CONGREGATIONAL FEDERATION

England & Wales · Charity number 264839

Details

Status	Registered
Legal form	Other
Registered	1972-11-08
Register	View on the Charity Commission register

Contact

Address	8 Castle Gate Nottingham NG1 7AS
Phone	01159111460
Email	admin@congregational.org.uk
Website	http://www.congregational.org.uk

Activities

Objects: THE ADVANCEMENT OF THE CHRISTIAN FAITH.

Activities: Ministerial and lay training; assisting with pastoral settlements; ministry with youth; childrens work; pension and life cover; ecumenical relationships; mission initiatives including its partnership with Council for World Mission; advice on administration and finance

Classification

- **How:** Makes Grants To Individuals, Makes Grants To Organisations, Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information
- **What:** Religious Activities
- **Who:** Children/young People, Elderly/old People, People With Disabilities, Other Charities Or Voluntary Bodies, The General Public/mankind

Geography

- Scotland
- Throughout England And Wales

Downloaded from opencharities.uk/ew/264839

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£886,139	£1,434,043	£16,979,792	25
2023-12-31	£1,191,039	£1,305,862	£17,083,051	14
2022-12-31	£1,713,153	£1,140,359	£16,805,180	24
2021-12-31	£1,206,140	£1,135,581	£15,944,418	32
2020-12-31	£919,821	£1,053,005	£14,599,729	32

Trustees

Name	Role	Appointed
Rev Vincent Charles Carrington	Chair	2025-09-17
Elisabeth Sweeney-Smith		2023-05-13
IAN ROBERT BAIRSTOW		2025-05-28
Margaret McEwen Carbarns McGuinness		2015-08-20
Mark Taylor		2020-01-01
REV C L GILLHAM		
Rev Alister Grant Weighton		2025-05-28
Rev Caroline Stott		2022-11-18
Rev Christopher John Bamforth Damp		2019-07-19
Rev Eric Peter Fenwick		2015-06-18
Rev Foday Yusufu Kamara		2019-04-29
Rev Gerard Simonis		2018-10-26
Rev RUTH GREEN		2023-04-22
Rev Ruth Leeming		2023-07-15
Rev Sandra Joy Turner		2024-08-16
Robert Wilson Hunter		2025-09-17
Timothy John Bateman		2024-08-28

Downloaded from opencharities.uk/ew/264839

Linked charities

- CONGREGATIONAL FEDERATION (MANCHESTER CONGREGATIONAL BOARD) ENDOWED GENERAL PURPOSES FUND (264839-1)
- CONGREGATIONAL FEDERATION CHURCH EXTENSION FUND FOR THE SOUTH EAST AREA (264839-10)
- CONGREGATIONAL FEDERATION RESTRICTED FUND FOR THE NORTH WEST MIDLANDS AREA (264839-11)
- CONGREGATIONAL FEDERATION RESTRICTED FUND FOR THE SOUTH WEST MIDLANDS AREA (264839-12)
- CONGREGATIONAL FEDERATION RESTRICTED FUND FOR THE NORTH EAST AREA (264839-13)
- CONGREGATIONAL FEDERATION (MANCHESTER CONGREGATIONAL BOARD) GENERAL PURPOSES FUND (264839-2)
- CONGREGATIONAL FEDERATION RESTRICTED FUND FOR THE EAST MIDLANDS AREA (264839-3)
- CONGREGATIONAL FEDERATION RESTRICTED FUND FOR THE NORTH WEST AREA (264839-4)
- CONGREGATIONAL FEDERATION CHURCH EXTENSION FUND FOR THE NORTH WEST AREA (264839-5)
- CONGREGATIONAL FEDERATION RESTRICTED FUND FOR THE SOUTH WEST AREA (264839-6)
- CONGREGATIONAL FEDERATION RESTRICTED FUND FOR THE EASTERN AREA (264839-7)
- CONGREGATIONAL FEDERATION CHURCH EXTENSION FUND FOR THE EASTERN AREA (264839-8)
- CONGREGATIONAL FEDERATION RESTRICTED FUND FOR THE SOUTH EAST AREA (264839-9)

Downloaded from opencharities.uk/ew/264839

CONGREGATIONAL FEDERATION

England & Wales - Charity number 264839

Accounts

Congregational Federation

Registered Charity Number: 264839

CONGREGATIONAL FEDERATION

REPORT OF THE TRUSTEES AND AUDITED FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2024

CONGREGATIONAL FEDERATION

CONTENTS

	Page
Report of the Trustees	1 – 16
Report of the Independent Auditor	17 – 19
Statement of Financial Activities	20
Comparison Statement of Financial Activities	21
Balance Sheet	22
Statement of Cashflows	23
Notes to the Financial Statements	24 – 39

CONGREGATIONAL FEDERATION
YEAR ENDED 31 DECEMBER 2024

REPORT OF THE TRUSTEES

The Trustees of the Charity present their report with the financial statements of the Charity 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 to comply with the Charity's trust deed, the Charities Act 2011 and Accounting and Reporting by Charities, Statement of Recommended Practice applicable to the Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland.

REFERENCE AND ADMINISTRATIVE DETAILS`

Registered Charity number
264839

Principal office
8 Castle Gate
Nottingham
NG1 7AS

Trustees

Mr J A Lyon	Chairperson	
Revd O C Kinchin	Past President	
Revd C J Stott	President Elect	
Mrs E Sweeney-Smith	President	
Revd R Green	Chair of CSC	
Mrs S M Austin	Chair of FSSC	Resigned 31st December 2024
Revd R D MacRae	CF in Scotland	
Miss M M C McGuinness	CF in Scotland	
Revd G Simonis	CF in Scotland	
Revd C L Gillham	CF in Wales	
Dr B W Mason	CF in Wales	
Mr E P Fenwick	Eastern	
Mr M Taylor	East Midlands	
Revd R Leeming	North East	
Revd F Y Kamara	North West	
Mrs H Biggin	North West Midlands	Resigned 28th August 2024
Mr T J Bateman	North West Midlands	Appointed 28th August 2024
Revd C J Bamforth Damp	South East	
Revd S J Turner	South West	Appointed 16th August 2024
Revd J Holloway	South West Midlands	

CF – Congregational Federation
FSSC – Finance and Support Services Committee
CSC – Church Support Committee

REFERENCE AND ADMINISTRATIVE DETAILS – continued

Auditors
UHY Hacker Young
14 Park Row
Nottingham
NG1 6GR

Bankers
National Westminster Bank Plc
Smiths Branch
16 South Parade
Nottingham
NG1 2JX

Solicitors
Nelsons Solicitors
Pennine House
8 Stanford Street
Nottingham
NG1 7BQ

CONGREGATIONAL FEDERATION
YEAR ENDED 31 DECEMBER 2024

REPORT OF THE TRUSTEES

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Congregational Federation is a voluntary association of Congregational or Independent Churches (plus Personal Members) that was established by a Constitutional Document ("The Constitution").

The affairs of the Congregational Federation are the responsibility of its Council – who act as Trustees.

THE CONSTITUTION

Foundation Principle: In solemn renewal of the declaration made in the Congregational Library, London, on 13 May 1831 and affirmed by the Conference in Lyndhurst Road Congregational Church, London, on 13 May 1972 and by the Assembly in Westminster Chapel on 14 October 1972, the Federation of continuing Congregational Churches is founded on a full recognition of their own distinctive principle, namely, the scriptural right of every separate Church to maintain perfect independence in the government and administration of its own particular affairs; and therefore that the Federation shall not in any case assume legislative authority, or become a court of appeal.

ARTICLE 1. **NAME** The name of this voluntary association is the Congregational Federation.

ARTICLE 2. **MEMBERSHIP** Membership of the Federation comprises Congregational or Independent churches, each having a separate roll of members, and paying an affiliation fee to the Federation, the amount of such affiliation fee being that recommended by the Assembly.

Personal Membership will be available for individuals who wish to maintain the Congregational tradition. The Personal Membership fee is that recommended by the Assembly.

ARTICLE 3. **OBJECT** The object of the Federation is the advancement of the Christian faith and in furtherance thereof but not otherwise:

(a) To spread the knowledge of Christ throughout the land;

(b) To encourage congregations of believers in local places to maintain corporate worship in free assembly alike in consecrated buildings and in the homes of the people;

(c) To spread the knowledge of Christ beyond the seas through the agency of such bodies as the Council for World Mission;

(d) To further the spirit of unity in Christ with all other believers in Him;

(e) To mediate the call of God to Christian service at home and abroad whether by way of the ordained ministry or otherwise;

(f) To do all other such things as are necessary to the attainment of this object.

ARTICLE 4. **RELATIONSHIPS** The Foundation Principle of the Federation precludes it from making any decision binding on any Church; it can do no more than offer recommendations. It does not claim to speak on behalf of Churches unless it is authorised by them to do so for a particular purpose on a particular occasion. Any obligation accepted by a Church to another Christian body is not held by the Federation as a barrier to fellowship within the Federation.

ARTICLE 5. **THE ASSEMBLY** The Assembly is held at least once in each year on a date and at a time and place fixed by a previous Assembly. At least 56 days notice of an Assembly is given to each member Church and Personal member.

ARTICLE 6. **OFFICERS AND COUNCIL**

(a) The Assembly appoints such Officers as it thinks fit. The Council comprises the Officers, Chairs of Committees, three representatives from the Congregational Federation in Scotland, two representatives from the Congregational Federation in Wales and one representative from each Area Association in England, the President Emeritus, Chair of Council, General Secretary, two representatives of the Youth Association, a representative from Congregational Federation Ltd. and a representative for the Personal members.

(b) A quorum at a Council Meeting is 50% of the members of the Council as defined at Article 6(a).

ARTICLE 7. **FINANCE** Officers and members of Council, Committees and Boards are entitled to reimbursement of all necessary out-of-pocket expenses; of these only the General Secretary and such others as may be recommended by Council and approved by Assembly may receive a salary. With its Annual Report, the Council submits to the Assembly a statement of accounts, duly audited, together with a Budget of income and expenditure. When adopting the Budget, the Assembly recommends the minimum amount of the affiliation fees for Churches and individuals.

ARTICLE 8. **ALTERATION OF CONSTITUTION** This Constitution may be altered when the following conditions are fulfilled:

(a) The wording of the proposed alteration must be circulated to all member churches and personal members at least 56 days before the Assembly.

(b) The resolution embodying the proposed alterations must then be discussed and, if appropriate, amended by the Assembly. In the event of a marked division of opinion at the Assembly, the matter will be referred back either to the Council or to the churches, otherwise the agreed wording will be sent to each member church and to each personal member.

(c) At least 50% of the member churches must vote on the proposed alteration (each member church has one vote). The period allowed for voting shall be six months.

(d) At least 90% of the votes cast must be in favour of the proposed alteration.

(e) The consent of the Charity Commission must be obtained if the proposed alteration concerns the Name or Object of the Federation.

Council and Public Benefit

The affairs of The Congregational Federation are the responsibility of the Council of The Congregational Federation who act as Trustees, who meet throughout the year. Details of the names of the Trustees at the date of this report are set out on page 1.

The Council is mindful of the Charity Commission's guidance on Public Benefit including the guidance on the advancement of religion. It believes that the services and support it offers are aimed at enabling its member churches to serve the widest possible sectors of their communities. Beyond that it also enables its members to support and serve communities across the world through its membership of the Council for World Mission and partnerships including Christian Aid.

REPORT OF THE TRUSTEES

Recruitment and appointment of new Trustees

The composition of the Trustee body is shown in article 6a of the constitution above. The Council is the Charity's Trustee body and currently comprises: the Officers as appointed by the annual Assembly following a ballot of all churches and personal members of which are the President, President Elect and Immediate Past President; Chairs of Committees who are nominated by their respective Committee and ratified by Assembly; a representative(s) from each Area Association appointed by the Area Association as well as CF Wales and CF Scotland. The Chair of Council is appointed by Council. In each case recruitment is made through the appropriate representative body of either Area, Churches, Committee, or organisation.

Induction and training of new Trustees

New Trustees should receive an induction pack 'The Council Members Handbook' which includes reference to policy documents in relation to the Charity and also various Charity Commission leaflets explaining the overall importance and nature of their role. This manual is being updated and will be relaunched next year. In addition, Trustees receive copies of the Charity Commission news on a regular basis to apprise them of current developments within the Charity Sector. The Federation also from time to time invites its legal advisors to meetings to address particular topics as a form of training event, particularly at times of reviewing major matters. If a trustee is unable to attend a meeting the General Secretary contacts them to clarify any matters of concern. All Trustees are requested to be part of trustee safeguarding training delivered by thirty one eight in 2024 this took place in the Autumn.

Arrangements for setting staff remuneration

Remuneration is considered and approved by the Trustees annually, at their November meeting, in line with the staff pay policy in place.

Organisational structure

Council

The Members of Council are the Trustees of the Congregational Federation, and its membership is defined by the Constitution. The Committees are made up of representatives of various aspects of the life of the Federation and Council receives and ratifies the work and decisions of its Committees. Council's role is to oversee the overall management of the Congregational Federation and to review and determine the strategic direction of the Federation. It does this through receiving reports from Committees, its ongoing training for Trustees, and in addition initiating consultations with Churches. It agrees the annual Accounts and reports annually to Assembly.

The two Committees which report to Council are:

- Finance and Support Services Committee - (FSSC)
- Church Support Committee - (CSC)

The Committees' work is supported by Boards and Groups.
The Investment Trust and Trading Board (ITTB) reports to FSSC
The Accreditation and Pastoral Care Coordinators Group (APCCG) reports to CSC
The Inter Church Board (ICB) reports to CSC
The CIPT Management Board (CIPTMB) reports to CSC.

The Trustees 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).

Related parties

The property and investment assets of the trust funds are held in the name of The Congregational Federation Limited, which acts as Custodian Trustee.

Under Charity Commission schemes there are several trust funds pertaining to the former County Unions. The resources of these are restricted to special areas laid down in the various schemes.

Connected Charities

The Congregational Federation acts as an umbrella organisation for Congregational and Independent churches. These are all considered to be Charities connected to The Congregational Federation.

The Congregational Federation Limited has shared management with the Congregational Federation and as such these are considered connected Charities.

Risk management

The Council continues to assess the risks to which the Charity is exposed, in particular in relation to the volatility of the stock market and is satisfied that policies are in force to safeguard the funds. Its Investment Managers, RBC Brewin Dolphin, play a key role in this and report to the Federation on a quarterly basis. The Trustees have a duty to identify and review the risks to which the Charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

Internal and external factors

Through its governance structure, The Congregational Federation is constantly reviewing the services it offers to its members. It exists to support the member churches who increasingly have to operate within testing times of the church being relevant in their own communities. Numbers of members have been declining and the age profile increasing. However, there are signs of new life and fresh expressions of church being relevant to current society which the Federation seeks to support and resource. As a result of the Covid pandemic, many member churches established an online presence, and some have continued to provide various forms of online worship as an extension to their ministry. Provision continues to be made for staff to work from home where appropriate.

Over recent years, a small number of churches have joined the congregational federation, and during 2024 we did some analysis of what attracts churches to join us, and started an initiative to attract new member churches. This initiative has been delayed by significant staff changes in the latter part of 2024 but it is intended to resume focus on this during 2025. A small working group was appointed by the trustees who have been working with a consultant who has led workshops and created an action plan for us to follow through.

CONGREGATIONAL FEDERATION
YEAR ENDED 31 DECEMBER 2024

REPORT OF THE TRUSTEES

OBJECTIVES AND ACTIVITIES

Objectives and Aims

The Congregational Federation is a Federation of Independent or Congregational churches. It came into being in 1972 following the vote on the formation of the United Reformed Church. The Congregational Federation was formed from churches that decided to continue to follow the Congregational Way. The Federation provides support and guidance to Congregational Churches both financially and otherwise. This is achieved by making grants and loans to individuals and churches, and by providing the following services to a very wide range of persons:

- support for churches
- ministerial and lay training
- Accreditation of seven categories of ministry
- assisting with pastoral settlements
- safeguarding
- ministry with children and youth work
- initiatives to support pioneering
- pension
- running payrolls on behalf of churches
- mission initiatives including its partnership with Council for World Mission
- ecumenical relationships
- advice on church administration and finance

The wide range of services and support is aimed at enabling the widest possible sections of our communities to engage with events, opportunities, experiences and services or help for a more fulfilled life. It is evident that some of the work churches undertake deals with persons at the margins of society, the very young and the elderly.

Membership of the Congregational Federation is open to any Congregational or Independent church who desires the support of this wider body to better enable them to serve their community.

Volunteers

The Congregational Federation recognises the value of voluntary work, especially on committees and boards, without which it would be unable to function at the level it currently does. All volunteers are given copies of the code of conduct which is part of the CF Safeguarding policy.

Constitutional Changes

During 2024 the trustees commenced a process to update the constitution, in order to bring the constitution in line with current charity legislation in circumstances. Following the prescribed process, a draught of the revised constitution was circulated for comment, which have been reviewed by the trustees. An updated proposed new constitution will be circulated to members early in 2025 for a vote on formal adoption later in the year.

REPORT OF THE TRUSTEES

FINANCE REVIEW

Income is received from investments, trading activities, affiliation fees, grants from other trusts and other sources as indicated in the Statement of Financial Activities. Income is allocated to support the activities of the Federation. Some investments are restricted for use by Areas (the geographical grouping of member churches) in supporting their individual churches.

Investment funds which are not required for day to day working capital purposes are invested in the Common Investment Pool. This is overseen by the ITTB, which receives independent financial advice from RBC Brewin Dolphin, a financial and investment management company authorised and regulated by the Financial Conduct Authority.

Council continues to monitor investments carefully. Investments are held in accordance with the Trustees' powers. The investments incurred unrealised gains of £444,645 (2023: gains of £404,093). The total market value of investments is £10,642,746 (2023: £10,698,103). Half a million pounds was withdrawn from the pools in the year.

The ITTB also scrutinises the trading activities undertaken at the Congregational Centre in Nottingham: these include a conference and meeting venue, for internal use and external hire, and the provision of warden-monitored accommodation for university students.

The Congregational Federation's operations incurred an operating deficit in the year of (£572,767), offset by Closed Church receipts of £24,863, along with unrealised investment gains of £444,645, resulting in an overall reported loss for the year of £103,259 as shown below.

The Trustees manage the deficit to a level which can, in their view, be covered by a sustainable proportion of long-term investment growth.

	2024 £	2023 £
Operating Deficit	(572,767)	(482,784)
Closed Church Receipts	24,863	367,961
Unrealised Investment Gains/(Losses)	444,645	404,093
Realised Gains/(Losses) on Sale of Fixed Assets	0	(11,399)
Surplus/(Deficit) for the year	**(103,259)**	**277,871**

REPORT OF THE TRUSTEES

Strategy and Aims

Although holding significant investment assets, the Congregational Federation continues to remain reliant upon receiving capital receipts each year in order to absorb the operating deficits. Budget deficits are continually monitored to keep them within realistic ranges. Except where funds are required to balance the budgets, the key principle is that any capital receipts or windfalls are invested to generate interest which can ultimately be used to fund new initiatives.

In the long term, this strategy should enable eradication of regular budget deficits and reduce reliance on exceptional income, such as that from the sale of closed churches.

Policies

Reserves Policy

Free Reserves provide the working capital requirements of the Federation, whilst providing a buffer of liquid funds in case of any short-term decline in income, unexpected increases in costs or risk exposure. They are intended to ensure that contractual obligations to staff, premises and programme commitments can be met along with any grant commitments to churches and Area Associations.

The Federation calculates its Free Reserves as those held in the General Purpose Fund less specific fund initiatives less the net book value of Non-Current Assets held in the General Purpose Fund.

The Trustees seek to maintain a level of Free Reserves of between 8 to 12 months of total annual expenditure. This currently equates to between £956,000 and £1,434,000 based upon 2024 actual expenditure. Total expenditure increased slightly in 2024. At 31st December 2024, the Free Reserves held, represent 11.5 months (2023: 12.6 months) of expenditure and are therefore at the top of the band.

	2024 £	2023 £
General Purposes Fund	1,397,183	1,397,183
Less Tangible Non-Current Assets	(22,216)	(25,145)
Free Reserves	**1,374,967**	**1,372,038**
Months	**11.5**	**12.6**

REPORT OF THE TRUSTEES

Investment Policy

The Investment policy is to maintain a balance between income and capital growth, (subject to a moderate degree of risk), with up to 5% high risk. There should be no exposure to tobacco, alcohol, armaments, gambling, pornography, or high-interest lending. Within these parameters it is further recognised that the emphasis for the Expendable Pool will be on income and for the Permanent Pool on capital growth.

The ITTB continue to actively monitor investment strategy and performance particularly with regard to ethical negative screening and is satisfied that the investment performance has met the investment objectives during the year. The Congregational Federation has continued membership of the Church Investors Group to monitor its own policy on ethical investments and to be aware of developments in the Ethical, Social and Governance arena.

Grant making Policies

The Federation makes grants from its resources to various areas including Retired Ministers, Welfare, Education of children of Ministers, Training, Children and Youth initiatives, local church ministry support and mission projects, and the wider Church family through local ecumenical projects and via its membership of the Council for World Mission. For each instance, a set criteria and application process is followed and reviewed by the appropriate Board and Committee. The application process includes, where appropriate, the consideration of the means available to the applicant, the viability, and the suitability of any project for which monies are sought. An evaluation process is also part of any grants which are awarded when further monies are sought for subsequent years. We believe such grants are essential in enabling financial resources to be expended locally so as to best meet the needs of the communities in which the churches are set.

Such is our commitment that no grant will be awarded unless the church or project satisfies the best possible practice in terms of our Safeguarding policy in order to protect children, young people, and vulnerable adults.

Fund Raising

No fundraising is carried out by Congregational Federation.

REPORT OF THE TRUSTEES

PLANS FOR FUTURE PERIODS

The Trustees continue to review the provision of support for Churches, Children and Youth Work, Learning and Development plus grants for new initiatives, mindful that income derived from exceptional tranches of income is mainly from closed churches.

The Trustees agreed that operations should remain at current budgeted levels for 2025 aware of the finance strategy in place till 2026, with continued monitoring of key performance indicators.

ACHIEVEMENT AND PERFORMANCE

Working from home to encourage better work-life balance and the expansion of the use of Zoom for online or hybrid meeting continues. The latter has enabled participation in meetings and discussion by those at a distance, or for whom travel is difficult, with the additional benefit of reducing meeting-associated expenses although more and more face to face meetings are being encouraged and organised.

The resources that the Congregational Federation provides to its membership are regulated through Church Support Committee, Finance and Support Services Committee, Council and Assembly.

A highlight of the year is always the May Assembly when we gathered on another sunny day this year in the University of Essex in Colchester. Over 150 people were in attendance and the day was hosted by the Eastern Area with fringe events being held in Wivenhoe Congregational Church. We also had a Children's Assembly and Sunday afternoon Messy church.

The year was marked by significant staff changes in the latter part of the year, with two senior employees retiring or leaving after many years of service, resulting in some reorganisation, and a plan to recruit a new Assistant Financial Controller (complete) and a new Trust and Property Manager (starting 13th of January 2025). These changes required significant attention from both trustees and staff and have impacted the progress of other initiatives. The General Secretary was given more responsibilities for staffing and overall management and a member of staff from the Finance team moved to the Church Support Department.

At the November 2023 Council meeting, it was agreed that the work we do, and the structures fit the strategic review and for 2024 the focus will be on growth and encouraging new churches to join. An initiative to attract new churches was agreed at our April council meeting, a new workshop to plan the initiative took place. Due to the staff changes mentioned above further development of the initiative was put on hold but development of this will be resumed in January 2025.

During 2024

- A small group from CF visited Grenada to support a CF Accredited Minister in his work as a Partner In Mission (PIM) with CWM
- A 16-year-old member of a CF church represented CF at the URC Youth Assembly, and was subsequently appointed as Youth Ambassador for the CF
- A new editor was appointed for our quarterly magazine Refresh
- We partnered with Christian Aid to raise money for Malawi but also hosted regular prayer meetings for the project
- CF Church Support worker led a retreat for youth and children's workers
- CF Church Support worker organised and took a group of adults on a mission trip to Brazil working with other congregational churches
- A new 5-week course "Being Congregational" was launched
- A new Minister accreditation process based on effective long surface was launched and initial applications were received in November 2024
- A CF church in the SW Midlands area featured on BBC Songs of Praise

REPORT OF THE TRUSTEES

CHURCH SUPPORT COMMITTEE

Support for churches

The President, General Secretary and Church Support Worker regularly visit churches, listen and share ideas and resources. The Church Support Worker also provides encouragement to churches and those with wider roles of mission enabling. This role is focused on encouraging local churches, supporting children and youth work, supporting them with applications for mission grants and producing monthly newsletters.
2025 we welcome another Church Support worker who will focus on publications and resources and also support with property matters.
The focus for 2024 was on embracing the smaller church the focus for 2025 is how to encourage churches to increase their membership.

Training

The Congregational Institute for Practical Theology runs a suite of courses for the development of personal discipleship. church development and training for the recognised ministries of the Federation, including: The GIFT Programme (Growing in Faith Together) (unaccredited, Level 3) and the Foundation Degree in Practical Theology (Levels 4-5), accredited by York St John University.

For the academic year 2024/25 there are 21 students enrolled. The Foundation Degree course have tuition fees waived to members of the Congregational Federation (students pay their hospitality fees for the course residentials they attend and admin fees for handbooks, marking etc) and students who are not members of the Congregational Federation churches may also enrol paying the tuition, hospitality and admin fees.

The GIFT course will be relaunched 2025 and is designed to support those who wish to develop their service in their local church and get a grounding in theology. This course is self-guided and run in local contexts across the CF.

Students across our courses come from all walks of life, with a broad range of prior education, and the widest of age ranges. Special provisions are made on all our courses for students with learning differences or physical difficulties.

Various one day training events are run throughout the year on topical concerns and trends, and we also offer other short courses, such as Being Congregational which can be run within churches.

We currently have one student on the course at The Pioneering Hub for 2024/25.

Safeguarding and Pastoral Care

The APCCG has responsibility to oversee the administration of the Roll of Ministries including consideration of applications for inclusion on the Roll and where necessary, to deal with requests to remove a name from the Roll. The group oversees the Pastoral Period for those received onto the Roll of Ministries. Working through its Pastoral Care Coordinators, it also ensures that support is offered to students on the Training Course (CIPT) and others exploring their vocation, to those who are on the Roll, and to retired Ministers, their spouses, widows, and widowers.

The meeting initiated a new pathway for accreditation for effective long service and received applications in November 2024.

The group also organised a gathering at the National Arboretum as a time of fellowship, sharing and to remember those from our churches who had died over the year.

Working with the Safeguarding Officer is a group of checkers who visit churches to look at the church premises offering advice and guidance about Safeguarding plus health and safety issues. The Congregational Federation will then provide a “Safeguarding” Certificate to confirm a level of good practice is in place.

Safeguarding is a priority for the CF and all churches affiliated to the Congregational Federation now have a Safeguarding Certificate or are working towards one. The Congregational Federation offers free Safeguarding training run by 31:8 which cover Adults and Children and in 2024 also ran Safeguarding training related to Pastoral Care.

Mission Grants

Three types of grants are available:

- Impact Grant: Maximum was increased to £18,000 over a 3-year period
- Starter Grants: £500 (up to £700 for specialist equipment)
- Children and Youth Grants: £150

The starter grant and children and youth grant figures where increased in the Spring through a recommendation at committee level. Grants have been given to support church mission projects that reach out to the community, children and youths materials, equipment for social media and internet, supporting ministry in a variety of rural, urban, and inner-city settings. This year there have been five new, large, Impact Grant applications, plus many Starter and Mini Grants.

Support for Ministries

The focus for 2024 has been on embracing the small church to provide encouragement and inspiration. Topics included

- Celebrating the small church
- Church officers
- Safeguarding
- Finishing well
- Children's work
- Mission

It was hoped these would all be face to face but many ended up on zoom and some did not run. Within 2025 a booklet will be produced to include all the information that was planned.

In 2025 a monthly Ministries zoom time is being introduced to provide a safe space and time fellowship and prayer.

The Friday afternoon before Assembly was also a time for all in Ministries when we had a workshop on chess and art as tools for enhancement of the Gospel.

Communication

A magazine is produced called **Refresh**, 3 times a year, which is independently edited. An "in house" monthly newsletter called **Intouch** for all Congregational Federation and church's news and resources and **Inform** which has a children and youth focus is also produced.

Social Media and Website

The Congregational Federation Facebook and X accounts are updated regularly.
www.congregational.org.uk - contains all the information about the Congregational Federation and is updated weekly.
www.theresourcehub.co.uk - is a one stop page for resources for churches.
www.youtube.com/@congregationalfederation - this contains links to the National Assembly and other events.

In 2025 a Congregational Federation application is being developed.

Life Light and Asecludedplace, Advent and Lent daily reflections where also produced.

Ecumenical relationships / Inter Church Board

The Inter-Church Board meets in-person at the CF Annual Assembly and also on Zoom, as required.

The Congregational Federation is represented on several ecumenical bodies including:

- Churches Together in England
- Churches Together in Britain and Ireland
- CYTUN (Churches Together in Wales)
  The Scottish Church Leaders Forum
  The Free Churches Group
- The United Board (Armed Forces Chaplaincy)
- Northern College Manchester Governors (URC/CF)
  Council for World Mission
- International Congregational Fellowship
- Christian Aid

We were keen to promote the work and witness of the ICB within the CF and so have contributed articles for Refresh on an ICF event in New England, as well as ecumenism in both England and Scotland and Wales.

The board welcomes members involved in and committed to ecumenism at local, regional and national level. We have sought to encourage participation by our member churches at local level in their Churches Together Groups and so ensure that representation at the national level is matched on the ground.

The Congregational Federation continues to support Revd Nigel Lindsay who is serving as a Partner in Mission in Grenada, and we are delighted that 3 members from our churches went out to support the mission work he does in January/February 2024. Nigel left Grenada in September 2024 and is actively seeking a new placement.

Congregational Federation continue to support Christian Aid. This is done through prayer events, and partnership on a project in Malawi which was agreed this year. Churches raised over £1000 in 2024.

Children and Youth

In 2024 we hosted a Retreat residential for Children and Youth leaders. There was a small group, and it was a time of refreshment and renewal.

A Care for the Family course called "Getting your children through Church" ran from January – March 2024 and was well attended.

A successful children's Assembly was held as part of the National Assembly in May 2024.

We appointed a Youth Ambassador who visited lots of Area Association meetings encouraging churches to think about how to be more welcoming to young people. The Youth Ambassador also represented the Congregational Federation at the URC Youth conference in January 2024.

Plans for 2025 include; A youth Assembly and a Children Assembly in May during the National Assembly. There will be two teams of volunteers, from a Congregational Church in Brazil and local Congregational Federation churches, developing activities for the youth and children.

REPORT OF THE TRUSTEES

Youth sessions will be delivered in the Southwest area in the Summer and Autumn 2025 including an invitation to a youth festival called spree and Satellite.

A National Youth Sunday Service led entirely by the youth and the Congregational Federation Youth Ambassador is being considered.

World Homeless Day is marked on 10th October, so we envisage organizing a National Youth Sleep over session in a local church to bring awareness of the homelessness problem

CONGREGATIONAL FEDERATION
YEAR ENDED 31 DECEMBER 2024

REPORT OF THE TRUSTEES

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees 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).

The law applicable to Charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources of the Charity for that period. 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 (FRS 102);
- 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 Charity will continue in operation.

The Trustees are responsible for keeping proper 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 Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. 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 Trustees are responsible for the maintenance and integrity of the Charity's financial information included on the website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the Trustees on ..... **and signed on their behalf by:**

Mr J A Lyon
Trustee

Date 25th April 2025

CONGREGATIONAL FEDERATION
YEAR ENDED 31 DECEMBER 2024

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF CONGREGATIONAL FEDERATION

Opinion

We have audited the financial statements of the Congregational Federation (the 'Charity') for the year ended 31 December 2024 which comprise the statement of financial activities, balance sheet, statement of cashflows 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 FRS 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 Charity's affairs as at 31 December 2024 and of its incoming resources and application of resources plus cashflows 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 Charities Act 2011.

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 statement 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 financial statements. 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.

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 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.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF CONGREGATIONAL FEDERATION

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report. We have nothing to report in respect of the following matters where the Charities Act 2011 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 Trustees' responsibilities statement set out on page 14, the Trustees 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 Charity 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.

Based on our understanding of the Charity and the industry in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the acts by the Charity, which were contrary to applicable laws and regulations including fraud, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to correctly reflecting revenue and the Charity's net income for the year. In particular, there are risks related to the completeness and cut off of income from donations, legacies, lettings, investments and other charitable income.

Audit procedures performed by the engagement team included:

- reviewing the systems, controls and procedures of the Charity relevant to the preparation of the financial statements to ensure these were in place throughout the year
- evaluating management's controls designed to prevent and detect irregularities
- review of the financial statement disclosures to underlying supporting documentation
- review of correspondence with and reports to the regulators, including correspondence with the Charity Commission
- enquiries of management in so far as they related to the financial statements
- testing of journals in particular journal entries posted by unusual users, postings with unusual descriptions, postings with unusual times and dates and postings with unusual and material amounts
- evaluating whether there was evidence of bias by the trustees that represented a risk of material misstatement due to fraud
- challenging assumptions and judgements made by management in their critical accounting estimates
- testing a sample of income to supporting documentation both during the year and after the year end. In addition, analytical procedures were performed to ensure anticipated income had been properly recorded.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: http://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 members, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the Charity'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 Charity and the Charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

UHY Hacker Young

UHY Hacker Young
Statutory Auditor
14 Park Row
Nottingham
NG1 6GR
Date.....14/5/25.....

UHY Hacker Young LLP is eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006

CONGREGATIONAL FEDERATION
STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31 DECEMBER 2024

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2024 Total Funds £	2023 Total Funds £
Income						
Income from donations & legacies	2	50,515	18,049	-	68,564	414,317
Income from lettings		219,293	31,111	-	250,404	218,273
Investment income	3	263,044	135,689	-	398,733	382,782
Income from charitable activities	4	136,714	31,724	-	168,438	175,667
Other income	5	-	-	-	-	-
Total		**669,566**	**216,573**	**-**	**886,139**	**1,191,039**
Expenditure						
Expenditure on lettings	6	188,309	-	-	188,309	167,081
Expendable on charitable activities	7	895,693	350,041	-	1,245,734	1,138,781
Total		**1,084,002**	**350,041**	**-**	**1,434,043**	**1,305,862**
Net Income/(Expenditure)		**(414,436)**	**(133,468)**	**-**	**(547,904)**	**(114,823)**
Net income/(expenditure) before other recognised gains and losses		**(414,436)**	**(133,468)**	**-**	**(547,904)**	**(114,823)**
Other recognised gains/(losses)						
Gains/(losses) on investment assets		314,317	95,340	34,988	444,645	404,093
Gains/(losses) on investment properties		-	-	-	-	(11,399)
Total other recognised gains/(losses)		**314,317**	**95,340**	**34,988**	**444,645**	**392,694**
Net movement in funds		**(100,119)**	**(38,128)**	**34,988**	**(103,259)**	**277,871**
Total funds brought forward		**12,676,636**	**3,244,461**	**1,161,954**	**17,083,051**	**16,805,180**
Total Funds c/f		**12,576,517**	**3,206,333**	**1,196,942**	**16,979,792**	**17,083,051**

The statement of financial activities includes all gains and losses recognised during the year.

CONGREGATIONAL FEDERATION
STATEMENT OF FINANCIAL ACTIVITIES – COMPARATIVE
YEAR ENDED 31 DECEMBER 2023

	Unrestricted Funds	Restricted Funds	Endowment Funds	2023 Total Funds
	£	£	£	£
Income				
Income from donations & legacies	412,244	2,073	-	414,317
Income from lettings	187,287	30,986	-	218,273
Investment income	257,651	125,131	-	382,782
Income from charitable activities	136,298	39,369	-	175,667
Other income	-	-	-	-
Total	**993,480**	**197,559**	**-**	**1,191,039**
Expenditure				
Expenditure on lettings	167,081	-	-	167,081
Expendable on charitable activities	841,390	297,391	-	1,138,781
Total	**1,008,471**	**297,391**	**-**	**1,305,862**
Net Income/(Expenditure) before transfers	**(14,991)**	**(99,832)**	**-**	**(114,823)**
Extraordinary item	-	-	-	-
Gross transfers between funds	-	-	-	-
Net income/(expenditure) before other recognised gains and losses	**(14,991)**	**(99,832)**	**-**	**(114,823)**
Other recognised gains/(losses)				
Gains/(losses) on investment assets	292,239	87,566	24,288	404,093
Gains/(losses) on investment properties	- 11,399	-	-	(11,399)
Total other recognised gains/(losses)	**280,840**	**87,566**	**24,288**	**392,694**
Net movement in funds	**265,849**	**(12,266)**	**24,288**	**277,871**
Total funds brought forward	**12,410,787**	**3,256,727**	**1,137,666**	**16,805,180**
Total Funds c/f	**12,676,636**	**3,244,461**	**1,161,954**	**17,083,051**

The statement of financial activities includes all gains and losses recognised during the year.

CONGREGATIONAL FEDERATION
BALANCE SHEET
AS AT 31 DECEMBER 2024

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2024 Total Funds £	2023 Total Funds £
Non Current Assets						
Tangible Assets	12	1,000,261	705,558	265,105	1,970,924	1,997,535
Investment Property	13	3,035,000	229,500	-	3,264,500	3,264,500
Investments	14	7,452,994	2,257,915	931,837	10,642,746	10,698,103
		11,488,255	**3,192,973**	**1,196,942**	**15,878,170**	**15,960,138**
Current Assets						
Debtors	15	52,754	-	-	52,754	51,285
Cash at bank & on deposit		1,191,728	25,654	-	1,217,382	1,182,441
		1,244,482	**25,654**	**-**	**1,270,136**	**1,233,726**
Creditors						
Amounts falling due within one year	16	(107,720)	(12,294)	-	(120,014)	(88,813)
Net Current Assets		**1,136,762**	**13,360**	**-**	**1,150,122**	**1,144,913**
Creditors						
Amounts falling due after more than one year	17	(48,500)	-	-	(48,500)	(22,000)
Net Assets		**12,576,517**	**3,206,333**	**1,196,942**	**16,979,792**	**17,083,051**
Funds						
Unrestricted Funds		12,576,517	-	-	12,576,517	12,676,636
Restricted Funds		-	3,206,333	-	3,206,333	3,244,461
Endowment Funds		-	-	1,196,942	1,196,942	1,161,954
Total Funds	19	**12,576,517**	**3,206,333**	**1,196,942**	**16,979,792**	**17,083,051**

The notes on pages 24-39 form part of these financial statements.

