASTERN PROVINCE) TRUST**

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Page
Reference and Administrative Details	1
Report of the Trustees	2 to 10
Report of the Independent Auditors	11 to 13
Statement of Financial Activities	14
Balance Sheet	15
Cash Flow Statement	16
Notes to the Cash Flow Statement	17
Notes to the Financial Statements	18 to 34
Detailed Statement of Financial Activities	35 to 37

**THE UNITED REFORMED CHURCH
(EASTERN PROVINCE) TRUST**

**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 DECEMBER 2022**

TRUSTEES	Mr A L East Mr G Heathcote Mr K R Hounsome Mr C N Patten Revd Prof D M Thompson Revd Dr J E Tollington Mr D J Bird (appointed 28/2/2023)
REGISTERED OFFICE	The Eastern Synod Office The United Reformed Church 36 Duxford Road Whittlesford Cambridgeshire CB22 4ND
REGISTERED COMPANY NUMBER	00101685 (England and Wales)
REGISTERED CHARITY NUMBER	248796
AUDITORS	Annatrice Limited Statutory Auditor 10 The Thoroughfare Harleston Norfolk IP20 9AX
PROFESSIONAL ADVISORS	Legal Advisors: Veale Wasbrough Vizards Second Floor, 3 Brindley Place Birmingham B1 2JB Accountants: Hardcastle Burton 90 High Street Newmarket Suffolk CB8 8FE
SYNOD OFFICERS	Moderator - Revd L Nevard Synod Clerk - Revd D Coaker Synod Treasurer - Mr G Heathcote Finance Officer - Mrs F Paulding Resources Officer - Mrs P Davies-Brown

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2022. 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).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The charitable company's purpose as set out in the objects contained in the company's Memorandum and Articles of Association is the advancement of the Christian religion especially by the means of, and in accordance with, the principles of the United Reformed Church as set out for the time being in 'The Manual'.

The aims of the charity are to support local churches in their outreach and mission and to share the vision of the URC's General Assembly with the local churches.

Significant activities

The United Reformed Church (Eastern Province) Trust has two distinct roles. The first is to act as the corporate Trustee of local churches, manses and other local church land. The second is to act as the holding Trustee of the collective financial assets of the Eastern Synod.

In relation to the first role, the Trust acts according to the United Reformed Church Acts 1972, 1981 and 2000: particularly the 1981 Act. Local URC churches operating in the Eastern Synod area are separate and independent charities. There is no common control or unity of administration with any of these bodies and they are not deemed to be connected charities within the understanding of the Charities SORP (FRS 102). None of the financial assets or liabilities of these bodies are incorporated in the Trust's financial statements as the Trust is not the beneficial owner and there is neither parent nor subsidiary relationships.

In relation to the second role, the Trust's responsibility is to exercise ultimate oversight over the finances of the Synod (including its budget and accounts), as set out below. The Trust is also responsible for employment of most remunerated Synod staff.

Achieving delivery of the Trust's aims and public benefit

The strategy for achieving the Trust's aims and objectives is to provide pastoral, educational and mission, technical and financial support. All these forms of support are designed to promote and share the Christian faith and, in particular, the principles of the URC in each area where a local congregation operates. The Trustees review the aims, objectives and proposed future activities on a regular basis. The Trustees follow the general guidance issued by the Charity Commission on public benefit when doing so and the following sections of this report describe how the Trustees have carried out the purposes of the Trust for the public benefit. It is important to note that the Trust's functions are generally exercised through the Eastern Synod of the United Reformed Church and its committees (see section headed 'Structure, Governance and Management').

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

OBJECTIVES AND ACTIVITIES

Pastoral Support

The Pastoral Committee works with and through the Synod Moderator and others to provide spiritual, pastoral and strategic leadership, care and challenge to local churches and their ministers. They have a particular role in encouraging conversations about pastorates' needs, ensuring effective but sympathetic deployment of ministerial resources as well as overseeing churches during ministerial vacancies. They also monitor the progress of those applying for, and undertaking, various types of ministerial training and work to develop ecumenical relations in the area covered by the Synod as well as encouraging local churches to "think ecumenically" when planning all their initiatives.

Educational and Mission Support

The Mission & Discipleship Committee works with and through the Moderator, Mission and Training Officer and Children and Youth Development Officer to provide or encourage training and development for ordained and lay people; organise and support activities for, and work with, children and young people; and encourage mission and outreach activities to be undertaken primarily by local churches in their own towns or villages. The Synod has a Mission Grant Scheme which through an accompanied process seeks to encourage and enable mission activities. Through the Faith in Action group of the Mission & Discipleship Committee, the Synod and local churches are made aware of need and injustice locally, nationally and internationally and challenged to respond in ways which make a difference.

Technical Support

Synod officials are a resource available to help local churches understand and keep up to date with their obligations as charities, employers, providers of services to the public and occupiers of buildings. Where necessary, Trustees and Synod officials also help local churches through the process of considering the acquisition, modification or disposal of premises and issues of trust, property and charity law. The Listed Buildings Advisory Committee (as constituted by the Ecclesiastical Exemption [Listed Buildings and Conservation Areas] [England] Order 2010) offers independent advice to the Synod Property Committee, together with assisting local churches occupying 'Listed' buildings through the complexities of the legal processes governing these types of buildings, including offering advice on their care and maintenance.

Financial Support

A range of grants (and, sometimes, loans - constituting some Programme Related Investments) is made available to local churches and ministers to assist with children and young people engagement, IT, mission and outreach, maintenance and improvement (including environmental) of properties to enhance interaction with their communities and ministerial and lay training and development. (This year included a utility grants scheme as energy costs rose.) In most cases this support is provided through the Resources/Property Committee, which meets four times a year and oversees financial and property-related matters for the Synod. The delegated powers of the Resources Committee and its interaction with the Trust and Trustees are set out in the Synod Financial Policy which is revised periodically by Synod. The Finance Policy sets out the charity's investment policy and ethical constraints under which it operates. For further details see the section headed 'Investment Policy' (below).

Churches are encouraged to invest capital whenever possible and to fund new building works, redevelopments, maintenance works and pastoral assistance from their investment income. Where there are insufficient funds, grants or loans may be made available to Churches, in the case of loans for periods normally not exceeding five years.

**THE UNITED REFORMED CHURCH
(EASTERN PROVINCE) TRUST**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2022**

STRATEGIC REPORT

Achievement and performance

Mission & Discipleship Committee

The Faith in Action Group continues to arrange events and present matters of concern to Synod and gives links to websites that provide further information on issues such as social justice, racial justice, the environment and rural matters.

Through the Synod's Mission and Training Officer mission (including worship) resources have been provided to churches and a range of training and related on-line programmes have been provided for Elders and others.

Through the Synod's Children and Youth Development Officer training, advice and consultancy is provided to those working with children and young people, as well as advice and training related employment issues and safeguarding. The CYDO also organises or helps at events for youngsters, both Synod-wide and in local churches.

Through the Synod's Green Advocate and a Working Group that includes members of the Resources Committee, we have been awarded Bronze Eco Synod and encourage churches to seek Eco Church Awards.

Reports are received on the Synod's large-scale Mission Project, Loves Farm in Cambridgeshire, and explorations of other possibilities (e.g. Northstowe).

The Committee has developed and increased its programme for providing financial support for mission activities within churches; in particular it has moved away from simply providing grants based on a fixed percentage of the costs to adopting a flexible approach that takes account of the local church's ability to contribute.

The Committee has generally been very heartened by all the great mission work going on in churches.

Pastoral Committee

This Committee's work is largely of an ongoing nature, in particular supporting the Moderator as she considers ministerial vacancies and the challenges of deployment and explores new ways of ministerial deployment.

The Committee is progressing the implementation of the principles of Mission Partnership.

The Committee is receiving reports of mission reviews carried out in local churches.

It also oversees the process for authorising lay persons to preside at the Sacraments.

The Committee also links with the work of the six Area Partnerships and one United Area.

The Committee has noted with sadness the closures of Newport URC, Long Melford URC. and Westcliff URC.

Resources Committee

The Synod Finance Policy has been updated in a small number of ways.

The Committee continues to provide a range of property-related grants as well as grants for children's and youth work and also to support the making of larger mission-related grants. It also recognises the need to support churches with their eco-related works.

The Committee set a budget of £300,000 to assist churches with increased utility costs for the period 1st October 2022 - 31st March 2023 arising from the removal of the energy price cap.

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

The Committee continues to support the work of the Ministry and Mission Advocates in their work overseeing the Fair Share scheme through which local churches contribute to the provision of ministry throughout the denomination. In this respect, the Committee continues to be grateful to local churches for generally how well they have done in maintaining their commitment at what has continued to be a most difficult time for church communities but has been content to meet what would otherwise be a shortfall in the Synod's contribution to the national fund.

Officers and Convenors Committee

The Committee's work is mainly concerned with organising Synod meetings, ensuring vacancies on Synod Committees are filled, co-ordinating the work of the committees and overseeing staff matters.

Financial review

Financial Statements

The financial statements, including the notes, have been prepared in compliance with the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' (FRS 102). The analysis of income and expenditure reflects the classification of activities, together with costs relating to administration. The Synod and Trust Company do not sell goods or services, nor are there any other trading activities.

A financial review document is made available to all members of Synod, and local churches if requested. This document highlights the main features of these financial statements. The review includes a comparison between the budget and the final operating income resources and expenditure.

Statement of Financial Activities

The Statement of Financial Activities is shown on page 14, with a more detailed analysis of income and expenditure on pages 34 to 36.

The total income for the year was £1,257,992 (2021: £2,992,118). This includes income from church sales and other transfers from church funds of £652,363 (2021: £2,186,580). The majority of the remaining income is investment income.

This year the church property grants totalled £427,202 (2021: £171,101). This is a positive development in so much as churches had been struggling to find the match funding to proceed with projects.

Overall the funds have decreased by £1,269,345 (2021: increased £41,587). The deficit is mainly due to the decrease in value of the investments.

Programme Related Investments total £756,981 (2021: £755,765) comprising 1 outstanding loan (considerably reduced) and 8 property investments (2021: 1 loans and 8 property investments). These investments represent funds invested by Synod to provide accommodation for retired ministers.

Principal funding sources

The main sources of regular income are investment and rental income. In addition, in some years, substantial sums become available to the Trust as a result of church closures. No fundraising activities are carried out at Synod or Trust level. Also, until 2021, the Synod meeting authorised a 'levy' to be raised for Synod administration purposes from local churches together with their contributions to the denominational Ministry and Mission Fund. However, it has been agreed that this 'levy' will be abandoned with effect from 2023 and that in respect of the contributions made by churches in 2022 the overall amount was reduced by £78,000, this being the total amount of the 2022 'levy'.

**THE UNITED REFORMED CHURCH
(EASTERN PROVINCE) TRUST**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2022**

STRATEGIC REPORT

Financial review

Investment policy and objectives

The policy seeks to achieve as high an income as possible, subject to protecting the capital value of the funds against inflation. The investments include sharing in some churches' property developments but are otherwise a mixture of fixed interest and equity marketable securities. The Synod seeks to ensure that none of its investments can be seen to support practices which are against the conscience of Christians following the Ethical Investment Guidelines approved by the URC General Assembly from time to time. These Common Investment Funds are governed by Charity Commission Schemes.

A number of local churches have asked the Synod to hold, and invest, certain funds on their behalf. Such funds are not Synod funds and are not included in the Trust financial statements.

Reserves policy

The Trust holds funds under a number of different terms. Funds which are restricted may only be used as directed by the funder at the time they were granted to the Trust. Details of the specific restrictions of those individual funds are disclosed in note 21 to the financial statements.

Other funds are unrestricted and can be used at the discretion of the Trustees in furtherance of the Trust's objects. It is the policy of the Trustees to designate certain funds for particular purposes as agreed from time to time and details of the purpose and use of those designated funds can be found in note 21 to the financial statements.

The Synod seeks to recognise the needs of both the present generation and future generations within the Church by retaining those one-off capital receipts to which it from time to time becomes entitled under the provision of the URC Acts. It is the present policy that, normally, only the income on these reserves is expended upon charitable purposes but an exception is made in relation to money going into the Pioneer Fund or a small mission support budget.

The remaining general unrestricted funds are required to cover the support costs and grants awarded. The Synod Finance Policy specifies that, typically, sufficient cash should be held on short or medium term deposits to cover at least one full year's anticipated revenue expenditure and also allow for the capital purchase of a manse or similar building - though the exercise of discretion is permitted in deciding how much cash it would be advisable to hold at any particular time.

At the year-end general unrestricted funds amounted to £1,202,715 (2021: £965,379, excluding designated amounts). The Trustees are satisfied this is sufficient to meet day to day objectives.

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

STRATEGIC REPORT

Financial and risk management objectives and policies

The Trustees are responsible for the management of the risks faced by the charity. Risks are identified, assessed and controls established throughout the year. A formal review of the charity's risks was undertaken in 2023, and reported to the Trust Directors. The main change is the risk that there may be a very large shortfall on pensions.

The most serious risk facing the charity would be the Synod failing to achieve its strategic and charitable objectives, either through resources being put into programmes which do not meet those objectives or through failure of Trustees and other Committees to consider the charity's objectives when making decisions.

To manage and mitigate this risk, the Trustees consider the 'Aims and Objectives' section of their annual report each year to ensure this remains appropriate and, in so doing, are reminded of the objectives which they must constantly keep in mind.

Another principal risk is business interruption: either through absent personnel or a disaster causing restricted or no access to the Synod office. A Business Continuity Plan was approved by Synod Trust Directors in the spring of 2013 and reviewed and updated in November 2015.

Among the key risk controls used by the charity are:

- a written financial policy subject to periodic review (an updated version was adopted by the October 2022 Synod meeting);
- clear financial authorisation and approval levels (reviewed and tightened in 2022 with the introduction of dual or triple bank authorisations for amounts in excess of £10,000 and £200,000 respectively);
- detailed summary accounts produced for scrutiny by Trust Directors and Resources Committee at every meeting during the year;
- financial statements presented at each Synod meeting; and
- Synod officers and others having been vetted through the DBS service, where appropriate and Synod operating a 'Safeguarding' policy.

Through the risk management process established for the charity, the Trustees are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

Future plans

In 2023, the Synod will continue to strengthen missional discipleship establishing Mission Partnerships and exploring the Grove resource 'Leading a Whole-life Disciple-making Church' and will provide a range of resources for local churches to grow more committed in their faith and more able to reach out to help others discover their need for God.

The Mission & Discipleship Committee will continue to have a prominent role to play in enthusing congregations and facilitating the provision of resources. Efforts to reach out to children and young people within the Synod will be pursued and we hope to make progress in building greater awareness of, and commitment to, the World Church as well as promoting justice, peace and the integrity of creation. And, together with the Resources Committee, it will take forward the work required to develop as an Eco Synod and for local congregations to develop as Eco Churches.

The Pastoral Committee will continue to support the pastoral work of the Moderator as appropriate and reviewing the Synod's deployment strategy. It will also continue to oversee the process of declaring and filling vacancies, identifying and training candidates for ministry (both ordained and lay) and for promoting health and healing.

The Resources Committee will continue to act in conjunction with and on behalf of the Synod Trustees in administering its various grant awarding processes and safeguarding the Synod's finances and investments. It will also participate in the review of the denomination's pension schemes, recognising that all Synods have a part to play in ensuring the schemes meet the requirements of the Pensions Regulator. And it will oversee a review of the level of contributions sought from churches to the national Ministry and Mission Fund.

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

The United Reformed Church (Eastern Province) Trust ("the Trust") is a company limited by guarantee formed on 20 March 2007 and is a registered charity, number 248796. It is governed by its Memorandum and Articles of Association as revised in 2008. All of the financial assets and liabilities of the Eastern Synod of the United Reformed Church ("Synod") are shown in the Trust's Financial Statements.

However, while the Trust holds the assets and liabilities of Synod, it is the Synod which is the decision making body, except in relation to matters relating exclusively to the business of the Trust for which the Trust Directors are responsible. The Trust is corporate Trustee for most land and buildings utilised by local URC Churches.

The Finance Officer and the Resources Officer attend Trustee meetings but are not themselves Trustees.

Constitution of the Synod

Eastern Synod is one of thirteen Synods of the United Reformed Church ('URC') within the United Kingdom. It is constituted in accordance with the Scheme of Union and the United Reformed Church Acts of 1972, 1981 and 2000 (see www.urc.org.uk). It has oversight of the URC in the East of England, covering Norfolk, Suffolk, most of Essex, most of Cambridgeshire and part of Hertfordshire.

In accordance with 'the Structure of the United Reformed Church' it is responsible for:-

- Overseeing six area partnerships;
- Promoting church extension;
- Promoting ecumenical relations;
- Opening, closing and extending church buildings;
- Overseeing matters affecting the ordained ministry, including discipline;
- Dealing with matters referred from General Assembly and Assembly Executive;
- Undertaking such other things which promote the welfare of the United Reformed Church.

The Eastern Synod, which is made up of ministers and lay representatives of each local church together with Synod officers, meets to transact business routinely twice a year but has delegated various powers to a number of committees as well as the Trust. The following committees are responsible for specific elements in the life of the Synod:-

- Pastoral Committee;
- Mission and Discipleship Committee;
- Resources/Property Committee; and
- Listed Buildings Advisory Committee.

Recruitment and appointment of new trustees

The Trustees nominate members to serve as Trustees of the Trust and Synod meeting ratifies the appointments.

There is an informal programme for the induction of Trustees.

Organisational Structure

Day-to-day financial and property activities are dealt with by the Finance Officer and Resources Officer. In accordance with the URC Acts, many decisions need a Church Meeting resolution, a Synod approval (at present Synod has delegated its power of approval to Resources Committee) and a decision by the Trust Directors before actions can be taken by, or on behalf of, the Trust as Trustee.

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

STRUCTURE, GOVERNANCE AND MANAGEMENT

Related parties

During 2010 a subsidiary company - United Reformed Church (Eastern Province) Design & Build Limited - was established. This company has remained dormant throughout the year.

There have been no significant related party transactions between the Trust and any of its Trustees or Synod officials during the year.

Use of Volunteers

Most Ministers of Word and Sacrament receive a stipend directly from the Finance Office of the United Reformed Church in London. The URC Trust (acting at denominational level) is a separate charity, again not under common control. The Clerk, Finance Officer, Resources Officer, Moderator's PA, Administrator, Mission & Training Officer, Children's & Youth Development Officer, and Safeguarding Officer are paid by the Synod. Other than that, all members of Synod Committees and other supporting and enabling Synod activities are volunteers, almost all being members of their local URC or Local Ecumenical Partnership.

Key Management Personnel

The key management group within the Synod structure is made up of the Synod Moderator, the Synod Clerk and the Synod Treasurer. The first of these receives a stipend from the denomination centrally at the same rate as all stipendiary Ministers of Word and Sacrament serving the denomination. The Synod Clerk role moved from a voluntary to a paid post funded by the Synod in 2022. The Treasurer is entitled to claim a small honorarium.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of The United Reformed Church (Eastern Province) Trust for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

**THE UNITED REFORMED CHURCH
(EASTERN PROVINCE) TRUST**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2022**

AUDITORS

The auditors, Annatrice Limited, will be proposed for re-appointment at the forthcoming meeting of the Synod Council.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on~~29/09/2023~~..... and signed on the board's behalf by:

gheathcote
gheathcote (Sep 29, 2023 15:41 GMT+1)

.....
Mr G Heathcote - Trustee

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
THE UNITED REFORMED CHURCH
(EASTERN PROVINCE) TRUST**

Opinion

We have audited the financial statements of The United Reformed Church (Eastern Province) Trust (the 'charitable company') for the year ended 31 December 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
THE UNITED REFORMED CHURCH
(EASTERN PROVINCE) TRUST**

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our audit procedures included analytical techniques, third party confirmation of balances and verification of transactions on a sample basis to provide sufficient appropriate evidence that the accounts show a true and fair view and are free from material irregularities including fraud, error and non-compliance with applicable laws and regulations. In designing these procedures and in particular we considered the risk of fraud over completeness and presentation of income, occurrence and presentation of expenditure, valuation and existence of assets and completeness of liabilities.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
THE UNITED REFORMED CHURCH
(EASTERN PROVINCE) TRUST**

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Mr Anthony James Brice FCCA (Senior Statutory Auditor)
for and on behalf of Annatrice Limited
Statutory Auditor
10 The Thoroughfare
Harleston
Norfolk
IP20 9AX

Date: 29/09/2023
Date:

**THE UNITED REFORMED CHURCH
(EASTERN PROVINCE) TRUST**

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2022**

		Unrestricted funds	Restricted funds	2022 Total funds	2021 Total funds as restated
	Notes	£	£	£	£
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	5,749	-	5,749	112,582
Charitable activities	4				
Ministry & Mission		1,417	-	1,417	1,501
Property		160,863	78,487	239,350	232,347
Investment income	3	292,955	66,094	359,049	392,854
Other income	5	652,137	-	652,137	2,252,834
Total		1,113,121	144,581	1,257,702	2,992,118
EXPENDITURE ON					
Raising funds	6	117,811	39,851	157,662	184,350
Charitable activities	7				
Ministry & Mission		787,905	-	787,905	4,341,015
Training		135,884	-	135,884	158,294
Property		552,514	-	552,514	266,395
General		-	-	-	-
Total		1,594,114	39,851	1,633,965	4,950,054
Net gains/(losses) on investments		(805,185)	(87,897)	(893,082)	1,999,523
NET INCOME/(EXPENDITURE)		(1,286,178)	16,833	(1,269,345)	41,587
RECONCILIATION OF FUNDS					
Total funds brought forward		14,086,288	8,758,996	22,845,284	22,803,697
TOTAL FUNDS CARRIED FORWARD		12,800,110	8,775,829	21,575,939	22,845,284

The notes form part of these financial statements

**THE UNITED REFORMED CHURCH
(EASTERN PROVINCE) TRUST**

**BALANCE SHEET
31 DECEMBER 2022**

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds as restated £
FIXED ASSETS					
Tangible assets	16	889,322	6,128,401	7,017,723	7,019,849
Investments					
Investments	17	8,587,220	1,805,723	10,392,943	11,625,556
Investment property	18	2,156,000	-	2,156,000	2,019,000
Social investments	19	360,300	396,681	756,981	755,765
		11,992,842	8,330,805	20,323,647	21,420,170
CURRENT ASSETS					
Debtors	20	285,740	20,123	305,863	89,317
Cash at bank		3,480,210	429,279	3,909,489	3,454,759
		3,765,950	449,402	4,215,352	3,544,076
CREDITORS					
Amounts falling due within one year	21	(2,813,104)	(4,378)	(2,817,482)	(1,978,533)
NET CURRENT ASSETS		952,846	445,024	1,397,870	1,565,543
TOTAL ASSETS LESS CURRENT LIABILITIES		12,945,688	8,775,829	21,721,517	22,985,713
CREDITORS					
Amounts falling due after more than one year	22	(145,578)	-	(145,578)	(140,429)
NET ASSETS		12,800,110	8,775,829	21,575,939	22,845,284
FUNDS	24				
Unrestricted funds				12,800,110	14,086,288
Restricted funds				8,775,829	8,758,996
TOTAL FUNDS				21,575,939	22,845,284

The financial statements were approved by the Board of Trustees and authorised for issue on
....29/09/2023..... and were signed on its behalf by:


gheathcote (Sep 29, 2023 15:41 GMT+1)
.....
Mr G Heathcote - Trustee

The notes form part of these financial statements

**THE UNITED REFORMED CHURCH
(EASTERN PROVINCE) TRUST**

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2022**

		2022	2021 as restated
	Notes	£	£
Cash flows from operating activities			
Cash generated from operations	1	330,117	(3,985,010)
Net cash provided by/(used in) operating activities		330,117	(3,985,010)
Cash flows from investing activities			
Purchase of tangible fixed assets		(5,679)	(26,365)
Purchase of fixed asset investments		(593,997)	(149,000)
Sale of tangible fixed assets		-	65,142
Sale of fixed asset investments		338,177	1,575,563
Repayment of programme related loans		361,047	63,880
Interest received		25,065	24,577
Net cash provided by investing activities		124,613	1,553,797
Change in cash and cash equivalents in the reporting period		454,730	(2,431,213)
Cash and cash equivalents at the beginning of the reporting period		3,454,759	5,885,972
Cash and cash equivalents at the end of the reporting period		3,909,489	3,454,759

The notes form part of these financial statements

**THE UNITED REFORMED CHURCH
(EASTERN PROVINCE) TRUST**

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2022**

1. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022	2021 as restated
	£	£
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(1,269,345)	41,587
Adjustments for:		
Depreciation charges	7,806	6,538
Losses/(gain) on investments	893,082	(1,999,523)
Profit on disposal of fixed assets	-	(1,584)
Interest received	(25,065)	(24,577)
Loan Interest	(1,417)	(1,501)
Loans written off	97,504	-
Donated Assets	-	(1,003,000)
(Increase)/decrease in debtors	(216,546)	581,588
Increase/(decrease) in creditors	844,098	(1,584,538)
Net cash provided by/(used in) operations	330,117	(3,985,010)

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/1/22 £	Cash flow £	At 31/12/22 £
Net cash			
Cash at bank	3,454,759	454,730	3,909,489
	3,454,759	454,730	3,909,489
Total	3,454,759	454,730	3,909,489

The notes form part of these financial statements

**THE UNITED REFORMED CHURCH
(EASTERN PROVINCE) TRUST**

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

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, 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 Companies Act 2006. 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.

