

**UNAFFILIATED CONGREGATIONAL  
CHURCHES CHARITIES**

**ANNUAL REPORT AND  
FINANCIAL STATEMENTS  
31 DECEMBER 2021**

## UNAFFILIATED CONGREGATIONAL CHURCHES CHARITIES

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# UNAFFILIATED CONGREGATIONAL CHURCHES CHARITIES

## REFERENCE AND ADMINISTRATIVE DETAILS YEAR ENDED 31st DECEMBER 2021

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<b>Registered charity name</b>	Unaffiliated Congregational Churches Charities
<b>Charity number</b>	273854
<b>Principal office</b>	678 Ripponden Road Moorside Oldham OL4 2LP
<b>Trustees</b>	Mr R J Alp (Retired December 2021) Mrs L. Perry Pastor M J Valentine Mr P. Butler (Resigned November 2021) Mr D. M. Tucker Revd C J Damp Dr D L James Revd S Dunning (Resigned November 2021) Revd G. M. Evans
<b>Executive Officer</b>	Revd F Wroe
<b>Bankers</b>	National Westminster Bank plc 16 South Parade Nottingham NG1 2JX
<b>Solicitors</b>	Anthony Collins Solicitors 134 Edmond Street Birmingham B3 3ES
<b>Auditor</b>	Horsfield & Smith Chartered Accountants & Statutory Auditor Tower House 269 Walmersley Road Bury Lancashire BL9 6NX

# UNAFFILIATED CONGREGATIONAL CHURCHES CHARITIES

## TRUSTEES' REPORT

YEAR ENDED 31st DECEMBER 2021

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The Trustees present their Report and the Financial Statements of the Charity for the year ended 31st December 2021.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the Charity governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published on 16 July 2014.

### THE TRUSTEES

The Trustees who served the Charity during the period 1st January to 31st December 2021 were as follows:

#### **Elected by the Unaffiliated Congregational Churches (UCC)**

Mrs Linda Perry (Honorary Chair of Trustees)

Mr R Alp (Retired December 2021)

Pastor M J Valentine

#### **Nominative Trustees from the Congregational Federation (CF)**

Mr M Tucker

Revd C Damp

Mr P Butler (Resigned November 2021)

#### **Nominative Trustees from the Evangelical Fellowship of Congregational Churches (EFCC)**

Dr D L James (Honorary Secretary of Trustees)

Reverend Gwynne Evans

Reverend Stephen Dunning (Resigned November 2021)

### **Achievements and performance**

2021 proved to be another difficult year due to the uncertainty of Coronavirus and its effect on the restrictions of numbers and social distancing rules imposed on places of worship in different parts of the country.

Throughout 2021 the Trustees met on three occasions via Zoom in order to consider and fulfil the business of the Charity.

Of the nine appointed Trustees: Seven Trustees attended three meetings, two Trustees attended two meetings, the Executive Officer attended three meetings.

Prior to the November Meeting Mr Peter Butler, Nominative Trustee of the Congregational Federation and Revd Stephen Dunning, Nominative Trustee by the Evangelical Fellowship of Congregational Churches, both informed the Executive Officer that they had resigned as Trustees.

The Trustees were disappointed that the unresolved situation regarding the apparent gifting of land and buildings and the distribution of funds from a church in Yorkshire which closed in 2019, still had no satisfactory explanation from the Charity Commission at the end of 2021. During the year, the Commission concluded their investigation of the actions of the Trustees of both the church and the charity in question who were gifted the land and buildings but were unable to share their conclusions



# UNAFFILIATED CONGREGATIONAL CHURCHES CHARITIES

## TRUSTEES' REPORT

YEAR ENDED 31st DECEMBER 2021

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with the Trustees of the UCCC. The UCCC Trustees asked the Charity Commission for details of their decision under a Freedom of Information application, this was refused due to the fact that their decision was not considered to be in the public interest. The UCCC applied to the Commission for an internal investigation to review how their decision was arrived at, however the Trustees had not received a reply by December 2021. In addition, the Trustees asked the Executive Officer to write to the church's local Member of Parliament to ask for his guidance and advice, by the end of December 2021 the Executive Officer had not received a reply. Note, the Executive Officer wrote again in January 2022, but as this report was being prepared at the end of February there was no reply to either letter.

Another church, located in Wiltshire, which closed in December 2019, has been unable to locate any Title Deeds and so is not able to dispose of the land and property. The Congregational Federation Ltd has agreed to be appointed as Custodian Trustees for the process of disposal. The Executive Officer is trying to work with the Charity Commission to resolve the present situation as the only remaining church member when the church closed is now in her 90s and the disposal process is proving to be problematic. This is an ongoing situation which may take some time to resolve.

The concern for a church in Gloucestershire expressed in the 2020 Annual Report was eased during the year as further contact was established and arrangements for a visit by the Executive Officer and at least one other Trustee would be possible during the first half of 2022. The object of the meeting will be to meet church members and deacons with the aim of looking at future proposals for developing the work of the church.

During the year the Trustees agreed that the UCCC should become members of the Ministerial Counselling Service for a year. The counselling service is available to all ministers of the listed churches of the Unaffiliated Congregational Churches Charities.

At the March Trustees Meeting, Mr Roy Alp informed the Trustees that he was not seeking re-election as Chairman and Mrs Linda Perry was unanimously elected to become Chair of Trustees. At the June Meeting Mr Alp confirmed that he would not be seeking re-election to the board when his present term of office came to an end in December 2021. Mr Alp became a Co-optative Trustee in 2012 and Chair of Trustees in 2018 following the sudden and untimely death of the then Chairman Mr Graham Holmes. The Trustees warmly thanked Roy for his thoughtful and considered work as a Trustee and for the way in which he took over as Chairman in 2018 at what was a difficult time for the Trustees and for the way he has carried out his role as Chairman of the UCCC.