The financial statements were approved and authorised by the Board of Trustees on 25th April 2025 and were signed on its behalf by:

Mr J A Lyon
Chair of Trustees

CONGREGATIONAL FEDERATION
STATEMENT OF CASHFLOWS
YEAR ENDED 31 DECEMBER 2024

		2024 £	2023 £
Cash flow from operating activities	Note 23	**(457,512)**	**(55,829)**
Cash flow from investing activities			
Payments to acquire tangible assets		**(7,549)**	**(344,799)**
Payments to acquire investment properties		**-**	**-**
Proceeds from sales of tangible assets		**-**	**-**
Proceeds from sales of investment properties		**-**	**145,915**
Proceeds for reinvestment into investment pool		**500,002**	**-**
Net cash flow from investing activities		**492,453**	**(198,884)**
Net increase / (decrease) in cash and cash equivalents		**34,941**	**(254,713)**
Cash and cash equivalents at 1 January		**1,182,441**	**1,437,154**
Cash and cash equivalents at 31 December		**1,217,382**	**1,182,441**
Cash and cash equivalents consist of:			
Cash at bank and in hand		**1,217,382**	**1,182,441**

CONGREGATIONAL FEDERATION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2024

1 ACCOUNTING POLICIES

Basis of preparation and assessment of going concern
The financial statements have been prepared under the historical cost convention as modified by the revaluation of investments. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations in 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the 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 Ireland (FRS102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The financial statements are prepared on a going concern basis. The Charity constitutes a public benefit entity as defined by FRS102.

In preparing the accounts, the Trustees have considered whether in applying the accounting policies required by FRS102 and Charities SORP (FRS102) the restatement of comparative items was required. No restatements were required.

Income from Charitable Legacies and Lettings
All income is included on the Statement of Financial Activities on a recoverable basis when the Charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Closed Church income
Income received from Closed Churches is recognised on the date of receipt.

Investment income
Investment income is accounted for when receivable. Investment income receivable on permanent endowments is treated as expendable.

Legacies, grants and donations receivable
Grants and donations are included within the financial statements when receivable. Legacies are treated as receivable in the financial statements when notification has been received and receipt is virtually certain.

Taxation
The Charity is exempt from tax on income and gains falling within Section 505 of the Taxes Act 1988 or Section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

Gifts in kind
The Congregational Federation receives gifts in kind for which it is extremely grateful. Gifts of a capital nature, where material, are capitalised at valuation. Other gifts in kind, for example, the time donated by volunteer workers, are not accounted for in these financial statements on the grounds that these invaluable resources are not possible to quantify.

Expenditure
Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to these categories. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with the use of resources. Expenditure is recorded net of VAT, when applicable, and the irrecoverable VAT is charged through the General Purpose Fund.

Governance costs
Expenditure in relation to the overall governance of the Charity is allocated to Governance costs in the year. These costs consist of audit costs, expenditure in relation to Trustee meetings.

Pension contributions
The Charity operates a defined contribution pension scheme and the pension charge represents the amount payable by the Charity to the und in respect of the year.

Grants payable
Grants are offered subject to conditions which need to be met, where such conditions have not been met at the year-end date, they are noted as a commitment but not accrued as expenditure.

Non-Current Assets
Freehold and long leasehold land and buildings are depreciated at 2% per annum. However, no depreciation has been provided in the year as the Trustees believe that the carrying value of land and buildings is less than the residual value.

Depreciation is provided on the Charity's other assets at the following annual rates in order to write off each other asset over its useful economic life.

Fixtures and fittings	-	10% on cost
Motor vehicles	-	25% on cost
Computer Equipment	-	20% on cost

Investment properties
Property held for the sole purpose of investment are included within the accounts under the heading Investment Properties. These are included at market value; any changes in market value are recognised within other recognised gains or losses.

Investments
Fixed Asset Investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(losses) on investment assets' in the Statement of Financial Activities.

Fund accounting
Unrestricted Funds can be used in accordance with the charitable objectives at the discretion of the Trustees. Within the unrestricted funds a number of Designated Funds have been established as determined by the Trustees as detailed in note 20 to the financial statements. The restrictions applied to Designated Funds can be reviewed at the Trustee's discretion.

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

Endowment Funds held by the Charity can only be used for particular restricted purposes and only the income generated can be spent by the Charity.

The nature and purpose of each Fund is included in the notes to the financial statements.

2 INCOME FROM DONATIONS & LEGACIES

Unrestricted	2024 £	2023 £
Closed Church Receipts	22,377	331,165
Memorial Hall Trust Grants	16,422	32,845
Church Support - Closed Church Receipts	2,486	36,796
Church Support Donations	6,481	7,535
Children & Youth Receipts	550	-
Legacy	-	-
Benefact Trust - Lift/Lighting Grant	-	2,280
General Purposes Donations	2,199	1,623
	50,515	**412,244**
Restricted		
May Assembly Offering	2,374	740
CIPT - Fees	960	1,290
CIPT - Donations	15	-
CWM - MCI Mission Trips	14,700	-
CIPT - Course Materials	-	43
	18,049	**2,073**
Total	**68,564**	**414,317**

3 INVESTMENT INCOME

	2024 £	2023 £
Unrestricted	**263,044**	**257,651**
Restricted	**135,689**	**125,131**
Total	**398,733**	**382,782**

4 INCOME FROM CHARITABLE ACTIVITIES

	2024	2023
Unrestricted	£	£
Church Affiliation Fees	73,035	71,858
Ministers' Pension	43,823	46,413
CF 50th Anniversary	-	292
CFL - Admin Charges	7,876	7,002
CFL - 10% Management Fee	-	-
Refresh Advertising	1,250	900
Refresh Subscriptions	420	723
Pilton Green Lettings	6,325	4,629
Payroll Services	1,920	1,840
ACAT Membership	979	870
Associate Membership	88	305
Personal Membership	616	948
Other Income	382	518
	136,714	**136,298**
Restricted		
Congregational Institute for Practical Theology	31,724	39,369
	31,724	**39,369**
Total	**168,438**	**175,667**

5 OTHER INCOME

	2024	2023
Unrestricted	£	£
Profit/(Loss) on sale of Fixed Assets	-	-
Restricted		
Profit/(Loss) on sale of Welfare Property	-	-
Total	-	-

6 EXPENDITURE ON LETTINGS

	2024	2023
Unrestricted	£	£
Staff costs and overheads	89,610	73,320
Accommodation costs	89,454	80,887
Other expenditure	9,245	12,874
Total	**188,309**	**167,081**

7 EXPENDITURE ON CHARITABLE ACTIVITIES

	CIPT	CFCS	Ministers' Pension	Homes for Retired Ministers'	CF Area Funds	Church Support	Congregational Support	2024 Total	2023 Total
	£	£	£	£	£	£	£	£	£
Staff costs and overheads	104,955	77,939	68,699	17,441	6,017	112,992	198,030	586,073	544,449
Property costs	34,819	-	-	23,460	-	-	45,541	103,820	107,444
Operational costs	40,537	18,399	-	-	-	66,810	209,592	335,338	254,742
Hospitality and accommodation	18,367	-	-	-	-	-	-	18,367	21,486
Grants payable (note 8)	-	-	-	-	51,138	900	122,715	174,753	188,501
Governance costs	-	-	-	-	-	-	27,383	27,383	22,159
Total	**198,678**	**96,338**	**68,699**	**40,901**	**57,155**	**180,702**	**603,261**	**1,245,734**	**1,138,781**

CIPT - Congregational Institute of Practical Theology
CFCS - Church Financial Custodian Services

8 CHARITABLE ACTIVITIES - GRANTS PAYABLE

	2024		2023	
	Grants to Institutions £	Grants to Individuals £	Grants to Institutions £	Grants to Individuals £
Payable From:				
Sydney Berry Trust	-	12,062	-	15,393
Other	999	-	1,090	-
Horne/Botwright	-	1,050	-	1,000
Church Support Grants	107,050	-	79,200	-
May Assembly	2,374	-	740	-
CF 50th Anniversary	-	-	5,170	-
2023 Ministers Stipend Grants	-	-	21,000	-
Travel Grants	-	80	-	650
Grants payable from the CF Area Funds	51,138	-	64,258	-
Total	**161,561**	**13,192**	**171,458**	**17,043**

9 NET INCOMING/(OUTGOING) RESOURCES

Net resources are stated after (charging) / crediting:

	2024 £	2023 £
Depreciation - owned assets	(34,160)	(50,747)
Auditors remuneration	(15,900)	(15,000)
Total	**(50,060)**	**(65,747)**

10 Members of the Council do not receive any remuneration in their capacity as members of Council, although bona-fide expenses are reimbursed. 1 (2023:1) Trustees received Tutor's book grants total of £250 (2023: £250).

Expenses relating to Council activities during the year amounted to £15,133 (2023: £10,659), primarily in respect of transport and meeting costs. 13 Trustees (2023:21) received expenses in the year.

The Congregational Federation operates a Group Personal Pension scheme with Royal London for Accredited Ministries, Category M, who are serving as a minister in a Federation church. There were 2 (2023:4) serving ministers on Council, for whom the Federation paid pension contributions of £9,185.21 (2023: £12,571), for their role as a Federation minister. It is not connected to their role as a member of Council.

11 STAFF COSTS

	2024 £	2023 £
Wages and salaries	499,408	443,725
Social security costs	41,049	36,154
Pension costs	49,042	43,533
	589,499	**523,412**

During 2024 the average number of staff employed was 25 (2023: 25) in the central resource. As at the year end the number of staff employed was equivalent to 14 (2023: 14) full time staff.

There is 1 employee who received employee benefits (excluding employer pension costs) of more than £60,000 during 2024 (2023: 1).

Senior management is comprised of five posts (2023: five).
The total employee benefits of senior management were £306,500 (2023: £284,537), including pension and National Insurance contributions.

12 TANGIBLE NON CURRENT ASSETS

	Freehold property £	Computer Equipment £	Fixtures & fittings £	Motor Vehicles £	Total £
Cost					
At 1 January 2024	1,885,177	59,657	699,668	22,736	2,667,238
Additions	-	1,834	5,715	-	7,549
Disposals	-	-	(5,300)	-	(5,300)
At 31 December 2024	1,885,177	61,491	700,083	22,736	2,669,487
Depreciation					
At 1 January 2024	-	53,924	607,253	8,526	669,703
Charge for the year	-	2,321	26,155	5,684	34,160
Disposals	-	-	(5,300)	-	(5,300)
At 31 December 2024	-	56,245	628,108	14,210	698,563
Net Book Value					
At 1 January 2024	1,885,177	5,733	92,415	14,210	1,997,535
At 31 December 2024	**1,885,177**	**5,246**	**71,975**	**8,526**	**1,970,924**

All assets are used for charitable purposes.

All properties are 100% owned by the Congregational Federation.

The Custodian Trustee of the properties is The Congregational Federation Ltd.

13 INVESTMENT PROPERTY

MARKET VALUE	2024 £	2023 £
At 1 January 2024	3,264,500	3,421,397
Additions	-	-
Disposal of Investment property - Llanharan	-	(156,897)
Revaluation	-	-
At 31 December 2024	**3,264,500**	**3,264,500**

Investment property is stated at the Trustee's estimated open market value.

All properties are 100% owned by the Congregational Federation except for:

Daisy Dormer, Brixton - 51%

The Custodian Trustee of the Investment properties is The Congregational Federation Ltd.

14 NON CURRENT ASSET INVESTMENTS

	2024 Listed Investments £	2023 Listed Investments £
Market Value		
At 1 January	10,698,103	10,294,010
Net Additions/(Disposals)	(500,002)	-
Unrealised gains/(losses) on investments	444,645	404,093
At 31 December	**10,642,746**	**10,698,103**

Unrealised gain/losses on investments is shown net of investment management fees of £50,000 (£2023: £50,000)

15 DEBTORS

	2024 £	2023 £
Amount falling due within one year:		
Trade Debtors	7,502	6,430
Prepayments and accrued income	44,407	43,969
Other Debtors	845	886
Total	**52,754**	**51,285**

16 CREDITORS

	2024 £	2023 £
Amount falling due within one year:		
Trade Creditors	8,192	9,888
Taxation & Social Security	-	12,346
Other Creditors	21,824	8,886
Accruals	89,998	57,693
Total	**120,014**	**88,813**

Included in Other Creditors of £21,824 (2023: £8,886) is deferred income relating to CIPT Learning and Development of £12,294 (2023: £5,498).

17 CREDITORS

	2024 £	2023 £
Amount falling due after more than one year:		
Accruals	48,500	22,000
Total	**48,500**	**22,000**

18 PENSION COMMITMENTS

Congregational Federation are committed to providing a good pension for all staff. Contributions at a rate of 10% are paid into a scheme with The Royal London which is a defined contribution scheme. As such, the Federation has no pension fund liabilities.

CONGREGATIONAL FEDERATION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2024

19 MOVEMENT IN FUNDS - 2024

	At 01.01.24	Income	Expenditure	G/L	Revaluation Surplus	Transfers	At 31.12.24
Unrestricted Funds	£	£	£	£	£	£	£
General Purposes	1,397,183	297,773	(371,215)	42,571	-	30,871	1,397,183
Designated Funds							
Property	2,713,674	-	-	-	-	-	2,713,674
Trading	896,823	107,276	(206,067)	-	-	255,000	1,053,032
Ministers' Pension	307,632	80,251	(68,699)	12,617	-	(200,000)	131,801
Church Support Grants	122,965	13,694	(111,175)	131	-	-	25,615
Church Support - Dept	1,876	34,188	(180,701)	-	-	144,637	-
Church Support - Safeguarding	-	33,638	(43,755)	-	-	10,117	-
Church Financial Services	915,909	74,404	(96,372)	38,078	-	-	932,019
Protected Programme	6,320,574	22,421	-	220,920	-	(240,722)	6,323,193
CF Area Funds	-	5,921	(6,018)	-	-	97	-
	12,676,636	**669,566**	**(1,084,002)**	**314,317**	**-**	**-**	**12,576,517**
Restricted Funds							
Homes for Retired Ministers	794,494	29,966	(40,901)	6,527	-	-	790,086
Education	41,962	1,222	-	1,616	-	-	44,800
Sidney Berry	112,668	3,570	(12,062)	4,721	-	-	108,897
Church Support - CIPT	1,164,780	102,360	(198,678)	39,605	-	-	1,108,067
Special Appeals	-	2,374	(2,374)	-	-	-	-
CWM MSP4	51,938	595	(33,786)	-	-	-	18,747
CWM - MCI	-	14,700	(11,102)	-	-	-	3,598
CF Area Funds	1,078,619	61,786	(51,138)	42,871	-	-	1,132,138
	3,244,461	**216,573**	**(350,041)**	**95,340**	**-**	**-**	**3,206,333**
Permanent Endowments							
General Purposes Property	91,654	-	-	-	-	-	91,654
Homes for Retired Ministers	173,451	-	-	-	-	-	173,451
CF Area Funds	896,849	-	-	34,988	-	-	931,837
	1,161,954	**-**	**-**	**34,988**	**-**	**-**	**1,196,942**
Total Funds	**17,083,051**	**886,139**	**(1,434,043)**	**444,645**	**-**	**-**	**16,979,792**

Unrestricted Fund
This represents the free reserves of the Charity and General Purpose non-current assets.

Designated Funds

Property Fund
Property assets include residential investment properties which are to be sold in the coming years to help finance the Charities operating deficit.

Trading Fund
This provides support to the charitable activities through its student accommodation and conference facilities.

Ministers' Pension Fund
The Fund is intended to hold assets which produce sufficient income to meet the Ministers' pension costs on an annual basis. Federation contributions are protected for Ministers in their employment @ March 2016 at 6.36%. Beyond that, for Ministers changing employment and new Accredited Ministers, the Federation contributions will be at a lower rate of 2%. This fund will then become self-financing, no longer requiring funding from the Protective Programme Fund.

Church Support Grants
This Fund is to provide Mission and Starter Grants to churches to help support them in their mission initiatives. The Fund receives 10% of any Closed Church distributions received by the Federation.

Church Support - Dept
Providing resources and support to enable the Congregational Federation Churches to fulfil the commission to share the gospel and make disciples and to engage with society at local, national and international levels.

Church Support – Safeguarding
Changes to the Pastoral Care Board were introduced latterly during 2017. It was superseded by the Accreditation Group, with a remit to oversee the Accreditation process and Safeguarding. Pastoral Care within Areas is now the responsibility of Pastoral Care Coordinators for each Area.

Church Financial Services
Services include custodian property and advice services, payroll services, administration services for church investments and deposits.

Protected Programme Fund
The Fund where 90% of closed church receipts and all unrestricted legacies are allocated into along with some internal transfer of funds mainly from the General Purposes Property Fund emanating from the disposal of some investment properties into money market investments, in order to: a) generate investment income to directly support specific operational programs and; b) to finance specific operational annual deficits through a transferring of fund capital at each year end as deemed necessary.

Congregational Federation Area Fund
Comprising of Endowments and Expendable capital, which are invested in order to provide income for the Area Funds. The Accumulated Income derived from those investments is available to be drawn upon by the Area Associations.

Restricted and Endowment Funds

Homes for Retired Ministers
This Fund provides accommodation for qualifying Congregational Federation Ministers of no less than 25 years of Congregational Federation Minister service (and to their widows) in their retirement and is dependent upon being on the Roll of Ministries under the (Category M) for Minister.

Education Fund
The income from this Fund is applied for the benefit of the children of Ministers of any of the Federation member churches.

The Sidney Berry Trust
This is a restricted Fund resulting from a legacy. Income is to be used to supplement the incomes of poorly paid Ministers or to support, in retirement, Ministers or Ministers' widows/ers.

Church Support - Congregational Institute for Practical Theology
This Fund covers all the learning and development programmes. The Congregational Institute for Practical Theology reserves came mainly through a distribution received from The New College Foundation, London.

Special Appeals
This Fund represents the offertory taken at the Congregational Federation National Assembly and the distribution to the nominated charities.

Council for World Mission MSP4
Funding is being received to finance new initiatives within the Congregational Federation. This fund is being used for a new Discipleship programme to be launched in 2025.

Council for World Mission MCI
We were successful in receiving a grant to help fund two mission trips one to Grenada and one to Brazil in 2024.

Congregational Federation Area Funds
Endowments and Expendable capital which are being preserved in order to provide income for the Area Funds, subject to market valuations. Accumulated income is available for draw down by the area associations.

Transfers

Unrestricted Fund

General Purpose (GP)
The fund received **£30,871** from the Protected Program Fund to cover the 2024 progarmme operations.

Trading
The fund received **£255,000** from the Protected Program Fund to cover several years progarmme operations.

Ministers' Pension Fund
This fund currently has surplus funds and so **£200,000** has been transferred to the PPF.

Church Support - Dept
The fund received **£144,637** from the Protected Program Fund to cover the 2024 progarmme operations.

Church Support - Safeguarding
The fund received **£10,117** from the Protected Program Fund to cover the 2024 programme operations.

Protected Programme Fund (PPF)
The table below is an analysis of the transfers to and from the Fund.

	£
Congregational Federation Area Funds	(97)
Safeguarding / Accreditation Group	(10,117)
Church Support Dept	(144,637)
GP	(30,871)
Ministers' Pension	200,000
Trading	(255,000)
	(240,722)

Congregational Federation Area Funds
The Fund received **£97** from Protected Program fund to cover the 2024 programme operations.

CONGREGATIONAL FEDERATION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2024

MOVEMENT IN FUNDS - 2023

	At 01.01.23	Income	Expenditure	G/L	Transfers	At 31.12.23
Unrestricted Funds	£	£	£	£	£	£
General Purposes	1,359,344	253,493	(347,593)	26,858	105,081	1,397,183
Designated Funds						
Property	2,870,571	-	-	-	(156,897)	2,713,674
Trading	958,315	125,224	(186,298)	(418)	-	896,823
Ministers' Pension	286,364	82,058	(72,409)	11,619	-	307,632
Church Support Grants	173,645	51,337	(102,797)	780	-	122,965
Church Support - Dept	1,877	26,633	(159,034)	-	132,400	1,876
Church Support - Safeguarding	-	26,633	(47,724)	-	21,091	-
Church Financial Services	901,605	65,641	(87,331)	35,994	-	915,909
Protected Programme	5,859,066	357,953	-	206,007	(102,452)	6,320,574
CF Area Funds	-	4,508	(5,285)	-	777	-
	12,410,787	**993,480**	**(1,008,471)**	**280,840**	**-**	**12,676,636**
Restricted Funds						
Homes for Retired Ministers	809,604	23,757	(41,776)	2,909	-	794,494
Education	39,319	1,154	-	1,489	-	41,962
Sidney Berry	119,514	3,733	(15,393)	4,814	-	112,668
Church Support - CIPT	1,189,055	106,945	(170,054)	38,834	-	1,164,780
Special Appeals	5,170	740	(5,910)	-	-	-
CWM MSP4	50,757	1,181	-	-	-	51,938
CF Area Funds	1,043,308	60,049	(64,258)	39,520	-	1,078,619
	3,256,727	**197,559**	**(297,391)**	**87,566**	**-**	**3,244,461**
Permanent Endowments						
General Purposes Property	91,654	-	-	-	-	91,654
Homes for Retired Ministers	173,451	-	-	-	-	173,451
CF Area Funds	872,561	-	-	24,288	-	896,849
	1,137,666	**-**	**-**	**24,288**	**-**	**1,161,954**
Total Funds	**16,805,180**	**1,191,039**	**(1,305,862)**	**392,694**	**-**	**17,083,051**

20 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Restricted Funds £	Permanent Endowments £	Total £
Fund balances at 31st December 2024 are represented by:				
Fixed Assets	1,000,261	705,558	265,105	1,970,924
Investment Property	3,035,000	229,500	-	3,264,500
Investments	7,452,994	2,257,915	931,837	10,642,746
Net Current Assets	1,136,762	13,360	-	1,150,122
Creditors more than one year	(48,500)	-	-	(48,500)
Total	**12,576,517**	**3,206,333**	**1,196,942**	**16,979,792**

	Unrestricted Funds £	Restricted Funds £	Permanent Endowments £	Total £
Fund balances at 31st December 2023 are represented by:				
Fixed Assets	1,026,872	705,558	265,105	1,997,535
Investment Property	3,035,000	229,500	-	3,264,500
Investments	7,535,676	2,265,578	896,849	10,698,103
Net Current Assets	1,101,088	43,825	-	1,144,913
Creditors more than one year	(22,000)	-	-	(22,000)
Total	**12,676,636**	**3,244,461**	**1,161,954**	**17,083,051**

21 OTHER COMMITMENTS

At 31st December 2024, the Congregational Federation had NIL capital commitments contracted but not provided for in these financial statements (2023: NIL).

22 RELATED PARTY DISCLOSURES

The Congregational Federation Limited acts as Custodian Trustee on behalf of the Congregational Federation and others. It is considered that The Congregational Federation Limited is a related party through a common Trustee board. Transactions between Congregational Federation and The Congregational Federation Limited during the year were:

	2024 £	2023 £
Funds to The Congregational Federation Limited		
Payment of Independent Examination / Audit Fee	3,650	3,500
Funds from The Congregational Federation Limited		
Costs relating to closed churches	-	91
Closed church sale distribution	24,863	367,961

RELATED PARTY DISCLOSURES (continued)

A joint insurance policy is paid for by Congregational Federation totalling £18,523 (2023: £18,364) which benefits The Congregational Federation Limited.

Congregational Federation provides administrative and management services to The Congregational Federation Limited. Congregational Federation do not recharge these costs to The Congregational Federation Limited.

As a member organisation, transactions with each of the members of the Charity are not considered related party transactions for disclosure purposes within the financial statements.

23 RECONCILIATION OF NET MOVEMENT TO NET CASHFLOW FROM OPERATING ACTIVITIES

	2024 £	2023 £
Net movement in funds for the year	(103,259)	277,871
Depreciation	34,160	53,109
(Profit)/loss on disposal of tangible fixed assets	-	417
(Profit)/loss on disposal of Investment property	-	10,982
(Gains)/losses on investments	(444,645)	(404,093)
Investment property revaluation	-	-
(Increase)/decrease in debtors	(1,469)	(15,539)
Increase/(decrease) in creditors	57,701	21,424
Net cashflow from operating activities	(457,512)	(55,829)

24 RECONCILIATION OF NET DEBT ANALYSIS AT 2024

	1 January £	Cash flows £	31 December £
Cash	1,182,441	34,941	1,217,382
	1,182,441	**34,941**	**1,217,382**

CONGREGATIONAL FEDERATION

England & Wales - Charity number 264839

Accounts

Registered Charity Number: 264839

CONGREGATIONAL FEDERATION

REPORT OF THE TRUSTEES AND AUDITED FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2023

CONGREGATIONAL FEDERATION

CONTENTS

	Page
Report of the Trustees	1 – 14
Report of the Independent Auditor	15 – 17
Statement of Financial Activities	18
Comparison Statement of Financial Activities	19
Balance Sheet	20
Statement of Cashflows	21
Notes to the Financial Statements	22 – 37

CONGREGATIONAL FEDERATION
YEAR ENDED 31 DECEMBER 2023

REPORT OF THE TRUSTEES

The Trustees of the Charity present their report with the financial statements of the Charity 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 to comply with the Charity's trust deed, the Charities Act 2011 and Accounting and Reporting by Charities, Statement of Recommended Practice applicable to the Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland.

REFERENCE AND ADMINISTRATIVE DETAILS`

Registered Charity number
264839

Principal office
8 Castle Gate
Nottingham
NG1 7AS

Trustees

Mr J A Lyon	Chairperson	
Revd O C Kinchin	President	
Mr M Taylor	Past President/ East Midlands	
Mrs E Sweeney-Smith	President Elect	Appointed 13th May 2023
Revd R Green	Chair of CSC	Appointed 22nd April 2023
Mrs S M Austin	Chair of FSSC	
Revd R D MacRae	CF in Scotland	Appointed 2nd September 2023
Miss M M C McGuinness	CF in Scotland	
Revd G Simonis	CF in Scotland	
Revd T R Wilson	CF in Scotland	Resigned 2nd September 2023
Revd C L Gillham	CF in Wales	
Dr B W Mason	CF in Wales	
Mr E P Fenwick	Eastern	
Revd C E Booton	East Midlands	Resigned 13th February 2023
Mrs E M Bentham	North East	Resigned 15th July 2023
Revd R Leeming	North East	Appointed 15th July 2023
Revd F Y Kamara	North West	
Mrs H Biggin	North West Midlands	
Revd C J Bamforth Damp	South East	
Revd C J Stott	South West	
Revd J Holloway	South West Midlands	

CF – Congregational Federation
FSSC – Finance and Support Services Committee
CSC – Church Support Committee

REFERENCE AND ADMINISTRATIVE DETAILS – continued

Auditors
UHY Hacker Young
14 Park Row
Nottingham
NG1 6GR

Bankers
National Westminster Bank Plc
Smiths Branch
16 South Parade
Nottingham
NG1 2JX

Solicitors
Nelsons Solicitors
Pennine House
8 Stanford Street
Nottingham
NG1 7BQ

CONGREGATIONAL FEDERATION
YEAR ENDED 31 DECEMBER 2023

REPORT OF THE TRUSTEES

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Congregational Federation is a voluntary association of Congregational or Independent Churches (plus Personal Members) that was established by a Constitutional Document ("The Constitution").

The affairs of the Congregational Federation are the responsibility of its Council – who act as Trustees.

THE CONSTITUTION

Foundation Principle: In solemn renewal of the declaration made in the Congregational Library, London, on 13 May 1831 and affirmed by the Conference in Lyndhurst Road Congregational Church, London, on 13 May 1972 and by the Assembly in Westminster Chapel on 14 October 1972, the Federation of continuing Congregational Churches is founded on a full recognition of their own distinctive principle, namely, the scriptural right of every separate Church to maintain perfect independence in the government and administration of its own particular affairs; and therefore that the Federation shall not in any case assume legislative authority, or become a court of appeal.

ARTICLE 1. **NAME** The name of this voluntary association is the Congregational Federation.

ARTICLE 2. **MEMBERSHIP** Membership of the Federation comprises Congregational or Independent churches, each having a separate roll of members, and paying an affiliation fee to the Federation, the amount of such affiliation fee being that recommended by the Assembly.

Personal Membership will be available for individuals who wish to maintain the Congregational tradition. The Personal Membership fee is that recommended by the Assembly.

ARTICLE 3. **OBJECT** The object of the Federation is the advancement of the Christian faith and in furtherance thereof but not otherwise:

(a) To spread the knowledge of Christ throughout the land;

(b) To encourage congregations of believers in local places to maintain corporate worship in free assembly alike in consecrated buildings and in the homes of the people;

(c) To spread the knowledge of Christ beyond the seas through the agency of such bodies as the Council for World Mission;

(d) To further the spirit of unity in Christ with all other believers in Him;

(e) To mediate the call of God to Christian service at home and abroad whether by way of the ordained ministry or otherwise;

(f) To do all other such things as are necessary to the attainment of this object.

ARTICLE 4. **RELATIONSHIPS** The Foundation Principle of the Federation precludes it from making any decision binding on any Church; it can do no more than offer recommendations. It does not claim to speak on behalf of Churches unless it is authorised by them to do so for a particular purpose on a particular occasion. Any obligation accepted by a Church to another Christian body is not held by the Federation as a barrier to fellowship within the Federation.

ARTICLE 5. **THE ASSEMBLY** The Assembly is held at least once in each year on a date and at a time and place fixed by a previous Assembly. At least 56 days notice of an Assembly is given to each member Church and Personal member.

ARTICLE 6. **OFFICERS AND COUNCIL**

(a) The Assembly appoints such Officers as it thinks fit. The Council comprises the Officers, Chairs of Committees, three representatives from the Congregational Federation in Scotland, two representatives from the Congregational Federation in Wales and one representative from each Area Association in England, the President Emeritus, Chair of Council, General Secretary, two representatives of the Youth Association, a representative from Congregational Federation Ltd. and a representative for the Personal members.

(b) A quorum at a Council Meeting is 50% of the members of the Council as defined at Article 6(a).

ARTICLE 7. **FINANCE** Officers and members of Council, Committees and Boards are entitled to reimbursement of all necessary out-of-pocket expenses; of these only the General Secretary and such others as may be recommended by Council and approved by Assembly may receive a salary. With its Annual Report, the Council submits to the Assembly a statement of accounts, duly audited, together with a Budget of income and expenditure. When adopting the Budget, the Assembly recommends the minimum amount of the affiliation fees for Churches and individuals.

ARTICLE 8. **ALTERATION OF CONSTITUTION** This Constitution may be altered when the following conditions are fulfilled:

(a) The wording of the proposed alteration must be circulated to all member churches and personal members at least 56 days before the Assembly.

(b) The resolution embodying the proposed alterations must then be discussed and, if appropriate, amended by the Assembly. In the event of a marked division of opinion at the Assembly, the matter will be referred back either to the Council or to the churches, otherwise the agreed wording will be sent to each member church and to each personal member.

(c) At least 50% of the member churches must vote on the proposed alteration (each member church has one vote). The period allowed for voting shall be six months.

(d) At least 90% of the votes cast must be in favour of the proposed alteration.

(e) The consent of the Charity Commission must be obtained if the proposed alteration concerns the Name or Object of the Federation.

Council and Public Benefit

The affairs of The Congregational Federation are the responsibility of the Council of The Congregational Federation who act as Trustees, who meet throughout the year. Details of the names of the Trustees at the date of this report are set out on page 1.

The Council is mindful of the Charity Commission's guidance on Public Benefit including the guidance on the advancement of religion. It believes that the services and support it offers are aimed at enabling its member churches to serve the widest possible sectors of their communities. Beyond that it also enables its members to support and serve communities across the world through its membership of the Council for World Mission and partnerships including Christian Aid.

REPORT OF THE TRUSTEES

Recruitment and appointment of new Trustees

The composition of the Trustee body is shown in article 6a of the constitution above. The Council is the Charity's Trustee body and currently comprises: the Officers as appointed by the annual Assembly following a ballot of all churches and personal members of which are the President, President Elect and Immediate Past President; Chairs of Committees who are nominated by their respective Committee and ratified by Assembly; a representative(s) from each Area Association appointed by the Area Association. The Chair of Council is appointed by Council. In each case recruitment is made through the appropriate representative body of either Area, Churches, Committee, or organisation.

Induction and training of new Trustees

New Trustees receive an induction pack 'The Council Members Handbook' which includes reference to policy documents in relation to the Charity and also various Charity Commission leaflets explaining the overall importance and nature of their role. This manual is constantly updated as matters change. In addition, Trustees receive copies of the Charity Commission news on a regular basis to apprise them of current developments within the Charity Sector. The Federation also from time to time invites its legal advisors to meetings to address particular topics as a form of training event, particularly at times of reviewing major matters. All Trustees receive training in safeguarding.

Arrangements for setting staff remuneration

Remuneration is considered and approved by the Trustees annually, at their November meeting, in line with the staff pay policy in place.

Organisational structure

Council

The Members of Council are the Trustees of the Congregational Federation, and its membership is defined by the Constitution. The Committees are made up of representatives of various aspects of the life of the Federation and Council receives and ratifies the work and decisions of its Committees. Council's role is to oversee the overall management of the Congregational Federation and to review and determine the strategic direction of the Federation. It does this through receiving reports from Committees, its ongoing training for Trustees, and in addition initiating consultations with Churches. It agrees the annual Accounts and reports annually to Assembly.

The two Committees which report to Council are:

- Finance and Support Services Committee - (FSSC)
- Church Support Committee - (CSC)

The Committees' work is supported by Boards and Groups.
The Investment Trust and Trading Board (ITTB) reports to FSSC.

The Trustees 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).

REPORT OF THE TRUSTEES

Related parties

The property and investment assets of the trust funds are held in the name of The Congregational Federation Limited, which acts as Custodian Trustee.

Under Charity Commission schemes there are several trust funds pertaining to the former County Unions. The resources of these are restricted to special areas laid down in the various schemes.

Connected Charities

The Congregational Federation acts as an umbrella organisation for Congregational and Independent churches. These are all considered to be Charities connected to The Congregational Federation.

The Congregational Federation Limited has shared management with the Congregational Federation and as such these are considered connected Charities.

Risk management

The Council continues to assess the risks to which the Charity is exposed, in particular in relation to the volatility of the stock market and is satisfied that policies are in force to safeguard the funds. Its Investment Managers, RBC Brewin Dolphin, play a key role in this and report to the Federation on a quarterly basis. The Trustees have a duty to identify and review the risks to which the Charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

Internal and external factors

Through it's governance structure, The Congregational Federation is constantly reviewing the services it offers to its members. It exists to support the member churches who increasingly have to operate within testing times of the church being relevant in their own communities. Numbers of members have been declining and the age profile increasing. However, there are signs of new life and fresh expressions of church being relevant to current society which the Federation seeks to support and resource. As a result of the Covid pandemic, many member churches established an online presence, and some have continued to provide various forms of online worship as an extension to their ministry. Provision continues to be made for staff to work from home where appropriate.

REPORT OF THE TRUSTEES

OBJECTIVES AND ACTIVITIES

Objectives and Aims

The Congregational Federation is a Federation of Independent or Congregational churches. It came into being in 1972 following the vote on the formation of the United Reformed Church. The Congregational Federation was formed from churches that decided to continue to follow the Congregational Way. The Federation provides support and guidance to Congregational Churches both financially and otherwise. This is achieved by making grants and loans to individuals and churches, and by providing the following services to a very wide range of persons:

- support for churches
- ministerial and lay training
- assisting with pastoral settlements
- safeguarding
- ministry with children and youth work
- initiatives to support pioneering
- pension
- mission initiatives including its partnership with Council for World Mission
- ecumenical relationships
- advice on church administration and finance

The wide range of services and support is aimed at enabling the widest possible sections of our communities to engage with events, opportunities, experiences and services or help for a more fulfilled life. It is evident that some of the work churches undertake deals with persons at the margins of society, the very young and the elderly.

Membership of the Congregational Federation is open to any Congregational or Independent church who desires the support of this wider body to better enable them to serve their community.

Volunteers

The Congregational Federation recognises the value of voluntary work, especially on committees and boards, without which it would be unable to function at the level it currently does.

REPORT OF THE TRUSTEES

FINANCE REVIEW

Income is received from investments, trading activities, affiliation fees, grants from other trusts and other sources as indicated in the Statement of Financial Activities. Income is allocated to support the activities of the Federation. Some investments are restricted for use by Areas (the geographical grouping of member churches) in supporting their individual churches.

Investment funds which are not required for day to day working capital purposes are invested in the Common Investment Pool. This is overseen by the ITTB, which receives independent financial advice from RBC Brewin Dolphin, a financial and investment management company authorised and regulated by the Financial Conduct Authority.

Council continues to monitor investments carefully. Investments are held in accordance with the Trustees' powers. The investments incurred unrealised gains of £404,093 (2022: losses of £976,490). The total market value of investments is £10,698,103 (2022: £10,294,010).

The ITTB also scrutinises the trading activities undertaken at the Congregational Centre in Nottingham: these include a conference and meeting venue, for internal use and external hire, and the provision of warden-monitored accommodation for university students.

Trading activity is intended to generate income for the Congregational Federation's support programmes. Not surprisingly, this was severely affected in 2020/21 by the Covid pandemic, exacerbated by dramatic changes in the city centre retail environment, but there has been an encouraging renewal in uptake of facilities since then and a reduction in the trading deficit.

The Congregational Federation's operations incurred an operating deficit in the year of (£482,784), offset by Closed Church receipts of £367,961, along with unrealised investment gains of £404,093, losses on sale of fixed assets of £11,399 resulting in an overall reported surplus for the year of £277,871 as shown below. This is a good outcome in the light of the economic and political uncertainties and upheavals in 2023.