Preparation of consolidated financial statements

The company is the parent undertaking of a small group and as such is not required by the Companies Act 2006 to prepare consolidated financial statements. It has also taken advantage of the exemption under the SORP not to prepare consolidated financial statements on the grounds of materiality. These financial statements present information about the individual company only and not the group.

Income

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Fixed asset gifts in kind are recognised when receivable and are included at fair value. They are not deferred over the life of the asset.

The charity receives grants which are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

Investment income is earned through holding assets for investment purposes such as shares and property. It includes dividends, interest and rent. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend and rent income is recognised as the charity's right to receive payment is established.

Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Costs of raising funds includes costs of managing investments and programme related investments;
- Expenditure on charitable activities includes costs of ministry, mission, training and property grants; and
- Other expenditure represents those items not falling into the categories above.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Grants payable to local churches, organisations and individuals are within the charitable objectives. Where unconditional grants are offered, this is accrued as soon as the recipient is notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive the grants. Where grants are conditional relating to performance then the grant is only accrued when any unfulfilled conditions are outside of the control of the charity.

**THE UNITED REFORMED CHURCH
(EASTERN PROVINCE) TRUST**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

1. ACCOUNTING POLICIES - continued

Allocation and apportionment of costs

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include premises costs, office costs, governance costs, and salary costs. They are incurred directly in support of expenditure on the objects of the charity. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery	- Straight line over 5 years
Fixtures and fittings	- Straight line over 10 years
Motor vehicles	- Straight line over 5 years
Computer equipment	- Straight line over 5 years

No amounts under £500 are capitalised. The Trustees conduct an annual impairment review.

Freehold properties includes some burial grounds. Due to the nature of this land, they are included at £Nil value.

Individual church property

The Trust is sole Trustee of the land and buildings of most local URCs but they are not the property of the Synod and are not shown in the financial statements. Sale proceeds from redundant properties or from part thereof which come into Synod funds are treated as unrestricted income from general funds. The income is recognised when the amount can be measured reliably and it is probable that the income will be received.

Social investments

Programme related investments are those held to further our charitable purposes. Programme related investments include investment in a percentage share of properties and bridging or other loans.

Related investments in properties are stated at cost subject to any adjustment arising from impairment which is considered on an annual basis. Gains on disposal of these investments are shown as other income in the SoFA. Investments by way of loans are stated at cost. Interest is charged on the loans at the COIF rate of interest, being the rate of interest the Trust would otherwise have earned.

Investments

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in the Statement of Financial Activities.

Listed investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains/(losses) on investments' in the SoFA if the shares are publicly traded or their fair value can otherwise be measured reliably.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Description and use of funds

The financial statements show the combined income, expenditure, assets and liabilities of the following funds which are administered for the benefit of the United Reformed Church within the Eastern Synod:-

Synod Administration Fund
Church Life and Mission Fund

**THE UNITED REFORMED CHURCH
(EASTERN PROVINCE) TRUST**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

1. ACCOUNTING POLICIES - continued

Description and use of funds

Retired Ministers Housing Fund
Retired Ministers Holiday Fund
Manse Funds
Pioneer Fund
Heritage Fund
Ten Per Cent Fund

Funds administered on behalf of local churches are not included.

Description and use of funds

Restricted income funds are funds whose use is restricted to specific purposes according to the terms on which the funds were received.

Unrestricted income funds may be spent generally for furthering the Christian and charitable work of the United Reformed Church in the Eastern Province. The main fund in this category is the Church Life & Mission Fund. Certain funds have been allocated by the Resources Committee but the committee retains authority to re-allocate such funds and so they are treated as Designated Funds within Unrestricted Income Funds.

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

Pension costs and other post-retirement benefits

The charity participates in a defined benefit scheme, The Pensions Trust Defined Benefit Scheme, which is a multi employer scheme where the underlying assets and liabilities are not separately identifiable. In accordance with the SORP, it is accounted for as a defined contribution scheme. Contributions are charged as expenditure as they become payable in accordance with the rules of the scheme.

The charity also operates a defined contribution scheme. Contributions are charged as expenditure as they become payable in accordance with the rules of the scheme.

Going concern

The financial statements have been prepared on a going concern basis. The Trustees have considered relevant information, including the annual budget and forecast future cash flows in making their assessment. The current economic environment has not had a significant impact on the charity's operations although adaptations have been made to reflect changes in working practices. The Trustees are monitoring the impact on future revenue streams and the impact on our beneficiaries and any support they may require. Based on these assessments and having regard to resources available to the charity, the Trustees have concluded that there is no material uncertainty and the financial statements can continue to be prepared on a going concern basis.

Provisions

Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Critical accounting estimates and areas of judgement

**THE UNITED REFORMED CHURCH
(EASTERN PROVINCE) TRUST**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

1. ACCOUNTING POLICIES - continued

Going concern

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and judgements relevant to the financial statements are:

Investments - estimate of fair value

Fixed assets - estimate of useful life and estimate of impairment

Support costs - allocation to activities

2. DONATIONS AND LEGACIES

	2022	2021 as restated
	£	£
Local church contributions	-	104,000
Donations	750	3,082
Grants	4,999	5,500
	<u>5,749</u>	<u>112,582</u>

Grants received, included in the above, are as follows:

	2022	2021 as restated
	£	£
Other grants	4,999	5,500
	<u>4,999</u>	<u>5,500</u>

3. INVESTMENT INCOME

	2022	2021 as restated
	£	£
Rents received	-	15,541
Investment income	333,984	352,736
Deposit account interest	25,065	24,577
	<u>359,049</u>	<u>392,854</u>

**THE UNITED REFORMED CHURCH
(EASTERN PROVINCE) TRUST**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

4. INCOME FROM CHARITABLE ACTIVITIES

		2022	2021 as restated
	Activity	£	£
Loan interest	Ministry & Mission	1,417	1,501
Rental	Property	239,350	232,347
		<u>240,767</u>	<u>233,848</u>

5. OTHER INCOME

	2022	2021 as restated
	£	£
Other income	65	66,254
Sale of church properties and transfers of church's funds	652,072	2,186,580
	<u>652,137</u>	<u>2,252,834</u>

6. RAISING FUNDS

Raising donations and legacies

	2022	2021 as restated
	£	£
Legal & Professional costs	22,508	5,208
Synod manse scheme	42,495	102,593
Leasing of premises	15,948	18,276
Investment manager charges	1,403	1,465
Share of support costs	75,308	56,808
	<u>157,662</u>	<u>184,350</u>

7. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Grant funding of activities (see note 8) £	Support costs (see note 9) £	Totals £
Ministry & Mission	49,598	713,204	25,103	787,905
Training	110,781	-	25,103	135,884
Property	-	427,002	125,512	552,514
	<u>160,379</u>	<u>1,140,206</u>	<u>175,718</u>	<u>1,476,303</u>

**THE UNITED REFORMED CHURCH
(EASTERN PROVINCE) TRUST**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

8. GRANTS PAYABLE

	2022	2021 as restated
	£	£
Ministry & Mission	713,204	575,025
Training	-	13,377
Property	427,002	171,101
	<u>1,140,206</u>	<u>759,503</u>

9. SUPPORT COSTS

	Management £
Ministry & Mission	25,103
Training	25,103
Property	125,512
	<u>175,718</u>

10. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2022	2021 as restated
	£	£
Depreciation - owned assets	<u>7,805</u>	<u>6,538</u>

11. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2022 nor for the year ended 31 December 2021.

Trustees' expenses

Reimbursed expenses were paid to three Trustees of the Synod in aggregate of £1,096 (2021: £2,077). Synod recognises an honoraria of £1,500 (2021: £1,500) for the Treasurer in respect of their role within the Synod. During the year the charity acquired services of £11,386 (2021: £8,012) from Lewis Patten Chartered Architects, a company in which Mr C Patten is a director and owner. No other remuneration or expenses were paid to the Trustees or members of the Resources Committee, other than the reimbursement of travel expenses.

**THE UNITED REFORMED CHURCH
(EASTERN PROVINCE) TRUST**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

12. STAFF COSTS

	2022	2021 as restated
	£	£
Wages and salaries	238,406	241,057
Social security costs	26,005	22,517
Other pension costs	40,575	41,190
	<u>304,986</u>	<u>304,764</u>

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

	2022	2021 as restated
	8	8
Synod Administration	<u>8</u>	<u>8</u>

No employees received emoluments in excess of £60,000.

13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds	Restricted funds	Total funds as restated
	£	£	£
INCOME AND ENDOWMENTS FROM			
Donations and legacies	112,582	-	112,582
Charitable activities			
Ministry & Mission	1,501	-	1,501
Property	167,304	65,043	232,347
Investment income	329,505	63,349	392,854
Other income	2,249,874	2,960	2,252,834
Total	<u>2,860,766</u>	<u>131,352</u>	<u>2,992,118</u>
EXPENDITURE ON			
Raising funds	81,097	103,253	184,350
Charitable activities			
Ministry & Mission	4,341,015	-	4,341,015
Training	158,294	-	158,294
Property	266,395	-	266,395
General	-	-	-
Total	<u>4,846,801</u>	<u>103,253</u>	<u>4,950,054</u>
Net gains on investments	<u>1,649,583</u>	<u>349,940</u>	<u>1,999,523</u>
NET INCOME/(EXPENDITURE)	(336,452)	378,039	41,587

**THE UNITED REFORMED CHURCH
(EASTERN PROVINCE) TRUST**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds	Restricted funds	Total funds as restated
	£	£	£
RECONCILIATION OF FUNDS			
Total funds brought forward			
As previously reported	13,766,740	8,171,312	21,938,052
Prior year adjustment	656,000	209,645	865,645
As restated	14,422,740	8,380,957	22,803,697
TOTAL FUNDS CARRIED FORWARD	14,086,288	8,758,996	22,845,284

14. PRIOR YEAR ADJUSTMENT

The Trustees have reviewed the presentation of the financial statements and have made significant adjustments to the way they are shown compared to the previous year. In the Trustees' opinion this presentation is more appropriate for the Trust and the other users of these accounts going forward. The comparatives have been restated accordingly, however, the amendments to the prior year has no impact on the balances brought forward.

15. NET GAINS/(LOSSES) ON INVESTMENTS

The Trust had losses arising from the revaluation of listed investments £1,488,433 (2021: gain £1,640,970) and gains on Social Investments property of £458,352 (2021: £nil) and Investment properties of £137,000 (2021: gain 358,553). The loss from the revaluation of listed investments includes losses of £87,897 (2021: loss £389,608) of restricted funds.

**THE UNITED REFORMED CHURCH
(EASTERN PROVINCE) TRUST**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

16. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Fixtures and fittings £
COST			
At 1 January 2022	6,985,670	4,542	17,758
Additions	-	3,732	-
Disposals	-	(1,927)	-
At 31 December 2022	6,985,670	6,347	17,758
DEPRECIATION			
At 1 January 2022	-	3,983	9,916
Charge for year	-	526	1,125
Eliminated on disposal	-	(1,927)	-
At 31 December 2022	-	2,582	11,041
NET BOOK VALUE			
At 31 December 2022	6,985,670	3,765	6,717
At 31 December 2021	6,985,670	559	7,842
	Motor vehicles £	Computer equipment £	Totals £
COST			
At 1 January 2022	20,045	21,931	7,049,946
Additions	-	1,947	5,679
Disposals	-	(4,103)	(6,030)
At 31 December 2022	20,045	19,775	7,049,595
DEPRECIATION			
At 1 January 2022	1,003	15,195	30,097
Charge for year	4,008	2,146	7,805
Eliminated on disposal	-	(4,103)	(6,030)
At 31 December 2022	5,011	13,238	31,872
NET BOOK VALUE			
At 31 December 2022	15,034	6,537	7,017,723
At 31 December 2021	19,042	6,736	7,019,849

At the year end the Synod Manse Scheme had beneficial ownership of 22 properties valued at approximately £7.8 million registered in the name of URC (Eastern Province) Trust. Of this, 17 properties totalling £6.5 million are included within tangible and investment properties.

**THE UNITED REFORMED CHURCH
(EASTERN PROVINCE) TRUST**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

17. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
At 1 January 2022	11,625,556
Additions at cost	593,997
Disposal proceeds	(338,177)
Revaluations	(1,488,433)
	<u>10,392,943</u>
At 31 December 2022	<u>10,392,943</u>
NET BOOK VALUE	
At 31 December 2022	<u>10,392,943</u>
At 31 December 2021	<u>11,625,556</u>

There were no investment assets outside the UK.

Cost or valuation at 31 December 2022 is represented by:

	Listed investments £
Valuation in 2022	<u>10,392,943</u>

If the investments had not been revalued they would have been included at the following historical cost:

	2022	2021 as restated
	£	£
Cost	<u>7,888,224</u>	<u>7,575,241</u>

Fixed asset investments were valued on an open market basis on 31 December 2022 by CCLA and Epworth.

The company's investments at the balance sheet date in the share capital of companies include the following:

Subsidiary

The United Reformed Church (Eastern Province) Design & Build Limited

Registered office: Eastern Synod Office, 36 Duxford Road, Whittlesford, CB22 4ND.

Nature of business: Dormant

	%		
	holding		
Class of share:			
Ordinary	100		
		2022	2021
		£	£
Aggregate capital and reserves		1	1

**THE UNITED REFORMED CHURCH
(EASTERN PROVINCE) TRUST**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

17. FIXED ASSET INVESTMENTS - continued

Associated company

Lewis Gibson Limited

Registered office: Downing Place, United Reformed Church, Downing Street, Cambridge, CB2 3EL.

Nature of business: Letting of property

	%	2022	2021
Class of share:	holding	£	£
Ordinary	33		
Aggregate capital and reserves		(180,609)	(180,640)
Profit for the year		31	84
		<u> </u>	<u> </u>

The Investments are invested within a number of Charity Investment Funds managed by CCLA and Epworth.

18. INVESTMENT PROPERTY

	£
FAIR VALUE	
At 1 January 2022	2,019,000
Revaluation	137,000
	<u> </u>
At 31 December 2022	2,156,000
	<u> </u>
NET BOOK VALUE	
At 31 December 2022	2,156,000
	<u> </u>
At 31 December 2021	2,019,000
	<u> </u>

Fair value at 31 December 2022 is represented by:

	£
Valuation in 2021	358,553
	<u> </u>

If the properties had not been revalued it would have been included at the following historical cost:

	2022	2021
	£	as restated £
Cost	1,660,447	1,660,447
	<u> </u>	<u> </u>

**THE UNITED REFORMED CHURCH
(EASTERN PROVINCE) TRUST**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

19. SOCIAL INVESTMENTS

	Programme related investments		
	Loans £	Other investments £	Totals £
MARKET VALUE			
At 1 January 2022	458,210	297,555	755,765
Repayments in year	(361,047)	-	(361,047)
Other movements	(96,089)	-	(96,089)
Revaluations	-	458,352	458,352
At 31 December 2022	1,074	755,907	756,981
NET BOOK VALUE			
At 31 December 2022	1,074	755,907	756,981
At 31 December 2021	458,210	297,555	755,765

Loans are subject to the Epworth rate of interest that would otherwise have been received.

The Synod has no contingent liability arising from any undertaking to guarantee the repayment of loans made by the General Assembly of the URC to congregations in the Synod.

In relation to the residential properties, no interest is charged on the initial value of the investment. A proportion of the costs of repair are met by the Trust during the period of investment but the benefit should arise on disposal of the properties when the Trust receives a proportion of the proceeds relating to the investment proportion of the original cost.

Cost or valuation at 31 December 2022 is represented by:

	Programme related investments	
		Other investments £
Valuation in 2022		<u>755,907</u>

If the residential properties had not been revalued they would have been included at the following historical cost:

	2022	2021 as restated
	£	£
Cost	<u>297,555</u>	<u>297,555</u>

Social Investments were valued on an open market basis on 31 December 2022 by The trustees.

**THE UNITED REFORMED CHURCH
(EASTERN PROVINCE) TRUST**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

20. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021 as restated
	£	£
Other debtors	280,483	87,970
Prepayments	25,380	1,347
	<u>305,863</u>	<u>89,317</u>

21. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021 as restated
	£	£
Grants approved	541,290	330,964
Social security and other taxes	5,075	4,430
Other creditors	2,088,919	1,446,980
M&M Reserve fund	166,951	127,775
Accrued expenses	15,247	68,384
	<u>2,817,482</u>	<u>1,978,533</u>

22. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2022	2021 as restated
	£	£
Grants approved	141,883	49,991
Other creditors	3,695	90,438
	<u>145,578</u>	<u>140,429</u>

23. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2022	2021 as restated
	£	£
Within one year	-	2,517
Between one and five years	2,404	629
In more than five years	-	12,240
	<u>2,404</u>	<u>15,386</u>

The office used by the the company is situated on land that is registered in the name of The United Reformed Church (Eastern Province) Trust and held on statutory trust in favour of Whittlesford United Reformed Church. The agreement has lapsed however the trust continues to pay a sum of £1,183 per month for the use of the building and this is included in the figures above.

**THE UNITED REFORMED CHURCH
(EASTERN PROVINCE) TRUST**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

24. MOVEMENT IN FUNDS

	At 1/1/22 £	Net movement in funds £	Transfers between funds £	At 31/12/22 £
Unrestricted funds				
General fund	965,379	(325,062)	562,398	1,202,715
Church Life & Mission fund	9,245,059	(1,154,759)	(71,790)	8,018,510
Manse fund	744,395	942	(490,608)	254,729
Herritage fund	1,691,350	26,610	-	1,717,960
Pioneer fund	1,440,105	(55,480)	-	1,384,625
10 % Property sale	-	221,571	-	221,571
	14,086,288	(1,286,178)	-	12,800,110
Restricted funds				
Church Life & Mission fund	1,371,950	(96,352)	-	1,275,598
Ret'd Ministers Housing fund	1,053,012	116,663	-	1,169,675
Ret'd Ministers Holiday fund	12,573	(806)	-	11,767
Manse fund	6,321,461	(2,672)	-	6,318,789
	8,758,996	16,833	-	8,775,829
TOTAL FUNDS	22,845,284	(1,269,345)	-	21,575,939

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	41,676	(198,742)	(167,996)	(325,062)
Church Life & Mission fund	545,583	(1,176,622)	(523,720)	(1,154,759)
Manse fund	942	-	-	942
Herritage fund	292,937	(174,033)	(92,294)	26,610
Pioneer fund	10,412	(44,717)	(21,175)	(55,480)
10 % Property sale	221,571	-	-	221,571
	1,113,121	(1,594,114)	(805,185)	(1,286,178)
Restricted funds				
Church Life & Mission fund	30,243	-	(126,595)	(96,352)
Ret'd Ministers Housing fund	18,897	(1,554)	99,320	116,663
Ret'd Ministers Holiday fund	264	(3)	(1,067)	(806)
Manse fund	95,177	(38,294)	(59,555)	(2,672)
	144,581	(39,851)	(87,897)	16,833
TOTAL FUNDS	1,257,702	(1,633,965)	(893,082)	(1,269,345)

**THE UNITED REFORMED CHURCH
(EASTERN PROVINCE) TRUST**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

24. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1/1/21 £	Prior year adjustment £	Net movement in funds £	Transfers between funds £	At 31/12/21 £
Unrestricted funds					
General fund	1,365,320	-	(419,940)	20,000	965,380
Church Life & Mission fund	10,136,614	-	(871,556)	(20,000)	9,245,058
Manse fund	443,395	301,000	-	-	744,395
Herritage fund	742,777	-	948,573	-	1,691,350
Pioneer fund	1,078,634	355,000	6,471	-	1,440,105
	<u>13,766,740</u>	<u>656,000</u>	<u>(336,452)</u>	<u>-</u>	<u>14,086,288</u>
Restricted funds					
Church Life & Mission fund	1,131,613	-	240,337	-	1,371,950
Ret'd Ministers Housing fund	953,445	-	99,567	-	1,053,012
Ret'd Ministers Holiday fund	11,216	-	1,357	-	12,573
Manse fund	6,075,038	209,645	36,778	-	6,321,461
	<u>8,171,312</u>	<u>209,645</u>	<u>378,039</u>	<u>-</u>	<u>8,758,996</u>
TOTAL FUNDS	<u>21,938,052</u>	<u>865,645</u>	<u>41,587</u>	<u>-</u>	<u>22,845,284</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	148,301	(178,633)	(389,608)	(419,940)
Church Life & Mission fund	1,589,772	(4,371,202)	1,909,874	(871,556)
Herritage fund	1,113,455	(254,806)	89,924	948,573
Pioneer fund	9,238	(42,160)	39,393	6,471
	<u>2,860,766</u>	<u>(4,846,801)</u>	<u>1,649,583</u>	<u>(336,452)</u>
Restricted funds				
Church Life & Mission fund	30,555	-	209,782	240,337
Ret'd Ministers Housing fund	18,849	(11)	80,729	99,567
Ret'd Ministers Holiday fund	262	(3)	1,098	1,357
Manse fund	81,686	(103,239)	58,331	36,778
	<u>131,352</u>	<u>(103,253)</u>	<u>349,940</u>	<u>378,039</u>
TOTAL FUNDS	<u>2,992,118</u>	<u>(4,950,054)</u>	<u>1,999,523</u>	<u>41,587</u>

**THE UNITED REFORMED CHURCH
(EASTERN PROVINCE) TRUST**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

24. MOVEMENT IN FUNDS - continued

Church Life & Mission Funds

This fund has been created from the asset apportionment of former Trustee bodies and the sale of proceeds of redundant churches. Income only is used for grants and training support but the capital can be loaned to churches in accordance with the Synod Finance Policy.

Synod Manse Funds

In October 2005 the Synod Manse Policy was endorsed. A number of property sales were recognised and set aside as initial funding. The fund is designed to allow churches to release their interest in a property to the Synod's control thereby allowing Synod to position manses where they are required and to ensure that the houses within the manse scheme are kept in a good state of repair.

Retired Ministers' Housing Fund

The fund is available to help in housing ministers in retirement.

Retired Ministers' Holiday Fund

The fund was established from the sale proceeds of the Synod caravan and is used to benefit ministers

Heritage Fund

The fund has been set up specifically to support those churches who have the responsibility of maintaining buildings which are listed on the National Register. Grants of up to 50% of the cost will be awarded up to a maximum of £25,000 providing churches can demonstrate that they have regularly maintained their properties up to a reasonable standard. The money to support such grants comes from part of the proceeds of sales of redundant Listed buildings.

Pioneer Fund

The Pioneer Fund was approved by Synod in October 2008 with the sole purpose to support churches envisioned with a pioneer project costing in excess of £250,000. In March 2013, Synod meeting amended the normal minimum project cost to £100,000. The money in this fund comes from part of the proceeds of sales of redundant buildings which are not Listed.

The Pioneer Love's Farm Fund is a sub-fund of the work of the Pioneer Fund set aside to support a five year project in the St Neots area.

25. EMPLOYEE BENEFIT OBLIGATIONS

The Trust contributed £12,154 (2021: £13,208) to The United Reformed Church Final Salary Scheme, a pension scheme principally for lay staff which is administered by TPT Retirement Solutions Trust (formerly The Pensions Trust). The scheme is a defined benefit scheme but the Trust is unable to identify its share of the underlying assets and liabilities - each member in the scheme pays a common contribution rate - and accordingly it has accounted for its contributions as if it were a defined contribution scheme

The most recent formal actuarial review of the scheme was at 30 September 2019, when the scheme had a surplus of £2,689,000. The assumptions underlying that valuation include:

- Discount rate of 1.4% pa
- Pensionable earnings growth of 2.5% for three years, 2.75% thereafter
- Price inflation and pension increases of 2.55%
- Retirement age (active members) of 65, with maximum commutation

The employer contribution rate is 26%.

**THE UNITED REFORMED CHURCH
(EASTERN PROVINCE) TRUST**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

25. EMPLOYEE BENEFIT OBLIGATIONS - continued
Defined contribution scheme

A defined contribution scheme has also been opened for more recently appointed staff. Contributions for the year to this scheme were £28,422 (2021: £27,983).

26. CONTINGENT LIABILITIES

The Trust has a mortgage charge over freehold land which is held in trust under the URC Acts and therefore does not appear in the balance sheet of the Trust. The loan was advanced to Lewis Gibson Limited, a company in which the Trust holds one third of the share capital, in connection with construction on the land. Loan repayments are made by Lewis Gibson Limited and there is a charge in place between the lender and Lewis Gibson Limited. In the event that Lewis Gibson Limited were to default on the loan and its security was insufficient then the Trust security could be called upon. The balance outstanding on the loan in the financial statements of Lewis Gibson Limited at 31 December 2022 was £321,541 (2021: £373,626).

27. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 December 2022.

28. CONTINGENT ASSETS

At the year end, the property of five churches are held on Statutory Trusts in accordance with the United Reformed Church Acts of 1972, 1981 and 2000 by the Company following church closures. The proceeds of sale will revert to the Trust on sale in accordance with the Statutory Trusts on which the properties are held.

**THE UNITED REFORMED CHURCH
(EASTERN PROVINCE) TRUST**

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2022**

	2022 £	2021 as restated £
INCOME AND ENDOWMENTS		
Donations and legacies		
Local church contributions	-	104,000
Donations	750	3,082
Grants	4,999	5,500
	<u>5,749</u>	<u>112,582</u>
Investment income		
Rents received	-	15,541
Investment income	333,984	352,736
Deposit account interest	25,065	24,577
	<u>359,049</u>	<u>392,854</u>
Charitable activities		
Rental	239,350	232,347
Loan interest	1,417	1,501
	<u>240,767</u>	<u>233,848</u>
Other income		
Other income	65	66,254
Sale of church properties and transfers of church's funds	652,072	2,186,580
	<u>652,137</u>	<u>2,252,834</u>
Total incoming resources	<u>1,257,702</u>	<u>2,992,118</u>
EXPENDITURE		
Raising donations and legacies		
Legal & Professional costs	22,508	5,208
Synod manse scheme	42,495	102,593
Leasing of premises	15,948	18,276
Investment manager charges	1,403	1,465
Share of support costs	75,308	56,808
	<u>157,662</u>	<u>184,350</u>
Charitable activities		
Wages	115,967	149,163
Carried forward	115,967	149,163

This page does not form part of the statutory financial statements

**THE UNITED REFORMED CHURCH
(EASTERN PROVINCE) TRUST**

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2022**

	2022	2021 as restated
	£	£
Charitable activities		
Brought forward	115,967	149,163
Social security	15,325	14,714
Pensions	16,836	22,194
Pension deficit	-	3,676,967
Sundries	8,242	7,106
Motor vehicles	4,009	3,102
Grants to institutions	1,140,206	757,974
Grants to individuals	-	1,529
	1,300,585	4,632,749
Support costs		
Management		
Wages	122,439	91,894
Social security	10,680	7,803
Pensions	23,739	18,996
Rates and water	223	164
Insurance	4,426	4,305
Telephone	2,423	2,850
Postage and stationery	1,926	2,487
Sundries	372	2,629
Rent	15,212	11,220
Gas & Electricity	1,612	1,028
Cleaning	1,828	2,469
Property repairs	5,287	586
Computer costs	9,642	7,133
Refreshment & office cons	221	282
Staff travel, subs & training	1,637	1,365
Staff events	-	451
Year book & communication	-	883
Photocopier costs	3,452	3,235
Moderator expenses	109	1,974
Synod Council and general asse	3,196	3,357
Synod treasure and clerk costs	700	1,258
Honoraria	1,500	1,500
Audit & accountancy	17,340	3,506
Committee and office holder co	2,509	2,958
Legal & Professional cost	16,575	11,994
Bank charges and interest	181	-
Support costs allocated to raising funds	(75,308)	(56,808)
Depreciation of tangible and heritage assets	3,797	3,436
	175,718	132,955
Total resources expended	1,633,965	4,950,054
Net expenditure before gains and losses	(376,263)	(1,957,936)

This page does not form part of the statutory financial statements

**THE UNITED REFORMED CHURCH
(EASTERN PROVINCE) TRUST**

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2022**

	2022	2021 as restated
	£	£
Realised recognised gains and losses		
Realised gains/(losses) on fixed asset investments	(893,082)	1,544,488
Realised gains/(losses) on investment property	-	455,035
Net (expenditure)/income	(1,269,345)	41,587

This page does not form part of the statutory financial statements

A11 URC 22 final

Final Audit Report

2023-09-29

Created:	2023-09-29
By:	Anthony Brice (anthonyjbrice@gmail.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAAHq44gOGwIL5ysLdlDvuCfrZ_bVH-g_7I

"A11 URC 22 final" History

-  Document created by Anthony Brice (anthonyjbrice@gmail.com)
2023-09-29 - 2:25:59 PM GMT- IP address: 82.132.231.152
-  Document emailed to gheathcote@hotmail.com for signature
2023-09-29 - 2:27:47 PM GMT
-  Email viewed by gheathcote@hotmail.com
2023-09-29 - 2:38:56 PM GMT- IP address: 2.218.136.112
-  Signer gheathcote@hotmail.com entered name at signing as gheathcote
2023-09-29 - 2:41:40 PM GMT- IP address: 2.218.136.112
-  Document e-signed by gheathcote (gheathcote@hotmail.com)
Signature Date: 2023-09-29 - 2:41:42 PM GMT - Time Source: server- IP address: 2.218.136.112
-  Document emailed to anthony@annatrice.co.uk for signature
2023-09-29 - 2:41:43 PM GMT
-  Email viewed by anthony@annatrice.co.uk
2023-09-29 - 2:45:32 PM GMT- IP address: 82.132.231.152
-  Signer anthony@annatrice.co.uk entered name at signing as Anthony Brice
2023-09-29 - 2:46:13 PM GMT- IP address: 82.132.231.152
-  Document e-signed by Anthony Brice (anthony@annatrice.co.uk)
Signature Date: 2023-09-29 - 2:46:15 PM GMT - Time Source: server- IP address: 82.132.231.152
-  Agreement completed.
2023-09-29 - 2:46:15 PM GMT

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

England & Wales - Charity number 248796

Accounts

Company Number: 00101685
Charity Number: 248796

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2021

MHA MACINTYRE HUDSON
Chartered Accountants and Statutory Auditors
Rutland House
148 Edmund Street
Birmingham
B3 2FD

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

Contents

	Page
Annual Report	1 - 10
Independent Auditor's Report	11 - 13
Statement of Financial Activities	14
Balance Sheet	15
Statement of Cash Flows	16
Notes to the Financial Statements	17 - 40

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

Annual Report

Year Ended 31 December 2021

Reference and Administrative Information

Registered Office

The Eastern Synod Office
The United Reformed Church
36 Duxford Road
Whittlesford
Cambridge
CB22 4ND

Directors and Trustees

Mr A East (Chair)
Mr G Heathcote
Mr K Hounsome
Mr C Patten
Revd Prof D Thompson
Revd Dr J Tollington

Bankers

Barclays Bank Plc
5-7 Red Lion Street
Norwich NR1 3QH

Legal Advisors

Veale Wasbrough Vizards
Second Floor, 3 Brindley Place
Birmingham
B1 2JB

Auditors

MHA MacIntyre Hudson
Rutland House
148 Edmund Street
Birmingham
B3 2FD

Investment Manager

CCLA Investment Managers Limited
Epworth Investment Managers Limited

Synod Officers

Moderator – Revd L Nevard
Synod Clerk – Mr K Hounsome
Synod Treasurer – Mr G Heathcote
Finance Officer – Mr D Smith
Resources Officer – Mrs P Davies-Brown
Company Secretary – Mr D Smith (resigned 30 November 2021)

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

Annual Report

Year Ended 31 December 2021

The Trustees present their Annual Report and the audited financial statements of the charity for the year ended 31 December 2021. The Trustees have adopted the provisions of Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS102) in preparing the Annual Report and financial statements of the charity.

The Trustees

The Trustees of the charity are also company directors for the purposes of company law.

All Trustees give their time voluntarily and receive no benefits from the charity apart from those reimbursed expenses set out in note 6.

The Trustees serving during the year and to the date of this report were as follows:-

Mr A East
Mr G Heathcote
Mr K Hounscome
Mr C Patten
Revd Prof D Thompson
Revd Dr J Tollington

Aims and Objectives

The charitable company's purpose as set out in the objects contained in the company's Memorandum and Articles of Association is the advancement of the Christian religion especially by the means of, and in accordance with, the principles of the United Reformed Church as set out for the time being in 'The Manual'.

The aims of the charity are to support local churches in their outreach and mission and to share the vision of the URC's General Assembly with the local churches.

The United Reformed Church (Eastern Province) Trust has two distinct roles. The first is to act as the corporate Trustee of local churches, manses and other local church land. The second is to act as the holding Trustee of the collective financial assets of the Eastern Synod.

In relation to the first role, the Trust acts according to the United Reformed Church Acts 1972, 1981 and 2000: particularly the 1981 Act. Local URC churches operating in the Eastern Synod area are separate and independent charities. There is no common control or unity of administration with any of these bodies and they are not deemed to be connected charities within the understanding of the Charities SORP (FRS 102). None of the financial assets or liabilities of these bodies are incorporated in the Trust's financial statements as the Trust is not the beneficial owner and there is neither parent nor subsidiary relationships.

In relation to the second role, the Trust's responsibility is to exercise ultimate oversight over the finances of the Synod (including its budget and accounts), as set out below. The Trust is also responsible for employment of most remunerated Synod staff.

Achieving delivery of the Trust's aims and public benefit

The strategy for achieving the Trust's aims and objectives is to provide pastoral, educational and mission, technical and financial support. All these forms of support are designed to promote and share the Christian faith and, in particular, the principles of the URC in each area where a local congregation operates. The Trustees review the aims, objectives and proposed future activities on a regular basis. The Trustees follow the general guidance issued by the Charity Commission on public benefit when doing so and the following sections of this report describe how the Trustees have carried out the purposes of the Trust for the public benefit.

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

Annual Report

Year Ended 31 December 2021

It is important to note that the Trust's functions are generally exercised through the Eastern Synod of the United Reformed Church and its committees (see section headed "Structure, Governance and Management").

Pastoral Support

The Pastoral Committee works with and through the Synod Moderator and others to provide spiritual, pastoral and strategic leadership, care and challenge to local churches and their ministers. They have a particular role in encouraging conversations about pastorates' needs, ensuring effective but sympathetic deployment of ministerial resources as well as overseeing churches during ministerial vacancies. They also monitor the progress of those applying for, and undertaking, various types of ministerial training and work to develop ecumenical relations in the area covered by the Synod as well as encouraging local churches to "think ecumenically" when planning all their initiatives.

Educational and Mission Support

The Mission Committee works with and through the Moderator, Mission and Training Officer and Children and Youth Development Officer to provide or encourage training and development for ordained and lay people; organise and support activities for, and work with, children and young people; and encourage mission and outreach activities to be undertaken primarily by local churches in their own towns or villages. The Synod has established a Pioneer Fund (funded from property sales) for the purpose of supporting major new mission activities and in this connection is currently supporting an ecumenical Pioneer Ministry project on a new housing estate at St. Neot's. Through the Faith in Action group of the Mission Committee, the Synod and local churches are made aware of need and injustice locally, nationally and internationally and challenged to respond in ways which make a difference.

Technical Support

Synod officials are a resource available to help local churches understand and keep up to date with their obligations as charities, employers, providers of services to the public and occupiers of buildings. Where necessary, Trustees and Synod officials also help local churches through the process of considering the acquisition, modification or disposal of premises and issues of trust, property and charity law. The Listed Buildings Advisory Committee (as constituted by the Ecclesiastical Exemption (Listed Buildings and Conservation Areas) (England) Order 2010) offers independent advice to the Synod Property Committee, together with assisting local churches occupying "Listed" buildings through the complexities of the legal processes governing these types of buildings, including offering advice on their care and maintenance.

Financial Support

A range of grants (and, more rarely, loans – constituting much of Programme Related Investments) is made available to local churches and ministers to assist with children and young people engagement, mission and outreach, maintenance and improvement of properties to enhance interaction with their communities and ministerial and lay training and development. In most cases this support is provided through the Resources/Property Committee, which meets four times a year and oversees financial and property-related matters for the Synod. The delegated powers of the Resources Committee and its interaction with the Trust and Trustees are set out in the Synod Financial Policy which is revised periodically by Synod. The Finance Policy sets out the charity's investment policy and ethical constraints under which it operates. For further details see the section headed 'Investment Policy' (below).

Churches are encouraged to retain and invest capital whenever possible and to fund new building works, redevelopments, maintenance works and pastoral assistance from their investment income. Where there are insufficient funds, grants or loans may be made available to Churches and Synod Committees, in the case of loans for periods normally not exceeding five years.

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

Annual Report

Year Ended 31 December 2021

Achievements and Performance

Mission Committee

- The Committee continue to oversee activities arising from Walking the Way
- The Faith in Action Group continues to present matters of concern to Synod and gives links to websites that provide further information on issues such as social justice, racial justice, the environment and rural matters
- Through the Synod's Mission and Training Officer (Lindsey Brown) mission (including worship) resources have been provided to churches and a range of training and related on-line programmes have been provided for Elders and others
- Through the Synod's Children and Youth Development Officer (Nicola Grieves) training, advice and consultancy is provided to those working with children and young people, as well as advice and training related employment issues and safeguarding. Nicola also organises or helps at events for youngsters, both Synod-wide and in local churches
- Lindsey and Nicola continued to support churches through the consequences of Covid and in particular have produced regular updates for churches that contain news, material for worship and the younger members of our church family together with details of training and other events
- Through the Synod's Green Advocate (Jeremy Flack) and a Working Group that includes members of the Resources Committee, progress has been made in moving forward as an Eco Synod and in encouraging churches to seek Eco Church Awards
- Reports are received on the Synod's large-scale Mission Projects at North Avenue Christian Centre in Chelmsford and Loves Farm in Cambridgeshire
- The Committee has developed and increased its programme for providing financial support for missional activities within churches and in particular has moved away from simply providing grants based on a fixed percentage of the costs to instead adopting a flexible approach that takes account of the local church's ability to contribute
- The Committee has generally been very heartened by all the great missional work going on in our churches

Pastoral Committee

- This Committee's work is largely of an ongoing nature, in particular supporting the Moderator as she considers ministerial vacancies and the challenges of deployment and explores new ways of ministerial deployment
- The Committee is receiving reports of mission reviews carried out in local churches
- It also oversees the process for authorising lay persons to preside at the Sacraments
- The Committee also links with the work of the six Area Partnerships and one United Area
- The Committee oversees the process for authorising lay persons to preside at the Sacraments
- The Committee has noted with sadness the closure of Trinity URC in Harlow

Resources Committee

- The Synod Finance Policy has been updated in a small number of ways
- The Committee continues to provide a range of property-related grants as well as grants for children's and youth work and also to support the making of larger mission-related grants. It also recognises the need to support churches with their eco-related works
- The Committee continues to oversee the work of the Ministry and Mission Advocates in their work administering the Fair Share scheme through which local churches contribute to the provision of ministry throughout the denomination. In this respect, the Committee continues to be grateful to local churches for generally how well they have done in maintaining their commitment at what has continued to be a most difficult time for church communities but has been content to meet what would otherwise be a shortfall in the Synod's contribution to the national fund
- In recognition of the financial challenges facing churches, it has been agreed to end the contribution that local churches make through the scheme to the running of the Synod office.
- The Committee has supported the Trust's decision to transfer £3.8m to Church House in order to reduce the deficit in the Retired Ministers' Pension Fund

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

Annual Report

Year Ended 31 December 2021

Executive Committee

- The Committee's work is mainly concerned with organising Synod meetings, ensuring vacancies on Synod Committees are filled, co-ordinating the work of the committees and overseeing staff matters
- In addition, in 2021 the Committee oversaw the Synod's role in the recruitment of a new Moderator

Financial Review

Financial Statements

The financial statements, including the notes, have been prepared in compliance with the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102). The analysis of income and expenditure reflects the classification of activities, together with costs relating to administration. The Synod and Trust Company do not sell goods or services, nor are there any other trading activities.

A financial review document is made available to all members of Synod, and local churches if requested. This document highlights the main features of these financial statements. The review includes a comparison between the budget and the final operating income resources and expenditure.

During the year there has been a change of personnel within the finance function and as part of this process a detailed review of the balances and transactions was undertaken. As a result, there has been a number of prior year adjustments made, see note 24 for further details.

Statement of Financial Activities

The Statement of Financial Activities is shown on page 14, with a more detailed analysis of income and expenditure on pages 21 to 24.

The total operating income for the year was £805,538 (2020: £719,192), the majority of which is investment income.

This year the church property grants totalled £171,101 (2020: £(20,662)). There was very little activity in property grants this year due to the closure of churches because of the pandemic.

Receipts from church and other property sales totalled £2,186,580 (2020: £1,712,777) and it is important that these capital receipts continue to be invested wisely.

Balance Sheet

The above result led to an increase of £41k (2020: £1.736m) which has resulted in a combined fund balance of £22.845m (2020: £22.803m) at the year-end. An analysis of the movement of funds can be found in note 9.

Programme Related Investments total £755,765 (2020: £818,144) comprising 4 outstanding loans and 8 property investments (2020: 4 loans and 8 property investments). These investments represent funds invested by Synod to assist local churches and retired ministers to purchase or update their properties.

Fundraising Sources

The main sources of regular income are investment and rental income. In addition, in some years, substantial sums become available to the Trust as a result of church closures. No fundraising activities are carried out at Synod or Trust level. Also, until 2021, the Synod meeting authorised a 'levy' to be raised for Synod administration purposes from local churches together with their contributions to the denominational Ministry and Mission Fund. However, it has now been agreed that this 'levy' will be abandoned with effect from 2023 and that in respect of the contributions being made by churches in 2022 to cover it the overall amount to be sought from churches for 2023 will be reduced by £78,000, this being the total amount of the 2022 'levy'.

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

Annual Report

Year Ended 31 December 2021

Investment Policy

The policy seeks to achieve as high an income as possible, subject to protecting the capital value of the funds against inflation. The investments include sharing in some churches' property developments but are otherwise a mixture of fixed interest and equity marketable securities. The Synod seeks to ensure that none of its investments can be seen to support practices which are against the conscience of Christians following the Ethical Investment Guidelines approved by the URC General Assembly from time to time. These Common Investment Funds are governed by Charity Commission Schemes.

A number of local churches have asked the Synod to hold, and invest, certain funds on their behalf. Such funds are not Synod funds and are not included in the Trust financial statements.

Reserves Policy

The Trust holds funds under a number of different terms. Funds which are restricted may only be used as directed by the funder at the time they were granted to the Trust. Details of the specific restrictions of those individual funds are disclosed in note 18 to the financial statements.

Other funds are unrestricted and can be used at the discretion of the Trustees in furtherance of the Trust's objects. It is the policy of the Trustees to designate certain funds for particular purposes as agreed from time to time and details of the purpose and use of those designated funds can be found in note 18 to the financial statements.

The Synod seeks to recognise the needs of both the present generation and future generations within the Church by retaining those one-off capital receipts to which it from time to time becomes entitled under the provision of the URC Acts. It is the present policy that, normally, only the income on these reserves is expended upon charitable purposes but an exception is made in relation to money going into the Pioneer Fund or a small mission support budget.

The remaining general unrestricted funds are required to cover the support costs and grants awarded. The Synod Finance Policy specifies that, typically, sufficient cash should be held on short or medium term deposits to cover at least one full year's anticipated revenue expenditure and also allow for the capital purchase of a manse or similar building – though the exercise of discretion is permitted in deciding how much cash it would be advisable to hold at any particular time.

At the year-end general unrestricted funds amounted to £965,379 (2020: £1,365,320), excluding designated amounts. The Trustees are satisfied this is sufficient to meet day to day objectives.

Risk Management

The Trustees are responsible for the management of the risks faced by the charity. Risks are identified, assessed and controls established throughout the year. A formal review of the charity's risks was undertaken in 2021, and reported to the Trust Directors. The main change is the risk that there may be a very large shortfall on pensions.

The most serious risk facing the charity would be the Synod failing to achieve its strategic and charitable objectives, either through resources being put into programmes which do not meet those objectives or through failure of Trustees and other Committees to consider the charity's objectives when making decisions. To manage and mitigate this risk, the Trustees consider the 'Aims and Objectives' section of their annual report each year to ensure this remains appropriate and, in so doing, are reminded of the objectives which they must constantly keep in mind. Also, having Convenors of Committees give an account of their Committee's decisions to the Synod Executive, on which three Trust Directors sit, ensures effective oversight of their day-to-day activity and decision making.

Another principal risk is business interruption: either through absent personnel or a disaster causing restricted or no access to the Synod office. A Business Continuity Plan was approved by Synod Trust Directors in the spring of 2013 and reviewed and updated in November 2015.

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

Annual Report

Year Ended 31 December 2021

Among the key risk controls used by the charity are:

- a written financial policy subject to periodic review (an updated version was adopted by the March 2021 Synod meeting);
- clear financial authorisation and approval levels (reviewed and tightened in 2011);
- detailed summary accounts produced for scrutiny by Trust Directors and Resources Committee at every meeting during the year;
- financial statements presented at each Synod meeting; and
- Synod officers and others having been vetted through the DBS service, where appropriate and Synod operating a 'Safeguarding' policy.

Through the risk management process established for the charity, the Trustees are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

Future Plans

In 2022, the Synod will continue to strengthen missional discipleship through the "Walking the Way" initiative and will provide a range of resources for local churches to grow more committed in their faith and more able to reach out to help others discover their need for God.

The Mission Committee will continue to have a prominent role to play in enthusing congregations and facilitating the provision of resources. Efforts to reach out to children and young people within the Synod will be pursued and we hope to make progress in building greater awareness of, and commitment to, the World Church as well as promoting justice, peace and the integrity of creation. The Committee will also oversee the work associated with Pilots now being integrated into the denomination's children's and youth work. Together with the Resources Committee, it will take forward the work required to be an Eco Synod and for local congregations to develop as Eco Churches.

The Pastoral Committee will continue to support the pastoral work of the Moderator as appropriate and reviewing the Synod's deployment strategy. It will also continue to oversee the process of declaring and filling vacancies, identifying and training candidates for ministry (both ordained and lay) and for promoting health and healing.

The Resources Committee will continue to act in conjunction with and on behalf of the Synod Trustees in administering its various grant awarding processes and safeguarding the Synod's finances and investments. It will also participate in the review of the denomination's pension schemes, recognising that all Synods have a part to play in ensuring the schemes meet the requirements of the Pensions Regulator, and it will oversee a review of the level of contributions sought from churches to the national Ministry and Mission Fund.

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

Annual Report

Year Ended 31 December 2021

Structure, Governance and Management

The United Reformed Church (Eastern Province) Trust ("the Trust") is a company limited by guarantee formed on 20 March 2007 and is a registered charity, number 248796. It is governed by its Memorandum and Articles of Association as revised in 2008. All of the financial assets and liabilities of the Eastern Synod of the United Reformed Church ("Synod") are shown in the Trust's Financial Statements.

However, while the Trust holds the assets and liabilities of Synod, it is the Synod which is the decision making body, except in relation to matters relating exclusively to the business of the Trust for which the Trust Directors are responsible. The Trust is corporate Trustee for most land and buildings utilised by local URC Churches.

The Finance & Trust Officer and the Resources Officer attend Trustee meetings but are not themselves Trustees.

Appointment of New Trustees

The Trustees nominate members to serve as Trustees of the Trust and Synod meeting ratifies the appointments.

There is an informal programme for the induction of Trustees.

Training is also organised for the Trustees (normally annually) to ensure they are aware of current practice and issues of charity law etc.

Constitution of the Synod

Eastern Synod is one of thirteen Synods of the United Reformed Church ("URC") within the United Kingdom. It is constituted in accordance with the Scheme of Union and the United Reformed Church Acts of 1972, 1981 and 2000 (see www.urc.org.uk). It has oversight of the URC in the East of England, covering Norfolk, Suffolk, most of Essex, most of Cambridgeshire and part of Hertfordshire.

In accordance with "the Structure of the United Reformed Church" it is responsible for:-

- Overseeing six area partnerships;
- Promoting church extension;
- Promoting ecumenical relations;
- Opening, closing and extending church buildings;
- Overseeing matters affecting the ordained ministry, including discipline;
- Dealing with matters referred from the general assembly and mission council; and
- Undertaking such other things which promote the welfare of the United Reformed Church.

The Eastern Synod, which is made up of ministers and lay representatives of each local church together with Synod officers, meets to transact business routinely twice a year but has delegated various powers to a number of committees as well as the Trust. The following committees are responsible for specific elements in the life of the Synod:-

- Executive Committee;
- Pastoral Committee;
- Mission Committee;
- Resources/Property Committee; and
- Listed Buildings Advisory Committee.

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

Annual Report

Year Ended 31 December 2021

Organisational Structure

Day-to-day financial and property activities are dealt with by the Finance and Resources Officers. In accordance with the URC Acts, many decisions need a Church Meeting resolution, a Synod approval (at present Synod has delegated its power of approval to Resources Committee) and a decision by the Trust Directors before actions can be taken by, or on behalf of, the Trust as Trustee.

Related parties

During 2010 a subsidiary company - United Reformed Church (Eastern Province) Design & Build Limited - was established. This company has remained dormant throughout the year.