During the year the Trustees were informed of two other listed UCCC churches had failed to reopen following the easing of the Coronavirus restrictions for places of worship. One church in South Wales, the other in Market Drayton, Shropshire. The Congregational Federation Ltd acts as Custodian Trustees for both these churches and will be given every co-operation by the Trustees in their task of disposing of the land and property.

Following a question from a listed UCCC church about affiliation to other bodies, the Trustees once again discussed their interpretation of the definition of an Unaffiliated Church and concluded that it was very much in line with previous advice from the Charity Commission and the original governing document.

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# **UNAFFILIATED CONGREGATIONAL CHURCHES CHARITIES**

## **TRUSTEES' REPORT**

**YEAR ENDED 31st DECEMBER 2021**

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For the foreseeable future the Trustees agreed that the March and November Trustee Meetings should continue to be held on-line but, if possible, the June Meeting, which incorporates the review and acceptance of the Annual Accounts should be held in person.

Details of grants awarded by the Trustees and other activities of the charity are outlined elsewhere in this report.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Nature of governing document**

The Unaffiliated Congregational Churches Charities came into being to enable churches that remained independent and did not join either the Congregational Federation or the Evangelical Fellowship of Congregational Churches to receive a fair allocation of the assets of the former Congregational Church in England and Wales, 32 County Union Incorporated Bodies and other apportionable funds. The restrictions to the various funds are laid down in the governing instruments.

The original Charities were founded by the creation of trust funds under a Charity Commission scheme dated 4th January 1977 and in the Charity Commission Scheme the expression "Unaffiliated Congregational Churches" means:

- a) Congregational Churches which were in membership with the former Congregational Church in England and Wales or were members of the Congregational Union of England and Wales in the year 1966 and which on the 31st December 1975 were not member churches of the Congregational Federation or of an Evangelical Fellowship of Congregational Churches and
- b) Congregational Churches in England and Wales formed after 5th October 1972 which are not members of the Congregational Federation or of an Evangelical Fellowship of Congregational Churches.

Further charities were created by a succession of Charity Commission schemes from 1980 onwards. In August 2008 the Charity Commission approved a new scheme, which amalgamated all the County Union Funds into the 7 main funds of the Unaffiliated Congregational Churches Charities.

### **Recruitment and appointment of new Trustees**

The Charity has nine Trustees of which six are Nominative Trustees: three by the Committee of the Evangelical Fellowship of Congregational Churches (EFCC) and three the Council of the Congregational Federation (CF). These Trustees are nominated for a period of four years on the basis of providing a wide range of skills and experience that will add to and enhance the Charity's existing skill base.

The remaining three Trustees are co-opted by ballot of all the listed Unaffiliated Churches for a period of five years. When a vacancy arises all such churches are contacted and given a specified date by which to submit names of suitable candidates to the Revd Frank Wroe, the Executive Officer. A profile of each candidate is then obtained and circulated to each listed Unaffiliated Church to enable each church to elect a new Trustee by way of ballot.

# **UNAFFILIATED CONGREGATIONAL CHURCHES CHARITIES**

## **TRUSTEES' REPORT**

**YEAR ENDED 31st DECEMBER 2021**

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At the end of their term the Trustees representing the Unaffiliated Churches are required to confirm whether they wish to continue to act or not. If they express a wish to continue this is ratified by the other serving Trustees at the next scheduled Trustees' Meeting. If they do not wish to continue the process of recruiting a new Trustee begins again.

### **Induction and training of new Trustees**

Most Trustees will already be familiar with the practical work of the Charity and they are encouraged to read a copy of the Charity's Handbook as well as being provided with copies of minutes of Trustee meetings for the past year.

All new Trustees are provided with details of "CC3—The Essential Trustee: What you need to know" access from the Charity Commission website. This document provides guidance to all Trustees, and those who are about to become Trustees, on what is involved in being a charity trustee.

Prospective new Trustees are also encouraged to attend Trustees' meetings as an observer prior to them being appointed as a Trustee. This is designed to give a practical insight into the issues that arise during such meetings and to introduce them to other Trustees.

### **Organisational structure**

#### **Staff**

The Charity has no full time staff but does employ a part-time Executive Officer. Revd Frank Wroe continued in the position of Executive Officer of the Charity and works an average of three days per week for the Charity.

#### **Trustees**

Mrs L. Perry was elected by the Trustee Board to serve as Chair of Trustees for 2021.  
Dr D L James was elected by the Trustee Board to serve as Secretary for 2021.

### **Major risks and management of those risks**

#### **Investments**

The Charity has no property other than its Stock Market investments. These investments are held in four charity investment funds, each with a wide spread portfolio of holdings. The funds comprise a roughly equal split between fixed interest and equity funds, with a slight bias towards equities, and they provide a regular quarterly income to the Charity of around 5% per annum. The Trustees undertake periodic reviews of the Charity's investments and in January 2019 they were informed by

CCLA that their instructions to move the existing funds from the CCLA Fixed Interest Investments into the CCLA Ethical Investment Fund had been completed. The review of investments held by M&G Investments is ongoing and further changes are likely to be made in the future.