The Trustees manage the deficit to a level which can, in their view, be covered by a sustainable proportion of long-term investment growth.

	2023 £	2022 £
Operating Deficit	(482,784)	(234,300)
Closed Church Receipts	367,961	807,094
Unrealised Investment Gains/(Losses)	404,093	(976,490)
Realised Gains/(Losses) on Sale of Investment Properties	(11,399)	9,116
Inter-Co Loan with CFL Written-Off	-	1,255,342
Surplus/(Deficit) for the year	**277,871**	**860,762**

REPORT OF THE TRUSTEES

Strategy and Aims

Although holding significant investment assets, the Congregational Federation continues to remain reliant upon receiving capital receipts each year in order to absorb the operating deficits. Budget deficits are continually monitored to keep them within realistic ranges. Except where funds are required to balance the budgets, the key principle is that any capital receipts or windfalls are invested to generate interest which can ultimately be used to fund new initiatives.

In the long term, this strategy should enable eradication of regular budget deficits and reduce reliance on exceptional income, such as that from the sale of closed churches.

Policies

Reserves Policy

Free Reserves provide the working capital requirements of the Federation, whilst providing a buffer of liquid funds in case of any short-term decline in income, unexpected increases in costs or risk exposure. They are intended to ensure that contractual obligations to staff, premises and programme commitments can be met along with any grant commitments to churches and Area Associations.

The Federation calculates its Free Reserves as those held in the General Purpose Fund less specific fund initiatives less the net book value of Non-Current Assets held in the General Purpose Fund.

The Trustees seek to maintain a level of Free Reserves of between 8 to 12 months of total annual expenditure. This currently equates to between £870,000 and £1,300,000 based upon 2023 actual expenditure. Total expenditure increased slightly in 2023. At 31st December 2023, the Free Reserves held, represent 12.6 months (2022: 13.9 months) of expenditure and are therefore at the top of the band. It is envisaged that as likelihood of inflationary pressures and a post Covid increase in charitable activities Free Reserves should naturally fall during the course of the current year from the amount as stated within the accounts.

	2023 £	2022 £
General Purposes Fund	1,397,183	1,359,344
Less Tangible Non-Current Assets	(25,145)	(40,959)
Free Reserves	**1,372,038**	**1,318,385**
Months	**12.6**	**13.9**

REPORT OF THE TRUSTEES

Investment Policy

The Investment policy is to maintain a balance between income and capital growth, (subject to a moderate degree of risk), with up to 5% high risk. There should be no exposure to tobacco, alcohol, armaments, gambling, pornography, or high-interest lending. Within these parameters it is further recognised that the emphasis for the Expendable Pool will be on income and for the Permanent Pool on capital growth.

The ITTB continue to actively monitor investment strategy and performance particularly with regard to ethical negative screening and is satisfied that the investment performance has met the investment objectives during the year. The Congregational Federation has continued membership of the Church Investors Group to monitor its own policy on ethical investments and to be aware of developments in the Ethical, Social and Governance arena.

Grant making Policies

The Federation makes grants from its resources to various areas including Retired Ministers, Welfare, Education of children of Ministers, Training, Children and Youth initiatives, local church ministry support and mission projects, and the wider Church family through local ecumenical projects and via its membership of the Council for World Mission. For each instance, a set criteria and application process is followed and reviewed by the appropriate Board and Committee. The application process includes, where appropriate, the consideration of the means available to the applicant, the viability, and the suitability of any project for which monies are sought. An evaluation process is also part of any grants which are awarded when further monies are sought for subsequent years. We believe such grants are essential in enabling financial resources to be expended locally so as to best meet the needs of the communities in which the churches are set.

Such is our commitment that no grant will be awarded unless the church or project satisfies the best possible practice in terms of our Safeguarding policy in order to protect children, young people, and vulnerable adults.

Fund Raising

No fundraising is carried out by Congregational Federation.

PLANS FOR FUTURE PERIODS

The Trustees continue to review the provision of support for Churches, Children and Youth Work, Learning and Development plus grants for new initiatives, mindful that income derived from exceptional tranches of income is mainly from closed churches.

The Trustees agreed that operations should remain at current budgeted levels for 2024 and that the finance strategy should be rolled forward for the three-year period 2024-2026, with continued monitoring of key performance indicators.

ACHIEVEMENT AND PERFORMANCE

Working from home to encourage better work-life balance and the expansion of the use of Zoom for online or hybrid meeting continues. The latter has enabled participation in meetings and discussion by those at a distance, or for whom travel is difficult, with the additional benefit of reducing meeting-associated expenses.

The resources that the Congregational Federation provides to its membership are regulated through Church Support Committee, Finance and Support Services Committee, Council and Assembly.

A highlight of the year was a very positive May Assembly held in the Tacchi Morris Theatre, Taunton, hosted by the South West Area of churches. Over 150 attended and there was a Children and Youth assembly run alongside.

Council has established a plan of action for providing additional resources to support churches, and progress against this plan was tracked by Council during 2023, with good progress noted. A film was produced to showcase the work.

At the November Council meeting, it was agreed that the work we do and the structures fit the strategic review and for 2024 the focus will be on growth and encouraging new churches to join.

CHURCH SUPPORT COMMITTEE

Support for churches

The President, General Secretary and Church Support Worker regularly visit churches, listen and share ideas and resources. The Church Support Worker also provides encouragement to churches and those with wider roles of mission enabling. This role is focused on encouraging local churches, supporting children and youth work, supporting them with applications for mission grants and producing monthly newsletters.
The focus for 2024 will be on embracing the smaller church.

Training

The Congregational Institute for Practical Theology runs a suite of courses for the development of personal discipleship and training for the recognised ministries of the Federation, comprising: The GIFT Programme (Growing in Faith Together) (unaccredited, Level 3) and the Diploma of Practical Theology (Levels 4-5), accredited by York St John University.

A new Manager has been in post since April 2023. For the academic year 2023/24 there are 21 students enrolled. The Diploma course is free to members of the Congregational Federation and students who are not members of the Congregational Federation churches may also enrol at a cost.

The GIFT course will be relaunched 2024 and is designed to support local church ministries. Students come from all walks of life, with a broad range of prior education, and the widest of age ranges. Special provisions are made available for students with learning or physical difficulties.

Various one day training events are run throughout the year on topical concerns and trends.

We had three people complete the course at The Pioneering Hub (launched in 2022) and are delighted that one of these people is now also participating as a coach for some of the new cohort.

Safeguarding and Pastoral Care

Pastoral Care within Areas is the responsibility of Pastoral Care Coordinators for each Area but is supported by national training and from the General Secretary. The name has changed to include Pastoral Care and this year as well as meeting, they organised a visit to the National Arboretum to remember all those lost in the year. The new name is the Accreditation and Pastoral Care Coordinators Group (APCCG).

The APCCG has responsibility to oversee the administration of the Roll of Ministries including consideration of applications for inclusion on the Roll and where necessary, to deal with requests to remove a name from the Roll. The group oversees the Pastoral Period for those received onto the Roll of Ministries. Working through its Pastoral Care Coordinators, it also ensures that support is offered to students on the Training Course (CIPT) and others exploring their vocation, to those who are on the Roll, and to retired Ministers, their spouses, widows, and widowers.

Working with the Safeguarding Officer is a group of checkers who visit churches to look at the church premises offering advice and guidance about Safeguarding plus health and safety issues. The Congregational Federation will then provide a "Safeguarding" Certificate to confirm a level of good practice is in place.

Safeguarding has been the priority for 2023 and all churches affiliated to the Congregational Federation now have a Safeguarding Certificate. The Congregational Federation offer free a Safeguarding course run by 31:8 three times a year which cover Adults and Children and this year also ran Safeguarding training related to Spiritual Abuse.

Mission Grants

Three types of grants are available:

- Impact Grant: Maximum was increased to £18,000 over a 3-year period
- Starter Grants: £400 (up to £600 for specialist equipment)
- Children and Youth Grants: £100

Grants have been given to support church mission projects that reach out to the community, children and youths materials, equipment for social media and internet, supporting ministry in a variety of rural, urban, and inner-city settings. This year there have been two new, large, Impact Grant applications, plus several Starter and Mini Grants.

In light of the sudden increase in the recommended annual Stipend due to inflation, the Committee also authorised a special grant to Churches with Ministers of half of increase which was quickly taken up by many churches.

Support for Ministries

We have run Ministry Matters webinars all year to support those in ministry and established both Travel Grants and Continued Ministerial grants to support those wanting new training.

Topics have included Dementia, Building Successful Relationships, Retreat and Rest, Online Safety and Sight Loss Friendly Churches.

Topics for 2024 include Mental Health, Racial Awareness and Fundraising.

REPORT OF THE TRUSTEES

Communication

A magazine is produced called **Refresh**, 3 times a year, which is independently edited. An "in house" monthly newsletter called **Intouch** for all church's news and resources and **Inform** which has a children and youth focus is also produced.

Social Media and Website

The Congregational Federation Facebook and Twitter accounts are updated regularly.
www.congregational.org.uk - contains all the information about the Congregational Federation and is updated weekly.
www.theresourcehub.co.uk - is a one stop page for resources for churches.
www.youtube.com/@congregationalfederation - this contains links to the National Assembly and other events.

Ecumenical relationships / Inter Church Board

The Congregational Federation subscribe to various ecumenical groups, and value the memberships that are held. There is an active involvement with the Free Churches Group and the Council for World Mission. The Inter Church Board meets once a year, bringing together all those who represent the Congregational Federation on the different bodies.

The Congregational Federation continues to support Revd Nigel Lindsay who is serving as a Partner in Mission in Grenada, and we are delighted that 3 members from our churches went out to support the mission work he does in January/February 2024.

Congregational Federation continue to support Christian Aid. This is done through prayer and currently looking at two projects for the coming year for which we may possibly raise funds.

Children and Youth

Unfortunately, the weekend away planned for February 2023 had to be cancelled.

For 2024 the Retreat residential has been planned for Children and Youth leaders.

A Care for the Family course called "Getting your children through Church" will run from January – March 2024.

REPORT OF THE TRUSTEES

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees 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).

The law applicable to Charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources of the Charity for that period. 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 (FRS 102);
- 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 Charity will continue in operation.

The Trustees are responsible for keeping proper 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 Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. 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 Trustees are responsible for the maintenance and integrity of the Charity's financial information included on the website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the Trustees on 19 APRIL 2024 **and signed on their behalf by:**

Mr J A Lyon
Trustee

Date 19 APRIL 2024

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF CONGREGATIONAL FEDERATION

Opinion

We have audited the financial statements of the Congregational Federation (the 'Charity') for the year ended 31 December 2023 which comprise the statement of financial activities, balance sheet, statement of cashflows 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 FRS 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 Charity's affairs as at 31 December 2023 and of its incoming resources and application of resources plus cashflows 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 Charities Act 2011.

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 statement 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 financial statements. 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.

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 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.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF CONGREGATIONAL FEDERATION

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report. We have nothing to report in respect of the following matters where the Charities Act 2011 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 Trustees' responsibilities statement set out on page 14, the Trustees 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 Charity 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.

Based on our understanding of the Charity and the industry in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the acts by the Charity, which were contrary to applicable laws and regulations including fraud, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to correctly reflecting revenue and the Charity's net income for the year. In particular, there are risks related to the completeness and cut off of income from donations, legacies, lettings, investments and other charitable income.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF CONGREGATIONAL FEDERATION

Audit procedures performed by the engagement team included:

- reviewing the systems, controls and procedures of the Charity relevant to the preparation of the financial statements to ensure these were in place throughout the year
- evaluating management's controls designed to prevent and detect irregularities
- review of the financial statement disclosures to underlying supporting documentation
- review of correspondence with and reports to the regulators, including correspondence with the Charity Commission
- enquiries of management in so far as they related to the financial statements
- testing of journals in particular journal entries posted by unusual users, postings with unusual descriptions, postings with unusual times and dates and postings with unusual and material amounts
- evaluating whether there was evidence of bias by the trustees that represented a risk of material misstatement due to fraud
- challenging assumptions and judgements made by management in their critical accounting estimates
- testing a sample of income to supporting documentation both during the year and after the year end. In addition, analytical procedures were performed to ensure anticipated income had been properly recorded.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: http://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 members, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the Charity'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 Charity and the Charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

UHY Hacker Young

UHY Hacker Young
Statutory Auditor
14 Park Row
Nottingham
NG1 6GR
Date.....29.4.24.....

UHY Hacker Young LLP is eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006

CONGREGATIONAL FEDERATION
STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31 DECEMBER 2023

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2023 Total Funds £	2022 Total Funds £
Income						
Income from donations & legacies	2	412,244	2,073	-	414,317	864,345
Income from lettings		187,287	30,986	-	218,273	220,248
Investment income	3	257,651	125,131	-	382,782	319,940
Income from charitable activities	4	136,298	39,369	-	175,667	242,275
Other income	5	-	-	-	-	66,345
Total		**993,480**	**197,559**	**-**	**1,191,039**	**1,713,153**
Expenditure						
Expenditure on lettings	6	167,081	-	-	167,081	143,658
Expendable on charitable activities	7	841,390	297,391	-	1,138,781	996,701
Total		**1,008,471**	**297,391**	**-**	**1,305,862**	**1,140,359**
Net Income/(Expenditure)		**(14,991)**	**(99,832)**	**-**	**(114,823)**	**572,794**
Extraordinary item	8	**-**	**-**	**-**	**-**	**1,255,342**
Net income/(expenditure) before other recognised gains and losses		**(14,991)**	**(99,832)**	**-**	**(114,823)**	**1,828,136**
Other recognised gains/(losses)						
Gains/(losses) on investment assets		292,239	87,566	24,288	404,093	(976,490)
Gains/(losses) on investment properties		(11,399)	-	-	(11,399)	9,116
Total other recognised gains/(losses)		**280,840**	**87,566**	**24,288**	**392,694**	**(967,374)**
Net movement in funds		**265,849**	**(12,266)**	**24,288**	**277,871**	**860,762**
Total funds brought forward		**12,410,787**	**3,256,727**	**1,137,666**	**16,805,180**	**15,944,418**
Total Funds c/f		**12,676,636**	**3,244,461**	**1,161,954**	**17,083,051**	**16,805,180**

The statement of financial activities includes all gains and losses recognised during the year.

CONGREGATIONAL FEDERATION
STATEMENT OF FINANCIAL ACTIVITIES – COMPARATIVE
YEAR ENDED 31 DECEMBER 2022

	Unrestricted Funds	Restricted Funds	Endowment Funds	2022 Total Funds
	£	£	£	£
Income				
Income from donations & legacies	858,122	6,223	-	864,345
Income from lettings	194,334	25,914	-	220,248
Investment income	201,875	118,065	-	319,940
Income from charitable activities	214,865	27,410	-	242,275
Other income	6,626	59,719	-	66,345
Total	**1,475,822**	**237,331**	**-**	**1,713,153**
Expenditure				
Expenditure on lettings	143,658	-	-	143,658
Expendable on charitable activities	694,174	302,527	-	996,701
Total	**837,832**	**302,527**	**-**	**1,140,359**
Net Income/(Expenditure) before transfers	**637,990**	**(65,196)**	**-**	**572,794**
Extraordinary item	1,255,342	-	-	1,255,342
Gross transfers between funds	14,263	(14,263)	-	-
Net income/(expenditure) before other recognised gains and losses	**1,907,595**	**(79,459)**	**-**	**1,828,136**
Other recognised gains/(losses)				
Gains/(losses) on investment assets	(669,558)	(234,648)	(72,284)	(976,490)
Gains/(losses) on investment properties	9,116	-	-	9,116
Total other recognised gains/(losses)	**(660,442)**	**(234,648)**	**(72,284)**	**(967,374)**
Net movement in funds	**1,247,153**	**(314,107)**	**(72,284)**	**860,762**
Total funds brought forward	**11,163,634**	**3,570,834**	**1,209,950**	**15,944,418**
Total Funds c/f	**12,410,787**	**3,256,727**	**1,137,666**	**16,805,180**

The statement of financial activities includes all gains and losses recognised during the year.

CONGREGATIONAL FEDERATION
BALANCE SHEET
AS AT 31 DECEMBER 2023

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2023 Total Funds £	2022 Total Funds £
Non Current Assets						
Tangible Assets	13	1,026,872	705,558	265,105	1,997,535	1,706,262
Investment Property	14	3,035,000	229,500	-	3,264,500	3,421,397
Investments	15	7,535,676	2,265,578	896,849	10,698,103	10,294,010
		11,597,548	**3,200,636**	**1,161,954**	**15,960,138**	**15,421,669**
Current Assets						
Debtors	16	51,137	148	-	51,285	35,746
Cash at bank & on deposit		1,133,266	49,175	-	1,182,441	1,437,154
		1,184,403	**49,323**	**-**	**1,233,726**	**1,472,900**
Creditors						
Amounts falling due within one year	17	(83,315)	(5,498)	-	(88,813)	(78,639)
Net Current Assets		**1,101,088**	**43,825**	**-**	**1,144,913**	**1,394,261**
Creditors						
Amounts falling due after more than one year	18	(22,000)	-	-	(22,000)	(10,750)
Net Assets		**12,676,636**	**3,244,461**	**1,161,954**	**17,083,051**	**16,805,180**
Funds						
Unrestricted Funds		12,676,636	-	-	12,676,636	12,410,787
Restricted Funds		-	3,244,461	-	3,244,461	3,256,727
Endowment Funds		-	-	1,161,954	1,161,954	1,137,666
Total Funds	20	**12,676,636**	**3,244,461**	**1,161,954**	**17,083,051**	**16,805,180**

The notes on pages 22-37 form part of these financial statements.

The financial statements were approved and authorised by the Board of Trustees on 19 APRIL 2024 and were signed on its behalf by:

Mr J A Lyon
Chair of Trustees

CONGREGATIONAL FEDERATION
STATEMENT OF CASHFLOWS
YEAR ENDED 31 DECEMBER 2023

		2023 £	2022 £
Cash flow from operating activities	Note 24	**(55,829)**	567,437
Cash flow from investing activities			
Payments to acquire tangible assets		**(344,799)**	(31,134)
Payments to acquire investment properties		**-**	-
Proceeds from sales of tangible assets		**-**	117,100
Proceeds from sales of investment properties		145,**915**	169,165
Payments to acquire investments		**-**	(500,141)
Net cash flow from investing activities		**(198,884)**	(245,010)
Net increase / (decrease) in cash and cash equivalents		**(254,713)**	322,427
Cash and cash equivalents at 1 January		**1,437,154**	1,114,727
Cash and cash equivalents at 31 December		**1,182,441**	1,437,154
Cash and cash equivalents consist of:			
Cash at bank and in hand		**1,182,441**	1,437,154

1 ACCOUNTING POLICIES

Basis of preparation and assessment of going concern
The financial statements have been prepared under the historical cost convention as modified by the revaluation of investments. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations in 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the 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 Ireland (FRS102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The financial statements are prepared on a going concern basis. The Charity constitutes a public benefit entity as defined by FRS102.

In preparing the accounts, the Trustees have considered whether in applying the accounting policies required by FRS102 and Charities SORP (FRS102) the restatement of comparative items was required. No restatements were required.

Income from Charitable Legacies and Lettings
All income is included on the Statement of Financial Activities on a recoverable basis when the Charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Closed Church income
Income received from Closed Churches is recognised on the date of receipt.

Investment income
Investment income is accounted for when receivable. Investment income receivable on permanent endowments is treated as expendable.

Legacies, grants and donations receivable
Grants and donations are included within the financial statements when receivable. Legacies are treated as receivable in the financial statements when notification has been received and receipt is virtually certain.

Taxation
The Charity is exempt from tax on income and gains falling within Section 505 of the Taxes Act 1988 or Section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

Gifts in kind
The Congregational Federation receives gifts in kind for which it is extremely grateful. Gifts of a capital nature, where material, are capitalised at valuation. Other gifts in kind, for example, the time donated by volunteer workers, are not accounted for in these financial statements on the grounds that these invaluable resources are not possible to quantify.

Expenditure
Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to these categories. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with the use of resources. Expenditure is recorded net of VAT, when applicable, and the irrecoverable VAT is charged through the General Purpose Fund.

Governance costs
Expenditure in relation to the overall governance of the Charity is allocated to Governance costs in the year. These costs consist of audit costs, expenditure in relation to Trustee meetings.

Pension contributions
The Charity operates a defined contribution pension scheme and the pension charge represents the amount payable by the Charity to the und in respect of the year.

Grants payable
Grants are offered subject to conditions which need to be met, where such conditions have not been met at the year-end date, they are noted as a commitment but not accrued as expenditure.

Non-Current Assets
Freehold and long leasehold land and buildings are depreciated at 2% per annum. However, no depreciation has been provided in the year as the Trustees believe that the carrying value of land and buildings is less than the residual value.

Depreciation is provided on the Charity's other assets at the following annual rates in order to write off each other asset over its useful economic life.

Fixtures and fittings	-	10% on cost
Motor vehicles	-	25% on cost
Computer Equipment	-	20% on cost

Investment properties
Property held for the sole purpose of investment are included within the accounts under the heading Investment Properties. These are included at market value; any changes in market value are recognised within other recognised gains or losses.

Investments
Fixed Asset Investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(losses) on investment assets' in the Statement of Financial Activities.

Fund accounting
Unrestricted Funds can be used in accordance with the charitable objectives at the discretion of the Trustees. Within the unrestricted funds a number of Designated Funds have been established as determined by the Trustees as detailed in note 20 to the financial statements. The restrictions applied to Designated Funds can be reviewed at the Trustee's discretion.

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

Endowment Funds held by the Charity can only be used for particular restricted purposes and only the income generated can be spent by the Charity.

The nature and purpose of each Fund is included in the notes to the financial statements.

2 INCOME FROM DONATIONS & LEGACIES

	2023	2022
Unrestricted	£	£
Closed Church Receipts	331,165	726,384
Memorial Hall Trust Grants	32,845	30,870
Church Support - Closed Church Receipts	36,796	80,710
Church Support Donations	7,535	9,823
Children & Youth Receipts	-	-
Legacy	-	8,724
Benefact Trust - Lift/Lighting Grant	2,280	-
General Purposes Donations	1,623	1,611
	412,244	**858,122**
Restricted		
May Assembly Offering	740	5,170
CIPT - Fees	1,290	960
CIPT - Course Materials	43	93
	2,073	**6,223**
Total	**414,317**	**864,345**

3 INVESTMENT INCOME

	2023	2022
	£	£
Unrestricted	**257,651**	**201,875**
Restricted	**125,131**	**118,065**
Total	**382,782**	**319,940**

4 INCOME FROM CHARITABLE ACTIVITIES

Unrestricted	2023 £	2022 £
Church Affiliation Fees	71,858	71,610
Ministers' Pension	46,413	54,667
CF 50th Anniversary	292	414
CFL - Admin Charges	7,002	4,816
CFL - 10% Management Fee	-	73,769
Refresh Advertising	900	900
Refresh Subscriptions	723	865
Pilton Green Lettings	4,629	3,950
Payroll Services	1,840	1,600
ACAT Membership	870	890
Associate Membership	305	210
Personal Membership	948	672
Other Income	518	502
	136,298	**214,865**
Restricted		
Congregational Institute for Practical Theology	39,369	27,410
	39,369	**27,410**
Total	**175,667**	**242,275**

5 OTHER INCOME

Unrestricted	2023 £	2022 £
Profit/(Loss) on sale of Fixed Assets	-	6,626
Restricted		
Profit/(Loss) on sale of Welfare Property	-	59,719
Total	-	66,345

6 EXPENDITURE ON LETTINGS

Unrestricted	2023 £	2022 £
Staff costs and overheads	73,320	57,795
Accommodation costs	80,887	79,866
Other expenditure	12,874	5,997
Total	**167,081**	**143,658**

7 EXPENDITURE ON CHARITABLE ACTIVITIES

EXPENDITURE ON CHARITABLE ACTIVITIES

	CIPT £	CFCS £	Ministers' Pension £	Homes for Retired Ministers' £	CF Area Funds £	Church Support £	Congregational Support £	2023 Total £	2022 Total £
Staff costs and overheads	87,029	73,787	72,409	17,573	5,286	101,893	186,472	544,449	485,954
Property costs	31,135	-	-	24,201	-	-	52,108	107,444	85,584
Operational costs	30,406	13,531	-	-	-	55,841	154,964	254,742	231,746
Hospitality and accommodation	21,486	-	-	-	-	-	-	21,486	11,249
Grants payable (note 9)	-	-	-	-	64,258	1,300	122,943	188,501	162,271
Governance costs	-	-	-	-	-	-	22,159	22,159	19,897
Total	**170,056**	**87,318**	**72,409**	**41,774**	**69,544**	**159,034**	**538,646**	**1,138,781**	**996,701**

CIPT - Congregational Institute of Practical Theology
CFCS - Church Financial Custodian Services

8 EXTRAORDINARY ITEM

The Inter-Company loan between Congregational Federation and The Congregational Federation Ltd of £1,255,342 was written-off during 2022.

9 CHARITABLE ACTIVITIES - GRANTS PAYABLE

	2023		2022	
	Grants to Institutions £	Grants to Individuals £	Grants to Institutions £	Grants to Individuals £
Payable From:				
Sydney Berry Trust	-	15,393	-	21,853
Education Fund	-	-	-	-
Other	1,090	-	-	67
Horne/Botwright	-	1,000	-	700
Church Support Grants	79,200	-	27,376	-
May Assembly	740	-	-	-
CF 50th Anniversary	5,170	-	-	-
2023 Ministers Stipend Grants	21,000	-	-	-
Special Appeals - Christian Aid	-	-	1,011	-
Gift of Grace - Church Grants	-	-	5,980	-
If Only...Action Grants	-	-	1,700	-
Travel Grants	-	650	-	-
Grants payable from the CF Area Funds	64,258	-	103,584	-
Total	**171,458**	**17,043**	**139,651**	**22,620**

10 NET INCOMING/(OUTGOING) RESOURCES

Net resources are stated after (charging) / crediting:

	2023 £	2022 £
Depreciation - owned assets	(50,747)	(62,224)
Auditors remuneration	(15,000)	(14,150)
Total	**(65,747)**	**(76,374)**

11 TRUSTEES' RENUMERATION AND BENEFITS

Members of the Council do not receive any remuneration in their capacity as members of Council, although bona-fide expenses are reimbursed. 1 (2022:3) Trustees received Tutor's book grants total of £250 (2022: £600).

Expenses relating to Council activities during the year amounted to £10,659 (2022: £8,997), primarily in respect of transport and meeting costs. 21 Trustees (2022:15) received expenses in the year.

The Congregational Federation operates a Group Personal Pension scheme with Royal London for Accredited Ministries, Category M, who are serving as a Minister in a Federation church. There were 4 (2022:6) serving Ministers on Council, for whom the Federation paid pension contributions of £12,571 (2022: £21,134), for their role as a Federation Minister. It is not connected to their role as a member of Council.

12 STAFF COSTS

	2023 £	2022 £
Wages and salaries	443,725	375,970
Social security costs	36,154	29,712
Pension costs	43,533	36,954
	523,412	**442,636**

During 2023 the average number of staff employed was 25 (2022: 24) in the central resource.
As at the year end the number of staff employed was equivalent to 14 (2022: 12) full time staff.

There is 1 employee who received employee benefits (excluding employer pension costs) of more than £60,000 during 2023 (2022: none).

Senior management is comprised of five posts (2022: five).
The total employee benefits of senior management were £284,537 (2022: £238,040), including pension and National Insurance contributions.
One post was vacant for quarter of the year (2022: half year vacant).

13 TANGIBLE NON CURRENT ASSETS

	Freehold property £	Computer Equipment £	Fixtures & fittings £	Motor Vehicles £	Total £
Cost					
At 1 January 2023	1,584,702	59,657	658,123	22,736	2,325,218
Additions	300,475	-	44,324	-	344,799
Disposals	-	-	(2,779)	-	(2,779)
At 31 December 2023	1,885,177	59,657	699,668	22,736	2,667,238
Depreciation					
At 1 January 2023	-	42,807	573,307	2,842	618,956
Charge for the year	-	11,117	36,308	5,684	53,109
Disposals	-	-	(2,362)	-	(2,362)
At 31 December 2023	-	53,924	607,253	8,526	669,703
Net Book Value					
At 1 January 2023	1,584,702	16,850	84,816	19,894	1,706,262
At 31 December 2023	**1,885,177**	**5,733**	**92,415**	**14,210**	**1,997,535**

All assets are used for charitable purposes.

All properties are 100% owned by the Congregational Federation.

The Custodian Trustee of the properties is The Congregational Federation Ltd.

14 INVESTMENT PROPERTY

MARKET VALUE	2023 £	2022 £
At 1 January 2023	3,421,397	3,590,562
Additions	-	-
Disposal of Investment property - Oldham	-	(169,165)
Disposal of Investment property - Llanharan	(156,897)	-
Revaluation	-	-
At 31 December 2023	**3,264,500**	**3,421,397**

Investment property is stated at the Trustee's estimated open market value.

All properties are 100% owned by the Congregational Federation except for:

Daisy Dormer, Brixton - 51%

The Custodian Trustee of the Investment properties is The Congregational Federation Ltd.

15 NON CURRENT ASSET INVESTMENTS

	2023 Listed Investments £	2022 Listed Investments £
Market Value		
At 1 January	10,294,010	10,770,359
Net Additions/(Disposals)	-	500,141
Unrealised gains/(losses) on investments	404,093	(976,490)
At 31 December	**10,698,103**	**10,294,010**

Unrealised gain/loss on investments is shown net of investment management fees of £50,000 (2022: £50,000).

16 DEBTORS

	2023 £	2022 £
Amount falling due within one year:		
Trade Debtors	6,430	2,556
Prepayments and accrued income	43,969	32,555
Other Debtors	886	635
Total	**51,285**	**35,746**

17 CREDITORS

	2023 £	2022 £
Amount falling due within one year:		
Trade Creditors	9,888	22,940
Taxation & Social Security	12,346	8,395
Other Creditors	8,886	7,963
Accruals	57,693	39,341
Total	**88,813**	**78,639**

Included in Other Creditors of £8,886 (2022: £7,963) is deferred income relating to Southam insurance recharges of £2,328 (2022: £2,160) and CIPT Learning and Development of £5,498 (2022: £5,647).

18 CREDITORS

	2023 £	2022 £
Amount falling due after more than one year:		
Accruals	22,000	10,750
Total	**22,000**	**10,750**

19 PENSION COMMITMENTS

Congregational Federation are committed to providing a good pension for all staff. Contributions at a rate of 10% are paid into a scheme with Royal London which is a defined contribution scheme. As such, the Federation has no pension fund liabilities.

CONGREGATIONAL FEDERATION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2023

20 MOVEMENT IN FUNDS - 2023

	At 01.01.23	Income	Expenditure	G/L	Revaluation Surplus	Transfers	At 31.12.23
Unrestricted Funds	£	£	£	£	£	£	£
General Purposes	1,359,344	253,493	(347,593)	26,858	-	105,081	1,397,183
Designated Funds							
Property	2,870,571	-	-	-	-	(156,897)	2,713,674
Trading	958,315	125,224	(186,298)	(418)	-	-	896,823
Ministers' Pension	286,364	82,058	(72,409)	11,619	-	-	307,632
Church Support Grants	173,645	51,337	(102,797)	780	-	-	122,965
Church Support - Dept	1,877	26,633	(159,034)	-	-	132,400	1,876
Church Support - Safeguarding	-	26,633	(47,724)	-	-	21,091	-
Church Financial Services	901,605	65,641	(87,331)	35,994	-	-	915,909
Protected Programme	5,859,066	357,953	-	206,007	-	(102,452)	6,320,574
CF Area Funds	-	4,508	(5,285)	-	-	777	-
	12,410,787	**993,480**	**(1,008,471)**	**280,840**	**-**	**-**	**12,676,636**
Restricted Funds							
Homes for Retired Ministers	809,604	23,757	(41,776)	2,909	-	-	794,494
Education	39,319	1,154	-	1,489	-	-	41,962
Sidney Berry	119,514	3,733	(15,393)	4,814	-	-	112,668
Church Support - CIPT	1,189,055	106,945	(170,054)	38,834	-	-	1,164,780
Special Appeals	5,170	740	(5,910)	-	-	-	-
CWM MSP4	50,757	1,181	-	-	-	-	51,938
CF Area Funds	1,043,308	60,049	(64,258)	39,520	-	-	1,078,619
	3,256,727	**197,559**	**(297,391)**	**87,566**	**-**	**-**	**3,244,461**
Permanent Endowments							
General Purposes Property	91,654	-	-	-	-	-	91,654
Homes for Retired Ministers	173,451	-	-	-	-	-	173,451
CF Area Funds	872,561	-	-	24,288	-	-	896,849
	1,137,666	**-**	**-**	**24,288**	**-**	**-**	**1,161,954**
Total Funds	**16,805,180**	**1,191,039**	**(1,305,862)**	**392,694**	**-**	**-**	**17,083,051**

Unrestricted Fund
This represents the free reserves of the Charity and General Purpose non-current assets.

Designated Funds

Property Fund
Property assets include residential investment properties which are to be sold in the coming years to help finance the Charities operating deficit.

Trading Fund
This provides support to the charitable activities through its student accommodation and conference facilities.

Ministers' Pension Fund
The Fund is intended to hold assets which produce sufficient income to meet the Ministers' pension costs on an annual basis. Federation contributions are protected for Ministers in their employment @ March 2016 at 6.36%. Beyond that, for Ministers changing employment and new Accredited Ministers, the Federation contributions will be at a lower rate of 2%. This fund will then become self-financing, no longer requiring funding from the Protective Programme Fund.

Church Support Grants
This Fund is to provide Mission and Starter Grants to churches to help support them in their mission initiatives. The Fund receives 10% of any Closed Church distributions received by the Federation.

Church Support - Dept
Providing resources and support to enable the Congregational Federation Churches to fulfil the commission to share the gospel and make disciples and to engage with society at local, national and international levels.

Church Support – Safeguarding
Changes to the Pastoral Care Board were introduced latterly during 2017. It was superseded by the Accreditation Group, with a remit to oversee the Accreditation process and Safeguarding. Pastoral Care within Areas is now the responsibility of Pastoral Care Coordinators for each Area.

Church Financial Services
Services include custodian property and advice services, payroll services, administration services for church investments and deposits.

Protected Programme Fund
The Fund where 90% of closed church receipts and all unrestricted legacies are allocated into along with some internal transfer of funds mainly from the General Purposes Property Fund emanating from the disposal of some investment properties into money market investments, in order to: a) generate investment income to directly support specific operational programs and; b) to finance specific operational annual deficits through a transferring of fund capital at each year end as deemed necessary.

Congregational Federation Area Fund
Comprising of Endowments and Expendable capital, which are invested in order to provide income for the Area Funds. The Accumulated Income derived from those investments is available to be drawn upon by the Area Associations.

Restricted and Endowment Funds

Homes for Retired Ministers
This Fund provides accommodation for qualifying Congregational Federation Ministers of no less than 25 years of Congregational Federation Minister service (and to their widows) in their retirement and is dependent upon being on the Roll of Ministries under the (Category M) for Minister.

Education Fund
The income from this Fund is applied for the benefit of the children of Ministers of any of the Federation member churches.

The Sidney Berry Trust
This is a restricted Fund resulting from a legacy. Income is to be used to supplement the incomes of poorly paid Ministers or to support, in retirement, Ministers or Ministers' widows/ers.

Church Support - Congregational Institute for Practical Theology
This Fund covers all the learning and development programmes. The Congregational Institute for Practical Theology reserves came mainly through a distribution received from The New College Foundation, London.

Special Appeals
This Fund represents the offertory taken at the Congregational Federation National Assembly and the distribution to the nominated charities.

Council for World Mission MSP4
Funding is being received to finance new initiatives within the Congregational Federation.

Congregational Federation Area Funds
Endowments and Expendable capital which are being preserved in order to provide income for the Area Funds, subject to market valuations. Accumulated income is available for draw down by the area associations.

Transfers

Unrestricted Fund

General Purpose (GP)
The table below is an analysis of the transfers to and from the Fund.

		£
From	GP Property - 60 Meadow Rise, Llanharan	156,897
To	PPF - 60 Meadow Rise, Llanharan	(145,915)
From	PPF	94,099
		105,081

General Purpose Property Fund

		£
To	GP Property - 60 Meadow Rise, Llanharan	(156,897)
		(156,897)

Church Support - Dept
The Fund received **£132,400** from the Protected Programme Fund to cover the 2023 progarmme operations.

Church Support - Safeguarding
The Fund received **£21,091** from the Protected Programme Fund to cover the 2023 programme operations.

Protected Programme Fund (PPF)
The table below is an analysis of the transfers to and from the Fund.

	£
From GP Property - 60 Meadow Rise, Llanharan	145,915
Congregational Federation Area Funds	(777)
Safeguarding / Accreditation Group	(21,091)
Church Support Dept	(132,400)
GP	(94,099)
	(102,452)

Congregational Federation Area Funds
The Fund received **£777** from Protected Programme Fund to cover the 2023 programme operations.