There have been no significant related party transactions between the Trust and any of its Trustees or Synod officials during the year.

Use of Volunteers

Most ministers of word and sacrament are paid directly from the Finance Office of the United Reformed Church in London. The URC Trust (acting at denominational level) is a separate charity, again not under common control. The Synod office staff, Finance and Trust Officer, Resources Officer and Youth and Children's Development Officer are paid by the Synod. Other than that, all members of Synod Committees and other supporting and enabling Synod activities are volunteers, almost all being members of their local URC or Local Ecumenical Partnership.

Key Management Personnel

The key management group within the Synod structure is made up of the Synod Moderator, the Synod Clerk and the Synod Treasurer. The first of these is remunerated by the denomination centrally at the same rate as all stipendiary ministers of word and sacrament serving the denomination. Although the Clerk and Treasurer are entitled to claim a small honorarium both the current (2021) incumbents have declined this and offer their services in a purely voluntary capacity.

Directors' Responsibilities

The Trustees (who are also directors for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each year, which give a true and fair view of the state of affairs of the charity and the incoming resources and application of resources, including the net income or expenditure, of the charity for the year. In preparing these 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;
- 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; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

Annual Report

Year Ended 31 December 2021

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 Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:-

- There is no relevant audit information of which the charitable company's auditor is unaware; and
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Signed on behalf of the Trustees

Andrew East
Trustee

Date: 26 October 2022

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

Opinion

We have audited the financial statements of The United Reformed Church (Eastern Province) Trust (the 'charitable company') for the year ended 31 December 2021 which comprise Statement of Financial Activities, Balance Sheet, Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the director with respect to going concern are described in the relevant sections of this report.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' report (incorporating the Annual Report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' report has been prepared in accordance with applicable legal requirements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustee's Report.

We have nothing to report in respect of the following matters in relation to which Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies exemptions in preparing the Trustees' Report.

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Obtaining and understanding of the legal and regulatory frameworks that the Charity operates in, focusing on those laws and regulations that have a direct effect on the financial statements;
- Enquiring of management and Trustees around known or suspected instances of non-compliance of laws and regulations and fraud;
- Discussing among the engagement team regarding how and where fraud might occur in the financial statements and any potential indications of fraud;
- Reviewing minutes of meetings of those charged with governance; and
- Performing audit work in relation to the risk of management override, including testing of journal entries and other adjustments for appropriateness and reviewing accounting estimates for bias.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission, or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinion we have formed.

Helen Blundell LLB, FCA, FCIE, DChA (Senior Statutory Auditor)
For and on behalf of MHA MacIntyre Hudson
Chartered Accountants and Statutory Auditors
Birmingham, United Kingdom
Date: 31 October 2022

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

Statement of Financial Activities (including the Income and Expenditure Account)

Year Ended 31 December 2021

2020 (As restated) Total Funds £		Notes	2021 Total Funds £	Unrestricted £	Designated £	Restricted £
	Income					
	<i>Donations and legacies</i>					
134,000	Grants received	2	112,582	104,000	8,582	-
	<i>Charitable activities:</i>					
77,767	Rent and loan interest	2	233,848	-	168,805	65,043
26,004	Other income	2	66,254	156	66,098	-
<u>481,421</u>	<i>Investment</i>	2	<u>392,854</u>	<u>44,144</u>	<u>285,361</u>	<u>63,349</u>
719,192	Total Operating Income	2	805,538	148,300	528,846	128,392
<u>1,712,777</u>	Transfer from local church funds	4	<u>2,186,580</u>	<u>-</u>	<u>2,183,620</u>	<u>2,960</u>
<u>2,431,969</u>	Total Income		<u>2,992,118</u>	<u>148,300</u>	<u>2,712,466</u>	<u>131,352</u>
	Expenditure on:					
104,143	Raising funds	2	184,350	53,610	27,487	103,253
<u>658,697</u>	Charitable expenditure	2	<u>4,765,704</u>	<u>125,023</u>	<u>4,640,681</u>	<u>-</u>
<u>762,840</u>	Total Expenditure	2	<u>4,950,054</u>	<u>178,633</u>	<u>4,668,168</u>	<u>103,253</u>
(43,648)	Net Income/(Expenditure) on Operating account	2	(4,144,516)	(30,333)	(4,139,322)	25,139
1,669,129	Net income/(expenditure) for the year before transfers		(1,957,936)	(30,333)	(1,955,702)	28,099
<u>-</u>	Transfers between funds		<u>-</u>	<u>20,000</u>	<u>(20,000)</u>	<u>-</u>
1,669,129	Net income/(expenditure) for the year after transfers		(1,957,936)	(10,333)	(1,975,702)	28,099
(494,874)	Realised (loss)/gain on investments	8	455,035	30,771	394,791	29,473
<u>562,245</u>	Unrealised (loss)/gain on investments	8	<u>1,544,488</u>	<u>(420,379)</u>	<u>1,644,400</u>	<u>320,467</u>
1,736,500	Net Movements in Funds for the year		41,587	(399,941)	63,489	378,039
20,411,197	Fund Balances b/forward	9	21,938,052	1,365,320	12,401,420	8,171,312
656,000	Prior year adjustment	24	865,645	-	656,000	209,645
<u>21,067,197</u>	Fund Balances b/forward as restated		<u>22,803,697</u>	<u>1,365,320</u>	<u>13,057,420</u>	<u>8,380,957</u>
<u>22,803,697</u>	Fund Balances c/forward		<u>22,845,284</u>	<u>965,379</u>	<u>13,120,909</u>	<u>8,758,996</u>

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

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST
COMPANY NUMBER 00101685
Balance Sheet

As at 31 December 2021

2020 (As restated) £		Notes	2021 £
	Fixed Assets		
7,366,589	Tangible assets	10	7,019,850
11,765,585	Investments	11	13,644,556
<u>818,144</u>	Programme related investments	12	<u>755,765</u>
<u>19,950,318</u>			<u>21,420,171</u>
	Current Assets		
670,905	Debtors	13	89,317
<u>5,885,972</u>	Cash and short term deposits	14	<u>3,454,759</u>
6,556,877			3,544,076
<u>(3,478,252)</u>	Creditors: Amounts falling due within one year	15	<u>(1,978,534)</u>
<u>3,078,625</u>	Net Current Assets		<u>1,565,542</u>
23,028,943	Total Assets less Current Liabilities		22,985,713
<u>(225,246)</u>	Creditors: Amounts falling due after more than one year	16	<u>(140,429)</u>
<u>22,803,697</u>	Total Assets	18	<u>22,845,284</u>
	Funds:		
	Unrestricted funds:		
1,365,320	General		965,379
<u>13,057,420</u>	Designated		<u>13,120,909</u>
14,422,740	Total unrestricted funds		14,086,288
<u>8,380,957</u>	Restricted funds		<u>8,758,996</u>
<u>22,803,697</u>	Total Funds	18	<u>22,845,284</u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by the Synod Trust Directors on 26 October 22 and signed on their behalf by

- Trustee – Gil Heathcote

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

Statement of Cash Flows

Year ended 31 December 2021

	Notes	2021 £	2020 £
Cash flow from operating activities:			
Net cash provided/used in operating activities	A	(4,585,634)	(1,651,530)
Cash flows from investing activities:			
Proceeds from sale of fixed assets		65,142	486,973
Dividends, interest and rents from investments		625,201	555,031
Purchase of fixed assets		(26,365)	(1,435)
Purchase of investments		(149,000)	(3,575,467)
Proceeds from sale of investments		1,575,563	3,514,722
Repayment of programme related loans		<u>63,880</u>	<u>130,469</u>
Net cash provided by/used in investing activities		<u>2,154,421</u>	<u>1,110,293</u>
Change in cash and cash equivalents in the reporting period		(2,431,213)	(541,237)
Cash and cash equivalents at the beginning of the reporting period	B	<u>5,885,972</u>	<u>6,427,209</u>
Cash and cash equivalents at the end of the reporting period	B	<u>3,454,759</u>	<u>5,885,972</u>

Notes to the statement of cash flows

A) Reconciliation of net income/expenditure to net cash flow from operating activities

Net income for the reporting period (as per the statement of financial activities)	41,587	1,736,500
---	---------------	------------------

Adjustments for:

Depreciation charges	6,538	5,783
(Gains)/losses on investments	(455,035)	494,874
Unrealised gains on investments	(1,544,488)	(562,245)
Dividends, interest and rents from investments	(625,201)	(555,031)
Loan interest	(1,501)	(4,157)
Donated assets	(1,003,000)	-
(Profit) on the sale of fixed assets	(1,584)	(246,973)
(Increase)/Decrease in debtors	581,588	(557,843)
(Decrease) in creditors	(1,584,538)	(1,962,438)
Net cash provided by operating activities	(4,585,634)	(1,651,530)

B) Analysis of cash and cash equivalents

Cash at bank and in hand	<u>3,454,759</u>	<u>5,885,972</u>
--------------------------	-------------------------	-------------------------

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

Notes to the Financial Statements

Year Ended 31 December 2021

1. Accounting Policies

Basis of Accounting

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with 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) (SORP FRS102), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. There are no material uncertainties about going concern. The financial statements are prepared in British Pound Sterling (£) which is the functional currency of the charity.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Consolidation

The company is the parent undertaking of a small group and as such is not required by the Companies Act 2006 to prepare consolidated financial statements. It has also taken advantage of the exemption under the SORP not to prepare consolidated financial statements on the grounds of materiality. These financial statements present information about the individual company only and not the group.

Going Concern

The financial statements have been prepared on a going concern basis. The Trustees have considered relevant information, including the annual budget and forecast future cash flows in making their assessment. The covid-19 pandemic and current economic environment has not had a significant impact on the charity's operations although adaptations have been made to reflect changes in working practices. The Trustees are monitoring the impact of the pandemic on future revenue streams and the impact on our beneficiaries and any support they may require. Based on these assessments and having regard to resources available to the charity, the Trustees have concluded that there is no material uncertainty and the financial statements can continue to be prepared on a going concern basis.

Funds Incorporated

The financial statements show the combined income, expenditure, assets and liabilities of the following funds which are administered for the benefit of the United Reformed Church within the Eastern Synod:-

Synod Administration Fund
Church Life and Mission Fund
Retired Ministers Housing Fund
Retired Ministers Holiday Fund
Manse Fund
Pioneer Fund
Heritage Fund

Funds administered on behalf of local churches are not included.

UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

Notes to the Financial Statements

Year Ended 31 December 2021

1. Accounting Policies *(continued)*

Description and Use of Funds

Restricted income funds are funds whose use is restricted to specific purposes according to the terms on which the funds were received.

Unrestricted income funds may be spent generally for furthering the Christian and charitable work of the United Reformed Church in the Eastern Province. The main fund in this category is the Church Life & Mission Fund. Certain funds have been allocated by the Resources Committee but the committee retains authority to re-allocate such funds and so they are treated as Designated Funds within Unrestricted Income Funds.

Income recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Fixed asset gifts in kind are recognised when receivable and are included at fair value. They are not deferred over the life of the asset.

The charity receives grants which are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

Investment income is earned through holding assets for investment purposes such as shares and property. It includes dividends, interest and rent. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend and rent income is recognised as the charity's right to receive payment is established.

Individual church property

The Trust is sole Trustee of the land and buildings of most local URCs but they are not the property of the Synod and are not shown in the financial statements. Sale proceeds from redundant properties or from part thereof which come into Synod funds are treated as unrestricted income from general funds. The income is recognised when the amount can be measured reliably and it is probable that the income will be received.

Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Costs of raising funds includes of costs of managing investments and programme related investments;
- Expenditure on charitable activities includes costs of ministry, mission, training and property grants; and
- Other expenditure represents those items not falling into the categories above.

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

Notes to the Financial Statements

Year Ended 31 December 2021

1. Accounting Policies *(continued)*

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose. Grants payable to local churches, organisations and individuals are within the charitable objectives. Where unconditional grants are offered, this is accrued as soon as the recipient is notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive the grants. Where grants are conditional relating to performance then the grant is only accrued when any unfulfilled conditions are outside of the control of the charity.

Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include premises costs, office costs, governance costs, and salary costs. They are incurred directly in support of expenditure on the objects of the charity. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

Depreciation

Properties recognised in tangible fixed assets are recognised at cost. The residual values of the properties are such that the depreciation charge is negligible. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, on a straight line basis over their estimated useful economic lives as follows:-

Office Equipment (including computers)	- over five years
Fixtures and Fittings	- over ten years
Motor Vehicle	- over five years
Audio Visual	- over five years

No amounts under £500 (increased from £50 in 2021 as agreed with auditors) are capitalised. The Trustees conduct an annual impairment review.

Freehold properties includes some burial grounds. Due to the nature of this land, they are included at £Nil value.

Investments

Listed investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains/(losses) on investments' in the SoFA if the shares are publicly traded or their fair value can otherwise be measured reliably.

Investments in subsidiary or participating interests are stated at cost less provision for impairment.

Programme related investments are those held to further our charitable purposes. Programme related investments include investment in a percentage share of properties and bridging or other loans.

Related investments in properties are stated at cost subject to any adjustment arising from impairment which is considered on an annual basis. Gains on disposal of these investments are shown as other income in the SoFA. Investments by way of loans are stated at cost. Interest is charged on the loans at the COIF rate of interest, being the rate of interest the Trust would otherwise have earned.

Debtors and creditors receivable/payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

Notes to the Financial Statements

Year Ended 31 December 2021

1. Accounting Policies *(continued)*

Provisions

Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

Leases

Rentals payable and receivable under operating leases are charged to the SoFA on a straight line basis over the period of the lease.

Contribution to Pension Funds

The charity participates in a defined benefit scheme, The Pensions Trust Defined Benefit Scheme, which is a multi employer scheme where the underlying assets and liabilities are not separately identifiable. In accordance with the SORP, it is accounted for as a defined contribution scheme. Contributions are charged as expenditure as they become payable in accordance with the rules of the scheme.

The charity also operates a defined contribution scheme. Contributions are charged as expenditure as they become payable in accordance with the rules of the scheme.

Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Critical accounting estimates and areas of judgement

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and judgements relevant to the financial statements are:

Investments – estimate of fair value

Fixed assets – estimate of useful life and estimate of impairment

Indirect costs – allocation to activities

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

Notes to the Financial Statements

Year Ended 31 December 2021

2. Analysis of Total Operating Income and Expenditure

2020 Total Funds £		2021 Total Funds £	Unrestricted £	Designated £	Restricted £
	Income from				
	Donations and legacies:				
130,000	Local church contributions	104,000	104,000	-	-
-	Grants	5,500	-	5,500	-
<u>4,000</u>	Donations	3,082	-	<u>3,082</u>	-
<u>134,000</u>		<u>112,582</u>	<u>104,000</u>	<u>8,582</u>	-
	Income from charitable activities:				
	<i>Rent and loan interest</i>				
73,610	Rental income	232,347	-	167,304	65,043
<u>4,157</u>	Loan interest	1,501	-	<u>1,501</u>	-
<u>77,767</u>		<u>233,848</u>	-	<u>168,805</u>	<u>65,043</u>
	<i>Other income</i>				
<u>26,004</u>	Miscellaneous	<u>66,254</u>	<u>156</u>	<u>66,098</u>	-
	Income from investments				
306,687	Investment income – excl. interest	352,736	41,043	249,708	61,985
24,871	Interest	24,577	3,101	20,112	1,364
<u>149,863</u>	Rental income	15,542	-	<u>15,542</u>	-
<u>481,421</u>		<u>392,854</u>	<u>44,144</u>	<u>285,361</u>	<u>63,349</u>
<u>719,192</u>	Total Operating Income	<u>805,538</u>	<u>148,300</u>	<u>528,846</u>	<u>128,392</u>
	Expenditure on raising funds				
1,164	Legal and professional	5,208	-	5,208	-
32,240	Synod manse scheme	102,593	-	-	102,593
10,788	Leasing of premises	18,276	-	17,928	348
1,501	Investment manager charges	1,465	28	1,125	312
<u>58,450</u>	Shared indirect costs (note 3)	<u>56,808</u>	<u>53,582</u>	<u>3,226</u>	-
<u>104,143</u>	Total Cost of Generating Funds	<u>184,350</u>	<u>53,610</u>	<u>27,487</u>	<u>103,253</u>

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

Notes to the Financial Statements

Year Ended 31 December 2021

2. Analysis of Total Operating Income and Expenditure (Continued)

2020 Total Funds £		2021 Total Funds £	Unrestricted £	Designated £	Restricted £
Expenditure on Charitable Activities					
Ministry & Mission:-					
330,213	Grants (note 5)	575,025	-	575,025	-
54,968	Pioneer development officer	42,019	-	42,019	-
-	Local leader salary	10,709	-	10,709	-
-	Pension contributions	3,676,967	-	3,676,967	-
3,435	Retired ministers housing society	-	-	-	-
39,156	Shared indirect costs (note 3)	36,295	17,860	18,435	-
427,772		4,341,015	17,860	4,323,155	-
Training:-					
(2,000)	Ministers (note 5)	12,894	-	12,894	-
750	Students (note 5)	-	-	-	-
(60)	Lay training (note 5)	483	-	483	-
4,995	Synod organised events	-	-	-	-
52,262	Mission and development officer	50,494	-	50,494	-
	Children and youth development officer	58,128	-	58,128	-
39,156	Shared indirect costs (note 3)	36,295	17,860	18,435	-
153,476		158,294	17,860	140,434	-
Property:-					
(41,953)	Church building grants (note 5)	151,757	-	151,757	-
18,150	Property facelift (note 5)	18,618	-	18,618	-
	Quinquennial survey grants (note 5)	726	-	726	-
98,111	Shared indirect costs (note 3)	95,294	89,303	5,991	-
77,449		266,395	89,303	177,092	-
658,697	Total Charitable Expenditure	4,765,704	125,023	4,640,681	-
762,840	Total Operating Expenditure	4,950,054	178,633	4,668,168	103,253
(43,648)	Net Income/(Expenditure) on Operating Account	(4,144,516)	(30,333)	(4,139,322)	25,139

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

Notes to the Financial Statements

Year Ended 31 December 2021

2020 Comparative figures

a) Analysis of Total Operating Income and Expenditure

	2020 Total Funds £	Unrestricted £	Designated £	Restricted £
Income from				
Donations and legacies:				
Local church contributions	130,000	130,000	-	-
Donations	<u>4,000</u>	<u>1,201</u>	<u>2,799</u>	<u>-</u>
	134,000	131,201	2,799	-
Income from charitable activities:				
Rent and loan interest				
Rental income	73,610	-	19,052	54,558
Loan interest	<u>4,157</u>	<u>-</u>	<u>4,157</u>	<u>-</u>
	77,767	-	23,209	54,558
Other income				
Miscellaneous	<u>26,004</u>	<u>-</u>	<u>26,004</u>	<u>-</u>
Income from investments				
Investment income – excl. interest	306,687	26,788	230,978	48,921
Interest	24,871	3,625	19,940	1,306
Rental income	<u>149,863</u>	<u>-</u>	<u>149,863</u>	<u>-</u>
	481,421	30,413	400,781	50,227
Total Operating Income	719,192	161,614	452,793	104,785
Expenditure on raising funds				
Legal and professional	1,164	450	714	-
Synod manse scheme	32,240	-	-	32,240
Leasing of premises	10,788	-	10,453	335
Investment manager charges	1,501	20	1,263	218
Shared indirect costs (note 3)	<u>58,450</u>	<u>54,793</u>	<u>3,657</u>	<u>-</u>
Total Cost of Generating Funds	104,143	55,263	16,087	32,793

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

Notes to the Financial Statements

Year Ended 31 December 2021

2020 Comparative figures

2. Analysis of Total Operating Income and Expenditure (Continued)

	2020 Total Funds £	Unrestricted £	Designated £	Restricted £
Expenditure on Charitable Activities				
Ministry & Mission:-				
Grants (note 5)	330,213	-	330,213	
Pioneer development officer	54,968	-	54,968	-
Retired ministers housing society (note 5)	3,435	-	-	3,435
Shared indirect costs (note 3)	<u>39,156</u>	<u>18,264</u>	<u>20,892</u>	<u>-</u>
	<u>427,772</u>	<u>18,264</u>	<u>406,073</u>	<u>3,435</u>
Training:-				
Ministers (note 5)	(2,000)	-	(2,000)	-
Students (note 5)	750	-	750	-
Lay training (note 5)	(60)	-	(60)	-
Synod organised events	4,995	-	4,995	-
Mission and development officer	52,262	-	52,262	-
Children and youth development officer	58,373	-	58,373	-
Shared indirect costs (note 3)	<u>39,156</u>	<u>18,264</u>	<u>20,892</u>	<u>-</u>
	<u>153,476</u>	<u>18,264</u>	<u>135,212</u>	<u>-</u>
Property:-				
Church building grants (note 5)	(41,953)	-	(41,953)	-
Property facelift (note 5)	18,150	-	18,150	-
Quinquennial survey grants (note 5)	3,141	-	3,141	-
Shared indirect costs (note 3)	<u>98,111</u>	<u>91,321</u>	<u>6,790</u>	<u>-</u>
	<u>77,449</u>	<u>91,321</u>	<u>(13,872)</u>	<u>-</u>
Total Charitable Expenditure	<u>658,697</u>	<u>127,849</u>	<u>527,413</u>	<u>3,435</u>
Total Operating Expenditure	<u>762,840</u>	<u>183,112</u>	<u>543,500</u>	<u>36,228</u>
Net Income/(Expenditure) on Operating Account	<u>(43,648)</u>	<u>(21,498)</u>	<u>(90,707)</u>	<u>68,557</u>

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

Notes to the Financial Statements

Year Ended 31 December 2020

3. Indirect Costs

2020 Total Funds £		2021 Total Funds £	Unrestricted £	Designated £	Restricted £
	Premises Costs:-				
12,240	Rent	11,220	11,220	-	-
-	Insurance	2,837	2,837	-	-
2,309	Gas and electricity	1,028	1,028	-	-
2,129	Cleaning	2,469	2,469	-	-
626	Property repairs	586	586	-	-
179	Water charges	164	164	-	-
<u>17,483</u>		<u>18,304</u>	<u>18,304</u>	<u>-</u>	<u>-</u>
	Office Costs				
2,301	Telephone, internet and website	2,850	2,850	-	-
3,843	Postage and stationery	2,487	2,487	-	-
2,984	Depreciation	3,436	3,067	369	-
5,733	Computer costs	7,133	7,133	-	-
371	Refreshments and office consumables	282	282	-	-
1,527	Equipment repairs	-	-	-	-
689	Insurance	1,468	1,468	-	-
1,732	Staff travel, subsistence and training	1,365	1,365	-	-
224	Staff events	451	451	-	-
(4)	Year book and communications	883	883	-	-
3,414	Photocopier lease and copy costs	3,235	3,235	-	-
1,684	Moderator expenses	1,974	-	1,974	-
464	Sundries	2,629	315	2,314	-
<u>24,962</u>		<u>28,193</u>	<u>23,536</u>	<u>4,657</u>	<u>-</u>
157,511	Employment costs	153,622	115,971	37,651	-
	Synod Related Costs:-				
15	Synod Council and general assembly	3,357	-	3,357	-
1,172	Synod treasurer and clerk costs	1,258	1,258	-	-
1,500	Honoraria	1,500	1,500	-	-
8,850	Audit and accountancy	3,506	3,506	-	-
3,903	Committee and office holder costs	2,958	2,930	28	-
19,477	Legal and professional	11,994	11,600	394	-
<u>34,917</u>		<u>24,573</u>	<u>20,794</u>	<u>3,779</u>	<u>-</u>
<u>234,873</u>	Total Indirect Costs	<u>224,692</u>	<u>178,605</u>	<u>46,087</u>	<u>-</u>

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

Notes to the Financial Statements

Year Ended 31 December 2021

3. Indirect Costs (continued)

			Total £	Unrestricted £	Designated £	Restricted £
Premises costs			18,304	18,304	-	-
Office costs			28,193	23,536	4,657	-
Synod related costs			24,573	20,794	3,779	-
Employment costs			153,622	115,971	37,651	-
Total Indirect Costs			224,692	178,605	46,087	-
	% Unrestr.	% Desig.	Total £	Unrestricted £	Designated £	Restricted £
Funds generated	30%	7%	56,808	53,582	3,226	-
Ministry & Mission	10%	40%	36,295	17,860	18,435	-
Training	10%	40%	36,295	17,860	18,435	-
Property	50%	13%	95,294	89,303	5,991	-
Total	100%	100%	224,692	178,605	46,087	-