# UNAFFILIATED CONGREGATIONAL CHURCHES CHARITIES

## TRUSTEES' REPORT

YEAR ENDED 31st DECEMBER 2021

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### Policy on control of fraud

The Trustees have an agreed policy of continuing to use professional charity experienced accountants to audit the Charity's accounts in order to ensure that they remain in line with the Charity Commission accounting and reporting standards.

The policy will ensure that any loan repayments to the Charity are paid in full and within the agreed time scales. This is achieved by the Trustees, through the Executive Officer, obtaining a detailed analysis of income and expenditure, including outstanding and paid loans at each Trustee Meeting.

### Financial Review

Incoming resources amounted to £96,983. This is an increase of £4,395 on the previous year, which relates solely to investment income.

Resources expended amounted to £105,537, an increase of £7,345 on the previous year. Grants have increased by £11,189, management and administrative costs have fallen due to less office expenses and lower solicitors costs.

This has resulted in a net deficit of £8,554 (2020 £5,604) prior to investment revaluation. The market value of the investments at the year end have increased by £290,111 resulting in an overall surplus for the year of £281,557 (2020 deficit of £71,876).

Total funds carried forward were £2,978,894 (2020 £2,697,337), split £863,200 (2020 £778,198) unrestricted, £760,147 (2020 £706,710) restricted and £1,355,547 (2020 £1,212,429) endowment.

### OBJECTIVES AND ACTIVITIES

#### Objects and aims

To support through grants and low-cost interest loans, personal contact, and encouragement where possible the listed Unaffiliated Congregational Churches, their members, serving ministers, and, where appropriate, retired ministers or their widows or widowers.

#### Public benefit

The Charity has seven specific funds that allow the Trustees to distribute its income in the form of grants and/or loans where necessary to assist and maintain ministry in individual churches and to assist with the relief of hardship for retired ministers or their widows and widowers. Other areas of assistance include grants for the education of ministers, their children, and students training for the ministry.

Grants and loans are also available to churches for repairs and the ongoing maintenance of buildings or expansion of church buildings and assistance to comply with legal building requirements in order to meet current building legislation. Where appropriate, grants for regeneration are also considered to assist churches on the point of closure to remain open.

# UNAFFILIATED CONGREGATIONAL CHURCHES CHARITIES

## TRUSTEES' REPORT

YEAR ENDED 31st DECEMBER 2021

Churches are invited to apply to the Trustees for support by completing an application form, which gives the Trustees specific details of the assistance required by the church. This application will usually be accompanied by two years audited accounts of the church and, in the case of building work, two or three estimates from different builders to support the application. In the case of a grant for maintenance of the ministry or additional ministerial training the minister must possess a clear and current Criminal Record Disclosure Certificate.

The Trustees confirm that they have complied with the requirements of section 4 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission of England and Wales.

### Grant making policies

The Charity's main objective is to assist churches and individuals with grants as made from appropriate funds.

During 2021 the UCCC Trustees made the following grants to 7 UCCC listed churches and 28 individuals were assisted through grants. In addition, the Congregational History Society, the Congregational Partnership Ltd, the Congregational Federation Ltd, the Evangelical Fellowship of Congregational Churches Trust Corporation Ltd, with grants.

The grants and loan were made from the Charity's Funds:

<u>Fund</u>	<u>Amount</u>
• General Purposes Fund	£ 24,500
• Maintenance of the Ministry Fund	£ 22,351
• Ministerial Training Fund	£ -
• Church Extension Fund	£ 7,000
• Welfare Fund	£ 4,000
• Homes for retired Ministers Fund	£ 11,868
• Education Fund	£ 1,320
• Sydney Berry Trust	£ 4,856
<b>Total</b>	<b>£ 75,895</b>

The Trustees awarded the grants in the following ways:

- Grants totalling £1,320 from the Education Fund were awarded to each of 11 children of 5 ministers to assist with their education.
- The Charity was able to assist 4 churches in various parts of the country with the grants totalling £27,000 for various types of building work: The repair, extension, and improvement of water supply to a church hall kitchen and toilets; repairs to church boundary wall and railings; church roof repairs; assistance with tree and church yard maintenance; continuation of general building improvements to prevent water ingress.

These 4 grants came from both the General Purposes and the Church Extension Funds.

# UNAFFILIATED CONGREGATIONAL CHURCHES CHARITIES

## TRUSTEES' REPORT

YEAR ENDED 31st DECEMBER 2021

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- 3 churches received grants totalling £22,351 for the support of minister's stipends from the Maintenance of the Ministry Fund.
- £1,000 from the General Purposes Fund was awarded to the Congregational History Society to assist with the administration costs of the Society.
- Payments totalling £4,856 were made from the Dr Sydney Berry Trust to 4 retired ministers and the widows of 3 retired ministers of Unaffiliated Churches.
- Grants totalling £11,868 were awarded from the Homes for Retired Ministers Fund to assist 4 retired ministers and the widows of 4 retired ministers of Unaffiliated Churches, with the payment of Council Tax & Water Rate demands.
- Grants totalling £4,000 for the relief of hardship were made to 4 retired ministers and the widows of 4 former retired ministers of Unaffiliated Churches, which came from the Welfare Fund. One cheque was not presented until 2022.
- Grants totalling £1,375 were awarded to 11 ministers and pastors of Unaffiliated Congregational Churches (£125 each) these came from the General Purposes Fund with the specific aim of purchasing theological books for their own personal library.
- The Trustees made a grant to each of the 3 Congregational Trust Companies, totalling £2,125 this came from the General Purposes Fund. These companies act as Custodian Trustees to 17 UCCC listed churches. This figure includes £360 for one Trust Company which did not clear their cheque during 2020.