CONGREGATIONAL FEDERATION
NOTES TO THE FINANCIAL STATEMENTS
MOVEMENT IN FUNDS COMPARISON

MOVEMENT IN FUNDS - 2022

	At 01.01.22	Income	Expenditure	G/L	Transfers	At 31.12.22
Unrestricted Funds	£	£	£	£	£	£
General Purposes	1,442,993	233,335	(318,347)	(80,679)	82,042	1,359,344
Designated Funds						
Property	1,784,395	-	-	1,255,342	(169,166)	2,870,571
Trading	960,967	138,563	(155,478)	-	14,263	958,315
Ministers' Pension	314,866	86,324	(84,783)	(30,043)	-	286,364
Church Support Grants	111,876	91,340	(28,702)	(869)	-	173,645
Church Support - Dept	1,877	23,155	(128,259)	-	105,104	1,877
Church Support - Safeguarding	-	23,155	(39,402)	-	16,247	-
Church Financial Services	937,052	130,410	(78,202)	(87,655)	-	901,605
Protected Programme	5,609,608	746,871	-	(461,196)	(36,217)	5,859,066
CF Area Funds	-	2,669	(4,659)	-	1,990	-
	11,163,634	**1,475,822**	**(837,832)**	**594,900**	**14,263**	**12,410,787**
Restricted Funds						
Homes for Retired Ministers	769,646	78,276	(30,795)	(7,523)	-	809,604
Education	42,078	1,089	-	(3,848)	-	39,319
Sidney Berry	151,634	4,053	(21,853)	(14,320)	-	119,514
Church Support - CIPT	1,340,918	90,848	(137,604)	(105,107)	-	1,189,055
Special Appeals	1,011	5,170	(1,011)	-	-	5,170
CWM MSP4	50,443	314	-	-	-	50,757
CSC - if only... Mission Initiative	1,700	-	(1,700)	-	-	-
CSC - CWM Gift of Grace	20,243	-	(5,980)	-	(14,263)	-
CF Area Funds	1,193,161	57,581	(103,584)	(103,850)	-	1,043,308
	3,570,834	**237,331**	**(302,527)**	**(234,648)**	**(14,263)**	**3,256,727**
Permanent Endowments						
General Purposes Property	91,654	-	-	-	-	91,654
Homes for Retired Ministers	173,451	-	-	-	-	173,451
CF Area Funds	944,845	-	-	(72,284)	-	872,561
	1,209,950	**-**	**-**	**(72,284)**	**-**	**1,137,666**
Total Funds	**15,944,418**	**1,713,153**	**(1,140,359)**	**287,968**	**-**	**16,805,180**

21 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Restricted Funds £	Permanent Endowments £	Total £
Fund balances at 31st December 2023 are represented by:				
Fixed Assets	1,026,872	705,558	265,105	1,997,535
Investment Property	3,035,000	229,500	-	3,264,500
Investments	7,535,676	2,265,578	896,849	10,698,103
Net Current Assets	1,101,088	43,825	-	1,144,913
Creditors more than one year	(22,000)	-	-	(22,000)
Total	**12,676,636**	**3,244,461**	**1,161,954**	**17,083,051**

	Unrestricted Funds £	Restricted Funds £	Permanent Endowments £	Total £
Fund balances at 31st December 2022 are represented by:				
Fixed Assets	1,035,192	405,965	265,105	1,706,262
Investment Property	3,191,897	229,500	-	3,421,397
Investments	7,233,437	2,188,012	872,561	10,294,010
Net Current Assets	961,011	433,250	-	1,394,261
Creditors more than one year	(10,750)	-	-	(10,750)
Total	**12,410,787**	**3,256,727**	**1,137,666**	**16,805,180**

22 OTHER COMMITMENTS

At 31st December 2023, the Congregational Federation had NIL capital commitments contracted but not provided for in these financial statements (2022: NIL).

23 RELATED PARTY DISCLOSURES

The Congregational Federation Limited acts as Custodian Trustee on behalf of the Congregational Federation and others. It is considered that The Congregational Federation Limited is a related party through a common Trustee board. Transactions between Congregational Federation and The Congregational Federation Limited during the year were:

	2023 £	2022 £
Funds to The Congregational Federation Limited		
Payment of Independent Examination Fee	3,500	3,250
Funds from The Congregational Federation Limited		
Costs relating to closed churches	20	91
Closed church sale distribution	367,961	880,862

RELATED PARTY DISCLOSURES (continued)

A joint insurance policy is paid for by Congregational Federation totalling £18,364 (2022: £17,129) which benefits The Congregational Federation Limited.

Congregational Federation provides administrative and management services to The Congregational Federation Limited. Congregational Federation do not recharge these costs to The Congregational Federation Limited.

As a member organisation, transactions with each of the members of the Charity are not considered related party transactions for disclosure purposes within the financial statements.

24 RECONCILIATION OF NET MOVEMENT TO NET CASHFLOW FROM OPERATING ACTIVITIES

	2023 £	2022 £
Net movement in funds for the year	277,871	860,762
Depreciation	53,109	62,224
(Profit)/losses on disposal of tangible fixed assets	417	(66,345)
(Profit)/losses on disposal of Investment property	10,982	-
(Gains)/losses on investments	(404,093)	976,490
Investment property revaluation	-	-
(Increase)/decrease in debtors	(15,539)	7,254
Increase/(decrease) in creditors	21,424	(1,272,948)
Net cashflow from operating activities	(55,829)	567,437

25 RECONCILIATION OF NET DEBT ANALYSIS AT 2023

	1 January £	Cash flows £	31 December £
Cash	1,437,154	(254,713)	1,182,441
	1,437,154	**(254,713)**	**1,182,441**

26 ULTIMATE CONTROLLING PARTY

The Trustees as a Board are considered to be the ultimate controlling party.

CONGREGATIONAL FEDERATION

England & Wales - Charity number 264839

Accounts

Registered Charity Number: 264839

CONGREGATIONAL FEDERATION

REPORT OF THE TRUSTEES AND AUDITED FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2022

CONGREGATIONAL FEDERATION

CONTENTS

	Page
Report of the Trustees	1 – 14
Report of the Independent Auditor	15 – 17
Statement of Financial Activities	18
Comparison Statement of Financial Activities	19
Balance Sheet	20
Statement of Cashflows	21
Notes to the Financial Statements	22 – 38

CONGREGATIONAL FEDERATION
YEAR ENDED 31 DECEMBER 2022

REPORT OF THE TRUSTEES

The Trustees of the Charity present their report with the financial statements of the Charity for the year ended 31 December 2022. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements to comply with the Charity's trust deed, the Charities Act 2011 and Accounting and Reporting by Charities, Statement of Recommended Practice applicable to the Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland.

REFERENCE AND ADMINISTRATIVE DETAILS`

Registered Charity number
264839

Principal office
8 Castle Gate
Nottingham
Nottinghamshire
NG1 7AS

Trustees

Mr J A Lyon	Chairperson	
Revd O C Kinchin	President Elect	Appointed 14 May 2022
Revd S Nockels	Past President	Resigned 17 November 2022
Mr M Taylor	President	
Revd J D Bentham	Chair of CSC	Resigned 27 March 2022
Mrs S M Austin	Chair of FSSC	Appointed 1 January 2022
Miss M M C McGuinness	CF in Scotland	
Revd T R Wilson	CF in Scotland	
Revd G Simonis	CF in Scotland	
Revd C L Gillham	CF in Wales	
Revd C James	CF in Wales	Resigned 17 November 2022
Dr B W Mason	CF in Wales	Appointed 18 November 2022
Mr E P Fenwick	Eastern	
Revd C E Booton	East Midlands	Appointed 1 January 2022 Resigned 13 February 2023
Mrs E M Bentham	North East	
Revd F Y Kamara	North West	
Mrs H Biggin	North West Midlands	
Revd C J Bamforth Damp	South East	
Revd C J Stott	South West	Resigned 7 March 2022 Appointed 31 October 2022
Revd J Holloway	South West Midlands	

CF – Congregational Federation
FSSC – Finance and Support Services Committee
CSC – Church Support Committee

REFERENCE AND ADMINISTRATIVE DETAILS – continued

Auditors
UHY Hacker Young
14 Park Row
Nottingham
NG1 6GR

Bankers
National Westminster Bank Plc
Smiths Branch
16 South Parade
Nottingham
NG1 2JX

Solicitors
Nelsons Solicitors
Pennine House
8 Stanford Street
Nottingham
NG1 7BQ

CONGREGATIONAL FEDERATION
YEAR ENDED 31 DECEMBER 2022

REPORT OF THE TRUSTEES

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Congregational Federation is a voluntary association of Congregational or Independent Churches (plus Personal Members) that was established by a Constitutional Document ("The Constitution").
The affairs of the Congregational Federation are the responsibility of its Council – who act as Trustees.

THE CONSTITUTION

Foundation Principle: In solemn renewal of the declaration made in the Congregational Library, London, on 13 May 1831 and affirmed by the Conference in Lyndhurst Road Congregational Church, London, on 13 May 1972 and by the Assembly in Westminster Chapel on 14 October 1972, the Federation of continuing Congregational Churches is founded on a full recognition of their own distinctive principle, namely, the scriptural right of every separate Church to maintain perfect independence in the government and administration of its own particular affairs; and therefore that the Federation shall not in any case assume legislative authority, or become a court of appeal.

ARTICLE 1. **NAME** The name of this voluntary association is the Congregational Federation.

ARTICLE 2. **MEMBERSHIP** Membership of the Federation comprises Congregational or Independent churches, each having a separate roll of members, and paying an affiliation fee to the Federation, the amount of such affiliation fee being that recommended by the Assembly.

Personal Membership will be available for individuals who wish to maintain the Congregational tradition. The Personal Membership fee is that recommended by the Assembly.

ARTICLE 3. **OBJECT** The object of the Federation is the advancement of the Christian faith and in furtherance thereof but not otherwise:

(a) To spread the knowledge of Christ throughout the land;

(b) To encourage congregations of believers in local places to maintain corporate worship in free assembly alike in consecrated buildings and in the homes of the people;

(c) To spread the knowledge of Christ beyond the seas through the agency of such bodies as the Council for World Mission;

(d) To further the spirit of unity in Christ with all other believers in Him;

(e) To mediate the call of God to Christian service at home and abroad whether by way of the ordained ministry or otherwise;

(f) To do all other such things as are necessary to the attainment of this object.

ARTICLE 4. **RELATIONSHIPS** The Foundation Principle of the Federation precludes it from making any decision binding on any Church; it can do no more than offer recommendations. It does not claim to speak on behalf of Churches unless it is authorised by them to do so for a particular purpose on a particular occasion. Any obligation accepted by a Church to another Christian body is not held by the Federation as a barrier to fellowship within the Federation.

ARTICLE 5. **THE ASSEMBLY** The Assembly is held at least once in each year on a date and at a time and place fixed by a previous Assembly. At least 56 days notice of an Assembly is given to each member Church and Personal member.

ARTICLE 6. **OFFICERS AND COUNCIL**

(a) The Assembly appoints such Officers as it thinks fit. The Council comprises the Officers, Chairs of Committees, three representatives from the Congregational Federation in Scotland, two representatives from the Congregational Federation in Wales and one representative from each Area Association in England, the President Emeritus, Chair of Council, General Secretary, two representatives of the Youth Association, a representative from Congregational Federation Ltd. and a representative for the Personal members.

(b) A quorum at a Council Meeting is 50% of the members of the Council as defined at Article 6(a).

ARTICLE 7. **FINANCE** Officers and members of Council, Committees and Boards are entitled to reimbursement of all necessary out-of-pocket expenses; of these only the General Secretary and such others as may be recommended by Council and approved by Assembly may receive a salary. With its Annual Report, the Council submits to the Assembly a statement of accounts, duly audited, together with a Budget of income and expenditure. When adopting the Budget, the Assembly recommends the minimum amount of the affiliation fees for Churches and individuals.

ARTICLE 8. **ALTERATION OF CONSTITUTION** This Constitution may be altered when the following conditions are fulfilled:

(a) The wording of the proposed alteration must be circulated to all member churches and personal members at least 56 days before the Assembly.

(b) The resolution embodying the proposed alterations must then be discussed and, if appropriate, amended by the Assembly. In the event of a marked division of opinion at the Assembly, the matter will be referred back either to the Council or to the churches, otherwise the agreed wording will be sent to each member church and to each personal member.

(c) At least 50% of the member churches must vote on the proposed alteration (each member church has one vote). The period allowed for voting shall be six months.

(d) At least 90% of the votes cast must be in favour of the proposed alteration.

(e) The consent of the Charity Commission must be obtained if the proposed alteration concerns the Name or Object of the Federation.

Council and Public Benefit

The affairs of The Congregational Federation are the responsibility of the Council of The Congregational Federation who act as Trustees, who meet throughout the year. Details of the names of the Trustees at the date of this report are set out on page 1.

The Council is mindful of the Charity Commission's guidance on Public Benefit including the guidance on the advancement of religion. It believes that the services and support it offers are aimed at enabling its member churches to serve the widest possible sectors of their communities. Beyond that it also enables its members to support and serve communities across the world through its membership of the Council for World Mission and partnerships including Christian Aid.

REPORT OF THE TRUSTEES

Recruitment and appointment of new Trustees

The composition of the Trustee body is shown in article 6a of the constitution above. The Council is the Charity's Trustee body and currently comprises: the Officers as appointed by the annual Assembly following a ballot of all churches and personal members of which are the President, President Elect and Immediate Past President; Chairs of Committees who are nominated by their respective Committee and ratified by Assembly; a representative(s) from each Area Association appointed by the Area Association. The Chair of Council is appointed by Council. In each case recruitment is made through the appropriate representative body of either Area, Churches, Committee, or organisation.

Induction and training of new Trustees

New Trustees receive an induction pack 'The Council Members Handbook' which includes particular reference to policy documents in relation to the Charity and also various Charity Commission leaflets explaining the overall importance and nature of their role. This manual is constantly updated as matters change. In addition, Trustees receive copies of the Charity Commission news on a regular basis to apprise them of current developments within the Charity Sector. The Federation also from time to time invites its legal advisors to meetings to address particular topics as a form of training event, particularly at times of reviewing major matters. All Trustees receive training in safeguarding.

Arrangements for setting staff remuneration

Remuneration is considered and approved by the Trustees annually, at their November meeting, in line with the staff pay policy in place.

Organisational structure

The Federation's Committee structure is organised through two committees:

- Finance and Support Services Committee - (FSSC)
- Church Support Committee - (CSC)

The Committees' work is supported by Boards and Groups.

At the Congregational Centre various trading activities occur under the control of the Finance and Support Services Committee.

The Trustees 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).

Related parties

The property and investment assets of the trust funds are held in the name of The Congregational Federation Limited, which acts as Custodian Trustee.

Under Charity Commission schemes there are several trust funds pertaining to the former County Unions. The resources of these are restricted to special areas laid down in the various schemes.

Connected Charities

The Federation acts as an umbrella organisation for Congregational and Independent churches. These are all considered to be Charities connected to The Congregational Federation.

The Congregational Federation Limited has shared management with the Congregational Federation and as such these are considered connected Charities.

REPORT OF THE TRUSTEES

The latest filed accounts for The Congregational Federation Limited were for the period to 31 December 2021 and reported the following:

	2021
	£
Income	346,968
Net Loss	(158,172)

Risk management

The Council continues to assess the risks to which the Charity is exposed, in particular in relation to the volatility of the stock market and is satisfied that policies are in force to safeguard the funds. Its Investment Managers, RBC Brewin Dolphin Limited, play a key role in this and report to the Federation on a quarterly basis. The Trustees have a duty to identify and review the risks to which the Charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

Council

The Members of Council are the Trustees of the Congregational Federation, and its membership is defined by the Constitution. The Committees are made up of representatives of various aspects of the life of the Federation and Council receives and ratifies the work and decisions of these Committees. Council's role is to oversee the overall management of the Congregational Federation and to review and determine the strategic direction of the Federation. It does this through receiving reports from Committees, its ongoing training for Trustees, and in addition initiating consultations with Churches. It agrees the annual Accounts and reports annually to Assembly.

The Council continues to monitor investments carefully. Investments are held in accordance with the Trustees' powers. The investments incurred unrealised losses of £976,490 (2021: gain of £1,012,130). The total market value of investments is £10,294,010 (2021: £10,770,359). Additional new investment of £500,141 was invested in the year.

Internal and external factors

The Federation is constantly reviewing through its governance structure the services it offers to its members. It exists to support the member churches who increasingly have to operate within testing times of the church being relevant in their own communities. Numbers of members have been declining and the age profile increasing. However, there are signs of new life and fresh expressions of church being relevant to current society which the Federation seeks to support and resource. As a result of the Covid pandemic, many member churches established an online presence, and some have continued to provide various forms of online worship as an extension to their ministry. Provision continues to be made for staff to work from home where appropriate.

REPORT OF THE TRUSTEES

OBJECTIVES AND ACTIVITIES

Objectives and Aims

The Congregational Federation is a federation of Independent or Congregational churches. It came into being in 1972 following the vote on the formation of the United Reformed Church. The Congregational Federation was formed from churches that decided to continue to follow the Congregational Way. The Federation provides support and guidance to Congregational Churches both financially and otherwise. This is achieved by making grants and loans to individuals and churches, and by providing the following services to a very wide range of persons:

- support for churches
- ministerial and lay training
- assisting with pastoral settlements
- safeguarding
- ministry with youth and children's work
- initiatives to support pioneering
- pension
- mission initiatives including its partnership with Council for World Mission
- ecumenical relationships
- advice on church administration and finance

The wide range of services and support are aimed at enabling the widest possible sections of our communities to engage with events, opportunities and experiences for a more fulfilled life. It is evident that some of the work churches undertake deals with persons at the margins of society, the very young and the elderly.

Membership of the Federation is open to any Congregational or Independent church who desires the support of this wider body to better enable them to serve their community.

Volunteers

The Federation recognises the value of voluntary work without which it would be unable to function at the level it currently does.

REPORT OF THE TRUSTEES

FINANCE REVIEW

Income is received from investments, trading activities, affiliation fees, grants from other trusts and other sources as indicated in the Statement of Financial Activities.

Investment funds which are not required for day to day working capital purposes are invested in the Common Investment Pool. This is managed by the Investment Trust and Trading Board (ITTB), which receives independent financial advice from RBC Brewin Dolphin Limited, a financial and investment management company authorised and regulated by the Financial Conduct Authority.

The Federation's operations incurred an operating deficit in the year of (£225,184), offset by Closed Church receipts of £807,094, and the CFL loan write off of £1,255,342, along with Unrealised investment losses of (£976,490) resulting in an overall reported surplus for the year of £860,762 as shown below. This is a good outcome in the light of the economic and political turmoil of 2022.

	2022	2021
	£	£
Operating Deficit	(225,184)	(343,593)
Closed Church Receipts	807,094	414,152
Unrealised Investment Gains/(Losses)	(976,490)	1,012,130
Investment Property Revaluation	-	262,000
Inter-Co Loan with CFL Written-Off	1,255,342	-
Surplus/(Deficit) for the year	**860,762**	**1,344,689**

PLANS FOR FUTURE PERIODS

The Trustees continue to review the provision of support for Churches, Youth and Children's Work, Learning and Development plus grants for new initiatives, mindful that income derived from exceptional tranches of income mainly from closed churches.

The Trustees agreed that operations should remain at current budgeted levels for 2023 and that the finance strategy should be rolled forward for the three-year period 2024-2026, with continued monitoring of key performance indicators.

ACHIEVEMENT AND PERFORMANCE

The challenges of maintaining business continuity and support to churches throughout the Covid pandemic are to a large extent past, but some changes in approach continue to be of benefit: working from home to encourage better work-life balance and the expansion of the use of Zoom for online or hybrid meetings. The latter has enabled participation in meetings and discussion by those at a distance, or for whom travel is difficult, with the additional benefit of reducing meeting-associated expenses.

The resources it provides to its membership are regulated through Church Support Committee, Finance and Support Services Committee, Council and Assembly.

During 2022, we were able to resume more normal operations, following the disruption of the pandemic. A highlight of the year was a very positive May Assembly held in Birmingham in a full auditorium.

2022 also represented the 50th Anniversary of the Congregational Federation, which was formed by churches wishing to remain independent as many former congregational churches chose to form the United Reformed Church. This division was very painful for many, so it seems worthy of note that both the Federation and URC were represented at each other's 50th Anniversary celebrations and have also collaborated, together with the Church of England Church Army, to establish a pioneering hub to provide training and support for pioneering fresh expressions of church.

Council has established a plan of action for providing additional resources to support churches, and progress against this plan was tracked by Council during 2022, with good progress noted.

Prior to the pandemic, it was agreed that there should be a strategic review to consider how the Congregational Federation should function in the future. There has been limited progress on this between 2020 and 2022, and the November Council meeting decided to establish a small group to review strategic options and make recommendations to Council. The make-up and delivery schedule for this group will be determined early in 2023.

Finance and Support Services Committee

This Committee administers the general operations of the Federation providing support and advice for churches in financial and legal matters.

Through the Investment Trust and Trading Board, (ITTB), the Committee oversees the management of its Common Investment Pools. The income generated from investments is allocated to support the activities of the Federation. Some investments are restricted for use by Areas (the geographical grouping of member churches) in supporting their individual churches.

The ITTB scrutinises the trading activities undertaken at the premises in Nottingham. In addition to providing office accommodation for staff, these include provision of a venue for meetings and conferences, both for Federation use and for hire by external groups and the provision of warden-monitored accommodation for students. The student rooms are let to university students in Nottingham and provide good quality, affordable accommodation in a safe and secure community environment. Many students are from overseas and greatly appreciate the setting and support offered.

Trading activity is intended to generate income to support the programmes of the Federation and the resources offered to member churches. Unsurprisingly, the Covid pandemic had a significant impact on these activities throughout 2020 and 2021, further exacerbated by dramatic changes in the retail environment in Nottingham city centre. It is encouraging to record a renewed uptake of these facilities during 2022 and a marked reduction in the trading deficit.

The Federation continues to utilise the services of a Human Resources (HR) consultant who provides and updates HR resources on the Federation website and can be contacted by churches for advice on HR matters.

The Federation continues to use the Royal London Group Personal Pension Scheme, for the benefit of staff and qualifying ministers.

The Federation maintains membership of the Church Investors Group to monitor its own policy on ethical investments and to be aware of developments in the Ethical, Social and Governance arena.

Strategy and Aims

Although holding significant investment assets, the Federation continues to remain reliant upon receiving capital receipts each year in order to absorb the operating deficits. Budget deficits will continue to be monitored to keep them within realistic ranges. Except for the necessity to balance the budgets, the key principle is that any capital receipts or windfalls, instead of being expended directly into projects, are invested to generate interest which can ultimately be used to fund new initiatives.

In the long term, this strategy should enable eradication of regular budget deficits and reduce reliance on exceptional income, such as that from the sale of closed churches.

The FSSC and the ITTB continue the process of reviewing policies and procedures to ensure that proper controls are in place regarding Federation income and expenditure.

The FSSC continues to oversee the Federation's finances and make recommendations to Council with respect to financial management.

Church Support Committee

During the year, the Chair of the Church Support Committee reached the end of their term of office. The position is currently vacant.

The Church Support Committee is the means by which churches can benefit from grants. Grants have been given to support church mission projects that reach out to the community, youth and children's materials, equipment for more professional digital films through social media and the internet, supporting ministry in a variety of rural, urban, and inner-city settings. This year there have been no new Impact Grant applications, but Starter and Mini Grants have been constant throughout the year.

In terms of the Congregational Federation's support for local churches, the Federation employs a part time Church Support Worker to provide encouragement to churches and those with wider roles of mission enabling. This role is focused on encouraging local churches, supporting youth and children's work, supporting them with applications for mission grants and producing monthly newsletters. Although the Federation has budgeted for two Church Support Workers there is only one part time position filled at the moment due to the ongoing review of our structure within the Federation. However, we do have funding for consultancy work to support specific church needs.

Three types of grants are available:

- Impact Grant: Conditions changed to include ministry. Maximum of £15,000 over a 3-year period.
- Starter Grants: £400 (up to £600 for specialist equipment)
- Youth and Children Grants: £100

Christian Aid

CF continue to support Christian Aid. The 2022 campaign asked churches to give £50 in the 50th year. We aimed to reach £11,500 which will be given to a project of cocoa farmers in Nicaragua. Although this figure has not been reached, we raised over £5,000 which will be donated.

REPORT OF THE TRUSTEES

We seek to bring information and ideas to the attention of our member churches through a variety of ways including;

- Website and social media pages
- Materials and links are added to the Resource Hub website
- Intouch and Inform newsletters
- Refresh magazine
- Lent and Advent reflections

Congregational Federation 50th Anniversary Celebrations 2022

Activities included publishing a Being Congregational booklet and Bible Reflections book, a calendar based on the parables of Jesus with a challenge to churches each month, Hymn Writing webinars, Christmas Card competition, and produced Golden Threads book with the United Reformed Church.

Council for World Mission

The Council for World Mission is always an agenda item and this year the Federation continues to support Revd Nigel Lindsay who is serving as a Partner in Mission in Grenada.

Learning and Development

Learning and Development is largely supported by restricted funds received from the closure of New College Foundation, London.

We have been without a Learning and Development Manager since June 2022 and offer sincere thanks to the administrator and the CIPT Management Board for all the ways they have ensured the course continues to run smoothly. We have recruited, and a new Manager will be in post from April 2023.

The Congregational Institute for Practical Theology (CIPT) was established in 2013, to replace the Training Board, which had successfully developed the training courses of the Federation. CIPT runs a suite of courses for the development of personal discipleship, and training for the recognised ministries of the Federation, comprising: The GIFT (Growing in Faith Together) Programme (unaccredited, Level 3) and FdA (Levels 4-5). Work is accredited by York St John University.

The GIFT course is now offered as a local course, rather than nationally run. This will continue to be monitored. Completion of the FdA is required for recognition on the Roll of Ministries.

The GIFT course is designed to support local church ministries and is subsidised by the Congregational Federation so it can be offered free to members of Federation churches with a Church endorsement. This course is also open to people from other denominations but is not subsidised. Students come from all walks of life, with a broad range of prior education, and the widest of age ranges. Special provisions are made available for students with learning or physical difficulties.

Each Level is firmly founded on biblical teaching. Level 4 explores our setting in the history of the Church and Christian thinking in discipleship and mission. Optional modules provide opportunities to develop specific areas of ministry and discipleship. Level 5 continues the strong biblical focus and on offer are a year-long ministry placement and a 10-week community placement. During 2022 the course was back to being face to face after being online throughout the pandemic.

REPORT OF THE TRUSTEES

The first Spring School was held in March 2022. The theme was "Is non-conformity a thing of the past?" The weekend was well attended, Professor Anthony Reddie, the Director of the Oxford Centre for Religion, led a session on the importance of a Christian non-conformist voice in UK public life. Dr Julian Gotobed, Director of Practical Theology and Mission at Westcott House, Cambridge, presented sessions on the distinctives of that non-conformist voice within the broader family of Christian denominations and traditions, and the need to recognise unfinished business in the areas of diversity and equity. A national statement on the highlights and conclusion of the conference was published on the website and sent to relevant ecumenical bodies to affirm that non-conformity was not a thing of the past.

Accreditation and Pastoral Care Coordinators Group

Changes to the Pastoral Care Board were introduced during 2017. It was superseded by the Accreditation Group, with a remit to oversee the Accreditation process and Safeguarding. Pastoral care within Areas is now the responsibility of Pastoral Care Coordinators for each Area but is supported by national training and support from the General Secretary. The name has changed to include pastoral care and this year as well as meeting they organised a visit to the National Arboretum to remember all those lost in the year. The new name is the Accreditation and Pastoral Care Coordinators Group (APCCG).

The APCCG has responsibility to oversee the administration of the Roll of Ministries including consideration of applications for inclusion on the Roll and where necessary, to deal with requests to remove a name from the Roll. The group oversees the Pastoral Period for those received onto the Roll of Ministries. Working through its Pastoral Care Coordinators, it also ensures that support is offered to students on the Training Course (CIPT) and others exploring their vocation, to those who are on the Roll, and to retired Ministers, their spouses, widows, and widowers.

The APCCG works with the Safeguarding Officer for the protection of children and vulnerable adults by overseeing the possession of Disclosure and Barring Service Certificates and Protecting Vulnerable Groups Scheme (Scotland) within churches and supporting Ministers, students, and churches with the procedures for obtaining these certificates.

Working with the Safeguarding Officer is a group of checkers who visit churches to look at the church premises offering advice and guidance about safeguarding plus health and safety issues. The Congregational Federation will then provide a "Safeguarding" certificate to confirm a level of good practice is in place.

The CSC has recommended a variety of safeguarding training courses for Ministers, Deacons and those working with both children and young people as well as vulnerable adults. These courses are delivered by the safeguarding organisation Thirtyone: eight and open to all Congregational Federation churches.

Inter Church Board

The Inter Church Board Chair represents the Federation on Churches Together in England and along with the help and support from our General Secretary and others on ecumenical bodies, informs the CSC of news and new initiatives along with resources that might be useful to the Federation. The Congregational Federation values its membership of all ecumenical and plays an active role within the Free Churches Group.

The Congregational Federation were privileged to be represented by the Moderator of the Free Churches Group at the Funeral of Her Majesty the Queen.

Youth and Children

A Youth and Children's event took place during the National Assembly.

REPORT OF THE TRUSTEES

Reserves policy

Free reserves provide the working capital requirements of the Federation, whilst providing a buffer of liquid funds in case of any short-term decline in income, unexpected increases in costs or risk exposure. They are intended to ensure that contractual obligations to staff, premises and programme commitments can be met along with any grant commitments to churches and Area Associations.

The Federation calculates its free reserves as those held in the General Purpose Fund less specific fund initiatives less the net book value of Non-Current Assets held in the General Purpose Fund.

The Trustees seek to maintain a level of free reserves of between 8 to 12 months of total annual expenditure. This currently equates to between £760,000 and £1.140 million based upon 2022 actual expenditure. Total expenditure increased slightly in 2022 but is still below pre pandemic levels. At 31st December 2022, the free reserves held represent 13.9 months (2021: 14.9 months) of expenditure and are therefore at the top of the band. It is envisaged that as likelihood of inflationary pressures and a post covid increase in charitable activities free reserves should naturally fall during the course of the current year from the amount as stated within the accounts.

	2022 £	2021 £
General Purposes Fund	1,359,344	1,442,993
Less Tangible Non-Current Assets	(40,959)	(36,334)
Free Reserves	**1,318,385**	**1,406,659**
Months	**13.9**	**14.9**

Investment policy

The investment policy is to maintain a balance between income and capital growth, (subject to a moderate degree of risk), with up to 5% high risk. There should be no exposure to tobacco, alcohol, armaments, gambling, pornography, or high-interest lending. Within these parameters it is further recognised that the emphasis for the expendable pool will be on income and for the permanent pool on capital growth. The ITTB continue to actively monitor investment strategy and performance particularly with regard to ethical negative screening and is satisfied that the investment performance has met the investment objectives during the year.

Grant making policies

The Federation makes grants from its resources to various areas including Retired Ministers, Welfare, Education of children of Ministers, Training, Youth and Children's initiatives, local church ministry support and mission projects, and the wider Church family through local ecumenical projects and via its membership of the Council for World Mission. For each instance, a set criteria and application process is followed and reviewed by the appropriate Board and Committee. The application process includes where appropriate the consideration of the means available to the applicant, the viability, and the suitability of any project for which monies are sought. An evaluation process is also part of any grants which are awarded when further monies are sought for subsequent years. We believe such grants are essential in enabling financial resources to be expended locally so as to best meet the needs of the communities in which the churches are set.

Such is our commitment that no grant will be awarded unless the church or project satisfies the best possible practice in terms of our Safeguarding policy in order to protect children, young people, and vulnerable adults.

REPORT OF THE TRUSTEES

Fund Raising

No fundraising is carried out by Congregational Federation.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees 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).

The law applicable to Charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources of the Charity for that period. 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 (FRS 102);
- 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 Charity will continue in operation.

The Trustees are responsible for keeping proper 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 Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. 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 Trustees are responsible for the maintenance and integrity of the Charity's financial information included on the website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the Trustees on 21 April 2023 **and signed on their behalf by:**

Mr J A Lyon
Trustee

Date:

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF CONGREGATIONAL FEDERATION

Opinion

We have audited the financial statements of the Congregational Federation (the 'Charity') for the year ended 31 December 2022 which comprise the statement of financial activities, balance sheet, statement of cashflows 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 FRS 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 Charity's affairs as at 31 December 2022 and of its incoming resources and application of resources plus cashflows 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 Charities Act 2011.

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 statement 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 financial statements. 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.

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 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.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF CONGREGATIONAL FEDERATION

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report. We have nothing to report in respect of the following matters where the Charities Act 2011 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 Trustees' responsibilities statement set out on page 14, the Trustees 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 Charity 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.

Based on our understanding of the Charity and the industry in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the acts by the Charity, which were contrary to applicable laws and regulations including fraud, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to correctly reflecting revenue and the Charity's net income for the year. In particular, there are risks related to the completeness and cut off of income from donations, legacies, lettings, investments and other charitable income.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF CONGREGATIONAL FEDERATION

Audit procedures performed by the engagement team included:

- reviewing the systems, controls and procedures of the Charity relevant to the preparation of the financial statements to ensure these were in place throughout the year
- evaluating management's controls designed to prevent and detect irregularities
- review of the financial statement disclosures to underlying supporting documentation
- review of correspondence with and reports to the regulators, including correspondence with the Charity Commission
- enquiries of management in so far as they related to the financial statements
- testing of journals in particular journal entries posted by unusual users, postings with unusual descriptions, postings with unusual times and dates and postings with unusual and material amounts
- evaluating whether there was evidence of bias by the trustees that represented a risk of material misstatement due to fraud
- challenging assumptions and judgements made by management in their critical accounting estimates
- testing a sample of income to supporting documentation both during the year and after the year end. In addition, analytical procedures were performed to ensure anticipated income had been properly recorded.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: http://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 members, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the Charity'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 Charity and the Charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

UHY HACKER YOUNG

UHY Hacker Young
Statutory Auditor
14 Park Row
Nottingham
NG1 6GR
Date..... 9/5/23 .....

UHY Hacker Young LLP is eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006

CONGREGATIONAL FEDERATION
STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31 DECEMBER 2022

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2022 Total Funds £	2021 Total Funds £
Income						
Income from donations & legacies	2	858,122	6,223	-	864,345	517,226
Income from lettings		194,334	25,914	-	220,248	172,737
Investment income	3	201,875	118,065	-	319,940	291,156
Income from charitable activities	4	214,865	27,410	-	242,275	164,382
Other income	5	6,626	59,719	-	66,345	60,639
Total		**1,475,822**	**237,331**	**-**	**1,713,153**	**1,206,140**
Expenditure						
Expenditure on lettings	6	143,658	-	-	143,658	167,871
Expendable on charitable activities	7	694,174	302,527	-	996,701	967,710
Total		**837,832**	**302,527**	**-**	**1,140,359**	**1,135,581**
Net Income/(Expenditure)		**637,990**	**(65,196)**	**-**	**572,794**	**70,559**
Extraordinary item	8	**1,255,342**	**-**	**-**	**1,255,342**	**-**
Gross transfers between funds		**14,263**	**(14,263)**	**-**	**-**	**-**
Net income/(expenditure) before other recognised gains and losses		**1,907,595**	**(79,459)**	**-**	**1,828,136**	**70,559**
Other recognised gains/(losses)						
Gains/(losses) on investment assets		(669,558)	(234,648)	(72,284)	(976,490)	1,274,130
Gains/(losses) on investment properties		9,116	-	-	9,116	-
Total other recognised gains/(losses)		**(660,442)**	**(234,648)**	**(72,284)**	**(967,374)**	**1,274,130**
Net movement in funds		**1,247,153**	**(314,107)**	**(72,284)**	**860,762**	**1,344,689**
Total funds brought forward		**11,163,634**	**3,570,834**	**1,209,950**	**15,944,418**	**14,599,729**
Total Funds c/f		**12,410,787**	**3,256,727**	**1,137,666**	**16,805,180**	**15,944,418**

The statement of financial activities includes all gains and losses recognised during the year.

CONGREGATIONAL FEDERATION
STATEMENT OF FINANCIAL ACTIVITIES – COMPARATIVE
YEAR ENDED 31 DECEMBER 2021

	Unrestricted Funds	Restricted Funds	Endowment Funds	2021 Total Funds
	£	£	£	£
Income				
Income from donations & legacies	483,178	34,048	-	517,226
Income from lettings	148,077	24,660	-	172,737
Investment income	177,339	113,817	-	291,156
Income from charitable activities	144,016	20,366	-	164,382
Other income	60,639	-	-	60,639
Total	**1,013,249**	**192,891**	**-**	**1,206,140**
Expenditure				
Expenditure on lettings	167,871	-	-	167,871
Expendable on charitable activities	664,233	303,477	-	967,710
Total	**832,104**	**303,477**	**-**	**1,135,581**
Net Income/(Expenditure) before transfers	**181,145**	**(110,586)**	**-**	**70,559**
Gross transfers between funds	-	-	-	-
Net income/(expenditure) before other recognised gains and losses	**181,145**	**(110,586)**	**-**	**70,559**
Other recognised gains/(losses)				
Gains/(losses) on investment assets	951,125	245,785	77,220	1,274,130
Net movement in funds	**1,132,270**	**135,199**	**77,220**	**1,344,689**
Total funds brought forward	**10,031,364**	**3,435,635**	**1,132,730**	**14,599,729**
Total Funds c/f	**11,163,634**	**3,570,834**	**1,209,950**	**15,944,418**

The statement of financial activities includes all gains and losses recognised during the year.

CONGREGATIONAL FEDERATION
BALANCE SHEET
AS AT 31 DECEMBER 2022

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2022 Total Funds £	2021 Total Funds £
Non Current Assets						
Tangible Assets	13	1,035,192	405,965	265,105	1,706,262	1,788,107
Investment Property	14	3,191,897	229,500	-	3,421,397	3,590,562
Investments	15	7,233,437	2,188,012	872,561	10,294,010	10,770,359
		11,460,526	**2,823,477**	**1,137,666**	**15,421,669**	**16,149,028**
Current Assets						
Debtors	16	35,746	-	-	35,746	43,000
Cash at bank & on deposit		998,257	438,897	-	1,437,154	1,114,727
		1,034,003	**438,897**	**-**	**1,472,900**	**1,157,727**
Creditors						
Amounts falling due within one year	17	(72,992)	(5,647)	-	(78,639)	(91,995)
Net Current Assets		**961,011**	**433,250**	**-**	**1,394,261**	**1,065,732**
Creditors						
Amounts falling due after more than one year	18	(10,750)	-	-	(10,750)	(1,270,342)
Net Assets		**12,410,787**	**3,256,727**	**1,137,666**	**16,805,180**	**15,944,418**
Funds						
Unrestricted Funds		12,410,787	-	-	12,410,787	11,163,634
Restricted Funds		-	3,256,727	-	3,256,727	3,570,834
Endowment Funds		-	-	1,137,666	1,137,666	1,209,950
Total Funds	20	**12,410,787**	**3,256,727**	**1,137,666**	**16,805,180**	**15,944,418**

The notes on pages 22-39 form part of these financial statements.