2020 Comparative figures

3. Indirect Costs

	2020 Total Funds £	Unrestricted £	Designated £	Restricted £
Premises Costs:-				
Rent	12,240	12,240	-	-
Insurance	-	-	-	-
Gas and electricity	2,309	2,309	-	-
Cleaning	2,129	2,129	-	-
Property repairs	626	626	-	-
Water charges	179	179	-	-
	17,483	17,483	-	-
Office Costs				
Telephone, internet and website	2,301	2,301	-	-
Postage and stationery	3,843	3,843	-	-
Depreciation	2,984	2,752	232	-
Computer costs	5,733	5,733	-	-
Refreshments and office consumables	371	371	-	-
Equipment repairs	1,527	1,527	-	-
Insurance	689	689	-	-
Staff travel, subsistence and training	1,732	1,732	-	-
Staff events	224	224	-	-
Year book and communications	(4)	-	(4)	-
Photocopier lease and copy costs	3,414	3,582	(168)	-
Moderator expenses	1,684	-	1,684	-
Sundries	464	464	-	-
	24,962	23,218	1,744	-
Employment costs	157,511	120,895	36,616	-

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

Notes to the Financial Statements

Year Ended 31 December 2021

2020 Comparative figures

Synod Related Costs:-				
Synod Council and general assembly	15	15	-	-
Synod treasurer and clerk costs	1,172	1,172	-	-
Honoraria	1,500	1,500	-	-
Audit and accountancy	8,850	8,850	-	-
Committee and office holder costs	3,903	1,656	2,247	-
Legal and professional	19,477	7,853	11,624	-
	34,917	21,046	13,871	-
Total Indirect Costs	234,873	182,642	52,231	-

	Total £	Unrestricted £	Designated £	Restricted £
Premises costs	17,483	17,483	-	-
Office costs	24,962	23,218	1,744	-
Synod related costs	34,917	21,046	13,871	-
Employment costs	157,511	120,895	36,616	-
Total Indirect Costs	234,873	182,642	52,231	-

	% Unrestr.	% Desig.	Total £	Unrestricted £	Designated £	Restricted £
Funds generated	30	07	58,450	54,793	3,657	-
Ministry & Mission	10	40	39,156	18,264	20,892	-
Training	10	40	39,156	18,264	20,892	-
Property	50	13	98,111	91,321	6,790	-
Total	100	100	234,873	182,642	52,231	-

4. Proceeds on Sale of Property

2020 (As restated) Total Funds £	2021 Total Funds £	Unrestricted £	Designated £	Restricted £
Proceeds arising from church closures/disposals	2,186,580	-	2,183,620	2,960

2020 Comparative figures

4. Proceeds on Sale of Property	2020 (As restated) Total Funds £	Unrestricted £	Designated £	Restricted £
Proceeds arising from church closures/disposals	1,712,777	-	1,400,153	312,624

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

Notes to the Financial Statements

Year Ended 31 December 2021

5. Grants

The following grants have been charged during the year:-

	Institutions		Individuals	
	Number	Amount £	Number	Amount £
Mission:				
Youth and Children's work		8,408		
Youth work grants	5	74,375		
Churches Together in Suffolk		-		
Churches Together in Norfolk and Waveney	1	406		
University of East Anglia	1	10,225		
CTEEL	1	1,402		
Resource Sharing	1	75,000		
Sundry mission grants	11	108,977		
Sundry grants	14	161,308		
Ministry and mission fund	1	129,340		
Berechurch Road House for Mission	1	3,360		
Cambridge Ecumenical Council	1	2,224		
		<u>575,025</u>		<u>0</u>
Ministry:				
Moderator's benevolent fund			1	(1,400)
Retired Ministers' Housing Society		-		
Sundry minister grants	2	6,642		-
		<u>6,642</u>		<u>(1,400)</u>
Training:				
Continual Minister Education			16	2,446
Minister spring school	1	5,206		
Lay training		-	19	483
		<u>5,206</u>		<u>2,929</u>
Property:				
Local churches	9	151,757		
Project facelift	1	18,618		
Quinquennial survey grants	1	726		
		<u>171,101</u>		
Total Grants Charged		<u>757,974</u>		<u>1,529</u>

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

Notes to the Financial Statements

Year Ended 31 December 2021

2020 Comparative figures

5. Grants

The following grants have been charged during the year:-

	Institutions		Individuals	
	Number	Amount £	Number	Amount £
Mission:				
Youth and Children's work			6	9,257
Youth work grants				
Churches Together in Suffolk	1	681		
Churches Together in Norfolk and Waveney	1	406		
Shared Churches in Ely				
Cambridgeshire work relations group				
University of East Anglia	1	2,000		
CTEEL	1	1,402		
Resource Sharing	1	60,000		
Sundry mission grants	4	85,617		
Sundry grants	8	156,260		
Berechurch Road House for Mission	1	12,000		
Sundry minister grants	1	1,140		
Ministry:				
Moderator's benevolent fund	1	1,450		
Retired Ministers' Housing Society	1	3,435		
		<u>324,391</u>		<u>9,257</u>
Training:				
Continual Minister Education			9	(2,043)
Minister spring school			2	42
Student book grants			3	750
Lay training			2	(60)
				<u>(1,311)</u>
Property:				
Local churches	5	(41,953)		
Project facelift	3	18,150		
Quinquennial survey grants	7	3,141		
		<u>(20,662)</u>		<u>-</u>
Total Grants Charged		<u>303,729</u>		<u>7,946</u>

6. Payments to Trustees and related party transactions

Reimbursed expenses were paid to three Trustees of the Synod in aggregate of £2,077 (2020: £2,766). Synod recognises an honoraria of £1,500 (2020: £1,500) for the Treasurer in respect of their role within the Synod. During the year the charity acquired services of £8,012 from Lewis Patten Chartered Architects, a company in which Mr C Patten is a director and owner. No other remuneration or expenses were paid to the Trustees or members of the Resources Committee, other than the reimbursement of travel expenses.

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

Notes to the Financial Statements

Year Ended 31 December 2021

7. Employment Emoluments	2021 £	2020 £
Wages and salaries	200,333	214,775
Employers national insurance	19,563	19,597
Pension costs	<u>41,191</u>	<u>33,774</u>
	<u>261,087</u>	<u>268,146</u>
The average number of employees was	<u>8</u>	<u>6</u>

No employee received more than £60,000 (2020 4: None) per annum or more. All staff are employed by the Synod other than the Moderator whose contracts of employment is held by Church House.

The charity operates both a defined benefit and a direct contribution pension scheme and contributions are charged as expenditure as they become payable (note 19).

8. Gains/(Losses) on Investments	2021 £	2020 £
Realised gains/(losses) on investments sold	455,035	(494,874)
Unrealised gain on fair value movement of investments for the year	<u>1,544,488</u>	<u>562,245</u>
Net Gain/(Loss) on Investments for the Year	<u>1,999,523</u>	<u>67,371</u>

9. Movement in Funds

	1.1.2021 (As restated) £	Incoming £	Outgoing £	Transfers £	Change in investment value £	31.12.2021 £
Unrestricted						
Synod administration	<u>1,365,320</u>	<u>148,300</u>	<u>(178,633)</u>	<u>20,000</u>	<u>(389,608)</u>	<u>965,379</u>
Unrestricted Designated						
Church Life & Mission	10,136,614	1,589,773	(4,371,202)	(20,000)	1,909,874	9,245,059
Heritage Fund	742,777	1,113,455	(254,806)	-	89,924	1,691,350
Manse Fund	744,395	-	-	-	-	744,395
Pioneer Fund	<u>1,433,634</u>	<u>9,238</u>	<u>(42,160)</u>	<u>-</u>	<u>39,393</u>	<u>1,440,105</u>
Total Designated Funds	<u>13,057,420</u>	<u>2,712,466</u>	<u>(4,668,168)</u>	<u>(20,000)</u>	<u>2,039,191</u>	<u>13,120,909</u>
Total Unrestricted Funds	<u>14,422,740</u>	<u>2,860,766</u>	<u>(4,846,801)</u>	<u>-</u>	<u>1,649,583</u>	<u>14,086,288</u>

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

Notes to the Financial Statements

Year Ended 31 December 2020

9. Movement on Funds (continued)

	1.1.2021 £	Incoming £	Outgoing £	Transfers £	Change in investment value £	31.12.2021 £
Restricted						
Church Life & Mission	1,131,613	30,555	-	-	209,782	1,371,950
Retired Ministers Housing	953,445	18,849	(11)	-	80,729	1,053,012
Retired Ministers Holiday	11,216	262	(3)	-	1,098	12,573
Manse fund	<u>6,284,683</u>	<u>81,686</u>	<u>(103,239)</u>	<u>-</u>	<u>58,331</u>	<u>6,321,461</u>
Total Restricted Funds	<u>8,380,957</u>	<u>131,352</u>	<u>(103,253)</u>	<u>-</u>	<u>349,940</u>	<u>8,758,996</u>
Total Funds	<u>22,803,697</u>	<u>2,992,118</u>	<u>(4,950,054)</u>	<u>-</u>	<u>1,999,523</u>	<u>22,845,284</u>

Prior Year (as restated)

	1.1.2020 (As restated) £	Incoming £	Outgoing £	Transfers £	Change in investment value £	31.12.2020 (As restated) £
Unrestricted						
Synod administration	<u>1,461,258</u>	<u>161,614</u>	<u>(183,112)</u>	<u>20,000</u>	<u>(94,440)</u>	<u>1,365,320</u>
Unrestricted Designated						
Church Life & Mission	9,530,432	988,414	(538,459)	(20,000)	176,227	10,136,614
Heritage Fund	692,782	20,812	(51)	-	29,234	742,777
Manse Fund	744,395	-	-	-	-	744,395
Pioneer Fund	<u>582,097</u>	<u>843,720</u>	<u>(4,990)</u>	<u>-</u>	<u>12,807</u>	<u>1,433,634</u>
Total Designated Funds	<u>11,549,706</u>	<u>1,852,946</u>	<u>(543,500)</u>	<u>(20,000)</u>	<u>218,268</u>	<u>13,057,420</u>
Total Unrestricted Funds	<u>13,010,964</u>	<u>2,014,560</u>	<u>(726,612)</u>	<u>-</u>	<u>123,828</u>	<u>14,422,740</u>

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

Notes to the Financial Statements

Year Ended 31 December 2021

9. Movement on Funds (continued)

Prior Year

	1.1.2020 £	Incoming £	Outgoing £	Transfers £	Change in investment value £	31.12.2020 £
Restricted						
Church Life & Mission	1,178,316	20,507	-	-	(67,210)	1,131,613
Retired Ministers Housing	948,841	15,608	(3,442)	-	(7,562)	953,445
Retired Ministers Holiday	11,665	178	(2)	-	(625)	11,216
Manse fund	5,917,411	381,116	(32,784)	-	18,940	6,284,683
Total Restricted Funds	<u>8,056,233</u>	<u>417,409</u>	<u>(36,228)</u>	<u>-</u>	<u>(56,457)</u>	<u>8,380,957</u>
Total Funds	<u>21,067,197</u>	<u>2,431,969</u>	<u>(762,840)</u>	<u>-</u>	<u>67,371</u>	<u>22,803,697</u>

10. Tangible Fixed Assets

	Audio Visual £	Fixtures & Fittings £	Office Equip- ment £	Computer Equip- ment £	Motor Vehicle £	Property £	Total £
Cost							
As at 1 January 2021							
(As restated)	4,093	27,433	5,561	17,704	23,842	7,351,305	7,429,938
Additions	2,869	-	-	3,451	20,045	-	26,365
Disposals	(1,402)	(9,675)	(1,019)	(4,784)	(23,842)	(63,188)	(103,917)
Transfer to investments	-	-	-	-	-	(302,447)	(302,447)
At 31 December 2021	<u>5,560</u>	<u>17,758</u>	<u>4,542</u>	<u>16,374</u>	<u>20,045</u>	<u>6,985,670</u>	<u>7,049,949</u>
Depreciation							
At 1 January 2021	4,093	18,440	4,723	15,283	20,810	-	63,349
Elimination	(1,402)	(9,676)	(1,019)	(4,784)	(22,909)	-	(39,788)
Charged during the year	214	1,152	279	1,791	3,102	-	6,538
At 31 December 2021	<u>2,905</u>	<u>9,916</u>	<u>3,983</u>	<u>12,292</u>	<u>1,003</u>	<u>-</u>	<u>30,099</u>
Net Book Value							
At 31 December 2021	<u>2,655</u>	<u>7,842</u>	<u>559</u>	<u>4,082</u>	<u>19,042</u>	<u>6,985,670</u>	<u>7,019,850</u>
At 31 December 2020							
(As restated)	-	8,993	838	2,421	3,032	7,351,305	7,366,589

There are no capital commitments at the year end.

At the year end, the Synod Manse Scheme had beneficial ownership of 22 properties valued at approximately £7.8 million registered in the name of the URC (Eastern Province) Trust. Of this, 17 properties totalling £6.5 million are included within note 10 and 11.

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

Notes to the Financial Statements

Year Ended 31 December 2021

11. Investments

	Properties	Bonds and Stock	Investment Funds Equities	Total
	£	£	£	£
At 1 January 2021 (as restated)	355,000	630,121	10,780,464	11,765,585
Additions	1,003,000	103,000	46,000	1,152,000
Disposals		(110,349)	(904,535)	(1,014,884)
Transfer from fixed assets	302,447	-	-	302,447
Realised gains	-	(4,651)	(556,028)	(560,679)
Unrealised gains/(losses) on revaluation	<u>358,553</u>	<u>(36,081)</u>	<u>1,677,615</u>	<u>2,000,087</u>
At 31 December 2021	<u>2,019,000</u>	<u>582,040</u>	<u>11,043,516</u>	<u>13,644,556</u>
Historical cost at year end	<u>1,660,447</u>	<u>561,960</u>	<u>7,013,281</u>	<u>9,235,688</u>

The investments are invested within a number of Charity Investment Funds, managed by CCLA and Epworth.

Subsidiary undertakings and participating interests

The following were subsidiary undertakings or participating interests of the charity which holds ordinary shares in each entity:

Name	Company number	Registered office	Holding %	Principal activity
The United Reformed Church (Eastern Province) Design & Build Limited	07301264	Eastern Synod Office 36 Duxford Road Whittlesford CB22 4ND	100%	Dormant
Lewis Gibson Limited	04091574	Downing Place United Reformed Church, Downing Street, Cambridge, CB2 3EL	33.3%	Letting of property

The financial results of the subsidiaries or participating interests for the year were:

Name	Income £	Expenditure £	Profit/(Loss) £	Capital and Reserves £
The United Reformed Church (Eastern Province) Design & Build Limited	<u>-</u>	<u>-</u>	<u>-</u>	<u>1</u>
Lewis Gibson Limited	<u>191,178</u>	<u>(191,094)</u>	<u>84</u>	<u>(180,640)</u>

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

Notes to the Financial Statements

Year Ended 31 December 2021

12. Programme Related Investments	Loans £	Property £	Total £
At 1 January 2021	520,589	297,555	818,144
Repayments received	(63,880)	-	(63,880)
Interest charged	<u>1,501</u>	<u>-</u>	<u>1,501</u>
At 31 December 2021	<u>458,210</u>	<u>297,555</u>	<u>755,765</u>

By decision of the Resources Committee, the Synod is committed to loans, not yet made, totalling £80,000 (2020: £80,000). All loans are subject to the COIF rate of interest that would otherwise have been received.

The Synod has no contingent liability arising from any undertaking to guarantee the repayment of loans made by the General Assembly of the URC to congregations in the Synod.

In relation to the Residential property, no interest is charged on the initial value of the investment. A proportion of the costs of repair are met by the Trust during the period of investment but the benefit should arise on disposal of the properties when the Trust receives a proportion of the proceeds relating to the investment proportion of the total original cost.

13. Debtors	2021 £	2020 (As restated) £
Prepayments	1,347	-
Other debtors	87,970	669,570
CME and lay training payments recoverable	<u>-</u>	<u>1,335</u>
	<u>89,317</u>	<u>670,905</u>

14. Cash on Deposit, at Bank and in Hand	2021 £	2020 (As restated) £
Bank deposits held for local churches	1,011,366	2,795,001
CCLA Charities Deposit Fund	285,032	274,637
Barclays Bank current account	1,036,795	235,296
Epworth Affirmative Deposit Fund	402,244	1,627,140
CAF 60 Day Deposit Account	400,000	400,000
Cambs and Counties 180 Day Deposit	314,425	553,744
Moderator's Benevolent Fund	4,732	-
Petty cash	<u>165</u>	<u>154</u>
	<u>3,454,759</u>	<u>5,885,972</u>

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

Notes to the Financial Statements

Year Ended 31 December 2021

15. Creditors: Amounts falling due within one year	2021	2020 (As restated)
	£	£
Grants approved awaiting payment	330,964	219,235
Receipts in advanced	-	1,146
Accrued expenses	68,384	15,750
Other creditors	1,444,170	3,078,214
Ministry and mission fund	127,775	155,350
Pension, PAYE and NIC	7,241	8,557
	<u>1,978,534</u>	<u>3,478,252</u>

Included within other creditors is an amount of £1,230,100 (2020: £3,013,734) held in bank accounts on behalf of certain churches.

16. Creditors: Amounts falling after more than one year	2021	2020
	£	£
Grants approved awaiting payment	49,991	13,961
Other creditors	<u>90,438</u>	<u>211,285</u>
	<u>140,429</u>	<u>225,246</u>

17. Operating Lease Commitments

The office used by the company is situated on land that is registered in the name of The United Reformed Church (Eastern Province) Trust and held on statutory trust in favour of Whittlesford United Reformed Church. The agreement term has lapsed however, the Trust continues to pay a sum of £1,020 per month to the Church for use of the building.

Other operating lease commitments within one year £2,517 and between 2 to 5 years £629.

18. Disposition of Funds as at 31 December 2021

The Church Life & Mission Fund has been created from the asset apportionments of former Trustee bodies and the sale of proceeds of redundant churches. Income only is used for grants and training support but the capital can be loaned to churches in accordance with the Synod Finance Policy. Included within these funds is Project Facelift which is used for the benefit of smaller churches.

In October 2005 the Synod Manse Policy was endorsed. A number of property sales were recognised and set aside as initial funding. The fund is designed to allow churches to release their interest in a property to the Synod's control thereby allowing Synod to position manses where they are required and to ensure that the houses within the manse scheme are kept in a good state of repair.

The Retired Ministers' Housing Fund is available to help in housing ministers in retirement.

The Retired Ministers' Holiday Fund was established from the sale proceeds of the Synod caravan and is used to benefit ministers.

The Heritage Fund has been set up specifically to support those churches who have the responsibility of maintaining buildings which are listed on the National Register. Grants of up to 50% of the cost will be awarded up to a maximum of £25,000 providing churches can demonstrate that they have regularly maintained their properties up to a reasonable standard. The money to support such grants comes from part of the proceeds of sales of redundant Listed buildings.

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

Notes to the Financial Statements

Year Ended 31 December 2021

18. Disposition of Funds as at 31 December 2021 (continued)

The Pioneer Fund was approved by Synod in October 2008 with the sole purpose to support churches envisioned with a pioneer project costing in excess of £250,000. In March 2013, Synod meeting amended the normal minimum project cost to £100,000. The money in this fund comes from part of the proceeds of sales of redundant buildings which are not Listed.

The Pioneer St Neots Fund is a sub-fund of the work of the Pioneer Fund set aside to support a five year project in the St Neots area.

	Fixed Assets £	Investments £	Programme Related Investments £	Debtors £	Bank and Cash £	Liabilities £	Total 2021 £
Unrestricted							
Synod							
Administration	<u>12,845</u>	<u>1,270,343</u>	<u>-</u>	<u>1,347</u>	<u>(213,192)</u>	<u>(105,964)</u>	<u>965,379</u>
Unrestricted Designated							
Church Life & Mission							
Income	197,604	9,370,295	539,197	65,700	(393,409)	(534,328)	9,245,059
Manse fund	301,000	-	-	-	443,395	-	744,395
Heritage	-	746,879	-	22,070	1,166,944	(244,543)	1,691,350
Pioneer Fund	<u>380,000</u>	<u>172,188</u>	<u>-</u>	<u>-</u>	<u>889,150</u>	<u>(1,233)</u>	<u>1,440,105</u>
Total Unrestricted Designated Funds	<u>878,604</u>	<u>10,289,362</u>	<u>539,197</u>	<u>87,770</u>	<u>2,106,080</u>	<u>(780,104)</u>	<u>13,120,909</u>
Total Unrestricted Funds	<u>891,449</u>	<u>11,559,705</u>	<u>539,197</u>	<u>89,117</u>	<u>1,892,888</u>	<u>(886,068)</u>	<u>14,086,288</u>
Restricted							
Funds held for Churches	-	-	-	-	1,230,099	(1,230,099)	-
Church Life & Mission							
Capital	-	959,665	-	-	412,285	-	1,371,950
Ret'd Ministers							
Housing	-	633,792	216,568	-	202,651	1	1,053,012
Ret'd Ministers							
Holiday	-	8,056	-	-	4,517	-	12,573
Manse fund	<u>6,128,401</u>	<u>483,338</u>	<u>-</u>	<u>200</u>	<u>(287,681)</u>	<u>(2,797)</u>	<u>6,321,461</u>
Total Restricted Funds	<u>6,128,401</u>	<u>2,084,851</u>	<u>216,568</u>	<u>200</u>	<u>1,561,871</u>	<u>(1,232,895)</u>	<u>8,758,996</u>
TOTAL FUNDS	<u>7,019,850</u>	<u>13,644,556</u>	<u>755,765</u>	<u>89,317</u>	<u>3,454,759</u>	<u>(2,118,963)</u>	<u>22,845,284</u>

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

Notes to the Financial Statements

Year Ended 31 December 2021

18. Disposition of Funds as at 31 December 2021 (*continued*)

PRIOR YEAR (as restated)	Fixed Assets £	Investments £	Programme Related Investments £	Debtors £	Bank and Cash £	Liabilities £	Total 2020 £
Unrestricted							
Synod							
Administration	<u>12,997</u>	<u>1,295,091</u>	<u>90,051</u>	<u>1,430</u>	<u>(23,198)</u>	<u>(11,051)</u>	<u>1,365,320</u>
Unrestricted Designated							
Church Life & Mission	1,092,165	7,676,833	389,753	622,273	1,092,087	(736,497)	10,136,614
Income							
Manse fund	301,000	401,000	-	-	42,395	-	744,395
Heritage	-	656,956	-	35,768	200,713	(150,660)	742,777
Pioneer Fund	-	132,795	60,034	4,978	1,237,028	(1,201)	1,433,634
Total Unrestricted Designated Funds	<u>1,393,165</u>	<u>8,867,584</u>	<u>449,787</u>	<u>663,019</u>	<u>2,572,223</u>	<u>(888,358)</u>	<u>13,057,420</u>
Total Unrestricted Funds	<u>1,406,162</u>	<u>10,162,675</u>	<u>539,838</u>	<u>664,449</u>	<u>2,549,025</u>	<u>(899,409)</u>	<u>14,422,740</u>
Restricted							
Funds held for Churches	-	-	-	-	2,804,089	(2,804,089)	-
Church Life & Mission Capital	-	973,267	-	-	158,346	-	1,131,613
Ret'd Ministers Housing	-	597,385	256,590	-	99,470	-	953,445
Ret'd Ministers Holiday	-	8,245	-	-	2,971	-	11,216
Manse fund	<u>5,960,427</u>	<u>24,013</u>	<u>21,716</u>	<u>6,456</u>	<u>272,071</u>	<u>-</u>	<u>6,284,683</u>
Total Restricted Funds	<u>5,960,427</u>	<u>1,602,910</u>	<u>278,306</u>	<u>6,456</u>	<u>3,336,947</u>	<u>(2,804,089)</u>	<u>8,380,957</u>
TOTAL FUNDS	<u>7,366,589</u>	<u>11,765,585</u>	<u>818,144</u>	<u>670,905</u>	<u>5,885,972</u>	<u>(3,703,498)</u>	<u>22,803,697</u>

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

Notes to the Financial Statements

Year Ended 31 December 2021

19. Pension Scheme

The Trust contributed £13,208 (2020: £6,420) to The United Reformed Church Final Salary Scheme, a pension scheme principally for lay staff which is administered by TPT Retirement Solutions Trust (formerly The Pensions Trust). The scheme is a defined benefit scheme but the Trust is unable to identify its share of the underlying assets and liabilities – each member in the scheme pays a common contribution rate – and accordingly it has accounted for its contributions as if it were a defined contribution scheme.

The most recent formal actuarial review of the scheme was at 30 September 2019, when the scheme had a surplus of £2,689,000. The assumptions underlying that valuation include:

- Discount rate of 1.4% pa
- Pensionable earnings growth of 2.5% for three years, 2.75% thereafter
- Price inflation and pension increases of 2.55%
- Retirement age (active members) of 65, with maximum commutation

The employer contribution rate is 26%.

A defined contribution scheme has also been opened for more recently appointed staff. Contributions for the year to this scheme were £27,983 (2020: £21,834).

20. Contingent Assets

At the year end, the property of five churches are held on Statutory Trusts in accordance with the United Reformed Church Acts of 1972, 1981 and 2000 by the Company following church closures. The proceeds of sale will revert to the Trust on sale in accordance with the Statutory Trusts on which the properties are held.