### Loans

From time to time the Charity is able to make low-cost interest loans to churches, to be repaid over a set period of 2, 3 or 5 years, or longer if required, to assist with ongoing repairs or renovations to church property.

The Trustees did not make any loans during 2021 and there were no outstanding loans due for repayment in the year.

# UNAFFILIATED CONGREGATIONAL CHURCHES CHARITIES

## TRUSTEES' REPORT

YEAR ENDED 31st DECEMBER 2021

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### Charitable commitments

As part of the policy of continually reviewing all the regular grants, as outlined in the Report of the Trustees the following grant structure for Maintenance of the Ministry, Welfare and various other regular grants is in place. These future grants have been notified to the churches and individuals concerned and with the exception of the grants from Dr Sydney Berry Trust for retired ministers and retired minister's widows, which have not been guaranteed.

Year	£
2022	48,238
2023	32,500
2024	37,933

### Financial instruments

#### Objectives and policies

The Charity's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk.

#### Cash flow risk

The Charity's activities expose it primarily to the financial risks of changes in interest rates. Interest bearing assets are held at fixed rate to ensure certainty of cash flows.

#### Credit risk

The Charity's principal financial assets are bank balances and investments.

The credit risk on liquid funds is limited because the counterparties are banks and high credit ratings by international credit-rating agencies.

The Charity has no significant concentration of credit risk, with exposure spread over a number of counterparties.

#### Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the Charity uses investments in charity-managed funds and deposits which are reviewed on a regular basis.



# UNAFFILIATED CONGREGATIONAL CHURCHES CHARITIES

## TRUSTEES' REPORT

YEAR ENDED 31st DECEMBER 2021

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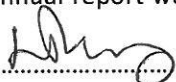
### Disclosure of information to auditor

Each Trustee has taken steps that they ought to have taken as a Trustee in order to make themselves aware of any relevant audit information and to establish that the Charity's auditor are aware of that information. The Trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

### Reappointment of auditor

The auditors Horsfield & Smith are deemed to be reappointed under section 487(2) of the Companies Act 2006.

The annual report was approved by the Trustees of the Charity on ~~22-6-22~~ 22-6-22 and signed on its behalf by:

  
.....

Mrs L. Perry  
Chairman



## UNAFFILIATED CONGREGATIONAL CHURCHES CHARITIES

### STATEMENT OF TRUSTEES' RESPONSIBILITIES

YEAR ENDED 31 DECEMBER 2021

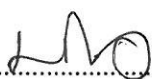
The trustees are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

The law applicable to charities 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;
- 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the constitution. The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the trustees of the charity on 22-6-22 and signed on its behalf by:

.....

Mrs L Perry  
Trustee



# UNAFFILIATED CONGREGATIONAL CHURCHES CHARITIES

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UNAFFILIATED CONGREGATIONAL CHURCHES CHARITIES

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### **Opinion**

We have audited the financial statements of Unaffiliated Congregational Churches Charities (the 'charity') for the year ended 31 December 2021, which comprise the Statement of Financial Activities, Balance Sheet, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (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, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the 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 responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

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

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

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

### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.



## UNAFFILIATED CONGREGATIONAL CHURCHES CHARITIES

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UNAFFILIATED

### CONGREGATIONAL CHURCHES CHARITIES

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In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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 our 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 Statement of Trustees' Responsibilities (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.





## UNAFFILIATED CONGREGATIONAL CHURCHES CHARITIES

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UNAFFILIATED CONGREGATIONAL CHURCHES CHARITIES

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:

#### **The extent to which the audit was considered capable of detecting irregularities including fraud**

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity; and
- we assessed the extent of compliance with the laws and regulations through making enquiries of management.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud may occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considered the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.



# UNAFFILIATED CONGREGATIONAL CHURCHES CHARITIES

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UNAFFILIATED CONGREGATIONAL CHURCHES CHARITIES

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### Use of our report

This report is made solely to the charity trustees, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our work has been undertaken so that we might state to the trustees those matters we are required to state to trustees in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

### Appointment

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

Horsfield & Smith, Statutory Auditor

Tower House  
269 Walmersley Road  
Bury  
Lancashire  
BL9 6NX

22 June 2022

# UNAFFILIATED CONGREGATIONAL CHURCHES CHARITIES

## STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT)

YEAR ENDED 31 DECEMBER 2021

	Note	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2021 £
<b>Income and Endowments from:</b>					
Investment income	2	27,538	21,473	45,502	94,513
Other income	3	<u>2,387</u>	<u>83</u>	<u>-</u>	<u>2,470</u>
Total Income		<u>29,925</u>	<u>21,556</u>	<u>45,502</u>	<u>96,983</u>
<b>Expenditure on:</b>					
Raising funds	4	(12,629)	(11,468)	-	(24,097)
Charitable activities	5	<u>(32,262)</u>	<u>(49,178)</u>	<u>-</u>	<u>(81,440)</u>
Total Expenditure		<u>(44,891)</u>	<u>(60,646)</u>	<u>-</u>	<u>(105,537)</u>
Net (expenditure)/income		(14,966)	(39,090)	45,502	(8,554)
Gains/losses on investment assets		82,578	64,415	143,118	290,111
Gross transfers between funds		<u>17,390</u>	<u>28,112</u>	<u>(45,502)</u>	<u>-</u>
Net movement in funds		85,002	53,437	143,118	281,557
<b>Reconciliation of funds</b>					
Total funds brought forward		<u>778,198</u>	<u>706,710</u>	<u>1,212,429</u>	<u>2,697,337</u>
Total funds carried forward	16	<u>863,200</u>	<u>760,147</u>	<u>1,355,547</u>	<u>2,978,894</u>