The financial statements were approved and authorised by the Board of Trustees on 21 April 2023 and were signed on its behalf by:

Mr J A Lyon
Chair of Trustees

CONGREGATIONAL FEDERATION
STATEMENT OF CASHFLOWS
YEAR ENDED 31 DECEMBER 2022

		2022	2021
		£	£
Cash flow from operating activities	Note 24	**567,437**	85,116
Cash flow from investing activities			
Payments to acquire tangible assets		**(31,134)**	(7.290)
Payments to acquire investment properties		**-**	(6,416)
Proceeds from sales of tangible assets		**117,100**	165,342
Proceeds from sales of investment properties		**169,165**	-
Payments to acquire investments		**(500,141)**	-
Net cash flow from investing activities		**(245,010)**	151,636
Net increase / (decrease) in cash and cash equivalents		**322,427**	236,752
Cash and cash equivalents at 1 January		**1,114,727**	877,975
Cash and cash equivalents at 31 December		**1,437,154**	1,114,727
Cash and cash equivalents consist of:			
Cash at bank and in hand		**1,437,154**	1,114,727

1 ACCOUNTING POLICIES

Basis of preparation and assessment of going concern
The financial statements have been prepared under the historical cost convention as modified by the revaluation of investments. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations in 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the 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 Ireland (FRS102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The financial statements are prepared on a going concern basis. The Charity constitutes a public benefit entity as defined by FRS102.

In preparing the accounts, the Trustees have considered whether in applying the accounting policies required by FRS102 and Charities SORP (FRS102) the restatement of comparative items was required. No restatements were required.

Income from Charitable Legacies and Lettings
All income is included on the Statement of Financial Activities on a recoverable basis when the Charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Closed Church income
Income received from Closed Churches is recognised on the date of receipt.

Investment income
Investment income is accounted for when receivable. Investment income receivable on permanent endowments is treated as expendable.

Legacies, grants and donations receivable
Grants and donations are included within the financial statements when receivable. Legacies are treated as receivable in the financial statements when notification has been received and receipt is virtually certain.

Taxation
The charity is exempt from tax on income and gains falling within Section 505 of the Taxes Act 1988 or Section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

Gifts in kind
The Federation receives gifts in kind for which it is extremely grateful. Gifts of a capital nature, where material, are capitalised at valuation. Other gifts in kind, for example, the time donated by volunteer workers, are not accounted for in these financial statements on the grounds that these invaluable resources are not possible to quantify.

Expenditure
Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to these categories. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with the use of resources. Expenditure is recorded net of VAT, when applicable, and the irrecoverable VAT is charged through the General Purpose Fund.

Governance costs
Expenditure in relation to the overall governance of the Charity is allocated to Governance costs in the year. These costs consist of audit costs, expenditure in relation to Trustee meetings.

Pension contributions
The charity operates a defined contribution pension scheme and the pension charge represents the amount payable by the Charity to the fund in respect of the year.

Grants payable
Grants are offered subject to conditions which need to be met, where such conditions have not been met at the year-end date, they are noted as a commitment but not accrued as expenditure.

Non-Current Assets
Freehold and long leasehold land and buildings are depreciated at 2% per annum. However, no depreciation has been provided in the year as the Trustees believe that the carrying value of land and buildings is less than the residual value.

Depreciation is provided on the charity's other assets at the following annual rates in order to write off each other asset over its useful economic life.

Fixtures and fittings	-	10% on cost
Motor vehicles	-	25% on cost
Computer Equipment	-	20% on cost

Investment properties
Property held for the sole purpose of investment are included within the accounts under the heading Investment Properties. These are included at market value; any changes in market value are recognised within other recognised gains or losses.

Investments
Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(losses) on investment assets' in the Statement of Financial Activities.

Fund accounting

Unrestricted Funds can be used in accordance with the charitable objectives at the discretion of the Trustees. Within the unrestricted funds a number of Designated Funds, have been established as determined by the Trustees as detailed in note 20 to the financial statements. The restrictions applied to Designated Funds can be reviewed at the Trustee's discretion.

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

Endowment Funds held by the Charity can only be used for particular restricted purposes and only the income generated can be spent by the Charity.

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

2 INCOME FROM DONATIONS & LEGACIES

	2022 £	2021 £
Unrestricted		
Closed Church Receipts	726,384	372,737
Government Furlough Grants	-	2,424
Covid Business Grant - Pilton Grant	-	7,000
City of Nottm Covid Business Grant	-	12,500
Memorial Hall Trust Grants	30,870	29,400
Church Support - Closed Church Receipts	80,710	41,415
Church Support Donations	9,823	15,076
Youth & Children Receipts	-	-
Legacy	8,724	-
General Purposes Donations	1,611	2,626
	858,122	**483,178**
Restricted		
CF 50th Appeal - Christian Aid	5,170	-
Kenya Appeal - Christian Aid	-	3,530
Vaccine Appeal - Christian Aid	-	857
CIPT - Fees	960	750
CIPT - Donations	-	-
Library Donations	-	1,128
CWM Covid Gift of Grace	-	26,643
CF Churches Gift of Grace	-	1,070
CIPT - Course Materials	93	70
	6,223	**34,048**
Total	**864,345**	**517,226**

3 INVESTMENT INCOME

	2022 £	2021 £
Unrestricted	**201,875**	**177,339**
Restricted	**118,065**	**113,817**
Total	**319,940**	**291,156**

4 INCOME FROM CHARITABLE ACTIVITIES

Unrestricted	2022 £	2021 £
Church Affiliation Fees	71,610	76,293
Ministers' Pension	54,667	55,462
CF 50th Anniversary	414	188
CFL - Admin Charges	4,816	3,962
CFL - 10% Management Fee	73,769	-
Congregationalist	900	-
Refresh	865	1,050
Pilton Green Lettings	3,950	3,925
Payroll Services	1,600	1,240
ACAT Membership	890	910
Associate Membership	210	861
Personal Membership	672	41
Other Income	502	84
	214,865	**144,016**
Restricted		
Congregational Institute for Practical Theology	27,410	20,366
	27,410	**20,366**
Total	**242,275**	**164,382**

5 OTHER INCOME

Unrestricted	2022 £	2021 £
Profit/(Loss) on sale of Fixed Assets	**6,626**	**60,639**
Restricted		
Profit/(Loss) on sale of Welfare Property	**59,719**	**-**
Total	**66,345**	**60,639**

6 EXPENDITURE ON LETTINGS

Unrestricted	2022 £	2021 £
Staff costs and overheads	57,795	61,518
Accommodation costs	79,866	100,951
Other expenditure	5,997	5,402
Total	**143,658**	**167,871**

7 EXPENDITURE ON CHARITABLE ACTIVITIES

EXPENDITURE ON CHARITABLE ACTIVITIES

	CIPT £	CFCS £	Ministers' Pension £	Homes for Retired Ministers' £	CF Area Funds £	Church Support £	Congregational Support £	2022 Total £	2021 Total £
Staff costs and overheads	69,118	64,051	84,783	15,063	4,659	87,867	160,413	485,954	484,768
Property costs	28,563	-	-	15,732	-	-	41,289	85,584	87,156
Operational costs	28,674	14,111	-	-	-	40,392	148,569	231,746	205,435
Hospitality and accommodation	11,249	-	-	-	-	-	-	11,249	3,082
Grants payable (note 9)	-	-	-	-	103,584	-	58,687	162,271	174,514
Governance costs	-	-	-	-	-	-	19,897	19,897	12,755
Total	**137,604**	**78,162**	**84,783**	**30,795**	**108,243**	**128,259**	**428,855**	**996,701**	**967,710**

CIPT - Congregational Institute of Practical Theology
CFCS - Church Financial Custodian Services

8 EXTRAORDINARY ITEM

The Inter-Company loan between Congregational Federation and The Congregatonal Federation Ltd of £1,255,342 was written-off during the year.

9 CHARITABLE ACTIVITIES - GRANTS PAYABLE

	2022		2021	
	Grants to Institutions £	Grants to Individuals £	Grants to Institutions £	Grants to Individuals £
Payable From:				
Sydney Berry Trust	-	21,853	-	24,805
Education Fund	-	-	-	-
Other	-	67	-	415
Horne/Botwright	-	700	-	700
Church Support Grants	27,376	-	33,000	-
Special Appeals - Christian Aid	1,011	-	4,171	-
Gift of Grace - Church Grants	5,980	-	17,280	-
If Only...Action Grants	1,700	-	14,000	-
Mission Initiative Grants	-	-	14,000	-
Grants payable from the CF Area Funds	103,584	-	66,143	-
Total	**139,651**	**22,620**	**148,594**	**25,920**

10 NET INCOMING/(OUTGOING) RESOURCES

Net resources are stated after (charging) / crediting:

	2022 £	2021 £
Depreciation - owned assets	(62,224)	(80,744)
Auditors remuneration	(14,150)	(17,200)
Total	**(76,374)**	**(97,944)**

11 Members of the Council do not receive any remuneration in their capacity as members of Council, although bona-fide expenses are reimbursed. 3 (2021:1) Trustees received Tutor's book grants total of £600 (2021: £200).

Expenses relating to Council activities during the year amounted to £8,997 (2021: £3,055), primarily in respect of transport and meeting costs. 15 Trustees (2021:11) received expenses in the year.

The Congregational Federation operates a Group Personal Pension scheme with Royal London for Accredited Ministries, Category M, who are serving as a minister in a Federation church. There were 6 (2021:5) serving ministers on Council, for whom the Federation paid pension contributions of £21,134 (2021: £19,591), for their role as a Federation minister. It is not connected to their role as a member of Council.

12 STAFF COSTS

	2022 £	2021 £
Wages and salaries	375,970	379,926
Social security costs	29,712	29,020
Pension costs	36,954	37,643
	442,636	**446,589**

During 2022 the average number of staff employed was 24 (2021: 32) in the central resource.
As at the year end the number of staff employed was equivalent to 11.6 (2021: 13.5) full time staff.

There are no employees who received employee benefits (excluding employer pension costs) of more than £60,000 during 2022 (2021: none).

Senior management is comprised of five posts (2021: five).
The total employee benefits of senior management were £238,040 (2021: £247,810), including pension and national insurance contributions. One post was vacant for half of the year.

13 TANGIBLE NON CURRENT ASSETS

	Freehold property £	Computer Equipment £	Fixtures & fittings £	Motor Vehicles £	Total £
Cost					
Balance b/f	1,634,507	53,048	657,284	12,526	2,357,365
Additions	950	6,609	839	22,736	31,134
Disposals	(50,755)	-	-	(12,526)	(63,281)
Balance c/f	1,584,702	59,657	658,123	22,736	2,325,218
Depreciation					
Balance b/f	-	31,195	527,363	10,700	569,258
Charge for the year	-	11,612	45,944	4,668	62,224
Disposals	-	-	-	(12,526)	(12,526)
Balance c/f	-	42,807	573,307	2,842	618,956
Net Book Value					
Brought forward	1,634,507	21,853	129,921	1,826	1,788,107
Carried forward	**1,584,702**	**16,850**	**84,816**	**19,894**	**1,706,262**

All assets are used for charitable purposes.

All properties are 100% owned by the Congregational Federation

The Custodian Trustee of the properties is The Congregational Federation Ltd

14 INVESTMENT PROPERTY

MARKET VALUE	2022 £	2021 £
At 1 January 2022	3,590,562	3,322,146
Additions	-	6,416
Disposals	(169,165)	-
Revaluation		262,000
At 31 December 2022	**3,421,397**	**3,590,562**

Disposal relates to a property held in Oldham.

Investment property is stated at the Trustee's estimated open market value.

All properties are 100% owned by the Congregational Federation except for:

Daisy Dormer, Brixton - 51%

The custodian trustee of the Investment properties is The Congregational Federation Ltd

15 NON CURRENT ASSET INVESTMENTS

	2022 Listed Investments £	2021 Listed Investments £
Market Value		
At 1 January	10,770,359	9,758,229
Net Additions/(Disposals)	500,141	-
Unrealised gains/(losses) on investments	(976,490)	1,012,130
At 31 December	**10,294,010**	**10,770,359**

Unrealised gain/loss on investments is shown net of investment management fees of £50,000 (£2021: £50,000)

16 DEBTORS

	2022 £	2021 £
Amount falling due within one year:		
Trade Debtors	2,556	4,109
Prepayments and accrued income	32,555	38,111
Other Debtors	635	780
Total	**35,746**	**43,000**

17 CREDITORS

	2022 £	2021 £
Amount falling due within one year:		
Trade Creditors	22,940	10,742
Taxation & Social Security	8,395	8,346
Other Creditors	7,963	8,824
Accruals	39,341	64,083
Total	**78,639**	**91,995**

Included in Other Creditors of £7,963 (2021: £8,824) is deferred income relating to Southam insurance recharges of £2,160 (2021: £1,944) and CIPT Learning and Development of £5,647 (2021: £3,154).
Cleaves Hall Nil (2021: £603).

18 CREDITORS

	2022 £	2021 £
Amount falling due after more than one year:		
Accruals	10,750	15,000
Due to The Congregational Federation Ltd	-	1,255,342
Total	**10,750**	**1,270,342**

19 PENSION COMMITMENTS

Congregational Federation are committed to providing a good pension for all staff. Contributions at a rate of 10% are paid into a scheme with The Royal London which is a defined contribution scheme. As such, the Federation has no pension fund liabilities.

CONGREGATIONAL FEDERATION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2022

20 MOVEMENT IN FUNDS - 2022

	At 01.01.22	Income	Expenditure	G/L	Revaluation Surplus	Transfers	At 31.12.22
Unrestricted Funds	£	£	£	£	£	£	£
General Purposes	1,442,993	233,335	(318,347)	(80,679)	-	82,042	1,359,344
Designated Funds							
Property	1,784,395	-	-	1,255,342	-	(169,166)	2,870,571
Trading	960,967	138,563	(155,478)	-	-	14,263	958,315
Ministers' Pension	314,866	86,324	(84,783)	(30,043)	-	-	286,364
Church Support Grants	111,876	91,340	(28,702)	(869)	-	-	173,645
Church Support - Dept	1,877	23,155	(128,259)	-	-	105,104	1,877
Church Support - Safeguarding	-	23,155	(39,402)	-	-	16,247	-
Church Financial Services	937,052	130,410	(78,202)	(87,655)	-	-	901,605
Protected Programme	5,609,608	746,871	-	(461,196)	-	(36,217)	5,859,066
CF Area Funds	-	2,669	(4,659)	-	-	1,990	-
	11,163,634	**1,475,822**	**(837,832)**	**594,900**	**-**	**14,263**	**12,410,787**
Restricted Funds							
Homes for Retired Ministers	769,646	78,276	(30,795)	(7,523)	-	-	809,604
Education	42,078	1,089	-	(3,848)	-	-	39,319
Sidney Berry	151,634	4,053	(21,853)	(14,320)	-	-	119,514
Church Support - CIPT	1,340,918	90,848	(137,604)	(105,107)	-	-	1,189,055
Special Appeals	1,011	5,170	(1,011)	-	-	-	5,170
CWM MSP4	50,443	314	-	-	-	-	50,757
CSC - if only...Mission Initiative	1,700	-	(1,700)	-	-	-	-
CSC - CWM Gift of Grace	20,243	-	(5,980)	-	-	(14,263)	-
CF Area Funds	1,193,161	57,581	(103,584)	(103,850)	-	-	1,043,308
	3,570,834	**237,331**	**(302,527)**	**(234,648)**	**-**	**(14,263)**	**3,256,727**
Permanent Endowments							
General Purposes Property	91,654	-	-	-	-	-	91,654
Homes for Retired Ministers	173,451	-	-	-	-	-	173,451
CF Area Funds	944,845	-	-	(72,284)	-	-	872,561
	1,209,950	**-**	**-**	**(72,284)**	**-**	**-**	**1,137,666**
Total Funds	**15,944,418**	**1,713,153**	**(1,140,359)**	**287,968**	**-**	**-**	**16,805,180**

Congregational Federation Area Fund – Restricted and Endowment Funds

Congregational Federation Area Fund - 2022

	Endowments £	Expendable £	Accum Income £	Total @ 31.12.22 £
CF in Wales	23,530	35,511	4,913	63,954
East Midlands	37,525	17,621	4,826	59,972
Eastern	37,882	-	4,530	42,412
- Church Ext	61,247	-	6,620	67,867
North East	100,913	15,162	3,157	119,232
North West	73,992	616,860	7,664	698,516
- Church Ext	11,396	82,026	4,730	98,152
North West Midlands	43,429	6,109	9,642	59,180
South East	240,668	99,782	13,344	353,794
- Church Ext	29,470	-	951	30,421
South West	212,509	57,763	(14,834)	255,438
South West Midlands	-	65,395	1,536	66,931
Total	**872,561**	**996,229**	**47,079**	**1,915,869**

Endowments and Expendable capital are invested in order to provide income for the Area Funds. The Accumulated Income derived from those investments is available to be drawn upon by the Area Associations.

Unrestricted Funds
This represents the free reserves of the Charity and General Purpose non-current assets.

Designated Funds

Property Fund
Property assets include residential investment properties which are to be sold in the coming years to help finance the Charities operating deficit.

Trading Fund
This provides support to the charitable activities through its student accommodation and conference facilities.

Ministers' Pension Fund
The fund is intended to hold assets which produce sufficient income to meet the ministers' pension costs on an annual basis. Federation contributions are protected for ministers in their employment @ March 2016 at 6.36%. Beyond that, for Ministers changing employment and new Accredited Ministers, the Federation contributions will be at a lower rate of 2%. This fund will then become self-financing, no longer requiring funding from the Protective Programme Fund.

Church Support Grants
This fund is to provide mission and starter grants to churches to help support them in their mission initiatives. The fund receives 10% of any Closed Church distributions received by the Federation.

Church Support - Dept
Providing resources and support to enable the Congregational Federation Churches to fulfil the commission to share the gospel and make disciples and to engage with society at local, national and international levels.

Church Support – Safeguarding
Changes to the Pastoral Care Board were introduced latterly during 2017. It was superseded by the Accreditation Group, with a remit to oversee the Accreditation process and Safeguarding. Pastoral Care within Areas is now the responsibility of Pastoral Care Coordinators for each Area.

Church Financial Services
Services include custodian property and advice services, payroll services, administration services for church investments and deposits.

Protected Programme Fund
The Fund where 90% of closed church receipts and all unrestricted legacies are allocated into along with some internal transfer of funds mainly from the General Purposes Property Fund emanating from the disposal of some investment properties into money market investments, in order to: a) generate investment income to directly support specific operational programs and; b) to finance specific operational annual deficits through a transferring of fund capital at each year end as deemed necessary.

Congregational Federation Area Fund
Comprising of Endowments and Expendable capital, which are invested in order to provide income for the Area Funds. The Accumulated Income derived from those investments is available to be drawn upon by the Area Associations.

Restricted and Endowment Funds

Homes for Retired Ministers
This fund provides accommodation for qualifying Federation Ministers of no less than 25 years of Federation Minister service (and to their widows) in their retirement and is dependent upon being on the Roll of Ministries under the (Category M) for Minister.

Education Fund
The income from this fund is applied for the benefit of the children of ministers of any of the Federation member churches.

The Sidney Berry Trust
This is a restricted fund resulting from a legacy. Income is to be used to supplement the incomes of poorly paid ministers or to support, in retirement, ministers or ministers' widows/ers.

Church Support - Congregational Institute for Practical Theology
This fund covers all the learning and development programmes. The Congregational Institute for Practical Theology reserves came mainly through a distribution received from The New College Foundation, London.

Special Appeals
This relates to funds held on behalf of an Appeal for Christian Aid.

Council for World Mission MSP4
Funding is being received to finance new initiatives within the Federation.

CSC - If Only...Mission Initiative
The purpose of this fund set out by CWM is to support local church mission projects specifically started in response to the COVID–19 pandemic. This fund fulfilled its aims during 2022 and is now fully spent up.

CSC - CWM Gift of Grace
The balance of this fund has been transferred to support Trading who suffered loss of income during the COVID-19 pandemic.

Congregational Federation Area Funds
Endowments and Expendable capital which are being preserved in order to provide income for the Area Funds, subject to market valuations. Accumulated income is available for draw down by the area associations.

CONGREGATIONAL FEDERATION
NOTES TO THE FINANCIAL STATEMENTS
MOVEMENT IN FUNDS COMPARISON

Transfers

Unrestricted Fund

General Purpose (GP)
The table below is an analysis of the transfers to and from the Fund.

		£
From	GP Property - 28, Arnside Ave, Oldham	169,646
To	PPF - 28, Arnside Ave, Oldham	(178,761)
To	GP Property - 60 Meadow Rise, Llaharan	(480)
From	PPF - 60, Meadow Rise, Llanharan	91,637
		82,042

General Purpose Property Fund

		£
To	GP Property - 28, Arnside Ave, Oldham	(169,646)
From	PPF - 60, Meadow Rise, Llanharan	480
		(169,166)

Trading
Received £14,263 from CWM Gift of Grace Fund.

Church Support - Dept
The fund received £105,104 from the Protected Program Fund to cover the 2022 progarmme operations.

Church Support - Safeguarding
The fund received £16,247 from the Protected Program Fund to cover the 2022 programme operations.

Protected Programme Fund
The table below is an analysis of the transfers to and from the Fund.

	£
From GP Property - 28, Arnside Ave, Oldham	178,761
Congregational Federation Area Funds	(1,990)
Safeguarding / Accreditation Group	(16,247)
Church Support Dept	(105,104)
GP	(91,637)
	(36,217)

Congregational Federation Area Funds
The Fund received £1,990 from Protected Program fund to cover the 2022 programme operations.

Restricted Fund

CWM Gift of Grace Fund
The remaining balance of £14,263 has been transferred to Trading.

CONGREGATIONAL FEDERATION
NOTES TO THE FINANCIAL STATEMENTS
MOVEMENT IN FUNDS COMPARISON

MOVEMENT IN FUNDS - 2021

	At 01.01.21	Income	Expenditure	G/L	Revaluation Surplus	Transfers	At 31.12.21
Unrestricted Funds	£	£	£	£	£	£	£
General Purposes	1,396,421	307,940	(288,586)	94,274	262,000	(329,056)	1,442,993
Designated Funds							
Property	1,615,978	-	-	-	-	168,417	1,784,395
Trading	1,051,544	92,863	(183,440)	-	-	-	960,967
Ministers' Pension	287,593	84,959	(88,042)	30,356	-	-	314,866
Church Support Grants	88,596	56,735	(34,333)	878	-	-	111,876
Church Support - Dept	-	21,345	(121,468)	-	-	102,000	1,877
Church Support - Safeguarding	-	21,300	(36,856)	-	-	15,556	-
Church Financial Services	868,334	53,512	(74,986)	90,192	-	-	937,052
Protected Programme	4,722,799	372,789	-	473,425	-	40,595	5,609,608
CF Area Funds	99	1,806	(4,393)	-	-	2,488	-
	10,031,364	**1,013,249**	**(832,104)**	**689,125**	**262,000**	**-**	**11,163,634**
Restricted Funds							
Homes for Retired Ministers	767,584	17,381	(23,493)	8,174	-	-	769,646
Education	37,140	1,050	-	3,888	-	-	42,078
Sidney Berry	155,518	4,448	(24,805)	16,473	-	-	151,634
Church Support - CIPT	1,283,964	83,320	(138,293)	111,927	-	-	1,340,918
Special Appeals	795	4,387	(4,171)	-	-	-	1,011
CWM MSP3	24,789	4	-	-	-	(24,793)	-
CWM MSP4	26,260	-	(610)	-	-	24,793	50,443
CSC - if only...Mission Initiative	16,382	-	(14,682)	-	-	-	1,700
CSC - CWM Gift of Grace	9,810	27,713	(17,280)	-	-	-	20,243
CSC - CWM Covid Mission Initiative	14,000	-	(14,000)	-	-	-	-
CF Area Funds	1,099,393	54,588	(66,143)	105,323	-	-	1,193,161
	3,435,635	**192,891**	**(303,477)**	**245,785**	**-**	**-**	**3,570,834**
Permanent Endowments							
General Purposes Property	91,654	-	-	-	-	-	91,654
Homes for Retired Ministers	173,451	-	-	-	-	-	173,451
CF Area Funds	867,625	-	-	77,220	-	-	944,845
	1,132,730	**-**	**-**	**77,220**	**-**	**-**	**1,209,950**
Total Funds	**14,599,729**	**1,206,140**	**(1,135,581)**	**1,012,130**	**262,000**	**-**	**15,944,418**

CONGREGATIONAL FEDERATION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2022

Congregational Federation Area Funds 2021

	Endowments £	Expendable £	Accum Income £	Total @ 31.12.21 £
CF in Wales	25,480	39,213	3,146	67,839
East Midlands	40,634	19,458	3,158	63,250
Eastern	41,020	-	3,371	44,391
- Church Ext	66,321	-	4,746	71,067
North East	109,271	16,742	12,718	138,731
North West	80,121	681,165	16,831	778,117
- Church Ext	12,340	90,576	1,961	104,877
North West Midlands	47,027	6,745	15,255	69,027
South East	260,605	110,183	21,411	392,199
- Church Ext	31,912	-	9,550	41,462
South West	230,114	63,784	350	294,248
South West Midlands	-	72,212	586	72,798
Total	**944,845**	**1,100,078**	**93,083**	**2,138,006**

21 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Restricted Funds £	Permanent Endowments £	Total £
Fund balances at 31st December 2022 are represented by:				
Fixed Assets	1,035,192	405,965	265,105	1,706,262
Investment Property	3,191,897	229,500	-	3,421,397
Investments	7,233,437	2,188,012	872,561	10,294,010
Net Current Assets	961,011	433,250	-	1,394,261
Creditors more than one year	(10,750)	-	-	(10,750)
Total	**12,410,787**	**3,256,727**	**1,137,666**	**16,805,180**

	Unrestricted Funds £	Restricted Funds £	Permanent Endowments £	Total £
Fund balances at 31st December 2021 are represented by:				
Fixed Assets	1,066,350	456,652	265,105	1,788,107
Investment Property	3,361,062	229,500	-	3,590,562
Investments	7,339,854	2,485,660	944,845	10,770,359
Net Current Assets	666,710	399,022	-	1,065,732
Creditors more than one year	(1,270,342)	-	-	(1,270,342)
Total	**11,163,634**	**3,570,834**	**1,209,950**	**15,944,418**

22 OTHER COMMITMENTS

At 31st December 2022, the Congregational Federation had NIL capital commitments contracted but not provided for in these financial statements (2021: NIL).

23 RELATED PARTY DISCLOSURES

The Congregational Federation Limited acts as Custodian Trustee on behalf of the Congregational Federation and others. It is considered that The Congregational Federation Limited is a related party through a common Trustee board. Transactions between Congregational Federation and The Congregational Federation Limited during the year were:

	2022 £	2021 £
Funds to The Congregational Federation Limited		
Payment of Independent Examination / Audit Fee	3,250	7,500
Funds from The Congregational Federation Limited		
Costs relating to closed churches	91	173
Loan relating to a closed church	-	30,000
Affiliation Fees	-	180
Closed church sale distribution	880,862	414,153

RELATED PARTY DISCLOSURES (continued)

A joint insurance policy is paid for by Congregational Federation totalling £17,129 (2021: £16,299) which benefits The Congregational Federation Limited.

Congregational Federation provides administrative and management services to The Congregational Federation Limited. Congregational Federation do not recharge these costs to The Congregational Federation Limited.

As a member organisation, transactions with each of the members of the Charity are not considered related party transactions for disclosure purposes within the financial statements.

24 RECONCILIATION OF NET MOVEMENT TO NET CASHFLOW FROM OPERATING ACTIVITIES

	2022 £	2021 £
Net movement in funds for the year	860,762	1,344,689
Depreciation	62,224	80,744
(Profit)/loss on disposal of tangible fixed assets	(66,345)	(60,639)
(Gains)/losses on investments	976,490	1,012,130
Investment property revaluation	-	(262,000)
(Increase)/decrease in debtors	7,254	35,255
Increase/(decrease) in creditors	(1,272,948)	(59,312)
Net cashflow from operating activities	567,437	85,116

25 RECONCILIATION OF NET DEBT ANALYSIS AT 2022

	1 January £	Cash flows £	31 December £
Cash	1,114,727	322,427	1,437,154
	1,114,727	**322,427**	**1,437,154**

26 ULTIMATE CONTROLLING PARTY

The Trustees as a Board are considered to be the ultimate controlling party.

CONGREGATIONAL FEDERATION

England & Wales - Charity number 264839

Accounts

Registered Charity Number: 264839

CONGREGATIONAL FEDERATION

REPORT OF THE TRUSTEES AND AUDITED FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2021

CONGREGATIONAL FEDERATION

CONTENTS

	Page
Report of the Trustees	1 – 12
Statement of Trustees' Responsibilities	13
Report of the Independent Auditor	14 – 16
Statement of Financial Activities	17
Comparison Statement of Financial Activities	18
Balance Sheet	19
Statement of Cashflows	20
Notes to the Financial Statements	21 – 37

CONGREGATIONAL FEDERATION
YEAR ENDED 31 DECEMBER 2021

REPORT OF THE TRUSTEES

The Trustees of the Charity present their report with the financial statements of the Charity for the year ended 31 December 2021. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements to comply with the Charity's trust deed, the Charities Act 2011 and Accounting and Reporting by Charities, Statement of Recommended Practice applicable to the Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland.

REFERENCE AND ADMINISTRATIVE DETAILS`

Registered Charity number
264839

Principal office
8 Castle Gate
Nottingham
Nottinghamshire
NG1 7AS

Trustees

Mr J A Lyon	Chairperson	
Revd Dr J H Wootton	Past President	Resigned 09 May 2021
Revd S Nockels	President	
Mr M Taylor	President Elect	
Revd J D Bentham	Chair of Church Support Committee	Resigned 27 March 2022
Mr P Butler	Past Chair of FSSC Committee	Resigned 27 October 2021
Mrs S M Austin	Chair of FSSC Committee	Appointed 01 January 2022
Revd M-K Logan	CF in Scotland	Resigned 01 May 2021
Miss M M C McGuinness	CF in Scotland	
Rev T R Wilson	CF in Scotland	Appointed 01 May 2021
Revd G Simonis	CF in Scotland	
Revd C L Gillham	CF in Wales	
Revd C James	CF in Wales	
Mr E P Fenwick	Eastern	
Revd C E Booton	East Midlands	Appointed 01 January 2022
Mrs E M Bentham	North East	
Revd F Y Kamara	North West	
Mrs H Biggin	North West Midlands	
Revd C J Bamforth Damp	South East	
Revd C J Stott	South West	Resigned 7 March 2022
Revd J Holloway	South West Midlands	

CF – Congregational Federation

REFERENCE AND ADMINISTRATIVE DETAILS – continued

Auditors
UHY Hacker Young
14 Park Row
Nottingham
NG1 6GR

Bankers
National Westminster Bank Plc
Smiths Branch
16 South Parade
Nottingham
NG1 2JX

Solicitors
Nelsons Solicitors
Pennine House
8 Stanford Street
Nottingham
NG1 7BQ

CONGREGATIONAL FEDERATION
YEAR ENDED 31 DECEMBER 2021

REPORT OF THE TRUSTEES

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Congregational Federation is a Voluntary Association of Congregational or Independent Churches (plus Personal Members) that was established by a Constitutional Document ("The Constitution").
The affairs of the Congregational Federation are the responsibility of its Council – who act as Trustees.

THE CONSTITUTION

Foundation Principle: In solemn renewal of the declaration made in the Congregational Library, London, on 13 May 1831 and affirmed by the Conference in Lyndhurst Road Congregational Church, London, on 13 May 1972 and by the Assembly in Westminster Chapel on 14 October 1972, the Federation of continuing Congregational Churches is founded on a full recognition of their own distinctive principle, namely, the scriptural right of every separate Church to maintain perfect independence in the government and administration of its own particular affairs; and therefore that the Federation shall not in any case assume legislative authority, or become a court of appeal.

ARTICLE 1. **NAME** The name of this voluntary association is the Congregational Federation.

ARTICLE 2. **MEMBERSHIP** Membership of the Federation comprises Congregational or Independent churches, each having a separate roll of members, and paying an affiliation fee to the Federation, the amount of such affiliation fee being that recommended by the Assembly.

Personal Membership will be available for individuals who wish to maintain the Congregational tradition. The Personal Membership fee is that recommended by the Assembly.

ARTICLE 3. **OBJECT** The object of the Federation is the advancement of the Christian faith and in furtherance thereof but not otherwise:

(a) To spread the knowledge of Christ throughout the land;

(b) To encourage congregations of believers in local places to maintain corporate worship in free assembly alike in consecrated buildings and in the homes of the people;

(c) To spread the knowledge of Christ beyond the seas through the agency of such bodies as the Council for World Mission;

(d) To further the spirit of unity in Christ with all other believers in Him;

(e) To mediate the call of God to Christian service at home and abroad whether by way of the ordained ministry or otherwise;

(f) To do all other such things as are necessary to the attainment of this object.

ARTICLE 4. **RELATIONSHIPS** The Foundation Principle of the Federation precludes it from making any decision binding on any Church; it can do no more than offer recommendations. It does not claim to speak on behalf of Churches unless it is authorised by them to do so for a particular purpose on a particular occasion. Any obligation accepted by a Church to another Christian body is not held by the Federation as a barrier to fellowship within the Federation.

ARTICLE 5. **THE ASSEMBLY** The Assembly is held at least once in each year on a date and at a time and place fixed by a previous Assembly. At least 56 days notice of an Assembly is given to each member Church and Personal member.

ARTICLE 6. **OFFICERS AND COUNCIL**

(a) The Assembly appoints such Officers as it thinks fit. The Council comprises the Officers, Chairs of Committees, three representatives from the Congregational Federation in Scotland, two representatives from the Congregational Federation in Wales and one representative from each Area Association in England, the President Emeritus, Chair of Council, General Secretary, two representatives of the Youth Association, a representative from Congregational Federation Ltd. and a representative for the Personal members.

(b) A quorum at a Council Meeting is 50% of the members of the Council as defined at Article 6(a).

ARTICLE 7. **FINANCE** Officers and members of Council, Committees and Boards are entitled to reimbursement of all necessary out-of-pocket expenses; of these only the General Secretary and such others as may be recommended by Council and approved by Assembly may receive a salary. With its Annual Report, the Council submits to the Assembly a statement of accounts, duly audited, together with a Budget of income and expenditure. When adopting the Budget, the Assembly recommends the minimum amount of the affiliation fees for Churches and individuals.

ARTICLE 8. **ALTERATION OF CONSTITUTION** This Constitution may be altered when the following conditions are fulfilled:

(a) The wording of the proposed alteration must be circulated to all member churches and personal members at least 56 days before the Assembly.

(b) The resolution embodying the proposed alterations must then be discussed and, if appropriate, amended by the Assembly. In the event of a marked division of opinion at the Assembly, the matter will be referred back either to the Council or to the churches, otherwise the agreed wording will be sent to each member church and to each personal member.

(c) At least 50% of the member churches must vote on the proposed alteration (each member church has one vote). The period allowed for voting shall be six months.

(d) At least 90% of the votes cast must be in favour of the proposed alteration.

(e) The consent of the Charity Commission must be obtained if the proposed alteration concerns the Name or Object of the Federation.

Council and Public Benefit

The affairs of The Congregational Federation are the responsibility of the Council of The Congregational Federation who act as Trustees. Details of the names of the trustees at the date of this report are set out on page 1. There are two fixed meetings of Council which take place in the Spring and Autumn each year. During the year these were held on 24th April 2021 and 19th to 21st November 2021. Additional meetings were also held on 16th January 2021, 20th February 2021 and 23rd September 2021. Other meetings may take place during the year as required.

The Council is mindful of the Charity Commission's guidance on Public Benefit including the guidance on the advancement of religion. It believes that the services and support it offers are aimed at enabling its member churches to serve the widest possible sectors of their communities. Beyond that it also enables its members to support and serve communities across the world through its membership of the Council for World Mission and partnerships including Christian Aid.

REPORT OF THE TRUSTEES

Recruitment and appointment of new Trustees

The composition of the Trustee body is shown in article 6a of the constitution above. The Council is the Charity's Trustee body and currently comprises: the Officers as appointed by the annual Assembly following a ballot of all churches and personal members of which are the President, President Elect and Immediate Past President; Chairs of Committees who are nominated by their respective Committee and ratified by Assembly; a representative(s) from each Area Association appointed by the Area Association. The Chair of Council and Vice Chair of Council are appointed by Assembly. In each case recruitment is made through the appropriate representative body of either Area, Churches, Committee or organisation.

Induction and training of new Trustees

New Trustees receive an induction pack 'The Council Members Handbook' which includes particular reference to policy documents in relation to the charity and also various Charity Commission leaflets explaining the overall importance and nature of their role. This manual is constantly updated as matters change. In addition, Trustees receive copies of the Charity Commission news on a regular basis to apprise them of current developments within the Charity Sector. The Federation also from time to time invites its legal advisors to meetings to address particular topics as a form of training event, particularly at times of reviewing major matters.

Organisational structure

The Congregational Federation's Committee structure is organised through two committees: -

- Finance and Support Services Committee - (FSSC)
- Church Support Committee - (CSC)

The Committees' work is supported by Boards and Groups.

At the Congregational Centre various trading activities occur under the control of the Finance and Support Services Committee.

The Trustees 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).

Related parties

The property and investment assets of the trust funds are held in the name of The Congregational Federation Limited, which acts as custodian trustee.

Under Charity Commission schemes there are a number of trust funds pertaining to the former County Unions. The resources of these are restricted to special areas laid down in the various schemes.

Connected charities

The Congregational Federation act as an umbrella organisation for Congregational and Independent churches. These are all considered to be Charities connected to The Congregational Federation.

The Congregational Federation Limited has shared management with the Congregational Federation and as such these are considered connected Charities.

