

**UNAFFILIATED CONGREGATIONAL
CHURCHES CHARITIES**

**ANNUAL REPORT AND
FINANCIAL STATEMENTS
31 DECEMBER 2022**

UNAFFILIATED CONGREGATIONAL CHURCHES CHARITIES

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UNAFFILIATED CONGREGATIONAL CHURCHES CHARITIES

REFERENCE AND ADMINISTRATIVE DETAILS

YEAR ENDED 31 DECEMBER 2022

Registered charity name	Unaffiliated Congregational Churches Charities
Charity number	273854
Principal office	678 Ripponden Road Moorside Oldham OL4 2LP
Bankers	National Westminster Bank plc 16 South Parade Nottingham NG1 2JX
Solicitors	Anthony Collins Solicitors 134 Edmond Street Birmingham B3 3ES
Auditors	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 2022

The Trustees present their Report and the Financial Statements of the Charity for the year ended 31st December 2022.

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 2022 were as follows:

Representing the Unaffiliated Congregational Churches (UCC)

Mrs L Perry (Honorary Chair of Trustees)

Pastor C W Davies (Appointed March 2022)

Pastor M J Valentine

Nominative Trustees from the Congregational Federation (CF)

Mr D M Tucker

Revd C Damp

Mr J A Lyon (Appointed March 2022)

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

Dr D L James (Honorary Secretary of Trustees)

Revd G M Evans

Revd J M Devenish (Appointed March 2022)

Achievements and performance

During 2022 the Trustees met on three occasions in order to consider and fulfil the business of the Charity. Both the March and November meetings were held via Zoom but for the June Meeting the Trustees returned to Gladstone's Library in Hawarden

Of the nine appointed Trustees:

Eight Trustees attended three meetings

One Trustee attended one meeting.

The Executive Officer attended three meetings.

The Board were pleased to welcome two new Nominative Trustees Mr Jim Lyon Nominated by the Congregational Federation and Reverend James Devenish Nominated by the Evangelical Fellowship of Congregational Churches. In addition Pastor Clive Davies was, by ballot of the listed Unaffiliated Congregational Churches, elected to serve as a Trustee. The Executive Officer issued all the relevant information to all three new Trustees prior to them attending their first Trustee Meeting.

The Trustees agreed that for the foreseeable future the March and November Trustee Meetings will continue to be held on-line via Zoom and as far as is possible, the June Meeting, which incorporates the review and acceptance of the Trustees Annual Report and Accounts, should be held in person.

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During the year the Trustees continued to press the Charity Commission on their internal review of events which led to the decision not to share their considerations and conclusions, under a Freedom of Information request from the Trustees, following the apparent gifting of land and buildings and the distribution of funds from a church in Yorkshire which closed in 2019, to another charity. During the year the Charity Commission review found that the Commission decision was valid and that if the Trustees wished to appeal this decision they could apply to Information Commissioner's Office (ICO) for a review of the whole process. In July an official appeal to the ICO was made and in December the ICO ruled that the Charity Commission had followed the correct procedure in their decision not to release any information to the UCCC Trustees under their Freedom of Information application. The Trustees were informed that if they wished to appeal this decision they could do so via the First-tier Tribunal (Information Rights). The general feeling of the Trustees was that, however many further appeals are made to different bodies, the bureaucracy would always prevent an analysis of the Charity Commission Freedom of Information decision being available for full scrutiny by the Trustees or any other interested body. Reluctantly the process of appeal was halted.

The Trustees concluded that even in the difficult time of a pandemic during which this whole process was first started, it was disappointing that many time targets were missed by both the Charity Commission and the ICO in their decision making and that no real explanation of why this happened has ever been given. In addition the Trustees noted with disappointment, that after at least two attempts to bring the situation to the attention of the local Member of Parliament for Settle, and the Chair of the local Conservative Party neither of them even acknowledged the receipt of any of the letters and reports sent to them by the UCCC Executive Officer.

The situation with the Wiltshire church, which closed in 2019 and was outlined in the 2021 Trustees Report is current. All investigations have failed to locate the church Trust Deeds and so during the year the Trustees, with the full support of the remaining one member of the church, applied to the Charity Commission for a scheme to make the Congregational Federation Ltd the sole Trustee of the church. This is a long process which is still ongoing but there are indications that the matter could be resolved during 2023.