21. Contingent Liabilities

The Trust has a mortgage charge over freehold land which is held in trust under the URC Acts and therefore does not appear in the balance sheet of the Trust. The loan was advanced to Lewis Gibson Limited, a company in which the Trust holds one third of the share capital, in connection with construction on the land. Loan repayments are made by Lewis Gibson Limited and there is a charge in place between the lender and Lewis Gibson Limited. In the event that Lewis Gibson Limited were to default on the loan and its security was insufficient then the Trust security could be called upon. The balance outstanding on the loan in the financial statements of Lewis Gibson Limited at 31 December 2021 was £373,626 (2020: £426,440).

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

Notes to the Financial Statements

Year Ended 31 December 2021

22. Financial Instruments

Financial instruments measured at fair value in the financial statements are fixed asset investments totalling £13,644,556 (2020: £11,765,585).

23. Comparative Analysis by Fund

The key components from the prior year figures are analysed below by fund:-

	2020 (As restated)			
	Total	Unrestricted	Designated	Restricted
	£	£	£	£
Income				
Grants received, church levy and donations	134,000	131,201	2,799	-
Rent and loan interest	77,767	-	23,209	54,558
Other incoming resources	26,004	-	26,004	-
Investments	<u>481,421</u>	<u>30,413</u>	<u>400,781</u>	<u>50,227</u>
Total operating income	719,192	161,614	452,793	104,785
Transfer from local church funds	<u>1,712,777</u>	<u>-</u>	<u>1,400,153</u>	<u>312,624</u>
Total Income	<u>2,431,969</u>	<u>161,614</u>	<u>1,852,946</u>	<u>417,409</u>
Expenditure				
Raising funds	104,143	55,263	16,087	32,793
Charitable activities	<u>658,697</u>	<u>127,849</u>	<u>527,413</u>	<u>3,435</u>
Total expenditure	<u>762,840</u>	<u>183,112</u>	<u>543,500</u>	<u>36,228</u>
Net Income for the year	1,669,129	(21,498)	1,309,446	381,181
Net income before transfers	1,669,129	(21,498)	1,309,446	381,181
Transfers between funds	-	20,000	(20,000)	-
Realised gains/(losses) on investments	(494,874)	(144,498)	(211,972)	(138,404)
Unrealised gains/(losses) on investments	562,245	50,058	430,240	81,947
Net Movement in funds for the year	1,736,500	(95,938)	1,507,714	324,724
Fund balances brought forward (as restated)	<u>21,067,197</u>	<u>1,461,258</u>	<u>11,549,706</u>	<u>8,056,233</u>
Fund balances carried forward	<u>22,803,697</u>	<u>1,365,320</u>	<u>13,057,420</u>	<u>8,380,957</u>

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

Notes to the Financial Statements

Year Ended 31 December 2021

24. Prior Year Adjustment

The basis of inclusion of assets in the financial statements which are in use by the local churches is underpinned by the legislation of the URC Acts. During the year there has been a change in personnel and triggers which have led to a complete review of the properties and balances with local churches and the Trust.

As a result a number of adjustments have been identified where assets should have been recognised in the financial statements of the Trust:

Increase in fixed assets functional properties of £301,000 and brought forward reserves having been purchased by the Trust as a replacement Manse for a church under the Synod Manse Scheme

Increase in fixed assets investments and brought forward reserves of £335,000 for a property where the church has previously closed and the asset, which is being let, becomes the property of the Trust under the URC Acts.

Increase in transfers from local church funds and reduction of creditors of £209,645 in respect of funds received in the prior year which had been incorrectly treated as still belonging to the local church.

Increase in bank and creditors of £218,733 in respect of cash balances held on behalf of local churches where they have not been held separately from the Trust's own funds.

The SOFA income has increased by £209,645 and the net movement in funds for 2020 has increased by £209,645 which were previously stated at £2,222,324 and £1,526,855 respectively.

On the charity Balance Sheet Tangible assets have increased by £301,000, Investments have increased by £355,000, Debtors have increased by £9,707 and Cash at bank has increased by £218,733. These were previously stated at £7,065,589, £11,410,585, £680,612 and £5,667,239 respectively.

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

England & Wales - Charity number 248796

Accounts

Company Number: 00101685
Charity Number: 248796

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2020

MHA MACINTYRE HUDSON
Chartered Accountants and Statutory Auditors
Rutland House
148 Edmund Street
Birmingham
B3 2FD

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

Contents

	Page
Annual Report	1 - 10
Independent Auditor's Report	11 - 13
Statement of Financial Activities	14
Balance Sheet	15
Statement of Cash Flows	16
Notes to the Financial Statements	17 - 39

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

Annual Report

Year Ended 31 December 2020

Reference and Administrative Information

Registered Office

The Eastern Synod Office
The United Reformed Church
36 Duxford Road
Whittlesford
Cambridge
CB22 4ND

Directors and Trustees

Revd P R Whittle (Resigned 31 December 2020)
Revd Prof D Thompson
Mr K Hounsome
Mr A East
Mr C Patten
Mr G Heathcote
Revd Dr J Tollington

Bankers

Barclays Bank Plc
5-7 Red Lion Street
Norwich NR1 3QH

Legal Advisors

Veale Wasbrough Vizards
Second Floor, 3 Brindley Place
Birmingham
B1 2JB

Auditors

MHA MacIntyre Hudson
Rutland House
148 Edmund Street
Birmingham
B3 2FD

Investment Manager

CCLA Investment Managers Limited
Epworth Investment Managers Limited

Synod Officers

Moderator – Revd P R Whittle (Resigned 31 December 2020)
Synod Clerk – Mr K Hounsome
Synod Treasurer – Mr G Heathcote
Company Secretary and Finance Officer – Mr D Smith
Resources Officer – Mrs P Davies-Brown

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

Annual Report

Year Ended 31 December 2020

The Trustees present their Annual Report and the audited financial statements of the charity for the year ended 31 December 2020. The Trustees have adopted the provisions of Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS102) in preparing the Annual Report and financial statements of the charity.

Since the charity qualifies as a small company under Section 383, the strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

The Trustees

The Trustees of the charity are also company directors for the purposes of company law.

All Trustees give their time voluntarily and receive no benefits from the charity apart from those reimbursed expenses set out in note 6.

The Trustees serving during the year and to the date of this report were as follows:-

Revd P R Whittle (Resigned 31 December 2020)
Revd Prof D Thompson
Mr K Hounscome
Mr A East
Mr C Patten
Mr G Heathcote
Revd Dr J Tollington

Aims and Objectives

The charitable company's purpose as set out in the objects contained in the company's Memorandum and Articles of Association is the advancement of the Christian religion especially by the means of, and in accordance with, the principles of the United Reformed Church as set out for the time being in 'The Manual'.

The aims of the charity are to support local churches in their outreach and mission and to share the vision of the URC's General Assembly with the local churches.

The United Reformed Church (Eastern Province) Trust has two distinct roles. The first is to act as the corporate Trustee of local churches, manses and other local church land. The second is to act as the holding Trustee of the collective financial assets of the Eastern Synod.

In relation to the first role, the Trust acts according to the United Reformed Church Acts 1972, 1981 and 2000: particularly the 1981 Act. Local URC churches operating in the Eastern Synod area are separate and independent charities. There is no common control or unity of administration with any of these bodies and they are not deemed to be connected charities within the understanding of the Charities SORP (FRS 102). None of the financial assets or liabilities of these bodies are incorporated in the Trust's financial statements as the Trust is not the beneficial owner and there is neither parent nor subsidiary relationships.

In relation to the second role, the Trust's responsibility is to exercise ultimate oversight over the finances of the Synod (including its budget and accounts), as set out below. The Trust is also responsible for employment of most remunerated Synod staff.

Achieving delivery of the Trust's aims and public benefit

The strategy for achieving the Trust's aims and objectives is to provide pastoral, educational and mission, technical and financial support. All these forms of support are designed to promote and share the Christian faith and, in particular, the principles of the URC in each area where a local congregation operates. The Trustees review the aims, objectives and proposed future activities on a regular basis. The Trustees follow the general guidance issued by the Charity Commission on public benefit when doing so and the following sections of this report describe how the Trustees have carried out the purposes of the Trust for the public benefit.

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

Annual Report

Year Ended 31 December 2020

It is important to note that the Trust's functions are generally exercised through the Eastern Synod of the United Reformed Church and its committees (see section headed "Structure, Governance and Management").

Pastoral Support

The Pastoral Committee works with and through the Synod Moderator and others to provide spiritual, pastoral and strategic leadership, care and challenge to local churches and their ministers. They have a particular role in encouraging conversations about pastorates' needs, ensuring effective but sympathetic deployment of ministerial resources as well as overseeing churches during ministerial vacancies. They also monitor the progress of those applying for, and undertaking, various types of ministerial training and work to develop ecumenical relations in the area covered by the Synod as well as encouraging local churches to "think ecumenically" when planning all their initiatives.

Educational and Mission Support

The Mission Committee works with and through the Moderator, Mission and Training Officer and Children and Youth Development Officer to provide or encourage training and development for ordained and lay people; organise and support activities for, and work with, children and young people; and encourage mission and outreach activities to be undertaken primarily by local churches in their own towns or villages. The Synod has established a Pioneer Fund (funded from property sales) for the purpose of supporting major new mission activities and in this connection is currently supporting an ecumenical Pioneer Ministry project on a new housing estate at St. Neot's. Through the Faith in Action group of the Mission Committee, the Synod and local churches are made aware of need and injustice locally, nationally and internationally and challenged to respond in ways which make a difference.

Technical Support

Synod officials are a resource available to help local churches understand and keep up to date with their obligations as charities, employers, providers of services to the public and occupiers of buildings. Where necessary, Trustees and Synod officials also help local churches through the process of considering the acquisition, modification or disposal of premises and issues of trust, property and charity law. The Listed Buildings Advisory Committee (as constituted by the Ecclesiastical Exemption (Listed Buildings and Conservation Areas) (England) Order 2010) offers independent advice to the Synod Property Committee, together with assisting local churches occupying "Listed" buildings through the complexities of the legal processes governing these types of buildings, including offering advice on their care and maintenance.

Financial Support

A range of grants (and, more rarely, loans – constituting much of Programme Related Investments) is made available to local churches and ministers to assist with children and young people engagement, mission and outreach, maintenance and improvement of properties to enhance interaction with their communities and ministerial and lay training and development. In most cases this support is provided through the Resources/Property Committee, which meets four times a year and oversees financial and property-related matters for the Synod. The delegated powers of the Resources Committee and its interaction with the Trust and Trustees are set out in the Synod Financial Policy which is revised periodically by Synod. The Finance Policy sets out the charity's investment policy and ethical constraints under which it operates. For further details see the section headed 'Investment Policy' (below).

Churches are encouraged to retain and invest capital whenever possible and to fund new building works, redevelopments, maintenance works and pastoral assistance from their investment income. Where there are insufficient funds, grants or loans may be made available to Churches and Synod Committees, in the case of loans for periods normally not exceeding five years.

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

Annual Report

Year Ended 31 December 2020

Achievements and Performance

Inevitably, the Synod's work has been significantly affected by the Covid pandemic. The start of the initial lockdown coincided with the March Synod meeting that was therefore cancelled. The October meeting did take place albeit by zoom, and our Committees have also become accustomed to meeting in this way.

For the same reason, the Synod office was closed for most of the year with staff working from home. It has been good how well staff have adapted to this new way of working.

Mission Committee

- The Committee continues to oversee activities arising from Walking the Way
- The Faith in Action Group continues to present matters of concern to Synod and gives links to websites that provide further information on issues such as social justice, racial justice, the environment and rural matters
- Through the Synod's Mission and Training Officer (Lindsey Brown) mission (including worship) resources have been provided to churches and a range of training and related on-line programmes have been provided to Elders and others
- Through the Synod's Children and Youth Development Officer (Nicola Grieves) training, advice and consultancy has been provided (again on-line for most of the year) to those working with children and young people, as well as advice and training on employment issues and safeguarding. Nicola also organises or helps at events for youngsters, both Synod-wide and in local churches.
- Since the start of the first lockdown Nicola and Lindsey (together with the Moderator until he took up a similar role with the Synod of Scotland in January 2021) have produced a weekly update for churches that contains news, material for worship and the younger members of our church family and details of training and other events
- The Loves Farm initiative (near St Neots) has been recognised as a Mission Project
- In October, the Synod adopted an Environment Policy, and a Working Group has been set up to work through the actions that follow from it

Pastoral Committee

- This Committee's work is largely of an ongoing nature, in particular supporting the Moderator in considering ministerial vacancies and the challenges of deployment
- The Committee has oversight of the LMMR process, receiving reports of mission reviews carried out in local churches
- It also oversees the process for authorising lay persons to preside at the Sacraments
- The Committee also links with the work of the five Area Partnerships and one United Area
- The Committee has noted, with sadness, the closure of our churches at David Livingstone (Harlow), Great Baddow and Princes Street (Norwich).

Resources Committee

- The Committee continues to provide a range of property grants as well as grants for children's and youth work
- The Committee continues to oversee the work of the Ministry and Mission Advocates in their work administering the Fair Share scheme through which local churches contribute to the provision of ministry throughout the denomination. In this respect, the Committee is grateful to local churches for generally how well they have done in maintaining their commitment at what has been a most difficult time financially for them
- Two changes have been made to the Synod's Finance Policy pending a full review in 2021
- The Committee is aware that the reserves held by the Synod/Trust are higher than in most other Synods. Notwithstanding the need to set aside a substantial sum for future pension contributions within the denomination the Committee is now looking at how funds can be released to meet the mission work of local churches

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

Annual Report

Year Ended 31 December 2020

Executive Committee

- The Committee's work is mainly concerned with organising Synod meetings, ensuring vacancies on Synod committees are filled, coordinating the work of the committees and overseeing staffing matters
- On the Committee's initiative and following consultation with local churches, the Synod have engaged HR consultants to provide employment advice to them, at no cost to the churches

More generally, the Synod's Committee, including the Executive Committee, have worked through the responses to the Synod Review carried out in early 2019.

Financial Review

Financial Statements

The financial statements, including the notes, have been prepared in compliance with the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102). The analysis of income and expenditure reflects the classification of activities, together with costs relating to administration. The Synod and Trust Company do not sell goods or services, nor are there any other trading activities.

A financial review document is made available to all members of Synod, and local churches if requested. This document highlights the main features of these financial statements. The review includes a comparison between the budget and the final operating income resources and expenditure.

Statement of Financial Activities

The Statement of Financial Activities is shown on page 14, with a more detailed analysis of income and expenditure on pages 21 to 24.

The total operating income for the year was £719,192 (2019: £891,445), the majority of which is investment income.

This year the church property grants totalled £(20,662) (2019: £282,464). There was very little activity in property grants this year due to the closure of churches because of the pandemic.

Receipts from church and other property sales totalled £1,503,132 (2019: £787,005) and it is important that these capital receipts continue to be invested wisely.

Balance Sheet

The above result led to an increase of £1.527m (2019: £2.406m) which has resulted in a combined fund balance of £21.938m (2019: £20.411m) at the year-end. An analysis of the movement of funds can be found in note 9.

Programme Related Investments total £818,144 (2019: £944,456) comprising 4 outstanding loans and 8 property investments (2019: 4 loans and 8 property investments). These investments represent funds invested by Synod to assist local churches and retired ministers to purchase or update their properties.

Fundraising Sources

Synod meeting annually authorises a levy to be raised for Synod administration purposes from local churches together with their contributions to the denominational Ministry and Mission Fund. This levy will reduce by 20% each year over the next five years. The other main sources of regular income are investment and rental income. In addition, in some years, substantial sums become available to the Trust as a result of church closures. No fundraising activities are carried out at Synod or Trust level.

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

Annual Report

Year Ended 31 December 2020

Investment Policy

The policy seeks to achieve as high an income as possible, subject to protecting the capital value of the funds against inflation. The investments include sharing in some churches' property developments but are otherwise a mixture of fixed interest and equity marketable securities. The Synod seeks to ensure that none of its investments can be seen to support practices which are against the conscience of Christians following the Ethical Investment Guidelines approved by the URC General Assembly from time to time. These Common Investment Funds are governed by Charity Commission Schemes.

A number of local churches have asked the Synod to hold, and invest, certain funds on their behalf. Such funds are not Synod funds and are not included in the Trust financial statements.

Reserves Policy

The Trust holds funds under a number of different terms. Funds which are restricted may only be used as directed by the funder at the time they were granted to the Trust. Details of the specific restrictions of those individual funds are disclosed in note 18 to the financial statements.

Other funds are unrestricted and can be used at the discretion of the Trustees in furtherance of the Trust's objects. It is the policy of the Trustees to designate certain funds for particular purposes as agreed from time to time and details of the purpose and use of those designated funds can be found in note 18 to the financial statements.

The Synod seeks to recognise the needs of both the present generation and future generations within the Church by retaining those one-off capital receipts to which it from time to time becomes entitled under the provision of the URC Acts. It is the present policy that, normally, only the income on these reserves is expended upon charitable purposes but an exception is made in relation to money going into the Pioneer Fund or to support mission projects, Eco projects, and a project to upgrade preaching/communication facilities in churches.

The remaining general unrestricted funds are required to cover the support costs and grants awarded. The Synod Finance Policy specifies that, typically, sufficient cash should be held on short or medium term deposits to cover at least one full year's anticipated revenue expenditure and also allow for the capital purchase of a manse or similar building – though the exercise of discretion is permitted in deciding how much cash it would be advisable to hold at any particular time.

At the year-end general unrestricted funds amounted to £1,365,320 (2019: £1,461,258), excluding designated amounts. The Trustees are satisfied this is sufficient to meet day to day objectives.

Risk Management

The Trustees are responsible for the management of the risks faced by the charity. Risks are identified, assessed and controls established throughout the year. A formal review of the charity's risks was undertaken in 2020, and reported to the Trust Directors. The main changes are the effect of COVID 19, and threat of ongoing scams. The risk of a very large shortfall on pensions continues.

The most serious risk facing the charity would be the Synod failing to achieve its strategic and charitable objectives, either through resources being put into programmes which do not meet those objectives or through failure of Trustees and other Committees to consider the charity's objectives when making decisions. To manage and mitigate this risk, the Trustees consider the 'Aims and Objectives' section of their annual report each year to ensure this remains appropriate and, in so doing, are reminded of the objectives which they must constantly keep in mind. Also, having Convenors of Committees give an account of their Committee's decisions to the Synod Executive, on which three Trust Directors sit, ensures effective oversight of their day-to-day activity and decision making.

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

Annual Report

Year Ended 31 December 2020

Another principal risk is business interruption: either through absent personnel or a disaster causing restricted or no access to the Synod office. A Business Continuity Plan was approved by Synod Trust Directors in the spring of 2013 and reviewed and updated in November 2015.

Among the key risk controls used by the charity are:

- a written financial policy subject to periodic review (an updated version was adopted by the March 2015 Synod meeting and slightly amended in October 2020);
- clear financial authorisation and approval levels (reviewed and tightened in 2011);
- detailed summary accounts produced for scrutiny by Trust Directors and Resources Committee at every meeting during the year;
- financial statements presented at each Synod meeting; and
- Synod officers and others having been vetted through the DBS service, where appropriate and Synod operating a 'Safeguarding' policy.

Through the risk management process established for the charity, the Trustees are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

Future Plans

Plans for 2021 are inevitably shaped by the uncertainty of when and how we will emerge permanently from lockdown and how our churches will then look. Much of our work will involve responding to that new environment, not least in developing our use of technology both within the Synod and our local churches.

Whilst not as such a Plan, we await the arrival of a new Moderator later in anticipation that we may be led in new directions.

The Synod will, though, continue to strengthen missional discipleship through the "Walking the Way" initiative and will provide a range of resources for local churches to grow more committed in their faith and more able to reach out to help others discover their need for God.

The Mission Committee will continue to have a prominent role to play in enthusing congregations and facilitating the provision of resources. Efforts to reach out to children and young people within the Synod will be pursued and we hope to make progress in building greater awareness of, and commitment to, the World Church as well as promoting justice, peace and the integrity of creation. Particular issues that the Committee will be considering are how best to support churches in their mission work and overseeing the work required to become an Eco Synod.

The Pastoral Committee will continue to support the pastoral work of the Moderator as appropriate, and will oversee the process of declaring and filling vacancies, identifying and training candidates for ministry (both ordained and lay) and for promoting health, healing and spirituality.

The Resources Committee will continue to act in conjunction with and on behalf of the Synod Trustees in administering its various grant awarding processes and safeguarding the Synod's finances and investments. The Trust is currently in discussions with the United Reformed Church regarding a solution to provide financial support to the Ministers Pension Fund which is in deficit. Due to the structure of the national church and ministerial appointments there is no legal obligation for the Trust but all of the regional bodies have been approached and there is wide acceptance that there is a moral obligation at the regional level and that such support does fall within the charitable purposes of the Trust.

Whilst discussions are still ongoing and there is no binding agreement, the Trust has made an in principle offer of around £3.8m which would be payable over a period of 5 years commencing in 2021. The Trust continues to monitor and review the position to ensure that any such final commitment is affordable and does not put the financial stability of the Trust at risk.

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

Annual Report

Year Ended 31 December 2020

Structure, Governance and Management

The United Reformed Church (Eastern Province) Trust ("the Trust") is a company limited by guarantee formed on 20 March 2007 and is a registered charity, number 248796. It is governed by its Memorandum and Articles of Association as revised in 2008. All of the financial assets and liabilities of the Eastern Synod of the United Reformed Church ("Synod") are shown in the Trust's Financial Statements.

However, while the Trust holds the assets and liabilities of Synod, it is the Synod which is the decision making body, except in relation to matters relating exclusively to the business of the Trust for which the Trust Directors are responsible. The Trust is corporate Trustee for most land and buildings utilised by local URC Churches.

The Finance & Trust Officer and the Resources Officer attend Trustee meetings but are not themselves Trustees.

Appointment of New Trustees

The Trustees nominate members to serve as Trustees of the Trust and Synod meeting ratifies the appointments.

There is an informal programme for the induction of Trustees.

Training is also organised for the Trustees (normally annually) to ensure they are aware of current practice and issues of charity law etc.

Constitution of the Synod

Eastern Synod is one of 13 Synods of the United Reformed Church ("URC") within the United Kingdom. It is constituted in accordance with the Scheme of Union and the United Reformed Church Acts of 1972, 1981 and 2000 (see www.urc.org.uk). It has oversight of the URC in the East of England, covering Norfolk, Suffolk, most of Essex, most of Cambridgeshire and part of Hertfordshire.

In accordance with "the Structure of the United Reformed Church" it is responsible for:-

- Overseeing five area partnerships;
- Promoting church extension;
- Promoting ecumenical relations;
- Opening, closing and extending church buildings;
- Overseeing matters affecting the ordained ministry, including discipline;
- Dealing with matters referred from the general assembly and mission council;
- Undertaking such other things which promote the welfare of the United Reformed Church.

The Eastern Synod, which is made up of ministers and lay representatives of each local church together with Synod officers, meets to transact business routinely twice a year but has delegated various powers to a number of committees as well as the Trust. The following committees are responsible for specific elements in the life of the Synod:-

- Executive Committee;
- Pastoral Committee;
- Mission Committee;
- Resources/Property Committee; and
- Listed Buildings Advisory Committee.

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

Annual Report

Year Ended 31 December 2020

Organisational Structure

Day-to-day financial and property activities are dealt with by the Finance and Resources Officers. In accordance with the URC Acts, many decisions need a Church Meeting resolution, a Synod approval (at present Synod has delegated its power of approval to Resources Committee) and a decision by the Trust Directors before actions can be taken by, or on behalf of, the Trust as Trustee.

Related parties

During 2010 a subsidiary company - United Reformed Church (Eastern Province) Design & Build Limited - was established. This company has remained dormant throughout the year.

There have been no significant related party transactions between the Trust and any of its Trustees or Synod officials during the year.

Use of Volunteers

Most ministers of word and sacrament are paid directly from the Finance Office of the United Reformed Church in London. The URC Trust (acting at denominational level) is a separate charity, again not under common control. The Synod office staff, Finance and Trust Officer, Resources Officer and Youth and Children's Development Officer are paid by the Synod. Other than that, all members of Synod Committees and other supporting and enabling Synod activities are volunteers, almost all being members of their local URC or Local Ecumenical Partnership.

Key Management Personnel

The key management group within the Synod structure is made up of the Synod Moderator, the Synod Clerk and the Synod Treasurer. The first of these is remunerated by the denomination centrally at the same rate as all stipendiary ministers of word and sacrament serving the denomination. The Clerk and Treasurer are entitled to claim a small honorarium and further details are in note 6.