REPORT OF THE TRUSTEES

The Congregational Federation Limited latest filed accounts were for the period to 31 December 2020 and reported the following:

	2020 £
Income	806,874
Net Gain	620,925

Risk management

The Council continues to assess the risks to which the Charities are exposed, in particular in relation to the volatility of the stock market and is satisfied that policies are in force to safeguard the funds. Its Investment Managers Brewin Dolphin Limited plays a key role in this and report to the Federation on a quarterly basis. The Trustees have a duty to identify and review the risks to which the Charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

Council: The Members of Council are the Trustees of the Congregational Federation and its membership is defined by the Constitution. The Committees are made up of representatives of various aspects of the life of the Federation and Council receives and ratifies the work and decisions of these Committees. Council's role is to oversee the overall management of the Congregational Federation and to review and determine the strategic direction of the CF. It does this through receiving reports from Committees, its ongoing training for Trustees, and in addition initiating consultations with Churches. It agrees the annual Accounts. Council reports annually to Assembly. In view of the Covid-19 pandemic a decision was made to cancel the Annual Assembly which was scheduled to take place in May 2020.

The Council continues to monitor investments carefully. Investments are held in accordance with the Trustees' powers. The investments incurred unrealised gains of £1,012,130 (2020: loss of £500,346). The total market value of investments is £10,770,359 (2020: £9,758,229).

Internal and external factors: The Federation is constantly reviewing through its governance structure the services it offers to its members. It exists to support the member churches who increasingly have to operate within testing times of the church being relevant in their own communities. Numbers of members have been declining and the age profile increasing. However, there are signs of new life and fresh expressions of church being relevant to current society which the Federation seeks to support and resource. The Covid-19 pandemic resulted in a number of operational challenges which were successfully managed during 2021. Provision continued to be made for staff to work from home where appropriate and possible, with minimal periods of time being spent in the offices.

During 2021 Council was able to hold one face to face residential meeting in November, with some members preferring to join online. During this time, we agreed that our review should focus on how CF can promote regeneration and the planting of new churches to at least partially reverse the decline in numbers of churches and overall membership. This approach recognises that there is significant growth with a minority of Congregational Federation churches, which we need to understand and seek help other churches to reproduce. Once Council decided on a set of priorities to encourage growth and regeneration, the organisational structure should be adapted to one appropriate for those new priorities. Our November meeting spent significant time in prayer and was regarded as being very significant in this respect. A further face to face meeting will be held in April 2022, ahead of a report to Assembly in May 2022. As in November, some council members will choose to join remotely because of concerns over Covid transmission.

REPORT OF THE TRUSTEES

OBJECTIVES AND ACTIVITIES

Objectives and aims

The Congregational Federation is a federation of Independent or Congregational churches. It came into being in 1972 following the vote on the formation of the United Reformed Church. The Congregational Federation was formed from churches that decided to continue to follow the Congregational Way. The Federation provides support and guidance to congregational churches both financially and otherwise. This is achieved by making grants and loans to individuals and churches, and also by providing the following services to a very wide range of persons: -

- support for churches
- ministerial and lay training
- assisting with pastoral settlements
- safeguarding
- ministry with youth
- children's work
- pension
- mission initiatives including its partnership with Council for World Mission
- ecumenical relationships
- advice on church administration and finance.

The wide range of services and support are aimed at enabling the widest possible sections of our communities to engage with events, opportunities and experiences for a more fulfilled life. It is evident that some of the work churches undertake deals with persons at the margins of society, the very young and the elderly.

Membership of the Federation is open to any Congregational or Independent church who desires the support of this wider body to better enable them to serve their community.

Volunteers

The nature of the charity is such that the programme areas under the responsibility of appointed staff are delivered through volunteers. The Federation recognises the value of voluntary work without which it would be unable to function at the level it currently does.

REPORT OF THE TRUSTEES

FINANCE REVIEW

Resources are available from investment income, trading activities, affiliation fees, grants from other trusts, and other sources as indicated in the Statement of Financial Activities.

The investment funds of the Federation that are not required for day to day working capital purposes are invested in the Common Investment Pool. These funds are under the management of the Investment, Trust and Trading Board, who receive independent financial advice from Brewin Dolphin Limited, a member firm of the London Stock Exchange.

The Charity's operations incurred an operating deficit in the year of (£343,593) and this was offset by Closed Church receipts of £414,152, Unrealised Investment Gains of £1,012,130 and Investment Property Revaluation of £262,000 resulting in an overall reported surplus for the year of £1,344,689 as follows.

	2021	2020
	£	£
Operating Deficit	(343,593)	(281,184)
Closed Church Receipts	414,152	148,000
Unrealised Investment Gains	1,012,130	(500,346)
Investment Property Revaluation	262,000	-
Surplus/Deficit for the year	**1,344,689**	**(633,530)**

PLANS FOR FUTURE PERIODS

The Trustees continue to review the provision of support for Churches, Youth and Children's Work, Learning and Development plus grants for new initiatives mindful that the income of the CF is partly derived from exceptional tranches of income mainly from closed churches. The trustees agreed that CF operations should remain at current budgeted levels during 2022 and 2023 and will continue to monitor key performance indicators.

ACHIEVEMENT AND PERFORMANCE

The Congregational Federation's object is the advancement of the Christian faith. This is sought by the spreading of the knowledge of Christ throughout the lands within the United Kingdom and beyond through its partnership within the Council for World Mission. In the advancement of the faith and the furtherance of the spirit of unity amongst believers it acts as a resource for the independent churches who serve their own communities, which form its membership grouped in Area Associations. In addition to churches, it has constituencies of Personal and Associate membership which is able to both give and receive support. Whilst primarily acting as a resource for others, it also seeks through appointed boards and individuals to represent its particular understanding of faith and witness to the wider ecumenical world.

The resources it provides to its membership are regulated through its two committees, Council and Assembly. These Committees are Church Support Committee and Finance and Support Services Committee.

As for most organisations, due to the COVID-19 pandemic, 2021 was a year of special challenges for The Congregational Federation (CF).

Addressing the challenge head on, CF was able to maintain operating continuity, allowing employees to perform tasks at home which would normally have required attendance in the office. This approach allowed CF to maintain our support to member churches, all of whom were experiencing special challenges as a result of the pandemic.

ACHIEVEMENT AND PERFORMANCE (continued)

Responding to the particular needs of churches in the pandemic, CF continued training and help sessions to support churches wishing to conduct their services online, and also to facilitate other methods such as written devotions and conference calls for situations where online services were not considered the right solution.

CF also set up online support meetings for ministers of CF churches to facilitate mutual support among that community.

Overall, CF was able to respond it a positive manner to the challenges faced and received much positive feedback from member churches relating to the support provided.

Finance and Support Services Committee

This Committee administers the general operations of the Charity providing support and advice for churches in financial and legal matters. It also promoted the work of the Federation through the "The Congregationalist" magazine publication until spring 2020, which was distributed to every church (this publication ceased thereafter). This Committee, through its Investment, Trust and Trading Board, oversees the management of its Common Investment Pools guided by the Federation's Investment Managers, Brewin Dolphin Limited. The income generated from investments is allocated to support various Federation operations and is available to Area Associations in accordance with their restricted nature. Also, under this Committee, the various trading activities undertaken within the premises in Nottingham are scrutinised. Any trading activity is designed to produce income to support the programs of the Federation as part of the resources from which churches and their communities can be supported.

The Federation in Nottingham as well as providing offices for its administration, also provides community space for various groups throughout the year. Additionally, the student rooms in Nottingham are let to university students in Nottingham and provide good quality accommodation at an affordable price within a safe and secure community environment. Many students are from overseas and greatly appreciate the overall setting of what is offered to them.

During 2021 the Federation continued to utilise the services of a Human Resources Consultant who, in addition to updating resources available on the CF website, is available to be contacted by churches and Areas for advice on HR matters.

Whilst having significant investment assets, the Federation continues to remain reliant upon receiving capital receipts each year in order to absorb the operating deficits. These budget deficits will continue to be monitored to keep them within realistic ranges. Except for the necessity to balance the budgets, we continue to apply the principle, that in general any capital receipts or windfalls, instead of being expended directly into projects, are now invested and the interest from such will eventually be able to be used to fund new projects and strategies. This strategy will enable the need to eradicate deficit budgets and thus not have to rely on unforeseen capital receipts, such as the sale of closed churches, to balance the budgets.

During 2021 the Committee and the Investment Trust and Trading Board continued a process to review various policies and procedures to ensure that proper controls are in place regarding Federation income and expenditure. The Committee continues to oversee the Federation finances and make recommendations to Council regarding the financial management of new and existing programs and projects.

The Federation joined the Church Investors Group in 2021 in order to develop its policy on ethical investments.

During 2021 we have continued with the Royal London Group Personal Pension scheme, for the benefit of staff and qualifying ministers and advice to individual churches and Areas.

Church Support Committee

Church Support Department Staff: General Secretary, Learning and Development Manager, Church Support Worker, Website and Social Media Officer, Safeguarding Officer, and Learning and Development Administrator.

Church Support Committee: The Chair of the Church Support Committee throughout 2021 Rev. John Bentham with his term ending in March 2022.

The Committee consists of Area representatives, Chair of the Accreditation Group, Chair of CIPT Management Board, Chair of Inter Church Board along with Participant Observers: the Department Staff, Chair of Council, and Presidents of the Congregational Federation. Due to COVID 19 the Church Support Committee continues to meet online twice a year.

The Church Support Committee is the means by which churches can benefit from grants from the voluntary donations to the Ministry & Mission Fund and also from the Closed Churches Fund. Grants have been given to support church mission projects that reach out to the community, children and youth materials, equipment for more professional digital films through social media and the internet and supporting ministry in a variety of rural, urban and inner city settings.

In terms of the Federation's support for local churches, the Federation employs a part time Church Support Worker to provide encouragement to churches and those with wider roles of mission enabling. This role is focussed on encouraging local churches to engage in something new, supporting youth and children's' work and applying for mission grants. Although CF had budgeted for two Church Support Workers there is only one part time position filled at the moment due to the ongoing review of our structure within the Congregational Federation. However, we do have monies for consultancy work if need be, to support specific church needs.

Three types of grants are available:

- Impact Grant: Conditions changed to include ministry. Term over a 3-year period. Max of £15,000
- Starter Grants: of £400 (up to £600 for specialist equipment)
- Youth and Children Grants: £100

We continue to support Christian Aid: The £12,000 target for the Christian Aid 'No Lost Generation Appeal' has been reached. We are now committed to support in 2021 'Orphanage and Vulnerable Children in Kenya' to raise £6,000 over 12 months. This will be match funded 19 times over.

We constantly seek to bring information and ideas to the attention of our member churches. We use our Facebook page and the CF website as well as the quarterly mailings, resources and success stories of projects for missional engagement, both locally and in the wider world.

Learning and Development is largely supported by restricted funds received from the closure of New College, London. This sum in excess of £1,400,000 is separately invested to maintain the level of income required to support the Training budget.

Staffing consists of: Learning and Development Manager, who has responsibility for courses run under the Congregational Institute of Practical Theology (CIPT) as well as wider training needs across CF; and an Administrator. CIPT Management Board reports to the Church Support Committee.

The Congregational Institute for Practical Theology (CIPT) was established in 2013, to replace the Training Board, which had successfully developed the training courses of the CF over the last 30 years. CIPT runs a suite of courses for the development of personal discipleship, and for training for the recognised ministries of CF, comprising: The GIFT (Growing in Faith Together) Programme (unaccredited, Level 3) and FdA (levels 4-5). Work is accredited by the University of York St John.

The GIFT course is now offered as a local course, rather than nationally run. This will continue to be monitored to see how this works. Completion of the FdA is required for recognition on the Roll of Ministries.

The Course is designed to support local church ministries and is subsidised by the CF so it can be offered free to members of CF churches with a Church endorsement. The course is also open to people from other denominations but is not subsidised. Students come from all walks of life, with a broad range of prior education, and the widest of age ranges. Special provisions are made available for students with learning or physical difficulties including dyslexia.

Each Level is firmly founded on biblical teaching. Level 4 explores our setting in the history of the Church and Christian thinking in discipleship and mission. Optional modules provide opportunities to develop specific areas of ministry and discipleship. Level 5 continues the strong biblical focus and on offer are a year-long ministry placement and a 10-week community placement. During 2021, training was run with a mixture of residential weekends and online group sessions.

As reported last year, the BA (Hons) programme focused on our tradition of Dissent, and exploring the theme through scripture, ecclesiology, public life and Christian discipleship – it was paused and instead we would hold a Summer School for the wider Congregational Family and beyond but use the material from Level 6. The pandemic meant this was not possible in 2021, but a replacement Spring School has been arranged for March 2022.

Changes to the Pastoral Care Board were introduced latterly during 2017. It was superseded by the Accreditation Group, with a remit to oversee the Accreditation process and Safeguarding. Pastoral Care within Areas is now the responsibility of Pastoral Care Co-ordinators for each Area but is supported by national training and support from the General Secretary.

The Accreditation Group has responsibility to oversee the administration of the Roll of Ministries including consideration of applications for inclusion on the Roll and where necessary, to deal with requests to remove a name from the Roll. The Pastoral Care Board oversees the Pastoral Period for those received onto the Roll of Ministries. Working through its Pastoral Care Co-ordinators, it also ensures that support is offered to students on the Integrated Training Course (ITC) and others exploring their vocation, to those who are on the Rolls, and to retired Ministers and their spouses, widows and widowers.

Working through the **Safeguarding Officer** is a group of checkers who will visit churches to look at the church premises and offer advice and guidance about safeguarding plus health and safety issues. The CF will then offer a "Safeguarding" certificate to confirm a level of good practice is in place. The Board works through the Safeguarding Officer for the protection of children and vulnerable adults by overseeing the possession of Disclosure and Barring Certificates and Protecting Vulnerable Groups Scheme (Scotland) within churches and supporting Ministers, students and churches with the procedures for obtaining these certificates. The committee has recommended a variety of safeguarding training course for Ministers, Deacons and those working with both children and young people as well as vulnerable adults. The online courses are run by 31:8. Safeguarding training was delivered to the trustees of the Congregational Federation during 2021.

The ICB Chair represents the Congregational Federation on Churches Together in England and along with the help and support from our General Secretary and others on ecumenical bodies informs our Committee of news and new initiatives along with resources that might be useful to the CF. This year the Chair has attended the Covid Ecumenical Round table online meetings every week to keep the CF as up to date as possible with the Government guidelines.

Youth and Children: A group has been set up to explore and write a new strategy for national Youth & Children work and to guide a way forward that works for the Youth and Children today in our churches. This provision is supported by the Church Support Department. The hope is to rebuild networks and provide opportunities for learning and sharing best practice. The Church Support Worker is working towards Youth and Children events and has held a number of Leaders Link up days to encourage those in leadership roles.

REPORT OF THE TRUSTEES

Reserves policy

Free reserves provide the working capital requirements of the charity, whilst providing a buffer of liquid funds in case of any short-term decline in income, unexpected increases in costs or risk exposure. They are intended to ensure that contractual obligations to staff, premises and programme commitments can also be met along with any grant commitments to churches and Area Associations.

CF calculates its free reserves as those held in the General Purpose Fund less specific fund initiatives less the net book value of fixed assets held in the General Purpose Fund.

The Trustees seek to maintain a level of free reserves of between 8 to 12 months of total annual expenditure. This currently equates to between £757,000 and £1.135 million based upon 2021 actual expenditure. Total expenditure increased slightly in 2021 but is still below pre pandemic levels. At 31st December 2021, the free reserves held represent 14.9 months (2020: 14.9 months) of expenditure and are therefore at the top of the band. It is envisaged that as likelihood of inflationary pressures and a post covid increase in charitable activities free reserves should naturally fall during the course of the current year from the amount as stated within the accounts.

	2021 £	2020 £
General Purposes Fund	1,442,993	1,396,421
Less Tangible Non-Current Assets	(36,334)	(85,072)
Free Reserves	**1,406,659**	**1,311,349**
Months	**14.9**	**14.9**

Investment policy

The investment policy is to maintain a balance between income and capital growth, (subject to a moderate degree of risk), with up to 5% high risk. There should be no exposure to tobacco, alcohol, armaments, gambling, pornography or high-interest lending. Within these parameters it is further recognised that the emphasis for the expendable pool will be on income and for the permanent pool on capital growth. The Investment, Trust and Trading Board continue to actively monitor investment strategy and performance particularly with regard to ethical negative screening and is satisfied that the investment performance has met the investment objectives during the year.

Grant making policies

The Congregational Federation is able to make various types of grants from its resources to various areas including retired Ministers, welfare, education of children of Ministers, Training, Youth and Children's initiatives, local church ministry support and mission projects, and the wider Church family through local ecumenical projects and via its membership of the Council for World Mission. For each instance, a set criteria and application process is followed and reviewed by the appropriate Board and Committee. The application process includes where appropriate the consideration of the means available to the applicant, the viability, and the suitability of any project for which monies are sought. An evaluation process is also part of any grants which are awarded when further monies are sought for subsequent years. We believe such grants are essential in enabling financial resources to be expended locally so as to best meet the needs of the communities in which the churches are set. Such is our commitment that no grant will be awarded unless the church or project satisfies the best possible practice in terms of our Safeguarding policy in order to protect children, young people and vulnerable adults.

Fund Raising

No fundraising is carried out by Congregational Federation.

REPORT OF THE TRUSTEES

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees 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).

The law applicable to Charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources of the Charity for that period. 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 2015 (FRS 102);
- 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 Charity will continue in operation.

The Trustees are responsible for keeping proper 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 Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. 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 Trustees are responsible for the maintenance and integrity of the Charity and financial information included on the Charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the Trustees on 28/4/2022 **and signed on their behalf by:**

.....

Mr J A Lyon
Trustee

Date:

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF CONGREGATIONAL FEDERATION

Opinion

We have audited the financial statements of the Congregational Federation (the 'Charity') for the year ended 31 December 2021 which comprise the statement of financial activities, balance sheet, statement of cashflows 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 FRS 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 Charity's affairs as at 31 December 2021 and of its incoming resources and application of resources plus cashflows 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 Charities Act 2011.

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 statement 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 financial statements. 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.

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 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.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report. We have nothing to report in respect of the following matters where the Charities Act 2011 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 trustees' responsibilities statement set out on page 13, the trustees 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 Charity 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.

Based on our understanding of the Charity and the industry in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the acts by the Charity, which were contrary to applicable laws and regulations including fraud, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to correctly reflecting revenue and the Charity's net income for the year. In particular, there are risks related to the completeness and cut off of income from donations, legacies, lettings, investments and other charitable income.

Audit procedures performed by the engagement team included:

- reviewing the systems, controls and procedures of the Charity relevant to the preparation of the financial statements to ensure these were in place throughout the year
- evaluating management's controls designed to prevent and detect irregularities
- review of the financial statement disclosures to underlying supporting documentation
- review of correspondence with and reports to the regulators, including correspondence with the Charity Commission
- enquiries of management in so far as they related to the financial statements
- testing of journals in particular journal entries posted by unusual users, postings with unusual descriptions, postings with unusual times and dates and postings with unusual and material amounts
- evaluating whether there was evidence of bias by the trustees that represented a risk of material misstatement due to fraud

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF CONGREGATIONAL FEDERATION

- challenging assumptions and judgements made by management in their critical accounting estimates
- testing a sample of income to supporting documentation both during the year and after the year end. In addition, analytical procedures were performed to ensure anticipated income had been properly recorded.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: http://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 members, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the Charity'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 Charity and the Charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

UHY Hacker Young

UHY Hacker Young
Statutory Auditor
14 Park Row
Nottingham
NG1 6GR
Date..... 26 MAY 2022.....

UHY Hacker Young LLP is eligible to act as an auditor in terms of Section 1212 of the Companies Act

CONGREGATIONAL FEDERATION
STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31 DECEMBER 2021

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2021 Total Funds £	2020 Total Funds £
Income						
Income from donations & legacies	2	483,178	34,048	-	517,226	295,941
Income from lettings		148,077	24,660	-	172,737	161,957
Investment income	3	177,339	113,817	-	291,156	297,563
Income from charitable activities	4	144,016	20,366	-	164,382	164,360
Other income	5	60,639	-	-	60,639	-
Total		**1,013,249**	**192,891**	**-**	**1,206,140**	**919,821**
Expenditure						
Expenditure on lettings	6	167,871	-	-	167,871	139,794
Expendable on charitable activities	7	664,233	303,477	-	967,710	913,211
Total		**832,104**	**303,477**	**-**	**1,135,581**	**1,053,005**
Net Income/(Expenditure) before transfers		**181,145**	**(110,586)**	**-**	**70,559**	**(133,184)**
Gross transfers between Funds		-	-	-	-	-
Net income/(expenditure) before other recognised gains and losses		**181,145**	**(110,586)**	**-**	**70,559**	**(133,184)**
Other recognised gains/(losses)						
Gains/(losses) on investment assets		**951,125**	**245,785**	**77,220**	**1,274,130**	**(500,346)**
Net movement in Funds		**1,132,270**	**135,199**	**77,220**	**1,344,689**	**(633,530)**
Total Funds brought forward		**10,031,364**	**3,435,635**	**1,132,730**	**14,599,729**	**15,233,259**
Total Funds carried forward		**11,163,634**	**3,570,834**	**1,209,950**	**15,944,418**	**14,599,729**

The statement of financial activities includes all gains and losses recognised during the year.

CONGREGATIONAL FEDERATION
STATEMENT OF FINANCIAL ACTIVITIES – COMPARATIVE
YEAR ENDED 31 DECEMBER 2020

	Unrestricted Funds	Restricted Funds	Endowment Funds	2020 Total Funds
	£	£	£	£
Income				
Income from donations & legacies	217,621	78,320	-	295,941
Income from lettings	138,617	23,340	-	161,957
Investment income	180,188	117,375	-	297,563
Income from charitable activities	148,474	15,886	-	164,360
Other income	-	-	-	-
Total	**684,900**	**234,921**	**-**	**919,821**
Expenditure				
Expenditure on lettings	139,794	-	-	139,794
Expendable on charitable activities	649,006	264,205	-	913,211
Total	**788,800**	**264,205**	**-**	**1,053,005**
Net Income/(Expenditure) before transfers	**(103,900)**	**(29,284)**	**-**	**(133,184)**
Gross transfers between Funds	-	-	-	-
Net income/(expenditure) before other recognised gains and losses	**(103,900)**	**(29,284)**	**-**	**(133,184)**
Other recognised gains/(losses)				
Gains/(losses) on investment assets	**(330,320)**	**(122,985)**	**(47,041)**	**(500,346)**
Net movement in Funds	**(434,220)**	**(152,269)**	**(47,041)**	**(633,530)**
Total Funds brought forward	**10,465,584**	**3,587,904**	**1,179,771**	**15,233,259**
Total Funds carried forward	**10,031,364**	**3,435,635**	**1,132,730**	**14,599,729**

The statement of financial activities includes all gains and losses recognised during the year.

CONGREGATIONAL FEDERATION
BALANCE SHEET
AS AT 31 DECEMBER 2021

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2021 Total Funds £	2020 Total Funds £
Non Current Assets						
Tangible Assets	12	1,066,350	456,652	265,105	1,788,107	1,966,264
Investment Property	13	3,361,062	229,500	-	3,590,562	3,322,146
Investments	14	7,339,854	2,485,660	944,845	10,770,359	9,758,229
		11,767,266	**3,171,812**	**1,209,950**	**16,149,028**	**15,046,639**
Current Assets						
Debtors	15	42,813	187	-	43,000	78,255
Cash at bank & on deposit		712,738	401,989	-	1,114,727	877,975
		755,551	**402,176**	**-**	**1,157,727**	**956,230**
Creditors						
Amounts falling due within one year	16	(88,841)	(3,154)	-	(91,995)	(113,548)
Net Current Assets		**666,710**	**399,022**	**-**	**1,065,732**	**842,682**
Creditors						
Amounts falling due after more than one year	17	(1,270,342)	-	-	(1,270,342)	(1,289,592)
Net Assets		**11,163,634**	**3,570,834**	**1,209,950**	**15,944,418**	**14,599,729**
Funds						
Unrestricted Funds		11,163,634	-	-	11,163,634	10,031,364
Restricted Funds		-	3,570,834	-	3,570,834	3,435,635
Endowment Funds		-	-	1,209,950	1,209,950	1,132,730
Total Funds	19	**11,163,634**	**3,570,834**	**1,209,950**	**15,944,418**	**14,599,729**

The notes on pages 21-37 form part of these financial statements.

The financial statements were approved and authorised by the Board of Trustees on 28/4/2022 and were signed on its behalf by:

.....

Mr J A Lyon
Chair of Trustees

CONGREGATIONAL FEDERATION
STATEMENT OF CASHFLOWS
YEAR ENDED 31 DECEMBER 2021

		2021	20
		£	£
Cash flow from operating activities	Note 23	**85,116**	(125,000)
Cash flow from investing activities			
Payments to acquire tangible assets		**(7,290)**	(4,277)
Payments to acquire investment properties		**(6,416)**	
Proceeds from sales of tangible assets		**165,342**	-
Proceeds from sales of investment properties		-	-
Payments to acquire investments		-	-
Net cash flow from investing activities		**151,636**	(4,277)
Net increase / (decrease) in cash and cash equivalents		**236,752**	(129,277)
Cash and cash equivalents at 1 January		**877,975**	1,007,252
Cash and cash equivalents at 31 December		**1,114,727**	877,975
Cash and cash equivalents consist of:			
Cash at bank and in hand		**1,114,727**	877,975

1 ACCOUNTING POLICIES

Basis of preparation and assessment of going concern
The financial statements have been prepared under the historical cost convention as modified by the revaluation of investments. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations in 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the 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 Ireland (FRS102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The financial statements are prepared on a going concern basis. The Charity constitutes a public benefit entity as defined by FRS102.

In preparing the accounts, the Trustees have considered whether in applying the accounting policies required by FRS102 and Charities SORP (FRS102) the restatement of comparative items was required. No restatements were required.

Income from Charitable Legacies and Lettings
All income is included on the Statement of Financial Activities on a recoverable basis when the Charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Closed Church income
Income received from Closed Churches is recognised on the date of receipt.

Investment income
Investment income is accounted for when receivable. Investment income receivable on permanent endowments is treated as expendable.

Legacies, grants and donations receivable
Grants and donations are included within the financial statements when receivable. Legacies are treated as receivable in the financial statements when notification has been received and receipt is virtually certain.

Taxation
The charity is exempt from tax on income and gains falling within Section 505 of the Taxes Act 1988 or Section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

Gifts in kind
The Federation receives gifts in kind for which it is extremely grateful. Gifts of a capital nature, where material, are capitalised at valuation. Other gifts in kind, for example, the time donated by volunteer workers, are not accounted for in these financial statements on the grounds that these invaluable resources are not possible to quantify.

Expenditure
Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to these categories. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with the use of resources. Expenditure is recorded net of VAT, when applicable, and the irrecoverable VAT is charged through the General Purpose Fund.

Governance costs
Expenditure in relation to the overall governance of the Charity is allocated to Governance costs in the year. These costs consist of audit costs, expenditure in relation to Trustee meetings.

Pension contributions
The charity operates a defined contribution pension scheme and the pension charge represents the amount payable by the Charity to the fund in respect of the year.

Grants payable
Grants are offered subject to conditions which need to be met, where such conditions have not been met at the year-end date, they are noted as a commitment but not accrued as expenditure.

Non-Current Assets
Freehold and long leasehold land and buildings are depreciated at 2% per annum. However, no depreciation has been provided in the year as the Trustees believe that the carrying value of land and buildings is less than the residual value.

Depreciation is provided on the charity's other assets at the following annual rates in order to write off each other asset over its useful economic life.

Fixtures and fittings	-	10% on cost
Motor vehicles	-	25% on cost
Plant & Equipment	-	20% on cost

Investment properties
Property held for the sole purpose of investment are included within the accounts under the heading Investment Properties. These are included at market value; any changes in market value are recognised within other recognised gains or losses.

Investments
Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(losses) on investment assets' in the Statement of Financial Activities.

Fund accounting

Unrestricted Funds
Unrestricted Funds can be used in accordance with the charitable objectives at the discretion of the Trustees. Within the unrestricted funds a number of Designated Funds, have been established as determined by the Trustees as detailed in note 19 to the financial statements. The restrictions applied to Designated Funds can be reviewed at the Trustee's discretion.

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

Endowment Funds
Endowment Funds held by the Charity can only be used for particular restricted purposes and only the income generated can be spent by the Charity.

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

2 INCOME FROM DONATIONS, LEGACIES AND GRANTS

	2021	2020
Unrestricted	£	£
Closed Church Receipts	372,737	133,200
Government Furlough Grants	2,424	11,005
Covid Business Grant - Pilton Grant	7,000	17,000
City of Nottm Covid Business Grant	12,500	7,729
Memorial Hall Trust Grants	29,400	29,400
Church Support - Closed Church Receipts	41,415	14,800
Church Support Donations	15,076	3,044
General Purposes Donations	2,626	1,443
	483,178	**217,621**
Restricted		
Syria Appeal - Christian Aid	-	3,994
Kenya Appeal - Christian Aid	3,530	-
Vaccine Appeal - Christian Aid	857	-
CIPT - Fees	750	830
CIPT - Donations	-	1,975
Library Donations	1,128	472
CWM MSP4	-	26,334
CWM Covid Gift of Grace	26,643	14,000
CF Churches Gift of Grace	1,070	250
CIPT - Course Materials	70	83
CWM Covid 19 Mission Initiative	-	14,000
CWM - If only...Mission Initiative	-	16,382
	34,048	**78,320**
Total	**517,226**	**295,941**

3 INVESTMENT INCOME

	2021	2020
	£	£
Unrestricted	**177,339**	**180,188**
Restricted	**113,817**	**117,375**
Total	**291,156**	**297,563**

4 INCOME FROM CHARITABLE ACTIVITIES

	2021	2020
Unrestricted	£	£
Church Affiliation Fees	76,293	79,718
Ministers' Pension	55,462	59,684
CF 50th Anniversary	188	-
CFL - Admin Charges	3,962	4,268
Congregationalist	-	247
Refresh	1,050	-
Pilton Green Lettings	3,925	987
Yearbook	-	875
ACAT Membership	910	950
Associate Membership	861	280
Personal Membership	41	325
Other Income	1,324	1,140
	144,016	**148,474**
Restricted		
Congregational Institute of Practical Theology	20,366	15,886
	20,366	**15,886**
Total	**164,382**	**164,360**

5 OTHER INCOME

	2021	2020
Unrestricted	£	£
Profit/(Loss) on sale of property	60,639	-
Total	**60,639**	**-**

6 EXPENDITURE ON LETTINGS

	2021	2020
Unrestricted	£	£
Staff costs and overheads	61,518	60,462
Accommodation costs	100,951	73,362
Other expenditure	5,402	5,970
Total	**167,871**	**139,794**

7 EXPENDITURE ON CHARITABLE ACTIVITIES

	CIPT £	CFCS £	Ministers' Pension £	Pastors' & Widows' £	Homes for Retired Ministers' £	CF Area Funds £	Church Support £	Congregational Support £	2021 Total £	2020 Total £
Staff costs and overheads	81,536	60,527	88,042	-	14,187	4,393	87,529	148,554	484,768	481,488
Property costs	27,583	-	-	-	9,306	-	-	50,267	87,156	86,468
Operational costs	25,817	14,446	-	-	-	-	33,819	131,353	205,435	203,068
Hospitality and accommodation	3,082	-	-	-	-	-	-	-	3,082	6,247
Grants payable (note 8)	275	-	-	-	-	66,143	120	107,976	174,514	122,750
Governance costs	-	-	-	-	-	-	-	12,755	12,755	13,190
Total	**138,293**	**74,973**	**88,042**	**-**	**23,493**	**70,536**	**121,468**	**450,905**	**967,710**	**913,211**

CIPT - Congregational Institute of Practical Theology
CFCS - Church Financial Custodian Services

8 CHARITABLE ACTIVITIES - GRANTS PAYABLE

	2021		2020	
	Grants to Institutions £	Grants to Individuals £	Grants to Institutions £	Grants to Individuals £
Payable From:				
Sydney Berry Trust	-	24,805	-	5,065
Pastors and Widows Fund	-	-	-	20,893
Other	-	415	-	-
Horne/Botwright	-	700	-	600
Church Support Grants	33,000	-	28,236	-
Special Appeals - Christian Aid	4,171	-	12,000	-
Gift of Grace - Church Grants	17,280	-	-	-
If Only...Action Grants	14,000	-	-	-
Mission Initiative Grants	14,000	-	-	-
Grants payable from Area Funds	66,143	-	55,956	-
Total	**148,594**	**25,920**	**96,192**	**26,558**

9 NET INCOMING/(OUTGOING) RESOURCES

Net resources are stated after crediting/(charging):

	2021 £	2020 £
Depreciation - owned assets	(80,744)	(81,661)
Auditors remuneration	(17,200)	(12,182)
Total	**(97,944)**	**(93,843)**

10 TRUSTEE'S RENUMERATION

Members of the Council do not receive any remuneration in their capacity as members of Council, although bona-fide expenses are reimbursed. In 2021 1 trustee received Tutor's book grants total of £200 (2 in 2020: £400).

Expenses relating to Council activities during the year amounted to £3,055 (2020: £3,490), primarily in respect of transport and meeting costs. 11 Trustees (2020:19) received expenses in the year.

The Congregational Federation operates a Group Personal Pension scheme with Royal London for Accredited Ministries, (Category M), who are serving as a minister in a Federation church. There were 5 (2020:5) serving Ministers on Council, for whom the Federation paid total pension contributions of £19,591 (2020: £20,320), for their role as a Federation Minister. It is not connected to their role as a member of Council.

11 STAFF COSTS

	2021 £	2020 £
Wages and salaries	379,926	374,738
Social security costs	29,020	28,366
Pension costs	37,643	37,090
	446,589	**440,194**

	2021			2020		
	Total	Direct	Support	Total	Direct	Support
General Purposes	98,299	-	98,299	98,158	-	98,158
CIPT	74,093	51,357	22,736	73,224	50,845	22,379
Trading	56,348	56,348	-	55,371	55,371	-
Homes for Retired Ministers	13,032	13,032	-	12,827	12,827	-
Church Support Workers	29,980	29,980	-	28,083	28,083	-
Church Support Dept	38,484	-	38,484	37,882	-	37,882
Church Financial Services	55,591	55,591	-	54,704	54,704	-
Website/Social Media	11,294	11,294	-	11,166	11,166	-
CF Area Schemes	4,031	-	4,031	3,958	-	3,958
Ministers' Pension	4,031	-	4,031	3,957	-	3,957
Safeguarding	23,012	23,012	-	22,556	22,556	-
CIPT - Tutor Fee's	751	751	-	1,218	1,218	-
Total	**408,946**	**241,365**	**167,581**	**403,104**	**236,770**	**166,334**

During 2021 the average number of staff employed was 32 (2020: 32) in the central resource. As at the year end the number of staff employed was equivalent to 13.5 (2020: 13.8) full time staff.

There were no higher paid employees during 2021 (2020: none) earning over £50,271.

Senior management is comprised of five posts (2020: five). The total employee benefits of senior management were £247,810 (2020: £243,169), including pension and national insurance contributions.

12 TANGIBLE NON CURRENT ASSETS

	Freehold property £	Leasehold property £	Plant & machinery £	Fixtures & fittings £	Motor Vehicles £	Total £
Cost						
Balance b/f	1,634,507	100,000	53,048	678,341	12,526	2,478,422
Additions	-	-	-	7,290	-	7,290
Disposals	-	(100,000)	-	(28,347)	-	(128,347)
Revaluations	-	-	-	-	-	-
Balance c/f	1,634,507	-	53,048	657,284	12,526	2,357,365
Depreciation						
Balance b/f	-	-	20,549	484,041	7,568	512,158
Charge for the year	-	-	10,646	66,966	3,132	80,744
Disposals	-	-	-	(23,644)	-	(23,644)
Balance c/f	-	-	31,195	527,363	10,700	569,258
Net Book Value						
Brought forward	1,634,507	100,000	32,499	194,300	4,958	1,966,264
Carried forward	**1,634,507**	-	**21,853**	**129,921**	**1,826**	**1,788,107**

All assets are used for charitable purposes.

All properties are 100% owned by the Congregational Federation

The Custodian Trustee of the properties is The Congregational Federation Ltd

13 INVESTMENT PROPERTIES

MARKET VALUE	2021 £	2020 £
At 1 January	3,322,146	3,322,146
Additions	6,416	-
Re-Valuation	262,000	-
At 31 December	**3,590,562**	**3,322,146**

Investment property is stated at the Trustee's estimated open market value.

All properties are 100% owned by the Congregational Federation except for:

Daisy Dormer, Brixton - 51%

The custodian trustee of the Investment properties is The Congregational Federation Ltd

14 NON CURRENT ASSET INVESTMENTS

	2021 Listed Investments £	2020 Listed Investments £
Market Value		
At 1 January	9,758,229	10,258,575
Net Additions/(Disposals)	-	-
Unrealised gain/(loss) on investments	1,012,130	(500,346)
At 31 December 2021	**10,770,359**	**9,758,229**

Unrealised gain/loss on investments is shown net of investment management fees of £50,000 (2020: £46,193)

15 DEBTORS

	2021 £	2020 £
Amount falling due within one year:		
Trade Debtors	4,109	11,791
Prepayments and accrued income	38,111	35,693
Other Debtors	780	30,771
Total	**43,000**	**78,255**

16 CREDITORS

	2021 £	2020 £
Amount falling due within one year:		
Trade Creditors	10,742	10,086
Taxation & Social Security	8,346	8,073
Other Creditors	8,824	13,797
Accruals	64,083	81,592
Total	**91,995**	**113,548**

17 CREDITORS

	2021 £	2020 £
Amount falling due after more than one year:		
Accruals	15,000	34,250
Due to The Congregational Federation Ltd	1,255,342	1,255,342
Total	**1,270,342**	**1,289,592**

18 PENSION COMMITMENTS

Congregational Federation are committed to providing a good pension for all staff. Contributions at a rate of 10% are paid into a scheme with The Royal London which is a defined contribution scheme. As such, CF has no pension fund liabilities.