# UNAFFILIATED CONGREGATIONAL CHURCHES CHARITIES

## STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT)

YEAR ENDED 31 DECEMBER 2021

### Prior year Statement of Financial Activities

	Note	Unrestricted £	Restricted £	Endowment £	Total 2020 £
<b>Income and Endowments from:</b>					
Investment income	2	26,372	20,486	43,262	90,120
Other income		<u>2,387</u>	<u>81</u>	<u>-</u>	<u>2,468</u>
Total Income		<u>28,759</u>	<u>20,567</u>	<u>43,262</u>	<u>92,588</u>
<b>Expenditure on:</b>					
Raising funds		(14,870)	(13,376)	-	(28,246)
Charitable activities		<u>(29,315)</u>	<u>(40,631)</u>	<u>-</u>	<u>(69,946)</u>
Total Expenditure		<u>(44,185)</u>	<u>(54,007)</u>	<u>-</u>	<u>(98,192)</u>
Net (expenditure)/income		(15,426)	(33,440)	43,262	(5,604)
Gains/losses on investment assets		(18,796)	(14,661)	(32,815)	(66,272)
Gross transfers between funds		<u>10,108</u>	<u>33,154</u>	<u>(43,262)</u>	<u>-</u>
Net movement in funds		(24,114)	(14,947)	(32,815)	(71,876)
<b>Reconciliation of funds</b>					
Total funds brought forward		<u>802,312</u>	<u>721,657</u>	<u>1,245,244</u>	<u>2,769,213</u>
Total funds carried forward	16	<u>778,198</u>	<u>706,710</u>	<u>1,212,429</u>	<u>2,697,337</u>

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2020 is shown in note 16.

# UNAFFILIATED CONGREGATIONAL CHURCHES CHARITIES

## BALANCE SHEET 31 DECEMBER 2021

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Investments	13	2,818,601	2,528,490
<b>Current assets</b>			
Debtors	14	57,491	57,450
Cash at bank and in hand	19	108,545	117,446
		166,036	174,896
<b>Creditors: Amounts falling due within one year</b>	15	(5,743)	(6,049)
<b>Net current assets</b>		160,293	168,847
<b>Net assets</b>		2,978,894	2,697,337
<b>Funds of the charity:</b>			
<b>Endowment funds</b>		1,355,547	1,212,429
<b>Restricted income funds</b>			
Restricted funds		760,147	706,710
<b>Unrestricted income funds</b>			
Unrestricted funds		863,200	778,198
<b>Total funds</b>	16	2,978,894	2,697,337

The financial statements on pages 16 to 36 were approved by the trustees, and authorised for issue on 22.6.22... and signed on their behalf by:



Dr D L James  
Trustee



# UNAFFILIATED CONGREGATIONAL CHURCHES CHARITIES

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2021

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### 1 Accounting policies

#### Statement of compliance

The financial statements have been prepared in accordance with the second edition of the Charities Statement of Recommended Practice issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

#### Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011, and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16th July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Unaffiliated Congregational Churches Charities meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

#### Exemption from preparing a cash flow statement

The charity opted to early adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

#### Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

#### Income and endowments

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

#### Donations and legacies

Cash donations, gifts, legacies and grants are accounted for in full as they are received. The value of voluntary help is not included in the accounts.

## UNAFFILIATED CONGREGATIONAL CHURCHES CHARITIES

### NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2021

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#### ***Investment income***

Bank interest is accounted for on receipt. Other investment income is accounted for when receivable.

The Statement of Financial Activities includes net gains and losses arising on revaluations and disposals throughout the year.

#### ***Expenditure***

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources. The irrecoverable element of VAT is included within the item of expense to which it relates. Grants offered subject to conditions, which have not been met at the year end date, are noted as commitment but not accrued as expenditure.

#### ***Raising funds***

These are costs incurred in the management of investments.

#### ***Charitable activities***

Charitable expenditure comprises those costs incurred by the Charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

#### ***Governance costs***

These include the costs attributable to the Charity's compliance with constitutional and statutory requirements.

#### ***Taxation***

The charity is exempt from tax on its charitable activities.

#### ***Fixed asset investments***

Fixed asset investments, other than programme related investments, are included at market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the Statement of Financial Activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the Statement of Financial Activities based on the market value at the year end.

## UNAFFILIATED CONGREGATIONAL CHURCHES CHARITIES

### NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2021

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#### **Debtors**

Are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of is established when there is objective evidence that they will not be able to collect all amounts due according to the original terms of the receivables.

#### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

#### **Borrowings**

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

#### **Fund structure**

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

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

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

Endowment funds represent assets which must be held permanently by the Charity. Income from those assets may be used to support the objectives of the Charity.

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

## UNAFFILIATED CONGREGATIONAL CHURCHES CHARITIES

### NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2021

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#### Financial instruments

##### *Classification*

Financial assets and financial liabilities are recognised when the Charity becomes a party to the contractual provisions of the instrument.

Financial liabilities are classified according to the substance of the contractual arrangements entered into.