Directors' Responsibilities

The Trustees (who are also directors for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each year, which give a true and fair view of the state of affairs of the charity and the incoming resources and application of resources, including the net income or expenditure, of the charity for the year. In preparing these 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;
- 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; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

Annual Report

Year Ended 31 December 2020

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 Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:-

- There is no relevant audit information of which the charitable company's auditor is unaware; and
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Signed on behalf of the Trustees

Andrew East
Trustee

Date: 10/09/2021

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

Opinion

We have audited the financial statements of The United Reformed Church (Eastern Province) Trust (the 'charitable company') for the year ended 31 December 2020 which comprise Statement of Financial Activities, Balance Sheet, Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the director with respect to going concern are described in the relevant sections of this report.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' report (incorporating the Annual Report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' report has been prepared in accordance with applicable legal requirements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustee's Report.

We have nothing to report in respect of the following matters in relation to which Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies exemptions in preparing the trustees' report.

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Obtaining and understanding of the legal and regulatory frameworks that the Charity operates in, focusing on those laws and regulations that have a direct effect on the financial statements;
- Enquiring of management and Trustees around known or suspected instances of non-compliance of laws and regulations and fraud;
- Discussing among the engagement team regarding how and where fraud might occur in the financial statements and any potential indications of fraud;
- Reviewing minutes of meetings of those charged with governance; and
- Performing audit work in relation to the risk of management override, including testing of journal entries and other adjustments for appropriateness and reviewing accounting estimates for bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinion we have formed.

Helen Blundell LLB, FCA, FCIE, DChA (Senior Statutory Auditor)

For and on behalf of MHA MacIntyre Hudson

Chartered Accountants and Statutory Auditors

Birmingham, United Kingdom

Date: 17 September 2021

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

**Statement of Financial Activities
(including the Income and Expenditure Account)**

Year Ended 31 December 2020

2019 Total Funds £		Notes	2020 Total Funds £	Unrestricted £	Designated £	Restricted £
	Income					
	<i>Donations and legacies</i>					
138,447	Grants received	2	134,000	131,201	2,799	-
	<i>Charitable activities:</i>					
112,196	Rent and loan interest	2	77,767	-	23,209	54,558
91,337	Other income	2	26,004	-	26,004	-
<u>549,465</u>	<i>Investment</i>	2	<u>481,421</u>	<u>30,413</u>	<u>400,781</u>	<u>50,227</u>
891,445	Total Operating Income	2	719,192	161,614	452,793	104,785
<u>787,005</u>	Proceeds on sale of property	4	<u>1,503,132</u>	-	<u>1,400,153</u>	<u>102,979</u>
<u>1,678,450</u>	Total Income		<u>2,222,324</u>	<u>161,614</u>	<u>1,852,946</u>	<u>207,764</u>
	Expenditure on:					
158,010	Raising funds	2	104,143	55,263	16,087	32,793
<u>731,855</u>	Charitable expenditure	2	<u>658,697</u>	<u>127,849</u>	<u>527,413</u>	<u>3,435</u>
<u>889,865</u>	Total Expenditure	2	<u>762,840</u>	<u>183,112</u>	<u>543,500</u>	<u>36,228</u>
1,580	Net Income/(Expenditure) on Operating account	2	(43,648)	(21,498)	(90,707)	68,557
	Net income/(expenditure) for the year before transfers		1,459,484	(21,498)	1,309,446	171,536
<u>788,585</u>	Transfers between funds		<u>-</u>	<u>20,000</u>	<u>(20,000)</u>	<u>-</u>
	Net income/(expenditure) for the year after transfers		1,459,484	(1,498)	1,289,446	171,536
513	Realised (loss)/gain on investments		(494,874)	(144,498)	(211,972)	(138,404)
<u>1,616,616</u>	Unrealised (loss)/gain on investments		<u>562,245</u>	<u>50,058</u>	<u>430,240</u>	<u>81,947</u>
2,405,714	Net Movements in Funds for the year		1,526,855	(95,938)	1,507,714	115,079
<u>18,005,483</u>	Fund Balances b/forward		<u>20,411,197</u>	<u>1,461,258</u>	<u>10,893,706</u>	<u>8,056,233</u>
<u>20,411,197</u>	Fund Balances c/forward	9	<u>21,938,052</u>	<u>1,365,320</u>	<u>12,401,420</u>	<u>8,171,312</u>

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

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST
COMPANY NUMBER 00101685
Balance Sheet

As at 31 December 2020

Restated 2019 £		Notes	2020 £
	Fixed Assets		
7,309,937	Tangible assets	10	7,065,589
11,282,469	Investments	11	11,410,585
<u>944,456</u>	Programme related investments	12	<u>818,144</u>
<u>19,536,862</u>			<u>19,294,318</u>
	Current Assets		
113,062	Debtors	13	680,612
<u>6,427,209</u>	Cash and short term deposits	14	<u>5,667,239</u>
6,650,271			6,347,851
<u>(5,658,989)</u>	Creditors: Amounts falling due within one year	15	<u>(3,478,871)</u>
<u>881,282</u>	Net Current Assets		<u>2,868,980</u>
20,418,144	Total Assets less Current Liabilities		22,163,298
<u>(6,947)</u>	Creditors: Amounts falling due after more than one year	16	<u>(225,246)</u>
<u>20,411,197</u>	Total Assets	18	<u>21,938,052</u>
	Funds:		
	Unrestricted funds:		
1,461,258	General		1,365,320
<u>10,893,706</u>	Designated		<u>12,401,420</u>
12,354,964	Total unrestricted funds		13,766,740
<u>8,056,233</u>	Restricted funds		<u>8,171,312</u>
<u>20,411,197</u>	Total Funds	18	<u>21,938,052</u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by the Synod Trust Directors on 10/09/2021 and signed on their behalf by

- Trustee – Gil Heathcote

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

Statement of Cash Flows

Year ended 31 December 2020

	Notes	2020 £	Restated 2019 £
Cash flow from operating activities:			
Net cash provided/used in operating activities	A	(1,909,186)	4,542,519
Cash flows from investing activities:			
Proceeds from sale of fixed assets		486,973	-
Dividends, interest and rents from investments		555,031	656,334
Purchase of fixed assets		(1,435)	(1,349,647)
Purchase of investments		(3,575,467)	(301,000)
Proceeds from sale of investments		3,553,645	868,918
Issue of programme related loans		-	(60,000)
Repayment of programme related loans		130,469	68,828
Net cash provided by/used in investing activities		<u>1,149,216</u>	<u>(116,567)</u>
Change in cash and cash equivalents in the reporting period		(759,970)	4,425,952
Cash and cash equivalents at the beginning of the reporting period	B	<u>6,427,209</u>	<u>2,001,257</u>
Cash and cash equivalents at the end of the reporting period	B	<u>5,667,239</u>	<u>6,427,209</u>
Notes to the statement of cash flows			
A) Reconciliation of net income/expenditure to net cash flow from operating activities			
Net income/expenditure for the reporting period (as per the statement of financial activities)		1,526,855	2,405,714
Adjustments for:			
Depreciation charges		5,783	6,026
(Gains) on investments		(106,294)	(1,616,616)
Dividends, interest and rents from investments		(555,031)	(656,334)
Loan interest		(4,157)	(5,327)
(Profit) on the sale of fixed assets		(246,973)	(1,401)
(Increase) in debtors		(567,550)	(4,687)
(Decrease)/increase in creditors		(1,961,819)	4,415,144
Net cash provided by operating activities		<u>(3,436,041)</u>	<u>2,136,805</u>
B) Analysis of cash and cash equivalents			
Cash at bank and in hand		<u>(1,909,186)</u>	<u>4,542,519</u>

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

Notes to the Financial Statements

Year Ended 31 December 2020

1. Accounting Policies

Basis of Accounting

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with 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) (SORP FRS102), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in British Pound Sterling (£) which is the functional currency of the charity.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Going Concern

The financial statements have been prepared on a going concern basis. The Directors have considered relevant information, including the annual budget and forecast future cash flows in making their assessment. The covid-19 pandemic has not had a significant impact on the charity's operations although adaptations have been made to reflect changes in working practices. The Directors are monitoring the impact of the pandemic on future revenue streams and the impact on our beneficiaries and any support they may require. Based on these assessments and having regard to resources available to the charity, the Directors have concluded that there is no material uncertainty and the financial statements can continue to be prepared on a going concern basis.

Funds Incorporated

The financial statements show the combined income, expenditure, assets and liabilities of the following funds which are administered for the benefit of the United Reformed Church within the Eastern Synod:-

Synod Administration Fund
Church Life and Mission Fund
Retired Ministers Housing Fund
Retired Ministers Holiday Fund
Manse Fund
Pioneer Fund
Heritage Fund

Funds administered on behalf of local churches are not included.

Description and Use of Funds

Restricted income funds are funds whose use is restricted to specific purposes according to the terms on which the funds were received.

Unrestricted income funds may be spent generally for furthering the Christian and charitable work of the United Reformed Church in the Eastern Province. The main fund in this category is the Church Life & Mission Fund. Certain funds have been allocated by the Resources Committee but the committee retains authority to re-allocate such funds and so they are treated as Designated Funds within Unrestricted Income Funds.

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

Notes to the Financial Statements

Year Ended 31 December 2020

1. Accounting Policies *(continued)*

Income recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Fixed asset gifts in kind are recognised when receivable and are included at fair value. They are not deferred over the life of the asset.

The charity receives grants which are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

Investment income is earned through holding assets for investment purposes such as shares and property. It includes dividends, interest and rent. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend and rent income is recognised as the charity's right to receive payment is established.

Individual church property

The Trust is sole Trustee of the land and buildings of most local URCs but they are not the property of the Synod and are not shown in the financial statements. Sale proceeds from redundant properties or from part thereof which come into Synod funds are treated as unrestricted income from general funds. The income is recognised when the amount can be measured reliably and it is probable that the income will be received.

Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Costs of raising funds includes of costs of managing investments and programme related investments;
- Expenditure on charitable activities includes costs of ministry, mission, training and property grants; and
- Other expenditure represents those items not falling into the categories above.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose. Grants payable to local churches, organisations and individuals are within the charitable objectives. Where unconditional grants are offered, this is accrued as soon as the recipient is notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive the grants. Where grants are conditional relating to performance then the grant is only accrued when any unfulfilled conditions are outside of the control of the charity.

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

Notes to the Financial Statements

Year Ended 31 December 2020

1. Accounting Policies *(continued)*

Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include premises costs, office costs, governance costs, and salary costs. They are incurred directly in support of expenditure on the objects of the charity. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

Depreciation

Properties recognised in tangible fixed assets are recognised at cost. The residual values of the properties are such that the depreciation charge is negligible. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, on a straight line basis over their estimated useful economic lives as follows:-

Office Equipment (including computers)	- over five years
Fixtures and Fittings	- over ten years
Motor Vehicle	- over five years
Audio Visual	- over five years

No amounts under £50 are capitalised. The Trustees conduct an annual impairment review.

Investments

Listed investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains/(losses) on investments' in the SoFA if the shares are publicly traded or their fair value can otherwise be measured reliably.

Programme related investments are those held to further our charitable purposes. Programme related investments include investment in a percentage share of properties and bridging or other loans.

Related investments in properties are stated at cost subject to any adjustment arising from impairment which is considered on an annual basis. Gains on disposal of these investments are shown as other income in the SoFA. Investments by way of loans are stated at cost. Interest is charged on the loans at the COIF rate of interest, being the rate of interest the Trust would otherwise have earned.

Debtors and creditors receivable/payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Provisions

Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

Notes to the Financial Statements

Year Ended 31 December 2020

1. Accounting Policies *(continued)*

Leases

Rentals payable and receivable under operating leases are charged to the SoFA on a straight line basis over the period of the lease.

Contribution to Pension Funds

The charity participates in a defined benefit scheme, The Pensions Trust Defined Benefit Scheme, which is a multi employer scheme where the underlying assets and liabilities are not separately identifiable. In accordance with the SORP, it is accounted for as a defined contribution scheme. Contributions are charged as expenditure as they become payable in accordance with the rules of the scheme.

The charity also operates a defined contribution scheme. Contributions are charged as expenditure as they become payable in accordance with the rules of the scheme.

Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Critical accounting estimates and areas of judgement

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and judgements relevant to the financial statements are:

Investments – estimate of fair value

Fixed assets – estimate of useful life and estimate of impairment

Indirect costs – allocation to activities

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

Notes to the Financial Statements

Year Ended 31 December 2020

2. Analysis of Total Operating Income and Expenditure

2019 Total Funds £		2020 Total Funds £	Unrestricted £	Designated £	Restricted £
	Income from				
	Donations and legacies:				
130,000	Local church contributions	130,000	130,000	-	-
8,447	Donations	4,000	1,201	2,799	-
<u>138,447</u>		<u>134,000</u>	<u>131,201</u>	<u>2,799</u>	<u>-</u>
	Income from charitable activities:				
	<i>Rent and loan interest</i>				
106,869	Rental income	73,610	-	19,052	54,558
5,327	Loan interest	4,157	-	4,157	-
<u>112,196</u>		<u>77,767</u>	<u>-</u>	<u>23,209</u>	<u>54,558</u>
	<i>Other income</i>				
91,337	Miscellaneous	26,004	-	26,004	-
	Income from investments				
371,109	Investment income – excl. interest	306,687	26,788	230,978	48,921
9,676	Interest	24,871	3,625	19,940	1,306
168,680	Rental income	149,863	-	149,863	-
<u>549,465</u>		<u>481,421</u>	<u>30,413</u>	<u>400,781</u>	<u>50,227</u>
<u>891,445</u>	Total Operating Income	<u>719,192</u>	<u>161,614</u>	<u>452,793</u>	<u>104,785</u>
	Expenditure on raising funds				
91	Legal and professional	1,164	450	714	-
64,242	Synod manse scheme	32,240	-	-	32,240
29,870	Leasing of premises	10,788	-	10,453	335
1,848	Investment manager charges	1,501	20	1,263	218
<u>61,959</u>	Shared indirect costs (note 3)	<u>58,450</u>	<u>54,793</u>	<u>3,657</u>	<u>-</u>
<u>158,010</u>	Total Cost of Generating Funds	<u>104,143</u>	<u>55,263</u>	<u>16,087</u>	<u>32,793</u>

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

Notes to the Financial Statements

Year Ended 31 December 2020

2. Analysis of Total Operating Income and Expenditure (Continued)

2019 Total Funds £		2020 Total Funds £	Unrestricted £	Designated £	Restricted £
Expenditure on Charitable Activities					
Ministry & Mission:-					
100,437	Grants (note 5)	330,213	-	330,213	-
53,974	Pioneer development officer	54,968	-	54,968	-
2,578	Retired ministers housing society	3,435	-	-	3,435
<u>38,550</u>	Shared indirect costs (note 3)	<u>39,156</u>	<u>18,264</u>	<u>20,892</u>	-
<u>195,539</u>		<u>427,772</u>	<u>18,264</u>	<u>406,073</u>	<u>3,435</u>
Training:-					
(4,148)	Ministers (note 5)	(2,000)	-	(2,000)	-
-	Students (note 5)	750	-	750	-
9	Lay training (note 5)	(60)	-	(60)	-
5,161	Synod organised events	4,995	-	4,995	-
54,472	Mission and development officer	52,262	-	52,262	-
	Children and youth development officer	58,373	-	58,373	-
<u>38,550</u>	Shared indirect costs (note 3)	<u>39,156</u>	<u>18,264</u>	<u>20,892</u>	-
<u>149,953</u>		<u>153,476</u>	<u>18,264</u>	<u>135,212</u>	-
Property:-					
233,451	Church building grants (note 5)	(41,953)	-	(41,953)	-
41,275	Property facelift (note 5)	18,150	-	18,150	-
	Quinquennial survey grants (note 5)	3,141	-	3,141	-
<u>103,899</u>	Shared indirect costs (note 3)	<u>98,111</u>	<u>91,321</u>	<u>6,790</u>	-
<u>386,363</u>		<u>77,449</u>	<u>91,321</u>	<u>(13,872)</u>	-
<u>731,855</u>	Total Charitable Expenditure	<u>658,697</u>	<u>127,849</u>	<u>527,413</u>	<u>3,435</u>
<u>889,865</u>	Total Operating Expenditure	<u>762,840</u>	<u>183,112</u>	<u>543,500</u>	<u>36,228</u>
Net Income/(Expenditure) on Operating Account					
<u>1,580</u>		<u>(43,648)</u>	<u>(21,498)</u>	<u>(90,707)</u>	<u>68,557</u>

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

Notes to the Financial Statements

Year Ended 31 December 2020

2019 Comparative figures

a) Analysis of Total Operating Income and Expenditure

	2019 Total Funds £	Unrestricted £	Designated £	Restricted £
Income from				
Donations and legacies:				
Grants – Ministry and Mission	-	-	-	-
Local church contributions	130,000	130,000	-	-
Donations	8,447	-	8,447	-
	<u>138,447</u>	<u>130,000</u>	<u>8,447</u>	<u>-</u>
Income from charitable activities:				
Rent and loan interest				
Rental income	106,869	-	25,088	81,781
Loan interest	5,327	-	5,327	-
	<u>112,196</u>	<u>-</u>	<u>30,415</u>	<u>81,781</u>
Other income				
Miscellaneous	<u>91,337</u>	<u>155</u>	<u>91,182</u>	<u>-</u>
Income from investments				
Investment income – excl. interest	371,109	42,384	265,440	63,285
Interest	9,676	2,968	4,723	1,985
Rental income	<u>168,680</u>	<u>-</u>	<u>168,680</u>	<u>-</u>
	<u>549,465</u>	<u>45,352</u>	<u>438,843</u>	<u>65,270</u>
Total Operating Income	891,445	175,507	568,887	147,051
Expenditure on raising funds				
Legal and professional	91	-	91	-
Synod manse scheme	64,242	-	(43)	64,285
Leasing of premises	29,870	2,114	27,433	323
Investment manager charges	1,848	70	1,212	566
Shared indirect costs (note 3)	<u>61,959</u>	<u>58,633</u>	<u>3,326</u>	<u>-</u>
Total Cost of Generating Funds	<u>158,010</u>	<u>60,817</u>	<u>32,019</u>	<u>65,174</u>

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

Notes to the Financial Statements

Year Ended 31 December 2020

2019 Comparative figures

2. Analysis of Total Operating Income and Expenditure (Continued)

	2019 Total Funds £	Unrestricted £	Designated £	Restricted £
Expenditure on Charitable Activities				
Ministry & Mission:-				
Grants (note 5)	100,437	-	100,437	-
Pioneer development officer	53,974	-	53,974	-
Retired ministers housing society	2,578	-	-	2,578
Minister pension fund	-	-	-	-
Shared indirect costs (note 3)	38,550	19,545	19,005	-
	<u>195,539</u>	<u>19,545</u>	<u>173,416</u>	<u>2,578</u>
Training:-				
Ministers (note 5)	(4,148)	-	(4,148)	-
Students (note 5)	-	-	-	-
Lay training (note 5)	9	-	9	-
Synod organised events	5,161	-	5,161	-
Mission and development officer	54,472	-	54,472	-
Children and youth development officer	55,909	-	55,909	-
Shared indirect costs (note 3)	38,550	19,545	19,005	-
	<u>149,953</u>	<u>19,545</u>	<u>130,408</u>	<u>-</u>
Property:-				
Church building grants (note 5)	233,451	-	233,451	-
Property facelift (note 5)	41,275	-	41,275	-
Quinquennial survey grants (note 5)	7,738	-	7,738	-
Shared indirect costs (note 3)	103,899	97,722	6,177	-
	<u>386,363</u>	<u>97,722</u>	<u>288,641</u>	<u>-</u>
Total Charitable Expenditure	<u>731,855</u>	<u>136,812</u>	<u>592,465</u>	<u>2,578</u>
Total Operating Expenditure				
	<u>889,865</u>	<u>197,629</u>	<u>624,484</u>	<u>67,752</u>
Net Income/(Expenditure) on Operating Account				
	<u>1,580</u>	<u>(22,122)</u>	<u>(55,597)</u>	<u>79,299</u>

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

Notes to the Financial Statements

Year Ended 31 December 2020

3. Indirect Costs

2019 Total Funds £		2020 Total Funds £	Unrestricted £	Designated £	Restricted £
	Premises Costs:-				
12,240	Rent	12,240	12,240	-	-
5,016	Insurance	-	-	-	-
1,179	Gas and electricity	2,309	2,309	-	-
1,972	Cleaning	2,129	2,129	-	-
1,055	Property repairs	626	626	-	-
180	Water charges	179	179	-	-
<u>21,642</u>		<u>17,483</u>	<u>17,483</u>	<u>-</u>	<u>-</u>
	Office Costs				
2,592	Telephone, internet and website	2,301	2,301	-	-
2,824	Postage and stationery	3,843	3,843	-	-
3,659	Depreciation	2,984	2,752	232	-
4,521	Computer costs	5,733	5,733	-	-
1,077	Refreshments and office consumables	371	371	-	-
472	Equipment repairs	1,527	1,527	-	-
4,862	Insurance	689	689	-	-
4,145	Staff travel, subsistence and training	1,732	1,732	-	-
150	Staff events	224	224	-	-
(37)	Year book and communications	(4)	-	(4)	-
3,442	Photocopier lease and copy costs	3,414	3,582	(168)	-
1,233	Moderator expenses	1,684	-	1,684	-
1,133	Sundries	464	464	-	-
<u>30,073</u>		<u>24,962</u>	<u>23,218</u>	<u>1,744</u>	<u>-</u>
<u>154,665</u>	Employment costs	<u>157,511</u>	<u>120,895</u>	<u>36,616</u>	<u>-</u>
	Synod Related Costs:-				
2,098	Synod Council and general assembly	15	15	-	-
2,805	Synod treasurer and clerk costs	1,172	1,172	-	-
-	Honoraria	1,500	1,500	-	-
13,326	Audit and accountancy	8,850	8,850	-	-
12,212	Committee and office holder costs	3,903	1,656	2,247	-
6,137	Legal and professional	19,477	7,853	11,624	-
<u>36,578</u>		<u>34,917</u>	<u>21,046</u>	<u>13,871</u>	<u>-</u>
<u>242,958</u>	Total Indirect Costs	<u>234,873</u>	<u>182,642</u>	<u>52,231</u>	<u>-</u>

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

Notes to the Financial Statements

Year Ended 31 December 2020

3. Indirect Costs (continued)

			Total £	Unrestricted £	Designated £	Restricted £
Premises costs			17,483	17,483	-	-
Office costs			24,962	23,218	1,744	-
Synod related costs			34,917	21,046	13,871	-
Employment costs			157,511	120,895	36,616	-
Total Indirect Costs			234,873	182,642	52,231	-
	% Unrestr.	% Desig.	Total £	Unrestricted £	Designated £	Restricted £
Funds generated	30	07	58,450	54,793	3,657	-
Ministry & Mission	10	40	39,156	18,264	20,892	-
Training	10	40	39,156	18,264	20,892	-
Property	50	13	98,111	91,321	6,790	-
Total	100	100	234,873	182,642	52,231	-

2019 Comparative figures

3. Indirect Costs

	2019 Total Funds £	Unrestricted £	Designated £	Restricted £
Premises Costs:-				
Rent	12,240	12,240	-	-
Insurance	5,016	5,016	-	-
Gas and electricity	1,179	1,179	-	-
Cleaning	1,972	1,972	-	-
Property repairs	1,055	1,055	-	-
Water charges	180	180	-	-
	21,642	21,642	-	-
Office Costs				
Telephone, internet and website	2,592	2,592	-	-
Postage and stationery	2,824	2,824	-	-
Depreciation	3,659	2,645	1,014	-
Computer costs	4,521	4,521	-	-
Refreshments and office consumables	1,077	1,077	-	-
Equipment repairs	472	472	-	-
Insurance	4,862	4,862	-	-
Staff travel, subsistence and training	4,145	4,145	-	-
Staff events	150	150	-	-
Year book and communications	(37)	-	(37)	-
Photocopier lease and copy costs	3,442	3,610	(168)	-
Moderator expenses	1,233	-	1,233	-
Sundries	1,133	918	215	-
	30,073	27,816	2,257	-
Employment costs	154,665	117,926	36,739	-

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

Notes to the Financial Statements

Year Ended 31 December 2020

2019 Comparative figures

Synod Related Costs:-				
Synod Council and general assembly	2,098	2,098	-	-
Synod treasurer and clerk costs	2,805	2,805	-	-
Audit and accountancy	13,326	13,326	-	-
Committee and office holder costs	12,212	9,785	2,427	-
Legal and professional	6,137	47	6,090	-
	<u>36,578</u>	<u>28,061</u>	<u>8,517</u>	<u>-</u>
Total Indirect Costs	<u>242,958</u>	<u>195,445</u>	<u>47,513</u>	<u>-</u>

	Total £	Unrestricted £	Designated £	Restricted £
Premises costs	21,642	21,642	-	-
Office costs	30,073	27,816	2,257	-
Synod related costs	36,578	28,061	8,517	-
Employment costs	154,665	117,926	36,739	-
Total Indirect Costs	<u>242,958</u>	<u>195,445</u>	<u>47,513</u>	<u>-</u>

	% Unrestr.	% Desig.	Total £	Unrestricted £	Designated £	Restricted £
Funds generated	30	07	61,959	58,633	3,326	-
Ministry & Mission	10	40	38,550	19,545	19,005	-
Training	10	40	38,550	19,545	19,005	-
Property	50	13	103,899	97,722	6,177	-
Total	<u>100</u>	<u>100</u>	<u>242,958</u>	<u>195,445</u>	<u>47,513</u>	<u>-</u>

4. Proceeds on Sale of Property

2019 Total Funds £	2020 Total Funds £	Unrestricted £	Designated £	Restricted £
787,005	1,503,132	-	1,400,153	102,979

2019 Comparative figures

Proceeds on Sale of Property				
	2019 Total Funds £	Unrestricted £	Designated £	Restricted £
Proceeds arising from church closures/disposals	<u>787,005</u>	<u>-</u>	<u>-</u>	<u>787,005</u>

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

Notes to the Financial Statements

Year Ended 31 December 2020

5. Grants

The following grants have been charged during the year:-

	Institutions		Individuals	
	Number	Amount £	Number	Amount £
Mission:				
Youth and Children's work			6	9,257
Youth work grants				
Churches Together in Suffolk	1	681		
Churches Together in Norfolk and Waveney	1	406		
Shared Churches in Ely				
Cambridgeshire work relations group				
University of East Anglia	1	2,000		
CTEEL	1	1,402		
Resource Sharing	1	60,000		
Sundry mission grants	4	85,617		
Sundry grants	8	156,260		
Berechurch Road House for Mission	1	12,000		
Sundry minister grants	1	1,140		
Ministry:				
Moderator's benevolent fund	1	1,450		
Retired Ministers' Housing Society	1	3,435		
		<u>324,391</u>		<u>9,257</u>
Training:				
Continual Minister Education			9	(2,043)
Minister spring school			2	42
Student book grants			3	750
Lay training			2	(60)
				<u>(1,311)</u>
Property:				
Local churches	5	(41,953)		
Project facelift	3	18,150		
Quinquennial survey grants	7	3,141		
		<u>(20,662)</u>		<u>-</u>
Total Grants Charged		<u>303,729</u>		<u>7,946</u>

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

Notes to the Financial Statements

Year Ended 31 December 2020

2019 Comparative figures

5. Grants

The following grants have been charged during the year:-

	Institutions		Individuals	
	Number	Amount £	Number	Amount £
Mission:				
Youth and Children's work			8	6,096
Youth work grants				
Churches Together in Suffolk	1	681		-
Churches Together in Norfolk and Waveney	1	400		-
Shared Churches in Ely				
Cambridgeshire work relations group				
University of East Anglia	2	13,333		-
CTEEL	1	1,402		-
Resource Sharing	1	60,000		-
Sundry mission grants	3	2,100		-
Sundry grants	1	67		-
Berechurch Road House for Mission	1	11,720		-
Sundry minister grants	1	150		-
Ministry:				
Moderator's benevolent fund	1	1,900		-
Retired Ministers' Housing Society	1	2,578		-
Ministers pension fund		-		-
		<u>94,331</u>		<u>6,096</u>
Training:				
Continual Minister Education			23	1,100
Student book grants			-	-
Lay training			10	9
				<u>1,109</u>
Property:				
Local churches	15	233,451		-
Project facelift	2	41,275		-
Quinquennial survey grants	10	7,738		-
		<u>282,464</u>		<u>-</u>
Total Grants Charged		376,795		7,025

6. Payments to Trustees and related party transactions

Reimbursed expenses were paid to three Trustees of the Synod in aggregate of £2,766 (2019: £3,986). The Treasurer was paid an honoraria of £1,500 (2019: £Nil) in respect of their role within the Synod. No other remuneration or expenses were paid to the Trustees or members of the Resources Committee, other than the reimbursement of travel expenses.