CONGREGATIONAL FEDERATION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2021

19 MOVEMENT IN FUNDS - 2021

	At 01.01.21	Income	Expenditure	Investment Gains	Revaluation Surplus	Transfers	At 31.12.21
Unrestricted Funds	£	£	£	£	£	£	£
General Purposes	1,396,421	307,940	(288,586)	94,274	262,000	(329,056)	1,442,993
Designated Funds							
Property	1,615,978	-	-	-	-	168,417	1,784,395
Trading	1,051,544	92,863	(183,440)	-	-	-	960,967
Ministers' Pension	287,593	84,959	(88,042)	30,356	-	-	314,866
Church Support Grants	88,596	56,735	(34,333)	878	-	-	111,876
Church Support - Dept	-	21,345	(121,468)	-	-	102,000	1,877
Church Support - Safeguarding	-	21,300	(36,856)	-	-	15,556	-
Church Financial Services	868,334	53,512	(74,986)	90,192	-	-	937,052
Protected Programme	4,722,799	372,789	-	473,425	-	40,595	5,609,608
CF Area Funds	99	1,806	(4,393)	-	-	2,488	-
	10,031,364	**1,013,249**	**(832,104)**	**689,125**	**262,000**	**-**	**11,163,634**
Restricted Funds							
Homes for Retired Ministers	767,584	17,381	(23,493)	8,174	-	-	769,646
Education	37,140	1,050	-	3,888	-	-	42,078
Sidney Berry	155,518	4,448	(24,805)	16,473	-	-	151,634
Church Support - CIPT	1,283,964	83,320	(138,293)	111,927	-	-	1,340,918
Special Appeals	795	4,387	(4,171)	-	-	-	1,011
CWM MSP3	24,789	4	-	-	-	(24,793)	-
CWM MSP4	26,260	-	(610)	-	-	24,793	50,443
CSC - if only...Mission Initiative	16,382	-	(14,682)	-	-	-	1,700
CSC - CWM Gift of Grace	9,810	27,713	(17,280)	-	-	-	20,243
CSC - CWM Covid Mission Initiative	14,000	-	(14,000)	-	-	-	-
CF Area Funds	1,099,393	54,588	(66,143)	105,323	-	-	1,193,161
	3,435,635	**192,891**	**(303,477)**	**245,785**	**-**	**-**	**3,570,834**
Permanent Endowments							
General Purposes Property	91,654	-	-	-	-	-	91,654
Homes for Retired Ministers	173,451	-	-	-	-	-	173,451
CF Area Funds	867,625	-	-	77,220	-	-	944,845
	1,132,730	**-**	**-**	**77,220**	**-**	**-**	**1,209,950**
Total Funds	**14,599,729**	**1,206,140**	**(1,135,581)**	**1,012,130**	**262,000**	**-**	**15,944,418**

Federation Area Funds – Restricted and Endowment Funds

CF Area Funds - 2021

	Permanent Endowments £	Expendable £	Accum Income £	Total @ 31.12.21 £
CF in Wales	25,480	39,213	3,146	67,839
East Midlands	40,634	19,458	3,158	63,250
Eastern	41,020	-	3,371	44,391
- Church Ext	66,321	-	4,746	71,067
North East	109,271	16,742	12,718	138,731
North West	80,121	681,165	16,831	778,117
- Church Ext	12,340	90,576	1,961	104,877
North West Midlands	47,027	6,745	15,255	69,027
South East	260,605	110,183	21,411	392,199
- Church Ext	31,912	-	9,550	41,462
South West	230,114	63,784	350	294,248
South West Midlands	-	72,212	586	72,798
Total	**944,845**	**1,100,078**	**93,083**	**2,138,006**

Endowments and Expendable capital are invested in order to provide income for the Area Funds. The Accumulated Income derived from those investments is available to be drawn upon by the Area Associations.

Unrestricted Funds
This represents the free reserves of the Charity and General Purpose non-current assets.

Designated Funds

Property Fund
Property assets include residential investment properties which are to be sold in the coming years to help finance the Charities operating deficit.

Trading Fund
This provides support to the charitable activities through its student accommodation and conference facilities.

Ministers' Pension Fund
The fund is intended to hold assets which produce sufficient income to meet the ministers' pension costs on an annual basis. CF contributions are protected for ministers in their employment @ March 2016 at 6.36%. Beyond that, for Ministers changing employment and new Accredited Ministers, the CF contributions will be at a lower rate of 2%. This fund will then become self-financing, no longer requiring funding from the Protective Programme Fund.

Church Support Grants
This fund is to provide mission and starter grants to churches to help support them in their mission initiatives. The fund receives 10% of any Closed Church distributions received by CF.

Church Support Dept
Providing resources and support to enable the Congregational Federation Churches to fulfil the commission to share the gospel and make disciples and to engage with society at local, national and international levels.

Church Support – Safeguarding
Changes to the Pastoral Care Board were introduced latterly during 2017. It was superseded by the Accreditation Group, with a remit to oversee the Accreditation process and Safeguarding. Pastoral Care within Areas is now the responsibility of Pastoral Care Co-ordinators for each Area.

Church Financial Services
Services include custodian property and advice services, payroll services, administration services for church investments and deposits.

Protected Programme Fund
The Fund where 90% of closed church receipts and all unrestricted legacies are allocated into along with some internal transfer of funds mainly from the General Purposes Property Fund emanating from the disposal of some investment properties into money market investments, in order to: a) generate investment income to directly support specific operational programs and; b) to finance specific operational annual deficits through a transferring of fund capital at each year end as deemed necessary.

Congregational Federation Area Fund
Comprising of Endowments and Expendable capital, which are invested in order to provide income for the Area Funds. The Accumulated Income derived from those investments is available to be drawn upon by the Area Associations.

Restricted and Endowment Funds

Homes for Retired Ministers
This fund provides accommodation for qualifying CF Ministers of no less than 25 years of CF Minister service (and to their widows) in their retirement and is dependent upon being on the Roll of Ministries under the (Category M) for Minister.

Education Fund
The income from this fund is applied for the benefit of the children of ministers of any of the Federation member churches.

The Sidney Berry Trust
This is a restricted fund resulting from a legacy. Income is to be used to supplement the incomes of poorly paid ministers or to support, in retirement, ministers or ministers' widows/ers.

Church Support - Congregational Institute for Practical Theology
This fund covers all of the learning and development programmes including the GIFT course and the degree course along with the LEAF programme and the Congregational Conference. The Learning Development Group reserves came mainly through a distribution received from The New College Foundation.

Special Appeals
This relates to funds held on behalf of an Appeal for Christian Aid.

Council for World Mission for the Mission Programme (MSP3)
In previous years, a restricted fund was established to receive funds from this programme.

Council for Word Mission MSP4
Funding is being received to finance new initiatives within CF.

If Only...Mission Initiative
The purpose of this fund set out by CWM is to support local church mission projects specifically started in response to the COVID–19 pandemic.

CWM Gift of Grace
The original purpose of this fund in July 2020 was a gift to churches affiliated to the Congregational Federation to support them in the COVID-19 pandemic. The gift was not taken up by all churches and so the purpose

reviewed in November 2020 was that it was to be a gift to churches affiliated to the Congregational Federation who have lost considerable income during this pandemic.

CWM COVID Mission Initiative
The purpose of this fund set out by CWM is to support local church mission projects specifically started in response to the COVID–19 pandemic.

Federation Area Funds
Endowments and Expendable capital which are being preserved in order to provide income for the Area Funds, subject to market valuations. Accumulated income is available for draw down by the area associations.

Unrestricted Transfers

General Purpose (GP)
The table below is an analysis of the transfers to and from the fund.

	£
From GP Property – Heaton Park, Manchester	100,000
To GP Property – Revaluation	(262,000)
To PPF – Heaton Park, Manchester	(160,639)
To GP Property – Llanharan	(6,417)
	(329,056)

Church Support – Safeguarding
The fund received £15,556 from the Protected Program Fund to cover the 2021 programme operations.

Church Support - Dept
The fund received £102,000 from the Protected Program Fund to cover the 2021 programme operations.

Protected Programme Fund
The table below is an analysis of the transfers to and from the fund.

	£
GP	160,639
CF Area	(2,488)
Safeguarding /Accreditation Group	(15,556)
Church Support Dept	(102,000)
	40,595

General Purpose Property Fund

	£
To GP – Sale of Heaton Park, Manchester	(100,000)
From GP – Property Re-valuation	262,000
From GP – Llanharan – costs from Leasehold to freehold	6,417
	168,417

Restricted Funds
CWM MSP3 – MSP4 The remaining balance has been transferred from MSP3 into MSP4 through agreement from CWM

CONGREGATIONAL FEDERATION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2021

MOVEMENT IN FUNDS - 2020

	At 01.01.20	Income	Expenditure	Investment Losses	Revaluation Surplus	Transfers	At 31.12.20
Unrestricted Funds	£	£	£	£	£	£	£
General Purposes	1,455,182	265,600	(278,090)	(46,273)	-	2	1,396,421
Designated Funds							
Property	1,615,978	-	-	-	-	-	1,615,978
Trading	1,121,739	78,557	(148,752)	-	-	-	1,051,544
Ministers' Pension	302,291	89,229	(97,220)	(14,698)	-	7,991	287,593
Church Support Grants	100,921	18,150	(30,054)	(421)	-	-	88,596
Church Support - Dept	-	21,333	(121,583)	-	-	100,250	-
Church Support - Safeguarding	-	21,233	(33,806)	-	-	12,573	-
Church Financial Services	912,003	54,869	(74,977)	(43,669)	-	20,108	868,334
Closed Church Fund	0	2	-	-	-	(2)	-
Protected Programme	4,955,358	133,622	-	(225,259)	-	(140,922)	4,722,799
CF Area Funds	2,112	2,305	(4,318)	-	-	-	99
	10,465,584	**684,900**	**(788,800)**	**(330,320)**	**-**	**-**	**10,031,364**
Restricted Funds							
Homes for Retired Ministers	778,718	16,295	(23,114)	(4,315)	-	-	767,584
Education	37,825	892	-	(1,577)	-	-	37,140
Sidney Berry	185,384	5,089	(25,958)	(8,997)	-	-	155,518
Church Support - CIPT	1,401,425	82,204	(142,663)	(57,002)	-	-	1,283,964
Special Appeals	8,801	3,994	(12,000)	-	-	-	795
CWM MSP3	24,735	54	-	-	-	-	24,789
CWM MSP4	-	26,334	(74)	-	-	-	26,260
CSC - if only...Mission Initiative	-	16,382	-	-	-	-	16,382
CSC - CWM Gift of Grace	-	14,250	(4,440)	-	-	-	9,810
CSC - CWM Covid Mission Initiati	-	14,000	-	-	-	-	14,000
CF Area Funds	1,151,016	55,427	(55,956)	(51,094)	-	-	1,099,393
	3,587,904	**234,921**	**(264,205)**	**(122,985)**	**-**	**-**	**3,435,635**
Permanent Endowments							
General Purposes Property	91,654	-	-	-	-	-	91,654
Homes for Retired Ministers	173,451	-	-	-	-	-	173,451
CF Area Funds	914,666	-	-	(47,041)	-	-	867,625
	1,179,771	**-**	**-**	**(47,041)**	**-**	**-**	**1,132,730**
Total Funds	**15,233,259**	**919,821**	**(1,053,005)**	**(500,346)**	**-**	**-**	**14,599,729**

CF Area Funds 2020

	Permanent Endowments £	Expendable £	Accum Income £	Total @ 31.12.20 £
CF in Wales	23,397	35,473	6,471	65,341
East Midlands	37,313	17,602	1,597	56,512
Eastern	37,667	-	2,301	39,968
- Church Ext	60,901	-	3,016	63,917
North East	100,340	15,145	10,545	126,030
North West	73,573	616,192	26,118	715,883
- Church Ext	11,332	81,937	6,307	99,576
North West Midlands	43,183	6,102	16,350	65,635
South East	239,307	99,673	11,777	350,757
- Church Ext	29,304	-	8,717	38,021
South West	211,308	57,700	12,932	281,940
South West Midlands	-	70,931	(7,394)	63,537
Total	**867,625**	**1,000,755**	**98,737**	**1,967,117**

20 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Restricted Funds £	Permanent Endowments £	Total £
Fund balances at 31st December 2021 are represented by:				
Fixed Assets	1,066,350	456,652	265,105	1,788,107
Investment Property	3,361,062	229,500	-	3,590,562
Investments	7,339,854	2,485,660	944,845	10,770,359
Net Current Assets	666,710	399,022	-	1,065,732
Creditors more than one year	(1,270,342)	-	-	(1,270,342)
Total	**11,163,634**	**3,570,834**	**1,209,950**	**15,944,418**

	Unrestricted Funds £	Restricted Funds £	Permanent Endowments £	Total £
Fund balances at 31st December 2020 are represented by:				
Fixed Assets	1,243,624	457,535	265,105	1,966,264
Investment Property	3,092,646	229,500	-	3,322,146
Investments	6,557,730	2,332,874	867,625	9,758,229
Net Current Assets	426,956	415,726	-	842,682
Creditors more than one year	(1,289,592)	-	-	(1,289,592)
Total	**10,031,364**	**3,435,635**	**1,132,730**	**14,599,729**

21 OTHER COMMITMENTS

At 31st December 2021, the Congregational Federation had no capital commitments contracted but not provided for in these financial statements (2020: no).

22 RELATED PARTY DISCLOSURES

The Congregational Federation Limited acts as Custodian Trustee on behalf of the Congregational Federation and others. It is considered that Congregational Federation Limited is a related party through a common Trustee board. Transactions between Congregational Federation and The Congregational Federation Limited during the year were:

	2021 £	2020 £
Funds to Congregational Federation Limited		
Payment of Audit / Independent Examination Fee	7,500	2,400
Funds from Congregational Federation Limited		
Costs relating to closed churches	173	331
Loan relating to a closed church	30,000	-
Affiliation Fees	180	176
Closed church sale distribution	414,153	148,000

RELATED PARTY DISCLOSURES (continued)

A joint insurance policy is paid for by Congregational Federation totalling £16,299 (2020: £14,720) which benefits The Congregational Federation Limited.

At the year end, The Congregational Federation owed £1,255,342 (2020: £1,255,342) to The Congregational Federation Limited.

Congregational Federation provides administrative and management services to The Congregational Federation Limited. Congregational Federation do not recharge these costs to the Congregational Federation Limited.

As a member organisation, transactions with each of the members of the Charity are not considered related party transactions for disclosure purposes within the financial statements.

23 RECONCILIATION OF NET MOVEMENT TO NET CASHFLOW FROM OPERATING ACTIVITIES

	2021	2020
	£	£
Net movement in funds for the year	1,344,689	(633,530)
Depreciation	80,744	81,661
(Profit)/loss on disposal of tangible fixed assets	(60,639)	-
(Gains)/losses on investments	1,012,130	500,346
Investment property revaluation	(262,000)	-
(Increase)/decrease in debtors	35,255	(14,165)
Increase/(decrease) in creditors	(40,803)	(59,312)
Net cashflow from operating activities	**85,116**	**(125,000)**

24 RECONCILIATION OF NET DEBT ANALYSIS AT 2021

	1 January	Cash flows	31 December
	£	£	£
Cash	877,975	236,752	1,114,727
	877,975	**236,752**	**1,114,727**

25 ULTIMATE CONTROLLING PARTY

The Trustees as a Board are considered to be the ultimate controlling party.

CONGREGATIONAL FEDERATION

England & Wales - Charity number 264839

Accounts

Registered Charity Number: 264839

CONGREGATIONAL FEDERATION

Report of the Trustees and Audited Financial Statements

Year Ended 31 December 2020

CONGREGATIONAL FEDERATION

CONTENTS

	Page
Report of the Trustees	1 – 12
Statement of Trustees' Responsibilities	13
Report of the Independent Auditor	14 – 16
Statement of Financial Activities	17
Comparison Statement of Financial Activities	18
Balance Sheet	19
Statement of Cashflows	20
Notes to the Financial Statements	21 – 37

CONGREGATIONAL FEDERATION
YEAR ENDED 31 DECEMBER 2020

REPORT OF THE TRUSTEES

The trustees of the charity present their report with the financial statements of the charity for the year ended 31 December 2020. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's trust deed, the Charities Act 2011 and Accounting and Reporting by Charities, Statement of Recommended Practice applicable to the Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland.

REFERENCE AND ADMINISTRATIVE DETAILS`

Registered Charity number
264839

Principal office
8 Castle Gate
Nottingham
Nottinghamshire
NG1 7AS

Trustees

Mr J A Lyon	Chairperson	
Revd Dr J H Wootton	President	
Revd S Nockels	President Elect	
Revd M Spain	Past President	Resigned 9 May 2020
Revd J D Bentham	Chair of Church Support Committee	
Mr P Butler	Chair of Finance and Support Services Committee	
Revd M-K Logan	CF in Scotland	
Miss M M C McGuinness	CF in Scotland	
Revd G Simonis	CF in Scotland	
Revd C L Gillham	CF in Wales	
Revd C James	CF in Wales	Appointed 19 July 2020
Revd J R Stephens	CF in Wales	Resigned 19 July 2020
Mr E P Fenwick	Eastern	
Mr M Taylor	East Midlands	Appointed 1 January 2020
Revd S E Wallace -Tween	East Midlands	Resigned 1 January 2020
Mrs E M Bentham	North East	
Revd F Y Kamara	North West	
Mrs H Biggin	North West Midlands	
Revd C J Bamforth Damp	South East	
Revd C J Stott	South West	
Revd J Holloway	South West Midlands	

REFERENCE AND ADMINISTRATIVE DETAILS – continued

Auditors
UHY Hacker Young
14 Park Row
Nottingham
NG1 6GR

Bankers
National Westminster Bank Plc
Unit 27
Victoria Centre
Nottingham
NG1 3QD

Solicitors
Nelsons Solicitors
Pennine House
8 Stanford Street
Nottingham
NG1 7BQ

CONGREGATIONAL FEDERATION
YEAR ENDED 31 DECEMBER 2020

REPORT OF THE TRUSTEES

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

THE CONSTITUTION

Foundation Principle: In solemn renewal of the declaration made in the Congregational Library, London, on 13 May 1831 and affirmed by the Conference in Lyndhurst Road Congregational Church, London, on 13 May 1972 and by the Assembly in Westminster Chapel on 14 October 1972, the Federation of continuing Congregational Churches is founded on a full recognition of their own distinctive principle, namely, the scriptural right of every separate Church to maintain perfect independence in the government and administration of its own particular affairs; and therefore that the Federation shall not in any case assume legislative authority, or become a court of appeal.

ARTICLE 1. **NAME** The name of this voluntary association is the Congregational Federation.

ARTICLE 2. **MEMBERSHIP** Membership of the Federation comprises Congregational or Independent churches, each having a separate roll of members, and paying an affiliation fee to the Federation, the amount of such affiliation fee being that recommended by the Assembly.

Personal Membership will be available for individuals who wish to maintain the Congregational tradition. The Personal Membership fee is that recommended by the Assembly.

ARTICLE 3. **OBJECT** The object of the Federation is the advancement of the Christian faith and in furtherance thereof but not otherwise:

(a) To spread the knowledge of Christ throughout the land;

(b) To encourage congregations of believers in local places to maintain corporate worship in free assembly alike in consecrated buildings and in the homes of the people;

(c) To spread the knowledge of Christ beyond the seas through the agency of such bodies as the Council for World Mission;

(d) To further the spirit of unity in Christ with all other believers in Him;

(e) To mediate the call of God to Christian service at home and abroad whether by way of the ordained ministry or otherwise;

(f) To do all other such things as are necessary to the attainment of this object.

ARTICLE 4. **RELATIONSHIPS** The Foundation Principle of the Federation precludes it from making any decision binding on any Church; it can do no more than offer recommendations. It does not claim to speak on behalf of Churches unless it is authorised by them to do so for a particular purpose on a particular occasion. Any obligation accepted by a Church to another Christian body is not held by the Federation as a barrier to fellowship within the Federation.

ARTICLE 5. **THE ASSEMBLY** The Assembly is held at least once in each year on a date and at a time and place fixed by a previous Assembly. At least 56 days notice of an Assembly is given to each member Church and Personal member.

ARTICLE 6. **OFFICERS AND COUNCIL**

(a) The Assembly appoints such Officers as it thinks fit. The Council comprises the Officers, Chairs of Committees, three representatives from the Congregational Federation in Scotland, two representatives from the Congregational Federation in Wales and one representative from each Area Association in England, the President Emeritus, Chair of Council, General Secretary, two representatives of the Youth Association, a representative from Congregational Federation Ltd. and a representative for the Personal members.

(b) A quorum at a Council Meeting is 50% of the members of the Council as defined at Article 6(a).

ARTICLE 7. **FINANCE** Officers and members of Council, Committees and Boards are entitled to reimbursement of all necessary out-of-pocket expenses; of these only the General Secretary and such others as may be recommended by Council and approved by Assembly may receive a salary. With its Annual Report, the Council submits to the Assembly a statement of accounts, duly audited, together with a Budget of income and expenditure. When adopting the Budget, the Assembly recommends the minimum amount of the affiliation fees for Churches and individuals.

ARTICLE 8. **ALTERATION OF CONSTITUTION** This Constitution may be altered when the following conditions are fulfilled:

(a) The wording of the proposed alteration must be circulated to all member churches and personal members at least 56 days before the Assembly.

(b) The resolution embodying the proposed alterations must then be discussed and, if appropriate, amended by the Assembly. In the event of a marked division of opinion at the Assembly, the matter will be referred back either to the Council or to the churches, otherwise the agreed wording will be sent to each member church and to each personal member.

(c) At least 50% of the member churches must vote on the proposed alteration (each member church has one vote). The period allowed for voting shall be six months.

(d) At least 90% of the votes cast must be in favour of the proposed alteration.

(e) The consent of the Charity Commission must be obtained if the proposed alteration concerns the Name or Object of the Federation.

Council and Public Benefit

The affairs of The Congregational Federation are the responsibility of the Council of The Congregational Federation. Details of the names of the trustees at the date of this report are set out on page 1. There are two fixed meetings of Council which take place in the Spring and Autumn each year. During the year these were held on 25th April and 21st November. Additional meetings were also held on 17th to 18th January and 10th July, other meetings may take place during the year as required.

The Council is mindful of the Charity Commission's guidance on Public Benefit including the guidance on the advancement of religion. It believes that the services and support it offers are aimed at enabling its member churches better to serve the widest possible sectors of their communities. Beyond that it enables its members also to support and serve communities across the world through its membership of the Council for World Mission and partnerships including Christian Aid.

REPORT OF THE TRUSTEES

Recruitment and appointment of new Trustees

The composition of the Trustee body is shown in article 6a of the constitution above. The Council is the charity's Trustee body and currently comprises: the Officers as appointed by the annual Assembly following a ballot of all churches and personal members which are the President, President Elect and Immediate Past President; Chairs of Committees who are nominated by their respective Committee and ratified by Assembly; a representative(s) from each Area Association appointed by the Area Association. The Chair of Council and Vice Chair of Council are appointed by Assembly. In each case recruitment is made through the appropriate representative body of either Area, Churches, Committee or organisation.

Induction and training of new Trustees

New Trustees receive an induction pack 'The Council Members Handbook' which includes particular reference to policy documents in relation to the charity and also various Charity Commission leaflets explaining the overall importance and nature of their role. This manual is constantly updated as matters change. In addition, Trustees receive copies of the Charity Commission news on a regular basis to apprise them of current developments within the charity Sector. The Federation also from time to time invites its legal advisors to meetings to address particular topics as a form of training event, particularly at times of reviewing major matters.

Organisational structure

The Congregational Federation's Committee structure is organised through two committees: -

- Finance and Support Services
- Church Support

The Committees' work is supported by Boards / Groups.

At the Congregational Centre various trading activities occur under the control of the Finance and Support Services Committee.

The Trustees 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).

Related parties

The property and investment assets of the trust funds are held in the name of The Congregational Federation Limited, which acts as custodian trustee.

Under Charity Commission schemes there are a number of trust funds pertaining to the former County Unions. The resources of these are restricted to special areas laid down in the various schemes.

Connected charities

The Congregational Federation act as an umbrella organisation for Congregational and Independent churches. These are all considered to be charities connected to The Congregational Federation. The Congregational Federation Limited has shared management with the Congregational Federation and as such are considered connected Charities.

CONGREGATIONAL FEDERATION
YEAR ENDED 31 DECEMBER 2020

REPORT OF THE TRUSTEES

The Congregational Federation Limited latest filed accounts:

	2019 £
Income	408,092
Net Loss	(572,605)

Risk management

The Council continues to assess the risks to which the charities are exposed, in particular in relation to the volatility of the stock market and is satisfied that policies are in force to safeguard the funds. Its Investment Managers Brewin Dolphin Limited plays a key role in this and report to the Federation on a quarterly basis. The Trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

OBJECTIVES AND ACTIVITIES

Objectives and aims

The Congregational Federation is a federation of Independent or Congregational churches. It came into being in 1972 following the vote on the formation of the United Reformed Church. The Congregational Federation was formed from churches that decided to continue to follow the Congregational Way. The Federation provides support and guidance to congregational churches both financially and otherwise. This is achieved by making grants and loans to individuals and churches, and by providing the following services to a very wide range of persons: -

- support for churches
- ministerial and lay training
- assisting with pastoral settlements
- safeguarding
- ministry with youth
- children's work
- pension
- mission initiatives including its partnership with Council for World Mission
- ecumenical relationships
- advice on church administration and finance.

The wide range of services and support are aimed at enabling the widest possible sections of our communities to engage with events, opportunities and experiences for a more fulfilled life. It is evident that some of the work churches are engaged with deals with persons at the margins of society, the very young and the elderly.

Membership of the Federation is open to any Congregational or Independent church who desires the support of this wider body to better enable them to serve their community.

Volunteers

The nature of the charity is such that the programme areas under the responsibility of appointed staff are delivered through volunteers. The Federation recognises the value of voluntary work without which it would be unable to function at the level it currently does.

REPORT OF THE TRUSTEES

FINANCE REVIEW

Resources are available from investment income, trading activities, affiliation fees, grants from other trusts, and other sources as indicated in the Statement of Financial Activities.

The investment funds of the Federation not required for day to day working capital purposes are invested in the Common Investment Pool. These funds are under the management of the Investment, Trust and Trading Board, who receive independent financial advice from Brewin Dolphin Limited, a member firm of the London Stock Exchange.

The charity's operations incurred an operating deficit in the year of £281,184 and this was offset by exceptional receipts of £148,000 and investment losses of £500,346 resulting in an overall reported deficit for the year of £633,530.

	£
Operating Deficit	(281,184)
Closed Church Receipts	148,000
Unrealised investment losses	(500,346)
Deficit for the year	**(633,530)**

PLANS FOR FUTURE PERIODS

The trustees continue to review the provision of support for Churches, Youth & Children's Work, Learning and Development and grants for new initiatives mindful that the income of the CF is partly derived from exceptional tranches of income mainly from closed churches. The trustees agreed that CF operations should remain at current budgeted levels during 2021 and 2022 whilst the future strategy planning process continues to be worked through.

ACHIEVEMENT AND PERFORMANCE

The Congregational Federation's object is the advancement of the Christian faith. This is sought by the spreading of the knowledge of Christ throughout the lands within the United Kingdom and beyond through its partnership within the Council for World Mission. In the advancement of the faith and the furtherance of the spirit of unity amongst believers it acts as a resource for the independent churches who serve their own communities, which form its membership grouped in Area Associations. In addition to churches, it has constituencies of Personal and Associate membership which is able to both give and receive support. Whilst primarily acting as a resource for others, it also seeks through appointed boards and individuals to represent its particular understanding of faith and witness to the wider ecumenical world.

The resources it provides to its membership are regulated through its two committees, Council and Assembly. These Committees are Church Support Committee and Finance and Support Services Committee.

ACHIEVEMENT AND PERFORMANCE (continued)

As for most organisations, due the Covid19 pandemic, 2020 was a year of special challenges for The Congregational Federation (CF).

Addressing the challenge head on, CF was able to maintain operating continuity, adopting Microsoft Teams software to allow employees to perform tasks at home which would normally have required attendance in the office. This approach allowed CF to maintain our support to member churches, all of who were experiencing special challenges as a result of the pandemic.

Responding to the particular needs of churches in the pandemic, CF established training and help sessions to support churches wishing to conduct their services online, and also to facilitate other methods such as written devotions and conference calls for situations where online services were not considered the right solution.

CF also set up online support meetings for ministers of CF churches to facilitate mutual support among that community.

Overall, CF was able to respond it a positive manner to the challenges faced and received much positive feedback from member churches relating to the support provided.

Finance and Support Services Committee

This committee administers the general operations of the charity providing support and advice for churches in financial and legal matters. It also promoted the work of the Federation through the "The Congregationalist" magazine publication until spring 2020, which was distributed to every church (this publication ceased thereafter). This Committee, through its Investment, Trust and Trading Board, oversees the management of its Common Investment Pools guided by the Federation's Investment Managers, Brewin Dolphin Limited. The income generated from investments is allocated to support various Federation operations and available to Area Associations in accordance with their restricted nature. Also, under this Committee, the various trading activities undertaken within the premises in Nottingham are scrutinised. Any trading activity is designed to produce income to support the programs of the Federation as part of the resources from which churches and their communities can be supported.

The Federation in Nottingham as well as providing offices for its administration, also provides community space for various groups throughout the year. Additionally, the student rooms in Nottingham are let to university students in Nottingham and provide good quality accommodation at an affordable price within a safe and secure community environment. Many students are from overseas and greatly appreciate the overall setting of what is offered to them.

During 2020 the Federation continued to utilise the services of a Human Resources Consultant who, in addition to updating resources available on the CF website, is available to be contacted by churches and Areas for advice on HR matters.

Whilst having significant investment assets, the Federation continues to remain reliant upon receiving capital receipts each year in order to absorb the operating deficits. These budget deficits will continue to be monitored to keep them within realistic ranges. Except for the necessity to balance the budgets, we continue to apply the principle, that in general any capital receipts or windfalls, instead of being expended directly into projects, are now invested and the interest from such will eventually be able to be used to fund new projects and strategies. This strategy will enable the need to eradicate deficit budgets and thus not have to rely on unforeseen capital receipts, such as the sale of closed churches, to balance the budgets.

During 2020 the Committee and the Investment Trust and Trading Board continued a process to review various policies and procedures to ensure that proper controls are in place regarding Federation income and expenditure. The Committee continues to oversee the Federation finances and make recommendations to Council regarding the financial management of new and existing programs and projects.

REPORT OF THE TRUSTEES

During 2020 we have continued with the Royal London Group Personal Pension scheme, for the benefit of staff and qualifying ministers. Advice to individual churches and Areas.

Church Support Committee

Church Support Department Staff: Yvonne Campbell (General Secretary: Facilitator), Dr Walter Riggans (Learning & Development Manager), Luzia Watt (Church Support Worker), Rev. Neil Chappell (Website & Social Media Officer), Lisa Vickers (Safeguarding Officer), Maddy Varley (L & D Administrator).

Church Support Committee: The Chair of the Church Support Committee is Rev. John Bentham initially being in post for a period of 12 months and has now extended for a 3-year term from Church Support Committee Meeting on 22nd September 2018.

The Committee consists of Area representatives, Chair of the Accreditation Group Rev. Barbara Bridges, Chair of CIPT Management Board Rev. Nicholas Gleich, Chair of ICB Rev Alan Kennedy along with Participant Observers: the Department Staff, Chair of Council, & Presidents of the Congregational Federation. Due to COVID 19 the Church Support Committee continues to meet online twice a year.

The Church Support Committee is the means by which churches can benefit from grants from the voluntary donations to the Ministry & Mission Fund and also from the Closed Churches Fund. Grants have been given to support church mission projects that reach out to the community, children and youth materials, equipment for more professional digital films through social media and the internet and supporting ministry in a variety of settings of rural, urban and inner city.

In terms of the Federation's support for local churches, the employment of a part time Church Support Worker commenced in June 2020 and added further focus and additional encouragement to churches and those with wider roles of mission enabling. This role is focussed on encouraging local churches to engage in something new, supporting youth and children's' work and applying for mission grants. Though budgeted for two Church Support Workers there is only one part time position filled at the moment due to the ongoing review of our structure within the Congregational Federation. We are pausing before we act on fulfilling that vacancy of another Church Support Worker until the needs and the direction of the Congregational Federation are finalised. However, we do have monies for consultancy work if need be to support specific church needs.

Three types of grants are available:

- Impact Grant: Conditions changed to include ministry. Term over a 3-year period. Max of £15,000
- Starter Grants: of £400 (up to £600 for specialist equipment)
- Youth and Children Grants: £100

We continue to support Christian Aid: The £12,000 target for the Christian Aid 'No Lost Generation Appeal' has been reached. We are now committed to support in 2021 'Orphanage and Vulnerable Children in Kenya' to raise £6,000 over 12 months. This will be match funded 19 times over.

We constantly seek to bring information and ideas to the attention of our member churches. We use our Facebook page and the CF website as well as the quarterly mailings, resources and success stories of projects for missional engagement, both locally and in the wider world.

Learning and Development is largely supported by restricted funds received from the closure of New College, London. This sum in excess of £1,400,000 is separately invested to maintain the level of income required to support the Training budget.

Staffing consists of: Learning and Development Manager, who has responsibility for courses run under the Congregational Institute of Practical Theology (CIPT) as well as wider training needs across CF; and an Administrator. CIPT Management Board reports to the Church Support Committee.

The Congregational Institute for Practical Theology (CIPT) was established in 2013, to replace the Training Board, which had successfully developed the training courses of the CF over the last 30 years. CIPT runs

a suite of courses for the development of personal discipleship, and for training for the recognised ministries of CF, comprising: The GIFT (Growing in Faith Together) Programme (unaccredited, Level 3) and FdA (levels 4-5). Work is accredited by the University of York St John.

The GIFT course is now offered as a local course, rather than nationally run. This will continue to be monitored to see how this works. Completion of the FdA is required for recognition on the Roll of Ministries.

The Course is designed to support local church ministries and is subsidised by the CF so it can be offered free to members of CF churches with a Church endorsement. The course is also open to people from other denominations but is not subsidised. Students come from all walks of life, with a broad range of prior education, and the widest of age ranges. Special provisions are made available for students with learning or physical difficulties including dyslexia.

Each Level is firmly founded on biblical teaching. Level 4 explores our setting in the history of the Church and Christian thinking in discipleship and mission. Optional modules provide opportunities to develop specific areas of ministry and discipleship. Level 5 continues the strong biblical focus and on offer are a year-long ministry placement and a 10-week community placement. Due to the effects of COVID 19 all lectures are online until further notice.

The BA (Hons) focuses on our tradition of Dissent, and explores the theme through scripture, ecclesiology, public life and Christian discipleship – it was decided last year that this would not run in 2019 -2020 for lots of reasons and instead we would hold a Summer School for the wider Congregational Family and beyond but use the material from Level 6. This has had to be postponed until further notice because of the pandemic.

Changes to the Pastoral Care Board were introduced latterly during 2017. It was superseded by the Accreditation Group, with a remit to oversee the Accreditation process and Safeguarding. Pastoral Care within Areas is now the responsibility of Pastoral Care Co-ordinators for each Area but is supported by national training and support from the General Secretary.

The Accreditation Group has responsibility to oversee the administration of the Roll of Ministries including consideration of applications for inclusion on the Roll and where necessary, to deal with requests to remove a name from the Roll. The Pastoral Care Board oversees the Pastoral Period for those received onto the Roll of Ministries. Working through its Pastoral Care Co-ordinators, it also ensures that support is offered to students on the Integrated Training Course (ITC) and others exploring their vocation, to those who are on the Rolls, and to retired Ministers and their spouses, widows and widowers.

Working through the **Safeguarding Officer** is a group of checkers who will visit churches to look at the church premises and offer advice and guidance about safeguarding and health and safety issues. The CF will then offer a "Safeguarding" certificate to confirm a level of good practice is in place. The Board works through the Safeguarding Officer for the protection of children and vulnerable adults by overseeing the possession of Disclosure and Barring Certificates and Protecting Vulnerable Groups Scheme (Scotland) within churches and supporting Ministers, students and churches with the procedures for obtaining these certificates. The committee has recommended a variety of safeguarding training course for Ministers, Deacons and those working with both children and young people as well as vulnerable adults. The online courses are run by 31:8.

The ICB Chair Rev Alan Kennedy represents the Congregational Federation on Churches Together in England and along with the help and support from our General Secretary and others on ecumenical bodies informs our committee of news and new initiatives along with resources that might be useful to the CF. This year Alan has attended the Covid Ecumenical Round table online meetings every week to keep the CF as up to date as possible with the Government guidelines.

Youth and Children: A group has been set up to explore and write a new strategy for national Youth & Children work and to guide a way forward that works for the Youth & Children today in our churches. This provision is supported by the Church Support Department. The hope is to rebuild networks and provide opportunities for learning and sharing best practice. Luzia Watt Church Support Worker is prioritising her

work towards Youth & Children events and this year we have held 3 Leaders Link up days to encourage those in leadership roles.

Council: The Members of Council are the Trustees of the Congregational Federation and its membership is defined by the Constitution. The Committees are made up of representatives of various aspects of the life of the Federation and Council receives and ratifies the work and decisions of these Committees. Council's role is to oversee the overall management of the Congregational Federation and to review and determine the strategic direction of the CF. It does this through receiving reports from Committees, its ongoing training for Trustees, and in addition initiating consultations with Churches. It agrees the annual Accounts. Council reports annually to Assembly. In view of the Covid-19 pandemic a decision was made to cancel the Annual Assembly which was scheduled to take place in May 2020.

The Council continues to monitor investments carefully. Investments are held in accordance with the Trustees' powers. The investments incurred unrealised losses of £500,346 (2019: gain of £1,070,345). The total market value of investments is £9,758,229 (2019: £10,258,575).

Internal and external factors - The Federation is constantly reviewing through its governance structure the services it offers to its members. It exists to support the member churches who increasingly have to operate within testing times of the church being relevant in their own communities. Numbers of members have been declining and the age profile increasing. However, there are signs of new life and fresh expressions of church being relevant to current society which the Federation seeks to support and resource. The Covid-19 pandemic resulted in a number of operational challenges which were successfully managed during the year. Provision was made for staff to work from home where appropriate and possible, with minimal periods of time being spent in the offices. Risk assessments were undertaken and steps taken to ensure the Nottingham premises were Covid secure in so much as was in our power to do so.

At the Annual Assembly held on June 8th, 2018 at Union Chapel, Council was tasked with carrying out a Governance and Secretariat Review. Council continued to be mindful of a need to undertake governance, but progress was hampered as a result of the Covid-19 pandemic and accordingly the task was delayed.