##### *Recognition and measurement*

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs),

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the Charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

#### Pensions and other post retirement obligations

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

# UNAFFILIATED CONGREGATIONAL CHURCHES CHARITIES

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2021

### 2 Investment income

	Unrestricted funds General £	Restricted funds £	Endowment funds Expendable £	Total funds £
Interest receivable and similar income;				
Interest receivable on bank deposits	12	-	-	12
Other income from fixed asset investments	27,526	21,473	45,502	94,501
<b>Total for 2021</b>	<b>27,538</b>	<b>21,473</b>	<b>45,502</b>	<b>94,513</b>
<b>Total for 2020</b>	<b>26,372</b>	<b>20,486</b>	<b>43,262</b>	<b>90,120</b>

### 3 Other income

	Unrestricted funds General £	Restricted funds £	Total funds £
Other income	1,500	83	1,583
Rental income	887	-	887
<b>Total for 2021</b>	<b>2,387</b>	<b>83</b>	<b>2,470</b>
<b>Total for 2020</b>	<b>2,387</b>	<b>81</b>	<b>2,468</b>

### 4 Expenditure on raising funds

#### a) Administrative costs

	Unrestricted funds General £	Restricted funds £	Total funds £
Staff Costs	11,394	10,347	21,741
Administrative expenses	1,235	1,121	2,356
<b>Total for 2021</b>	<b>12,629</b>	<b>11,468</b>	<b>24,097</b>
<b>Total for 2020</b>	<b>14,870</b>	<b>13,376</b>	<b>28,246</b>

# UNAFFILIATED CONGREGATIONAL CHURCHES CHARITIES

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2021

### 5 Expenditure on charitable activities

		Unrestricted funds General £	Restricted funds £	Total funds £
Grant funding of activities		29,356	46,539	75,895
Governance costs	6	<u>2,906</u>	<u>2,639</u>	<u>5,545</u>
<b>Total for 2021</b>		<u>32,262</u>	<u>49,178</u>	<u>81,440</u>
<b>Total for 2020</b>		<u>29,315</u>	<u>40,631</u>	<u>69,946</u>

### 6 Analysis of governance and support costs

#### Raising funds expenditure

#### Governance costs

	Unrestricted funds General £	Restricted funds £	Total funds £
Audit fees			
Audit of the financial statements	1,376	1,249	2,625
Other fees paid to auditors	<u>1,530</u>	<u>1,390</u>	<u>2,920</u>
<b>Total for 2021</b>	<u>2,906</u>	<u>2,639</u>	<u>5,545</u>
<b>Total for 2020</b>	<u>2,759</u>	<u>2,481</u>	<u>5,240</u>

## UNAFFILIATED CONGREGATIONAL CHURCHES CHARITIES

### NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2021

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#### 7 Grant-making

##### Analysis of grants

	Grants to institutions		Grants to individuals	
	2021	2020	2021	2020
	£	£	£	£
<b>Analysis</b>				
General Purposes	23,125	20,075	6,231	6,481
Maintenance of the Ministry	22,351	16,854	-	-
Church Extension	7,000	4,000	-	-
Homes for Retired Ministers	-	-	11,868	11,736
Welfare	-	-	4,000	4,000
Education	-	-	1,320	1,560
	<u>52,476</u>	<u>40,929</u>	<u>23,419</u>	<u>23,777</u>

#### 8 Net incoming/outgoing resources

Net outgoing resources for the year include:

	2021	2020
	£	£
Audit fees	<u>2,625</u>	<u>2,500</u>

#### 9 Trustees remuneration and expenses

During the year the charity made the following transactions with trustees:

£103 (2020: £725) of expenses were reimbursed to the trustees during the year.

During the year nine trustees were paid expenses in relation to reimbursed meeting expenses.

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any other benefits from the charity during the year.

## UNAFFILIATED CONGREGATIONAL CHURCHES CHARITIES

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

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#### 10 Staff costs

The aggregate payroll costs were as follows:

	2021 £	2020 £
<b>Staff costs during the year were:</b>		
Wages and salaries	19,765	19,554
Pension costs	<u>1,976</u>	<u>1,955</u>
	<u>21,741</u>	<u>21,509</u>

The monthly average number of persons (including senior management / leadership team) employed by the charity during the year expressed as full time equivalents was as follows:

	2021 No	2020 No
Executive officer	<u>1</u>	<u>1</u>

No employee received emoluments of more than £60,000 during the year

#### 11 Auditors' remuneration

	2021 £	2020 £
Audit of the financial statements	<u>2,625</u>	<u>2,500</u>
<b>Other fees to auditors</b>		
All other non-audit services	<u>2,920</u>	<u>2,740</u>

#### 12 Taxation

The charity is a registered charity and is therefore exempt from taxation.



# UNAFFILIATED CONGREGATIONAL CHURCHES CHARITIES

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2021

### 13 Fixed asset investments

	2021 £	2020 £
Other investments	<u>2,818,601</u>	<u>2,528,490</u>

#### Other investments

	Fixed interest investments £	Managed funds £	Total £
<b>Cost or Valuation</b>			
At 1 January 2021	1,013,798	1,514,692	2,528,490
Revaluation	<u>81,523</u>	<u>208,588</u>	<u>290,111</u>
At 31 December 2021	<u>1,095,321</u>	<u>1,723,280</u>	<u>2,818,601</u>
<b>Net book value</b>			
At 31 December 2021	<u>1,095,321</u>	<u>1,723,280</u>	<u>2,818,601</u>
At 31 December 2020	<u>1,013,798</u>	<u>1,514,692</u>	<u>2,528,490</u>