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

Notes to the Financial Statements

Year Ended 31 December 2020

7. Employment Emoluments	2020	2019
	£	£
Wages and salaries	214,775	203,005
Employers national insurance	19,597	19,086
Pension costs	<u>33,774</u>	<u>32,976</u>
	<u>268,146</u>	<u>255,067</u>
The average number of employees was	<u>6</u>	<u>6</u>

No employee received more than £60,000 (2019 (4: None) per annum or more. All staff are employed by the Synod other than the Moderator whose contracts of employment is held by Church House.

The charity operates both a defined benefit and a direct contribution pension scheme and contributions are charged as expenditure as they become payable (note 19).

8. Gains/(Losses) on Investments	2020	2019
	£	£
Realised (losses)/gains on investments sold	(494,874)	513
Unrealised gain on fair value movement of investments for the year	<u>562,245</u>	<u>1,616,616</u>
Net Gain/(Loss) on Investments for the Year	<u>67,371</u>	<u>1,617,129</u>

9. Movement in Funds

	1.1.2020	Incoming	Outgoing	Transfers	Change in investment value	31.12.2020
	£	£	£	£	£	£
Unrestricted						
Synod administration	<u>1,461,258</u>	<u>161,614</u>	<u>(183,112)</u>	<u>20,000</u>	<u>(94,440)</u>	<u>1,365,320</u>
Unrestricted Designated						
Church Life & Mission	9,175,432	988,414	(538,459)	(20,000)	176,227	9,781,614
Heritage Fund	692,782	20,812	(51)	-	29,234	742,777
Manse Fund	443,395	-	-	-	-	443,395
Pioneer Fund	<u>582,097</u>	<u>843,720</u>	<u>(4,990)</u>	<u>-</u>	<u>12,807</u>	<u>1,433,634</u>
Total Designated Funds	<u>10,893,706</u>	<u>1,852,946</u>	<u>(543,500)</u>	<u>(20,000)</u>	<u>218,268</u>	<u>12,401,420</u>
Total Unrestricted Funds	<u>12,354,964</u>	<u>2,014,560</u>	<u>(726,612)</u>	<u>-</u>	<u>123,828</u>	<u>13,766,740</u>

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

Notes to the Financial Statements

Year Ended 31 December 2020

9. Movement on Funds (continued)

	1.1.2020 £	Incoming £	Outgoing £	Transfers £	Change in investment value £	31.12.2020 £
Restricted						
Church Life & Mission	1,178,316	20,507	-	-	(67,210)	1,131,613
Retired Ministers Housing	948,841	15,608	(3,442)	-	(7,562)	953,445
Retired Ministers Holiday	11,665	178	(2)	-	(625)	11,216
Manse fund	<u>5,917,411</u>	<u>171,471</u>	<u>(32,784)</u>	<u>-</u>	<u>18,940</u>	<u>6,075,038</u>
Total Restricted Funds	<u>8,056,233</u>	<u>207,764</u>	<u>(36,228)</u>	<u>-</u>	<u>(56,457)</u>	<u>8,171,312</u>
Total Funds	<u>20,411,197</u>	<u>2,222,324</u>	<u>(762,840)</u>	<u>-</u>	<u>67,371</u>	<u>21,938,052</u>

Prior Year						
	1.1.2019 £	Incoming £	Outgoing £	Transfers £	Change in investment value £	31.12.2019 £
Unrestricted						
Synod administration	<u>1,321,232</u>	<u>175,507</u>	<u>(197,629)</u>	<u>20,000</u>	<u>142,148</u>	<u>1,461,258</u>
Unrestricted Designated						
Church Life & Mission	7,976,053	531,978	(387,621)	(20,000)	1,075,022	9,175,432
Heritage Fund	696,071	27,413	(132,343)	-	101,641	692,782
Manse Fund	443,395	-	-	-	-	443,395
Pioneer Fund	<u>632,595</u>	<u>9,496</u>	<u>(104,520)</u>	<u>-</u>	<u>44,526</u>	<u>582,097</u>
Total Designated Funds	<u>9,748,114</u>	<u>568,887</u>	<u>(624,484)</u>	<u>(20,000)</u>	<u>1,221,189</u>	<u>10,893,706</u>
Total Unrestricted Funds	<u>11,069,346</u>	<u>744,394</u>	<u>(822,113)</u>	<u>-</u>	<u>1,363,337</u>	<u>12,354,964</u>

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

Notes to the Financial Statements

Year Ended 31 December 2020

9. Movement on Funds (continued)

<i>Prior Year</i>					<i>Change in investment value</i>	
	<i>1.1.2019</i>	<i>Incoming</i>	<i>Outgoing</i>	<i>Transfers</i>	<i>value</i>	<i>31.12.2019</i>
	£	£	£	£	£	£
Restricted						
<i>Church Life & Mission</i>	1,038,510	31,856	-	-	107,950	1,178,316
<i>Retired Ministers Housing</i>	853,121	19,070	(2,604)	-	79,254	948,841
<i>Retired Ministers Holiday</i>	10,495	285	(8)	-	893	11,665
<i>Manse fund</i>	<u>5,034,011</u>	<u>882,845</u>	<u>(65,140)</u>	<u>-</u>	<u>65,695</u>	<u>5,917,411</u>
Total Restricted Funds	<u>6,936,137</u>	<u>934,056</u>	<u>(67,752)</u>	<u>-</u>	<u>253,792</u>	<u>8,056,233</u>
Total Funds	<u>18,005,483</u>	<u>1,678,450</u>	<u>(889,865)</u>	<u>-</u>	<u>1,617,129</u>	<u>20,411,197</u>

10. Tangible Fixed Assets

	Audio Visual	Fixtures & Fittings	Office Equip-ment	Computer Equip-ment	Motor Vehicle	Property	Total
Cost	£	£	£	£	£	£	£
At 1 January 2020	4,093	25,998	5,561	17,704	23,842	7,290,305	7,367,503
Additions	-	1,435	-	-	-	-	1,435
Disposals	-	-	-	-	-	(240,000)	(240,000)
At 31 December 2020	<u>4,093</u>	<u>27,433</u>	<u>5,561</u>	<u>17,704</u>	<u>23,842</u>	<u>7,050,305</u>	<u>7,128,938</u>
Depreciation							
At 1 January 2020	4,093	17,269	4,444	13,749	18,011	-	57,566
Charged during the year	-	1,171	279	1,534	2,799	-	5,783
At 31 December 2020	<u>4,093</u>	<u>18,440</u>	<u>4,723</u>	<u>15,283</u>	<u>20,810</u>	<u>-</u>	<u>63,349</u>
Net Book Value							
At 31 December 2020	<u>-</u>	<u>8,993</u>	<u>838</u>	<u>2,421</u>	<u>3,032</u>	<u>7,050,305</u>	<u>7,065,589</u>
At 31 December 2019	-	<u>8,729</u>	<u>1,117</u>	<u>3,955</u>	<u>5,831</u>	<u>7,290,305</u>	<u>7,309,937</u>

There are no capital commitments at the year end.

At the year end, the Synod Manse Scheme had beneficial ownership of 27 properties valued at approximately £9.622million registered in the name of the URC (Eastern Province) Trust. Of this, 18 properties totalling £6.44million are included within note 10.

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

Notes to the Financial Statements

Year Ended 31 December 2020

11. Investments

	Bonds and Stock £	Investment Funds Equities £	Total £
At 1 January 2020	662,772	10,619,697	11,282,469
Additions	112,500	3,462,967	3,575,467
Disposals	(173,000)	(3,380,645)	(3,553,645)
Realised gain	-	(455,950)	(455,950)
Unrealised gains on revaluation	<u>27,849</u>	<u>534,395</u>	<u>562,244</u>
At 31 December 2020	<u>630,121</u>	<u>10,780,464</u>	<u>11,410,585</u>

Historical cost at year end	<u>569,310</u>	<u>4,799,949</u>	<u>5,369,259</u>
-----------------------------	----------------	------------------	------------------

The investments are invested within a number of Charity Investment Funds, managed by CCLA and Epworth.

12. Programme Related Investments

	Loans £	Property £	Total £
At 1 January 2020	646,901	297,555	944,456
New amounts advanced	-	-	-
Repayments received	(130,469)	-	(130,469)
Interest charged	<u>4,157</u>	<u>-</u>	<u>4,157</u>
At 31 December 2020	<u>520,589</u>	<u>297,555</u>	<u>818,144</u>

By decision of the Resources Committee, the Synod is committed to loans, not yet made, totalling £80,000 (2019: £80,000). All loans are subject to the COIF rate of interest that would otherwise have been received.

The Synod has no contingent liability arising from any undertaking to guarantee the repayment of loans made by the General Assembly of the URC to congregations in the Synod.

In relation to the Residential property, no interest is charged on the initial value of the investment. A proportion of the costs of repair are met by the Trust during the period of investment but the benefit should arise on disposal of the properties when the Trust receives a proportion of the proceeds relating to the investment proportion of the total original cost.

13. Debtors

	2020 £	2019 £
Other debtors	679,277	111,727
CME and lay training payments recoverable	<u>1,335</u>	<u>1,335</u>
	<u>680,612</u>	<u>113,062</u>

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

Notes to the Financial Statements

Year Ended 31 December 2020

	2020	Restated 2019
	£	£
14. Cash on Deposit, at Bank and in Hand		
Cash at bank and in hand	1,407,238	2,432,209
Bank deposits held for local churches	2,795,001	3,995,000
CCLA Charities Deposit Fund	248,887	238,603
Barclays Bank current account	235,296	562,816
Epworth Affirmative Deposit Fund	1,627,140	880,636
CAF 60 Day Deposit Account	400,000	400,000
Cambs and Counties 180 Day Deposit	360,761	350,000
Petty cash	154	154
	<u>5,667,239</u>	<u>6,427,209</u>

	2020	Restated 2019
	£	£
15. Creditors: Amounts falling due within one year		
Grants approved awaiting payment	219,235	396,535
Receipts in advanced	1,146	2,919
Accrued expenses	15,750	14,250
Other creditors	3,078,833	5,178,696
Ministry and mission fund	155,350	58,771
Pension, PAYE and NIC	8,557	7,818
	<u>3,478,871</u>	<u>5,658,989</u>

Included within other creditors is an amount of £2,795,001 (2019: £3,995,000) held in a bank account on behalf of certain churches.

	2020	2019
	£	£
16. Creditors: Amounts falling after more than one year		
Grants approved awaiting payment	13,961	6,947
Other creditors	211,285	-
	<u>225,246</u>	<u>6,947</u>

17. Operating Lease Commitments

The office used by the company is situated on land that is registered in the name of The United Reformed Church (Eastern Province) Trust and held on statutory trust in favour of Whittlesford United Reformed Church. The agreement term has lapsed however, the Trust continues to pay a sum of £1,020 per month to the Church for use of the building.

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

Notes to the Financial Statements

Year Ended 31 December 2020

18. Disposition of Funds as at 31 December 2020

The Church Life & Mission Fund has been created from the asset apportionments of former Trustee bodies and the sale of proceeds of redundant churches. Income only is used for grants and training support but the capital can be loaned to churches in accordance with the Synod Finance Policy. Included within these funds is Project Facelift which is used for the benefit of smaller churches.

In October 2005 the Synod Manse Policy was endorsed. A number of property sales were recognised and set aside as initial funding. The fund is designed to allow churches to release their interest in a property to the Synod's control thereby allowing Synod to position manses where they are required and to ensure that the houses within the manse scheme are kept in a good state of repair.

The Retired Ministers' Housing Fund is available to help in housing ministers in retirement.

The Retired Ministers' Holiday Fund was established from the sale proceeds of the Synod caravan and is used to benefit ministers.

The Heritage Fund has been set up specifically to support those churches who have the responsibility of maintaining buildings which are listed on the National Register. Grants of up to 50% of the cost will be awarded up to a maximum of £25,000 providing churches can demonstrate that they have regularly maintained their properties up to a reasonable standard. The money to support such grants comes from part of the proceeds of sales of redundant Listed buildings.

The Pioneer Fund was approved by Synod in October 2008 with the sole purpose to support churches envisioned with a pioneer project costing in excess of £250,000. In March 2013, Synod meeting amended the normal minimum project cost to £100,000. The money in this fund comes from part of the proceeds of sales of redundant buildings which are not Listed.

The Pioneer St Neots Fund is a sub-fund of the work of the Pioneer Fund set aside to support a five year project in the St Neots area.

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

Notes to the Financial Statements

Year Ended 31 December 2020

18. Disposition of Funds as at 31 December 2020 (continued)

	Fixed Assets £	Investments £	Programme Related Investments £	Debtors £	Bank and Cash £	Liabilities £	Total 2020 £
Unrestricted							
Synod							
Administration	<u>12,997</u>	<u>1,295,091</u>	<u>90,051</u>	<u>1,430</u>	<u>(23,198)</u>	<u>(11,051)</u>	<u>1,365,320</u>
Unrestricted Designated							
Church Life & Mission	1,092,165	7,321,833	389,753	631,980	1,092,087	(746,204)	9,781,614
Income							
Manse fund	-	401,000	-	-	42,395		443,395
Heritage	-	656,956	-	35,768	200,713	(150,660)	742,777
Pioneer LF	-	-	-	-	98,776	(1,201)	97,575
Pioneer	-	<u>132,795</u>	<u>60,034</u>	<u>4,978</u>	<u>1,138,252</u>	-	<u>1,336,059</u>
Total							
Unrestricted Designated Funds	<u>1,092,165</u>	<u>8,512,584</u>	<u>449,787</u>	<u>672,726</u>	<u>2,572,223</u>	<u>(898,065)</u>	<u>12,401,420</u>
Total Unrestricted Funds	<u>1,105,162</u>	<u>9,807,675</u>	<u>539,838</u>	<u>674,156</u>	<u>2,549,025</u>	<u>(909,116)</u>	<u>13,766,740</u>
Restricted							
Funds held for Churches	-	-	-	-	2,795,001	(2,795,001)	-
Church Life & Mission Capital	-	973,267	-	-	158,346	-	1,131,613
Ret'd Ministers	-	-	-	-	-	-	-
Housing	-	597,385	256,590	-	99,470	-	953,445
Ret'd Ministers	-	-	-	-	-	-	-
Holiday	-	8,245	-	-	2,971	-	11,216
Manse fund	<u>5,960,427</u>	<u>24,013</u>	<u>21,716</u>	<u>6,456</u>	<u>62,426</u>	-	<u>6,075,038</u>
Total Restricted Funds	<u>5,960,427</u>	<u>1,602,910</u>	<u>278,306</u>	<u>6,456</u>	<u>3,118,214</u>	<u>(2,795,001)</u>	<u>8,171,312</u>
TOTAL FUNDS	<u>7,065,589</u>	<u>11,410,585</u>	<u>818,144</u>	<u>680,612</u>	<u>5,667,239</u>	<u>(3,704,117)</u>	<u>21,938,052</u>

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

Notes to the Financial Statements

Year Ended 31 December 2020

18. Disposition of Funds as at 31 December 2020 (continued)

PRIOR YEAR	Fixed Assets £	Investments £	Programme Related Investments £	Debtors £	Restated Bank and Cash £	Restated Liabilities £	Total 2019 £
Unrestricted							
Synod Administration	<u>14,316</u>	<u>1,371,792</u>	<u>90,051</u>	<u>1,430</u>	<u>(2,488)</u>	<u>(13,843)</u>	<u>1,461,258</u>
Unrestricted Designated							
Church Life & Mission							
Income	848,221	7,119,590	516,065	77,836	1,994,435	(1,380,715)	9,175,432
Manse fund	532,049	401,000	-	-	(489,654)	-	443,395
Heritage	-	627,721	-	22,163	268,101	(225,203)	692,782
Pioneer	-	119,988	60,034	4,978	448,272	(51,175)	582,097
Total Unrestricted Designated Funds	<u>1,380,270</u>	<u>8,268,299</u>	<u>576,099</u>	<u>104,977</u>	<u>2,221,154</u>	<u>(1,657,093)</u>	<u>10,893,706</u>
Total Unrestricted Funds	<u>1,394,586</u>	<u>9,640,091</u>	<u>666,150</u>	<u>106,407</u>	<u>2,218,666</u>	<u>(1,670,936)</u>	<u>12,354,964</u>
Restricted							
Funds held for Churches	-	-	-	-	3,995,000	(3,995,000)	-
Church Life & Mission Capital	-	1,027,586	-	-	150,730	-	1,178,316
Ret'd Ministers Housing	-	600,964	256,590	-	91,287	-	948,841
Ret'd Ministers Holiday	-	8,754	-	-	2,911	-	11,665
Manse fund	<u>5,915,351</u>	<u>5,074</u>	<u>21,716</u>	<u>6,655</u>	<u>(31,385)</u>	<u>-</u>	<u>5,917,411</u>
Total Restricted Funds	<u>5,915,351</u>	<u>1,642,378</u>	<u>278,306</u>	<u>6,455</u>	<u>4,208,543</u>	<u>(3,995,000)</u>	<u>8,056,233</u>
TOTAL FUNDS	<u>7,309,937</u>	<u>11,282,469</u>	<u>944,456</u>	<u>113,062</u>	<u>6,427,209</u>	<u>(5,665,936)</u>	<u>20,411,197</u>

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

Notes to the Financial Statements

Year Ended 31 December 2020

19. Pension Scheme

The Trust contributed £6,420 (2019: £6,420) to The United Reformed Church Final Salary Scheme, a pension scheme principally for lay staff which is administered by TPT Retirement Solutions Trust (formerly The Pensions Trust). The scheme is a defined benefit scheme but the Trust is unable to identify its share of the underlying assets and liabilities – each member in the scheme pays a common contribution rate – and accordingly it has accounted for its contributions as if it were a defined contribution scheme.

The most recent formal actuarial review of the scheme was at 30 September 2019, when the scheme had a surplus of £2,689,000. The assumptions underlying that valuation include:

- Discount rate of 1.4% pa
- Pensionable earnings growth of 2.5% for three years, 2.75% thereafter
- Price inflation and pension increases of 2.55%
- Retirement age (active members) of 65, with maximum commutation

The employer contribution rate is 26%.

A defined contribution scheme has also been opened for more recently appointed staff. Contributions for the year to this scheme were £21,834 (2019: £26,556).

20. Commitments to the URC Pension Scheme

The pension scheme for ministers run nationally as a central function of the United Reformed Church has been in deficit for some years despite several attempts to resolve the underfunding based on the valuation approach required of the scheme actuaries. After the most recent valuation, all Synods were requested to confirm an ongoing willingness to help reduce the underfunding. At the balance sheet date, no further commitments had been given.

21. Contingent Assets

At the year end, the property of five churches are held on Statutory Trusts in accordance with the United Reformed Church Acts of 1972, 1981 and 2000 by the Company following church closures. The proceeds of sale will revert to the Trust on sale in accordance with the Statutory Trusts on which the properties are held.

THE UNITED REFORMED CHURCH (EASTERN PROVINCE) TRUST

Notes to the Financial Statements

Year Ended 31 December 2020

22. Financial Instruments

Financial instruments measured at fair value in the financial statements are fixed asset listed investments totalling £11,410,585 (2019: £11,282,469).

23. Comparative Analysis by Fund

The key components from the prior year figures are analysed below by fund:-

	2019			
	Total £	Unrestricted £	Designated £	Restricted £
Income				
Grants received, church levy and donations	138,447	130,000	8,447	-
Rent and loan interest	112,196	-	30,415	81,781
Other incoming resources	91,337	155	91,182	-
Investments	<u>549,465</u>	<u>45,352</u>	<u>438,843</u>	<u>65,270</u>
Total operating income	891,445	175,507	568,887	147,051
Profits on sale of property	<u>787,005</u>	-	-	<u>787,005</u>
Total Income	<u>1,678,450</u>	<u>175,507</u>	<u>568,887</u>	<u>934,056</u>
Expenditure				
Raising funds	158,010	60,817	32,019	65,174
Charitable activities	<u>731,855</u>	<u>136,812</u>	<u>592,465</u>	<u>2,578</u>
	<u>889,865</u>	<u>197,629</u>	<u>624,484</u>	<u>67,752</u>
Net Income for the year	1,580	(22,122)	(55,597)	79,299
Net income before transfers	788,585	(22,122)	(55,597)	866,304
Transfers between funds	<u>-</u>	<u>20,000</u>	<u>(20,000)</u>	<u>-</u>
	788,585	(2,122)	(75,597)	866,304
Realised gains/(losses) on investments	513	456	35	22
Unrealised gains/(losses) on investments	1,616,616	141,692	1,221,154	253,770
Net Movement in funds for the year	2,405,714	140,026	1,145,592	1,120,096
Fund balances brought forward	<u>18,005,483</u>	<u>1,321,232</u>	<u>9,748,114</u>	<u>6,936,137</u>
Fund balances carried forward	<u>20,411,197</u>	<u>1,461,258</u>	<u>10,893,706</u>	<u>8,056,233</u>

24. Prior Year Adjustment

It has been identified that funds held on behalf of Churches are being held in the sole name of the Trust and therefore a prior year adjustment has been made to bring the bank balance and equal liability onto the balance sheet. There is no impact on the income and expenditure account. Cash at bank has increased by £3,995,000 and creditors increased by £3,995,000 which were previously stated at £2,432,209 and £1,663,989 respectively.