Reserves policy

Free reserves provide the working capital requirements of the charity, whilst providing a buffer of liquid funds in case of any short-term decline in income, unexpected increases in costs or risk exposure. They are intended to ensure that contractual obligations to staff, premises and programme commitments can also be met along with any grant commitments to churches and Area Associations.

CF calculates its free reserves as those held in the General Purpose Fund less specific fund initiatives less the net book value of fixed assets held in the General Purpose Fund.

The Trustees seek to maintain a level of free reserves of between 8 to 12 months of total annual expenditure. This currently equates to between £702,000 and £1.05 million based upon 2020 actual expenditure. Total expenditure fell in 2020 due to the pandemic which in turn reduced the amount required to be held as free reserves. At 31st December 2020, the free reserves held represent 14.9 months (2019: 12.3 months) of expenditure and are therefore at the top of the band.

REPORT OF THE TRUSTEES

	2020	2019
	£	£
General Purposes Fund	1,396,421	1,455,182
Less Tangible Non-Current Assets	(85,072)	(127,349)
Free Reserves	**1,311,349**	**1,327,833**
Months	**14.9**	**12.3**

Investment policy

The investment policy is to maintain a balance between income and capital growth, subject to a moderate degree of risk, with up to 5% high risk. There should be no exposure to tobacco, alcohol, armaments or gambling. Within these parameters it is further recognised that the emphasis for the expendable pool will be on income and for the permanent pool on capital growth. The Investment, Trust and Trading Board continue to actively monitor investment strategy and performance and are satisfied that the investment performance has met the investment objectives during the year.

Grant making policies

The Congregational Federation is able to make various types of grants from its resources in these areas including retired Ministers, welfare, education of children of Ministers, Training, Youth and Children's initiatives, local church ministry support and mission projects, and the wider Church family through local ecumenical projects and via its membership of the Council for World Mission. For each instance, a set criteria and application process is followed and reviewed by the appropriate Board and Committee. The application process includes where appropriate the consideration of the means available to the applicant, the viability, and the suitability of any project for which monies are sought. An evaluation process is also part of any grants which are awarded when further monies are sought for subsequent years. We believe such grants are essential in enabling financial resources to be expended locally so as to best meet the needs of the communities in which the churches are set. Such is our commitment that no grant will be awarded unless the church or project satisfies the best possible practice in terms of our Safeguarding policy in order to protect children, young people and vulnerable adults.

Fund Raising

No fundraising is carried out by Congregational Federation.

REPORT OF THE TRUSTEES

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees 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).

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. 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 2015 (FRS 102);
- 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 charity will continue in operation.

The trustees are responsible for keeping proper 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 Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. 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 trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the trustees on 24/4/2021 **and signed on their behalf by:**

.....

Mr J A Lyon
Trustee

Date:

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF CONGREGATIONAL FEDERATION

Opinion

We have audited the financial statements of The Congregational Federation (the charity) for the year ended 31 December 2020 which comprise the Statement of Financial Activities, Balance sheet, 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 FRS 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 charity's affairs as at 31 December 2020 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 Charities Act 2011.

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 statement 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 financial statements. 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.

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 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.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF CONGREGATIONAL FEDERATION

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report. We have nothing to report in respect of the following matters where the Charities Act 2011 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 trustees' responsibilities statement set out on page 11, the trustees 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 charity 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:

Based on our understanding of the charity and the industry in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the acts by the charity, which were contrary to applicable laws and regulations including fraud, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to inflated revenue and the charity's net income for the year.

Audit procedures performed included: review of the financial statement disclosures to underlying supporting documentation, review of correspondence with and reports to the regulators, including correspondence with the Charity Commission review of correspondence with legal advisors, enquiries of management and review of internal audit reports in so far as they related to the financial statements, and testing of journals and evaluating whether there was evidence of bias by the trustees that represented a risk of material misstatement due to fraud.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF CONGREGATIONAL FEDERATION

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: http://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 members, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity'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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

UHY Hacker Young

UHY Hacker Young
Statutory Auditor
14 Park Row,
Nottingham
NG1 6GR

Date: .....7 May 2021.....

UHY Hacker Young is eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006

CONGREGATIONAL FEDERATION
STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31 DECEMBER 2020

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2020 Total Funds £	2019 Total Funds £
Income						
Income from donations & legacies	2	217,621	78,320	-	295,941	499,170
Income from lettings		138,617	23,340	-	161,957	242,173
Investment income	3	180,188	117,375	-	297,563	381,335
Income from charitable activities	4	148,474	15,886	-	164,360	178,433
Other income	5	-	-	-	-	-
Total		**684,900**	**234,921**	**-**	**919,821**	**1,301,111**
Expenditure						
Expenditure on lettings	6	139,794	-	-	139,794	147,412
Expendable on charitable activities	7	649,006	264,205	-	913,211	1,147,984
Total		**788,800**	**264,205**	**-**	**1,053,005**	**1,295,396**
Net Income/(Expenditure) before transfers		**(103,900)**	**(29,284)**	**-**	**(133,184)**	**5,715**
Gross transfers between funds		-	-	-	-	-
Net income/(expenditure) before other recognised gains and losses		**(103,900)**	**(29,284)**	**-**	**(133,184)**	**5,715**
Other recognised gains/(losses)						
Gains/(losses) on investment assets		(330,320)	(122,985)	(47,041)	(500,346)	1,070,345
		(330,320)	**(122,985)**	**(47,041)**	**(500,346)**	**1,070,345**
Net movement in funds		**(434,220)**	**(152,269)**	**(47,041)**	**(633,530)**	**1,076,060**
Total funds brought forward		**10,465,584**	**3,587,904**	**1,179,771**	**15,233,259**	**14,157,199**
Total Funds c/f		**10,031,364**	**3,435,635**	**1,132,730**	**14,599,729**	**15,233,259**

The statement of financial activities includes all gains and losses recognised during the year

CONGREGATIONAL FEDERATION
STATEMENT OF FINANCIAL ACTIVITIES – COMPARATIVE
YEAR ENDED 31 DECEMBER 2019

	Unrestricted Funds	Restricted Funds	Endowment Funds	2019 Total Funds
	£	£	£	£
Income				
Income from donations & legacies	487,263	11,907	-	499,170
Income from lettings	220,177	21,996	-	242,173
Investment income	233,192	148,143	-	381,335
Income from charitable activities	141,536	36,897	-	178,433
Other income	-	-	-	-
Total	**1,082,168**	**218,943**	**-**	**1,301,111**
Expenditure				
Expenditure on lettings	147,412	-	-	147,412
Expendable on charitable activities	811,045	336,939	-	1,147,984
Total	**958,457**	**336,939**	**-**	**1,295,396**
Net Income/(Expenditure) before transfers	**123,711**	**(117,996)**	**-**	**5,715**
Gross transfers between funds	-	-	-	-
Net income/(expenditure) before other recognised gains and losses	**123,711**	**(117,996)**	**-**	**5,715**
Other recognised gains/(losses)				
Gains/(losses) on investment assets	710,048	270,542	89,755	1,070,345
Investment Property re-valuation	-	-	-	-
	710,048	**270,542**	**89,755**	**1,070,345**
Net movement in funds	**833,759**	**152,546**	**89,755**	**1,076,060**
Total funds brought forward	**9,631,825**	**3,435,358**	**1,090,016**	**14,157,199**
Total Funds c/f	**10,465,584**	**3,587,904**	**1,179,771**	**15,233,259**

The statement of financial activities includes all gains and losses recognised during the year

CONGREGATIONAL FEDERATION
BALANCE SHEET
AS AT 31 DECEMBER 2020

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2020 Total Funds £	2019 Total Funds £
Non Current Assets						
Tangible Assets	12	1,243,624	457,535	265,105	1,966,264	2,043,648
Investment Property	13	3,092,646	229,500	-	3,322,146	3,322,146
Investments	14	6,557,730	2,332,874	867,625	9,758,229	10,258,575
		10,894,000	**3,019,909**	**1,132,730**	**15,046,639**	**15,624,369**
Current Assets						
Debtors	15	78,068	187	-	78,255	64,090
Cash at bank & on deposit		452,616	425,359	-	877,975	1,007,252
		530,684	**425,546**	**-**	**956,230**	**1,071,342**
Creditors						
Amounts falling due within one year	16	(103,728)	(9,820)	-	(113,548)	(129,860)
Net Current Assets		**426,956**	**415,726**	**-**	**842,682**	**941,482**
Creditors						
Amounts falling due after more than one year	17	(1,289,592)	-	-	(1,289,592)	(1,332,592)
Net Assets		**10,031,364**	**3,435,635**	**1,132,730**	**14,599,729**	**15,233,259**
Funds						
Unrestricted Funds		10,031,364	-	-	10,031,364	10,465,584
Restricted Funds		-	3,435,635	-	3,435,635	3,587,904
Endowment Funds		-	-	1,132,730	1,132,730	1,179,771
Total Funds	19	**10,031,364**	**3,435,635**	**1,132,730**	**14,599,729**	**15,233,259**

The notes on pages 21-37 form part of these financial statements.

The financial statements were approved and authorised by the Board of Trustees on 24/4/2021 and were signed on its behalf by:

.....
Mr J A Lyon
Chair of Trustees

CONGREGATIONAL FEDERATION
STATEMENT OF CASHFLOWS
YEAR ENDED 31 DECEMBER 2020

		2020 £	2019 £
Cash flow from operating activities	Note 23	**(125,000)**	34,036
Cash flow from investing activities			
Payments to acquire tangible assets		**(4,277)**	(52,801)
Proceeds from sales of tangible assets		**-**	-
Proceeds from sales of investment properties		**-**	223,491
Payments to acquire investments		**-**	16,506
Net cash flow from investing activities		**(4,277)**	187,196
Net increase / (decrease) in cash and cash equivalents		**(129,277)**	**221,232**
Cash and cash equivalents at 1 January 2020		**1,007,252**	786,020
Cash and cash equivalents at 31 December 2020		**877,975**	1,007,252
Cash and cash equivalents consist of:			
Cash at bank and in hand		**877,975**	1,007,252

CONGREGATIONAL FEDERATION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2020

1 ACCOUNTING POLICIES

Basis of assessment and assessment of going concern
The financial statements have been prepared under the historical cost convention, as modified by the revaluation of investments and investment properties to market value.. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations in 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the 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 Ireland (FRS102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The financial statements are prepared on a going concern basis. The charity constitutes a public benefit entity as defined by FRS102.

In preparing the accounts, the Trustees have considered whether in applying the accounting policies required by FRS102 and Charities SORP (FRS102) the restatement of comparative items was required. No restatements were required.

Income
All income is included on the Statement of Financial Activities on a recoverable basis when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Closed Church income
Income received from Closed Churches is recognised on the date of receipt.

Investment income
Investment income is accounted for when receivable. Investment income receivable on permanent endowments is treated as expendable.

Legacies, grants and donations receivable
Grants and donations are included within the financial statements when receivable. Legacies are treated as receivable in the financial statements when notification has been received and receipt is virtually certain.

Taxation
The charity is exempt from tax on income and gains falling within Section 505 of the Taxes Act 1988 or Section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

Gifts in kind
The Federation receives gifts in kind for which it is extremely grateful. Gifts of a capital nature, where material, are capitalised at valuation. Other gifts in kind, for example, the time donated by volunteer workers, are not accounted for in these financial statements on the grounds that these invaluable resources are not possible to quantify.

Expenditure
Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with the use of resources. Expenditure is recorded net of VAT, when applicable, and the irrecoverable VAT is charged through the General Purpose Fund.

Governance costs
Expenditure in relation to the overall governance of the Charity is allocated to Governance costs in the year. These costs consist of audit costs, expenditure in relation to Trustee meetings.

Pension contributions
The charity operates a defined contribution pension scheme and the pension charge represents the amount payable by the company to the fund in respect of the year.

Allocation of expenses
Expenditure has been classified under headings that aggregated all costs related to the category. Where costs cannot be directly attributed to a particular category, they have been allocated where appropriate according to the use made of the resource by the activities concerned.

Employee benefits
The charity operates a defined contribution plan for the benefit of its employees. Contributions are expenses as they become payable.

Grants payable
Grants are offered subject to conditions which need to be met, where such conditions have not been met at the year-end date, they are noted as a commitment but not accrued as expenditure.

Non-Current Assets
Non-Current Assets are stated at historic cost value less depreciation.

Freehold and long leasehold land and buildings are depreciated at 2% per annum. However, no depreciation has been provided in the year as the Trustees believe that the carrying value of land and buildings is less than the residual value.

Depreciation is provided on the charity's other assets at the following annual rates in order to write off each other asset over its useful economic life.

Fixtures and fittings	-	10% on cost
Motor vehicles	-	25% on cost
Computer equipment	-	20% on cost

Investment properties
Property held for the sole purpose of investment are included within the accounts under the heading Investment Properties. These are included at market value; any changes in market value are recognised within other recognised gains or losses.

Fund accounting

Unrestricted funds
Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the Trustees. Within the unrestricted funds a number of designated funds, these are determined by the Trustees as detailed in the note to the financial statements. The restrictions applied can be reviewed at the Trustee's discretion.

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

Endowment fund
Endowment funds held by the charity can only be used for particular restricted purposes and only the income can be spent by the charity.

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

2 INCOME FROM DONATIONS & LEGACIES

	2020	2019
Unrestricted	£	£
Closed Church Receipts	133,200	396,957
Government Furlough Grants	11,005	-
Covid Business Grant - Pilton Grant	17,000	-
City of Nottm Covid Business Grant	7,729	-
Memorial Hall Trust Grants	29,400	28,000
Church Support - Closed Church Receipts	14,800	44,106
Church Support Donations	3,044	15,115
Youth & Children Receipts	-	210
General Purposes Donations	1,443	2,875
	217,621	**487,263**
Restricted		
Syria Appeal	3,994	8,501
CIPT - Fees	830	1,060
CIPT - Donations	1,975	1,425
Library Donations	472	-
CWM MSP4	26,334	-
CWM Covid Gift of Grace	14,000	-
CF Churches Gift of Grace	250	-
CIPT - Course Materials	83	921
CWM Covid 19 Mission Initiative	14,000	-
CWM - If only...Mission Initiative	16,382	-
	78,320	**11,907**
Total	**295,941**	**499,170**

3 INVESTMENT INCOME

	2020	2019
	£	£
Unrestricted	**180,188**	**233,192**
Restricted	**117,375**	**148,143**
Total	**297,563**	**381,335**

4 INCOME FROM CHARITABLE ACTIVITIES

Unrestricted	2020 £	2019 £
Church Affiliation Fees	79,718	62,472
Ministers' Pension	59,684	59,373
Congregational Conference	-	-
CFL - Admin Charges	4,268	4,923
Congregationalist	247	3,243
Pilton Green Lettings	987	6,396
Yearbook	875	1,330
ACAT Membership	950	960
Associate Membership	280	595
Personal Membership	325	175
Other Income	1,140	2,069
	148,474	**141,536**
Restricted		
CIPT	15,886	36,897
Homes for Retired Ministers	-	-
Congregational Conference	-	-
Other	-	-
	15,886	**36,897**
Total	**164,360**	**178,433**

5 OTHER INCOME

Unrestricted	2020 £	2019 £
Profit/(Loss) on sale of property	-	-
Restricted		
Profit/(Loss) on sale of property	-	-
Total	-	-

6 EXPENDITURE ON LETTINGS

Unrestricted	2020 £	2019 £
Staff costs and overheads	60,462	58,367
Accommodation costs	73,362	83,305
Other expenditure	5,970	5,740
Total	**139,794**	**147,412**

7 EXPENDITURE ON CHARITABLE ACTIVITIES

	CIPT	CFCS	Ministers' Pension	Pastors' & Widows'	Homes for Retired Ministers'	CF Area Funds	Church Support	Congregational Support	2020 Total	2019 Total
	£	£	£	£	£	£	£	£	£	£
Staff costs and overheads	80,366	59,593	97,220	-	13,970	4,318	84,668	141,353	481,488	523,819
Property costs	32,132	-	-	-	9,144	-	-	45,192	86,468	97,112
Operational costs	23,918	15,371	-	-	-	-	36,915	126,864	203,068	280,474
Hospitality and accommodation	6,247	-	-	-	-	-	-	-	6,247	12,550
Grants payable (note 8)	-	-	-	-	-	55,956	-	66,794	122,750	205,687
Governance costs	-	-	-	-	-	-	-	13,190	13,190	28,342
Total	**142,663**	**74,964**	**97,220**	**-**	**23,114**	**60,274**	**121,583**	**393,393**	**913,211**	**1,147,984**

CIPT - Congregational Institute of Practical Theology
CFCS - Church Financial Custodian Services

8 CHARITABLE ACTIVITIES - GRANTS PAYABLE

	2020		2019	
	Grants to Institutions £	Grants to Individuals £	Grants to Institutions £	Grants to Individuals £
Payable From:				
Sydney Berry Trust	-	5,065	-	5,655
Pastors & Widows Fund	-	20,893	-	21,298
Education Fund	-	-	-	-
Personal CMD Grants	-	-	817	-
Home/Botwright	-	600	-	1,300
Church Support Grants	28,236	-	47,950	-
Special Appeals - Christian Aid	12,000	-	-	-
Grants payable from Area Funds	55,956	-	123,566	-
Grant to CFL	-	-	5,101	-
Total	**96,192**	**26,558**	**177,434**	**28,253**

9 NET INCOMING/(OUTGOING) RESOURCES

Net resources are stated after charging/(crediting):

	2020 £	2019 £
Depreciation - owned assets	81,661	81,554
Auditors remuneration	12,182	10,668
Profit/(loss) on disposal of fixed assets	-	-

10 Members of the Council do not receive any remuneration in their capacity as members of Council, although bona-fide expenses are reimbursed. 2 trustees received Tutor's book grants total of £400 (2019: £400).

Expenses relating to Council activities during the year amounted to £3,490 (2019: £19,842), primarily in respect of transport and meeting costs. 19 Trustees (2019:20) received expenses in the year.

The Congregational Federation operates a Group Personal Pension scheme with Royal London for Accredited Ministries, Category M, who are serving as a minister in a Federation church. There were 5 (2019:6) serving ministers on Council, for whom the Federation paid pension contributions of £20,320 (2019: £21,326), for their role as a Federation minister. It is not connected to their role as a member of Council.

11 STAFF COSTS

	2020	2019
	£	£
Wages and salaries	374,738	400,333
Social security costs	28,366	31,930
Pension costs	37,090	39,327
	440,194	**471,590**

Gross Pay plus Employers' NI

	2020			2019		
	Total	Direct	Support	Total	Direct	Support
General Purposes	98,158	-	98,158	99,385	-	99,385
CIPT	73,224	50,845	22,379	71,831	49,790	22,041
Trading	55,371	55,371	-	53,412	53,412	-
Homes for Retired Ministers	12,827	12,827	-	12,630	12,630	-
Church Support Workers	28,083	28,083	-	60,290	60,290	-
Church Support Dept	37,882	-	37,882	37,259	-	37,259
Church Financial Services	54,704	54,704	-	54,361	54,361	-
Website/Social Media	11,166	11,166	-	10,903	10,903	-
CF Area Schemes	3,958	-	3,958	4,003	-	4,003
Ministers' Pension	3,957	-	3,957	4,003	-	4,003
Safeguarding	22,556	22,556	-	22,552	22,552	-
CIPT - Tutor Fee's	1,218	1,218	-	1,634	1,634	-
Total	**403,104**	**236,770**	**166,334**	**432,263**	**265,572**	**166,691**

The cost to the Federation in respect of its staffing for 2020 inclusive of employers' NI amounted to £403,104 (2019: £432,263).

During 2020 the average number of staff employed was 32 (2019: 33) in the central resource. As at the year end the number of staff employed was equivalent to 13.8 (2019: 13.7) full time staff.

There were no higher paid employees during 2020 (2019: none)

Senior management is comprised of five posts (2019: five). The total employee benefits of senior management were £243,169 (2019: £236,364), including pension and National Insurance contributions.

12 TANGIBLE NON CURRENT ASSETS

	Freehold property £	Leasehold property £	Plant & machinery £	Fixtures & fittings £	Motor Vehicles £	Total £
Cost						
Balance b/f	1,634,507	100,000	48,771	678,341	12,526	2,474,145
Additions	-	-	4,277	-	-	4,277
Disposals	-	-	-	-	-	-
Revaluations	-	-	-	-	-	-
Balance c/f	1,634,507	100,000	53,048	678,341	12,526	2,478,422
Depreciation						
Balance b/f	-	-	10,383	415,678	4,436	430,497
Charge for the year	-	-	10,166	68,363	3,132	81,661
Disposals	-	-	-	-	-	-
Balance c/f	-	-	20,549	484,041	7,568	512,158
Net Book Value						
Brought forward	1,634,507	100,000	38,388	262,663	8,090	2,043,648
Carried forward	**1,634,507**	**100,000**	**32,499**	**194,300**	**4,958**	**1,966,264**

All assets are used for charitable purposes.

All properties are 100% owned by the Congregational Federation

The Custodian Trustee of the properties is The Congregational Federation Ltd

13 INVESTMENT PROPERTY

MARKET VALUE	£
At 1 January 2020	3,322,146
Disposals	-
Impairment	-
Re-Valuation	-
At 31 December 2020	**3,322,146**

Investment property is stated at the Trustee's estimated open market value.

All properties are 100% owned by the Congregational Federation except for:

Daisy Dormer, Brixton - 51%

The custodian trustee of the Investment properties is The Congregational Federation Ltd

14 NON CURRENT ASSET INVESTMENTS

	Listed Investments £
Market Value	
At 1 January 2020	10,258,575
Net Additions/(Disposals)	-
Unrealised loss on investments	(500,346)
At 31 December 2020	**9,758,229**

Unrealised gain/loss on investments is shown net of investment management fees of £46,193 (2019: £51,408)

15 DEBTORS

	2020 £	2019 £
Amount falling due after more than one year:		
Other debtors	-	-
Amount falling due within one year:		
Trade Debtors	11,791	6,515
Prepayments and accrued income	35,693	26,554
Other Debtors	30,771	31,021
	78,255	**64,090**
Total	**78,255**	**64,090**

16 CREDITORS

	2020 £	2019 £
Amount falling due within one year:		
Trade Creditors	10,086	15,158
Taxation & Social Security	8,073	8,614
Other Creditors	13,797	10,289
Accruals	81,592	95,799
Total	**113,548**	**129,860**

17 CREDITORS

	2020 £	2019 £
Amount falling due after more than one year:		
Accruals	34,250	77,250
Due to The Congregational Federation Ltd	1,255,342	1,255,342
Total	**1,289,592**	**1,332,592**

18 PENSION COMMITMENTS

Congregational Federation are committed to providing a good pension for all staff. Contributions at a rate of 10% are paid into a scheme with The Royal London which is a defined contribution scheme. As such, CF has no pension fund liabilities.

CONGREGATIONAL FEDERATION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2020

19 MOVEMENT IN FUNDS - 2020

Unrestricted Funds	At 01.01.20 £	Income £	Expenditure £	G/L £	Revaluation Surplus £	Transfers £	At 31.12.20 £
General Purposes	1,455,182	265,600	(278,090)	(46,273)	-	2	1,396,421
Designated Funds							
Property	1,615,978	-	-	-	-	-	1,615,978
Trading	1,121,739	78,557	(148,752)	-	-	-	1,051,544
Ministers' Pension	302,291	89,229	(97,220)	(14,698)	-	7,991	287,593
Church Support Grants	100,921	18,150	(30,054)	(421)	-	-	88,596
Church Support - Dept	-	21,333	(121,583)	-	-	100,250	-
Church Support - Safeguarding	-	21,233	(33,806)	-	-	12,573	-
Church Financial Services	912,003	54,869	(74,977)	(43,669)	-	20,108	868,334
Closed Church Fund	-	2	-	-	-	(2)	-
Protected Programme	4,955,358	133,622	-	(225,259)	-	(140,922)	4,722,799
CF Area Funds	2,112	2,305	(4,318)	-	-	-	99
	10,465,584	**684,900**	**(788,800)**	**(330,320)**	**-**	**-**	**10,031,364**
Restricted Funds							
Homes for Retired Ministers	778,718	16,295	(23,114)	(4,315)	-	-	767,584
Education	37,825	892	-	(1,577)	-	-	37,140
Sidney Berry	185,384	5,089	(25,958)	(8,997)	-	-	155,518
Church Support - CIPT	1,401,425	82,204	(142,663)	(57,002)	-	-	1,283,964
Special Appeals	8,801	3,994	(12,000)	-	-	-	795
CWM MSP3	24,735	54	-	-	-	-	24,789
CWM MSP4	-	26,334	(74)	-	-	-	26,260
CSC - if only...Mission Initiative	-	16,382	-	-	-	-	16,382
CSC - CWM Gift of Grace	-	14,250	(4,440)	-	-	-	9,810
CSC - CWM Covid Mission Initiative	-	14,000	-	-	-	-	14,000
CF Area Funds	1,151,016	55,427	(55,956)	(51,094)	-	-	1,099,393
	3,587,904	**234,921**	**(264,205)**	**(122,985)**	**-**	**-**	**3,435,635**
Permanent Endowments							
General Purposes Property	91,654	-	-	-	-	-	91,654
Homes for Retired Ministers	173,451	-	-	-	-	-	173,451
CF Area Funds	914,666	-	-	(47,041)	-	-	867,625
	1,179,771	**-**	**-**	**(47,041)**	**-**	**-**	**1,132,730**
Total Funds	**15,233,259**	**919,821**	**(1,053,005)**	**(500,346)**	**-**	**-**	**14,599,729**

Federation area funds – Restricted and Endowment funds

CF Area Funds - 2020

	Endowments	Expendable	Accum Income	Total @ 31.12.20
	£	£	£	£
CF in Wales	23,397	35,473	6,471	65,341
East Midlands	37,313	17,602	1,597	56,512
Eastern	37,667	-	2,301	39,968
- Church Ext	60,901	-	3,016	63,917
North East	100,340	15,145	10,545	126,030
North West	73,573	616,192	26,118	715,883
- Church Ext	11,332	81,937	6,307	99,576
North West Midlands	43,183	6,102	16,350	65,635
South East	239,307	99,673	11,777	350,757
- Church Ext	29,304	-	8,717	38,021
South West	211,308	57,700	12,932	281,940
South West Midlands	-	70,931	(7,394)	63,537
Total	**867,625**	**1,000,755**	**98,737**	**1,967,117**

Endowments and Expendable capital are invested in order to provide income for the Area Funds. The Accumulated Income derived from those investments is available to be drawn upon by the Area Associations.

Unrestricted funds
This represents the free reserves of the charity and General Purpose non-current assets.

Designated funds

Property Fund
Property assets include residential investment properties which are to be sold in the coming years to help finance the operating deficit. The remaining properties are being secured to finance a long term debtor.

Trading Fund
This provides support to the charitable activities through its student accommodation and conference facilities.

Ministers' Pension Fund
The fund is intended to hold assets which produce sufficient income to meet the ministers' pension costs on an annual basis. CF contributions are protected for ministers in their employment @ March 2016 at 6.36%. Beyond that, for Ministers changing employment and new Accredited Ministers, the CF contributions will be at a lower rate of 2%. This fund will then become self-financing, no longer requiring funding from PPF.

Church Support Grants – This fund is to provide mission and starter grants to churches to help support them in their mission initiatives. The fund receives 10% of any Closed Church distributions received by CF.

Church Support Dept
Providing resources and support to enable the Congregational Federation Churches to fulfil the commission to share the gospel and make disciples and to engage with society at local, national and international levels.

Church Support – Safeguarding
Changes to the Pastoral Care Board were introduced latterly during 2017. It was superseded by the Accreditation Group, with a remit to oversee the Accreditation process and Safeguarding. Pastoral Care within Areas is now the responsibility of Pastoral Care Co-ordinators for each Area.

Church Financial Services
Services include custodian property and advice services, payroll services, administration services for church investments and deposits.

Closed Church Fund
Up to 2015, 90% of all CF receipts from Closed Church distributions were designated to this fund. This fund supports most CF programme areas. From 1st January 2015, any new receipts are being allocated to a new fund – Protected Programme Fund. This fund has now been fully used.

Protected Programme Fund
The Fund where 90% of closed church receipts and all unrestricted legacies are allocated into along with some internal transfer of funds mainly from the General Purposes Property Fund emanating from the disposal of some investment properties into money market investments, in order to: a) generate investment income to directly support specific operational programs and; b) to finance specific operational annual deficits through a transferring of fund capital at each year end as deemed necessary once the Closed Church Fund has been fully used up.

Congregational Federation Area Fund
Comprising of Endowments and Expendable capital, which are invested in order to provide income for the Area Funds. The Accumulated Income derived from those investments is available to be drawn upon by the Area Associations.

Restricted and Endowment funds

Homes for Retired Ministers – This fund provides accommodation for qualifying CF ministers of no less than 25 years of CF minister service and to their widows in their retirement and is dependent upon being on the Roll of Ministries under the category of M for minister.

Education Fund
The income from this fund is applied for the benefit of the children of ministers of any of the Federation member churches.

The Sidney Berry Trust
This is a restricted fund resulting from a legacy. Income is to be used to supplement the incomes of poorly paid ministers or to support, in retirement, ministers or ministers' widows/ers.

Church Support - Congregational Institute for Practical Theology
This fund covers all of the learning and development programmes including the GIFT course and the degree course along with the LEAF programme and the Congregational Conference. The LDG reserves came mainly through a distribution received from The New College Foundation.

Special Appeals
This relates to funds held on behalf of an Appeal for Christian Aid.

Council for World Mission for the Mission Programme (MSP3)
In previous years, a restricted fund was established to receive funds from this.

Council for Word Mission MSP4
Funding is being received to finance new initiatives within CF.

If Only...Mission Initiative
The purpose of this fund set out by CWM is to support local church mission projects specifically started in response to the COVID–19 pandemic.

CWM Gift of Grace
The original purpose of this fund in July 2020 was a gift to churches affiliated to the Congregational Federation to support them in the COVID-19 pandemic. The gift was not taken up by all churches and so the purpose reviewed in November 2020 was that it was to be a gift to churches affiliated to the Congregational Federation who have lost considerable income during this pandemic.

CWM COVID Mission Initiative
The purpose of this fund set out by CWM is to support local church mission projects specifically started in response to the COVID–19 pandemic.

Federation Area Funds
Endowments and Expendable capital which are being preserved in order to provide income for the Area Funds, subject to market valuations. Accumulated income is available for draw down by the area associations.

Unrestricted Transfers

General Purpose (GP)
The table below is an analysis of the transfers to and from the fund.

	£
From Closed Church Fund	(2)
	(2)

Church Financial Services
The fund received £20,108 from the Protected Program Fund to cover the 2020 programme deficits.

Ministers' Pension
The fund received £7,991 from the Protected Program Fund to cover the 2020 programme deficits.

Church Support – Safeguarding
The fund received £12,573 from the Protected Program Fund to cover the 2020 programme deficits.

Church Support - Dept
The fund received £100,250 from the Protected Program Fund to cover the 2020 programme deficits.

Closed Church Fund
The table below is an analysis of the transfers from the fund.

	£
To General Purposes	(2)
	(2)

Protected Programme Fund
The table below is an analysis of the transfers to and from the fund.

	£
Church Financial Services	(20,108)
Ministers Pension	(7,991)
Safeguarding /Accreditation Group	(12,573)
Church Support General	(100,250)
	(140,922)

CONGREGATIONAL FEDERATION
NOTES TO THE FINANCIAL STATEMENTS
MOVEMENT IN FUNDS COMPARISON

MOVEMENT IN FUNDS - 2019

	At 01.01.19	Income	Expenditure	G/L	Revaluation Surplus	Transfers	At 31.12.19
Unrestricted Funds	£	£	£	£	£	£	£
General Purposes	1,360,703	252,055	(350,828)	117,672	-	75,580	1,455,182
Designated Funds							
Property	1,815,978	-	-	-	-	(200,000)	1,615,978
Trading	1,130,513	152,405	(161,179)	-	-	-	1,121,739
Ministers' Pension	270,955	94,708	(97,019)	31,336	-	2,311	302,291
Church Support Grants	67,962	66,635	(55,294)	21,618	-	-	100,921
Church Support - Dept	-	25,342	(176,071)	-	-	150,729	-
Church Support - Safeguarding	-	24,862	(34,173)	-	-	9,311	-
Church Financial Services	818,899	63,952	(79,524)	93,104	-	15,572	912,003
Closed Church Fund	75,763	5	-	-	-	(75,768)	-
Protected Programme	4,087,896	398,879	-	446,318	-	22,265	4,955,358
CF Area Funds	3,156	3,325	(4,369)	-	-	-	2,112
	9,631,825	**1,082,168**	**(958,457)**	**710,048**	**-**	**-**	**10,465,584**
Restricted Funds							
Pastors & Widows	7,287	-	(21,298)	-	-	14,011	-
Homes for Retired Ministers	779,312	15,914	(26,693)	10,185	-	-	778,718
Education	33,341	1,123	-	3,361	-	-	37,825
Sidney Berry	177,937	6,792	(5,655)	20,321	-	(14,011)	185,384
Church Support - CIPT	1,317,653	116,826	(159,246)	126,192	-	-	1,401,425
Special Appeals	300	8,501	-	-	-	-	8,801
CWM MSP3	25,057	157	(479)	-	-	-	24,735
CF Area Funds	1,094,471	69,630	(123,568)	110,483	-	-	1,151,016
	3,435,358	**218,943**	**(336,939)**	**270,542**	**-**	**-**	**3,587,904**
Permanent Endowments							
General Purposes Property	91,654	-	-	-	-	-	91,654
Homes for Retired Ministers	173,451	-	-	-	-	-	173,451
CF Area Funds	824,911	-	-	89,755	-	-	914,666
	1,090,016	**-**	**-**	**89,755**	**-**	**-**	**1,179,771**
Total Funds	**14,157,199**	**1,301,111**	**(1,295,396)**	**1,070,345**	**-**	**-**	**15,233,259**

CONGREGATIONAL FEDERATION
NOTES TO THE FINANCIAL STATEMENTS
MOVEMENT IN FUNDS COMPARISON

CF Area Funds 2019

	Endowments	Expendable	Accum Income	Total @ 31.12.19
	£	£	£	£
CF in Wales	24,666	37,283	4,772	66,721
East Midlands	39,336	18,501	5,112	62,949
Eastern	39,710	-	3,660	43,370
- Church Ext	64,203	-	3,609	67,812
North East	105,781	15,919	8,116	129,816
North West	77,562	647,652	27,203	752,417
- Church Ext	11,946	86,120	3,614	101,680
North West Midlands	45,525	6,414	14,928	66,867
South East	252,280	104,762	5,244	362,286
- Church Ext	30,893	-	7,872	38,765
South West	222,764	60,646	14,479	297,889
South West Midlands	-	74,552	558	75,110
Total	**914,666**	**1,051,849**	**99,167**	**2,065,682**

20 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Restricted Funds £	Permanent Endowments £	Total £
Fund balances at 31st December 2020 are represented by:				
Fixed Assets	1,243,624	457,535	265,105	1,966,264
Investment Property	3,092,646	229,500	-	3,322,146
Investments	6,557,730	2,332,874	867,625	9,758,229
Net Current Assets	426,956	415,726	-	842,682
Creditors more than one year	(1,289,592)	-	-	(1,289,592)
Total	**10,031,364**	**3,435,635**	**1,132,730**	**14,599,729**

	Unrestricted Funds £	Restricted Funds £	Permanent Endowments £	Total £
Fund balances at 31st December 2019 are represented by:				
Fixed Assets	1,320,126	458,417	265,105	2,043,648
Investment Property	3,092,646	229,500	-	3,322,146
Investments	6,812,050	2,531,859	914,666	10,258,575
Net Current Assets	573,354	368,128	-	941,482
Creditors more than one year	(1,332,592)	-	-	(1,332,592)
Total	**10,465,584**	**3,587,904**	**1,179,771**	**15,233,259**

21 OTHER COMMITMENTS

At 31st December 2020, the Congregational Federation had NIL capital commitments contracted but not provided for in these financial statements (2019: NIL).

22 RELATED PARTY DISCLOSURES

The Congregational Federation Limited acts as Custodian Trustee on behalf of the Congregational Federation and others. It is considered that Congregational Federation Limited is a related party through a common Trustee board. Transactions between Congregational Federation and The Congregational Federation Limited during the year were:

	2020 £	2019 £
Funds to Congregational Federation Limited		
Grant relating to a closed church	-	5,101
Loan relating to a closed church	-	30,000
Payment of Audit / Independent Examination Fee	2,400	2,250
Funds from Congregational Federation Limited		
Costs relating to closed churches	331	449
Affiliation Fees	176	287
Closed church sale distribution	148,000	441,063

RELATED PARTY DISCLOSURES (continued)

A joint insurance policy is paid for by Congregational Federation totalling £14,720 (2019: £14,347) which benefits The Congregational Federation Limited.

At the year end, The Congregational Federation owed £1,255,342 (2019: £1,255,342) to The Congregational Federation Limited.

Congregational Federation provides administrative and management services to The Congregational Federation Limited. Congregational Federation do not recharge these costs to the Congregational Federation Limited.

As a member organisation, transactions with each of the members of the Charity are not considered related party transactions for disclosure purposes within the financial statements.

23 RECONCILIATION OF NET MOVEMENT TO NET CASHLOW FROM OPERATING ACTIVITIES

	2020 £	2019 £
Net movement in funds for the year	**(633,530)**	1,076,060
Depreciation	**81,661**	81,554
(Profit)/loss on disposal of tangible fixed assets	**-**	-
(Profit)loss on disposal of investment properties	**-**	(23,494)
(Gains)/losses on investments	**500,346**	(1,070,345)
Investment property revaluation	**-**	-
(Increase)/decrease in debtors	**(14,165)**	(22,031)
Increase/(decrease) in creditors	**(59,312)**	(7,708)
Net cashflow from operating activities	**(125,000)**	34,036

24 RECONCILIATION OF NET DEBT ANALYSIS

	1 September 2020 £	Cash flows £	31 December 2020 £
Cash	1,007,252	(129,277)	877,975
	1,007,252	**(129,277)**	**877,975**

25 ULTIMATE CONTROLLING PARTY

The Trustees as a Board are considered to be the ultimate controlling party.