#### Analysis of investments at 31 December 2021 between funds

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2021 £	Total Funds 2020 £
<b>Listed and other investments</b>					
Fixed interest investments	294,190	229,490	571,641	1,095,321	1,013,798
Managed funds	<u>527,715</u>	<u>411,659</u>	<u>783,906</u>	<u>1,723,280</u>	<u>1,514,692</u>
	<u>821,905</u>	<u>641,149</u>	<u>1,355,547</u>	<u>2,818,601</u>	<u>2,528,490</u>

## UNAFFILIATED CONGREGATIONAL CHURCHES CHARITIES

### NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2021

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The investments representing more than 5% of the total value are as follows:

	Endowed			Expendable		
	Units	Market Value	%	Units	Market Value	%
Charinco Income Units	55354.057	101,686	3.6	82708.374	151,935	5.3
COIF Income Units	17231.700	354,394	12.6	23674.980	486,909	17.3
Charifund Units	27600.000	429,511	15.2	29074.909	452,464	16.1
COIF Ethical Investment Units	150164.920	469,956	16.7	118783.990	371,746	13.2
		<u>1,355,547</u>			<u>1,463,054</u>	

## UNAFFILIATED CONGREGATIONAL CHURCHES CHARITIES

### NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2021

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#### 14 Debtors

	2021 £	2020 £
Prepayments	200	200
Other debtors	41	-
Amounts falling due after more than one year: Interest in property	17,250	17,250
Amounts falling due after more than one year: Loans to churches	40,000	40,000
	<u>57,491</u>	<u>57,450</u>

The interest in property figure includes loans to two churches made on the following basis:

In March 1992 a loan was made to the Congregational Federation Limited to purchase the freehold reversion of Bethania, Tredegar, amounting to £6,250. This represented 13% of the value of the building at that time. Repayment of the loan will be made in the event of the church closing with 13% of the sale price.

Also in March 1992, a loan was made to the Congregational Federation Limited to purchase the freehold reversion of Bethesda, Brynmawr, amounting to £11,000. This loan represented 22% of the value of the building at that time. Repayment of the loan will be expected if and when the church is sold with 22% of the sale price.

Loans to churches carry an interest rate set by the Trustees. All such loans are considered recoverable.

In November 2016 the trustees agreed a loan of £25,000 to the Union Croft Chapel. This loan will only be repayable in the event of the closure of the chapel or if the pastor leaves the chapel.

In November 2017 the trustees agreed a loan of £5,000 per year for three years, starting in 2018, to Bethania Congregational Church. If the church closed within that three year period any loans made would have to be paid back in full from the sale proceeds of the church, otherwise the loans would be reviewed again after three years.

#### 15 Creditors: amounts falling due within one year

	2021 £	2020 £
Other taxation and social security	-	571
Accruals	5,743	5,478
	<u>5,743</u>	<u>6,049</u>

# UNAFFILIATED CONGREGATIONAL CHURCHES CHARITIES

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

### 16 Funds

	Balance at 1 January 2021 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 December 2021 £
<b>Unrestricted funds</b>						
General purpose	778,198	29,925	(44,891)	17,390	82,578	863,200
<b>Total unrestricted funds</b>	<b>778,198</b>	<b>29,925</b>	<b>(44,891)</b>	<b>17,390</b>	<b>82,578</b>	<b>863,200</b>
<b>Restricted funds</b>						
Maintenance of ministry	-	2,879	(22,351)	10,834	8,638	-
Ministerial training	219,645	2,788	(4,383)	10,164	8,364	236,578
Church extension	252,726	8,280	(12,045)	1,751	24,839	275,551
Homes for retired ministers	211,464	6,226	(16,090)	3,613	18,427	223,640
Welfare	22,875	1,284	(4,457)	826	3,850	24,378
Education	-	99	(1,320)	924	297	-
<b>Total restricted funds</b>	<b>706,710</b>	<b>21,556</b>	<b>(60,646)</b>	<b>28,112</b>	<b>64,415</b>	<b>760,147</b>
<b>Endowment funds</b>						
<b>Permanent</b>						
General purpose	717,184	26,915	-	(26,915)	84,658	801,842
Maintenance of ministry	51,075	1,917	-	(1,917)	6,029	57,104
Ministerial training	270,830	10,164	-	(10,164)	31,969	302,799
Church extension	46,648	1,751	-	(1,751)	5,507	52,155

# UNAFFILIATED CONGREGATIONAL CHURCHES CHARITIES

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

	Balance at 1 January 2021 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 December 2021 £
Homes for retired ministers	96,271	3,613	-	(3,613)	11,364	107,635
Welfare	22,008	826	-	(826)	2,598	24,606
Education	8,413	316	-	(316)	993	9,406
<b>Total endowment funds</b>	<b>1,212,429</b>	<b>45,502</b>	<b>-</b>	<b>(45,502)</b>	<b>143,118</b>	<b>1,355,547</b>
<b>Total funds</b>	<b>2,697,337</b>	<b>96,983</b>	<b>(105,537)</b>	<b>-</b>	<b>290,111</b>	<b>2,978,894</b>
	Balance at 1 January 2020 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 December 2020 £
<b>Unrestricted funds</b>						
General purpose	802,312	28,759	(44,185)	10,108	(18,796)	778,198
<b>Total unrestricted funds</b>	<b>802,312</b>	<b>28,759</b>	<b>(44,185)</b>	<b>10,108</b>	<b>(18,796)</b>	<b>778,198</b>
<b>Restricted funds</b>						
Maintenance of ministry	-	2,747	(16,854)	16,073	(1,966)	-
Ministerial training	213,926	2,660	(4,701)	9,664	(1,904)	219,645
Church extension	258,496	7,899	(9,679)	1,664	(5,654)	252,726
Homes for retired ministers	222,916	5,942	(16,635)	3,435	(4,194)	211,464
Welfare	26,319	1,225	(4,578)	785	(876)	22,875
Education	-	94	(1,560)	1,533	(67)	-

# UNAFFILIATED CONGREGATIONAL CHURCHES CHARITIES

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

	Balance at 1 January 2020 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 December 2020 £
<b>Total restricted funds</b>	<b>721,657</b>	<b>20,567</b>	<b>(54,007)</b>	<b>33,154</b>	<b>(14,661)</b>	<b>706,710</b>
<b>Endowment funds</b>						
<i><b>Permanent</b></i>						
General purpose	736,595	25,591	-	(25,591)	(19,411)	717,184
Maintenance of ministry	52,457	1,823	-	(1,823)	(1,382)	51,075
Ministerial training	278,160	9,664	-	(9,664)	(7,330)	270,830
Church extension	47,911	1,664	-	(1,664)	(1,263)	46,648
Homes for retired ministers	98,877	3,435	-	(3,435)	(2,606)	96,271
Welfare	22,604	785	-	(785)	(596)	22,008
Education	8,640	300	-	(300)	(227)	8,413
<b>Total endowment funds</b>	<b>1,245,244</b>	<b>43,262</b>	<b>-</b>	<b>(43,262)</b>	<b>(32,815)</b>	<b>1,212,429</b>
<b>Total funds</b>	<b>2,769,213</b>	<b>92,588</b>	<b>(98,192)</b>	<b>-</b>	<b>(66,272)</b>	<b>2,697,337</b>

## **UNAFFILIATED CONGREGATIONAL CHURCHES CHARITIES**

### **NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2021**

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The specific purposes for which the funds are to be applied are as follows:

Maintenance of the Ministry - Income is used for grants to Unaffiliated Congregational Churches or otherwise for maintaining ministry within a Congregational Church.

Ministerial Training - Income is used for training men and women for the ministry of the Congregational Denomination.

Church Extension - For the use of the upkeep and repair of property, and the services it provides, of an Unaffiliated Congregational Church. In addition the fund may be used for the extension of existing buildings and in the provision or construction of buildings to be used as a Congregational Church or for residences of ministers of Unaffiliated Congregational Churches.

Homes for Retired Ministers - Income from this fund is to be used to provide accommodation for retired ministers and their widows/widowers in retirement.

Welfare - For use in the relief of need among ministers and their dependents by way of grants 'or otherwise'.

Education - To be used for the benefit of the children of the minister of an Unaffiliated Congregational Church.

# UNAFFILIATED CONGREGATIONAL CHURCHES CHARITIES

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

### 17 Analysis of net assets between funds

	Unrestricted funds General £	Restricted funds £	Endowment funds £	Total funds at 31 December 2021 £
Fixed asset investments	821,905	641,149	1,355,547	2,818,601
Current assets	47,038	118,998	-	166,036
Current liabilities	(5,743)	-	-	(5,743)
Total net assets	<u>863,200</u>	<u>760,147</u>	<u>1,355,547</u>	<u>2,978,894</u>
	Unrestricted funds General £	Restricted funds £	Endowment funds Expendable £	Total funds at 31 December 2020 £
Fixed asset investments	739,327	576,734	1,212,429	2,528,490
Current assets	44,920	129,976	-	174,896
Current liabilities	(6,049)	-	-	(6,049)
Total net assets	<u>778,198</u>	<u>706,710</u>	<u>1,212,429</u>	<u>2,697,337</u>

### 18 Analysis of net funds

	At 1 January 2021 £	Financing cash flows £	At 31 December 2021 £
Cash at bank and in hand	<u>117,446</u>	<u>(8,901)</u>	<u>108,545</u>
Net debt	<u>117,446</u>	<u>(8,901)</u>	<u>108,545</u>
	At 1 January 2020 £	Financing cash flows £	At 31 December 2020 £
Cash at bank and in hand	<u>128,040</u>	<u>(10,594)</u>	<u>117,446</u>
Net debt	<u>128,040</u>	<u>(10,594)</u>	<u>117,446</u>

### 19 Cash and cash equivalents

	2021 £	2020 £
Cash on hand	140	160
Cash at bank	<u>108,405</u>	<u>117,286</u>
	<u>108,545</u>	<u>117,446</u>



## UNAFFILIATED CONGREGATIONAL CHURCHES CHARITIES

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

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#### 20 Financial instruments

##### Categorisation of financial instruments

	2021 £	2020 £
Financial assets measured at fair value through profit or loss	2,818,601	2,528,490
Financial assets that are debt instruments measured at amortised cost	27,291	57,250
Financial liabilities measured at amortised cost	5,743	6,049

## UNAFFILIATED CONGREGATIONAL CHURCHES CHARITIES

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

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#### **21 Related party transactions**

Congregational History Society Grant: The Reverend Chris Damp, Treasurer of the Society and Dr Digby James, printer for the Society took no part in the discussion or the decision to award the grant to the Congregational History Society.

As Minister of Bradley Congregational Church Pastor Mike Valentine took no part in the discussion or the decision to award the book grant to UCCC ministers. Pastor Valentine requested that he did not personally receive the grant.

Custodian Trustee Grants awarded to the Trust Bodies of: Congregational Federation Ltd, the Evangelical Fellowship of Congregational Churches Trust Corporation Ltd and the Congregational Partnership Ltd. The Nominative Trustees from each group took no part in the discussion or the decision to award a Custodian Trustee Grant for their particular group.