Of the two churches mentioned in the 2021 Trustees Report, one in South Wales the other in Market Drayton, Shropshire, both of which failed to reopen after the pandemic, the church in South Wales has now been sold with the UCCC receiving a portion of the sale price. The situation concerning the closed church at Market Drayton is still ongoing.

The Trustees discussed a number of other issues including the possibilities of the Trustees sharing relevant UCCC files specifically for Trustee Meetings. As there are so many different systems available security was felt to be a major factor in the discussion and no final decision was made and discussions will be continued.

The subject of internet banking was discussed by the Trustees and a decision to apply for this facility with the UCCC existing bank was deferred. Further information from the other High Street Banks internet banking service was discussed but no decision to switch banks during the year was made. During the year and at different times the Executive Officer provided the required information to complete the NatWest Bank Business Profile for the charity. In December we were still awaiting the final sign off by the bank. Also during the year the Executive Officer experienced somewhat poor service from the NatWest Bank concerning the setting up of Standing Orders for the recipients of the

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Welfare Grants. The aim was to make these payments, which go to retired ministers and ministers widows much simpler but in the end, because of the banks inefficient way of dealing with them, on this occasion it proved to be more of an inconvenience for some of the recipients.

Once again, the Trustees have decided to look at the possibilities of amalgamating two of the main UCCC Funds; The Ministerial Training Fund and The Maintenance of the Ministry Fund. The aim of this decision is to make better, more efficient, relevant use of the funds available to support churches with ministers and encourage churches without a minister to consider ministry with the financial support of grants from a proposed new UCCC Ministry Fund. This will be pursued during 2023.

The availability of the Dewi Rowlands Bursary for assisting a minister or student, who is undertaking or intending to undertake research into Congregationalism was advertised around the UCCC listed churches via the church secretaries and ministers. In addition theological colleges and universities were also informed of the availability of the bursary for their students. Even though the application time has been extended during 2022 the number of responses has been disappointing. Based on the applications the Trustees have decided to offer one applicant an interview and this will take place during the early part of 2023.

It was with great sadness in March of 2022 that the Trustees were informed of the death of Reverend Jim Hammond at the age of 102. Reverend Hammond was the Minister of Haringay United Congregational / Baptist Church for over 20 years. The Executive Officer represented the Trustees and was invited to speak on their behalf at Jim's Memorial Service held at St Mark's Church, Utley, West Yorkshire, where Jim and his wife Carol attend. The service was led by Pastor Malcolm Neale a former UCCC Trustee and the former minister at Union Croft Chapel, Queensbury, and Buttershaw Congregational Church, Bradford. Pastor Neale was close friend of Jim and Carol Hammond.

Also in March 2022 the Trustees were informed that Mrs Rita Fox the widow of the late Reverend Albert Fox, the minister of the former UCCC listed church in Deddington, Gloucestershire, had died. There was no UCCC representation at Mrs Fox's funeral.

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.

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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 by their own grouping 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, through a 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.

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 newly elected or appointed 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.

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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. Before attending their first meeting all new Trustees are asked to sign an automatic disqualification form, confirming their eligibility to serve as the Trustee of a charity.

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 2022.
Dr D L James was elected by the Trustee Board to serve as Secretary for 2022.

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. The Trustees undertake periodic reviews of the Charity's investments.

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 £130,229. This is an increase of £33,246 on the previous year, £6,244 relates to investment income, £27,000 relates to other income, which includes £3,313 from Thelma Jordan's estate and £23,540 from the sale of Bethania, Tredegar after settlement of the outstanding loan.

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Resources expended amounted to £121,799, an increase of £16,262 on the previous year. Grants have increased by £11,922, which includes the previous loan to Bethania, Tredegar of £15,000, which has been converted to a grant during the year following the closure and subsequent sale of the church. Management and administrative costs have increased £4,340, the majority of costs have increased this year, the most notably being for meeting expenses.

This has resulted in a net surplus of £8,430 (2021 a deficit of £8,554) prior to investment revaluation. The market value of investments at the year end have decreased by £303,665 resulting in an overall deficit for the year of £295,235 (2021 a surplus of £281,557).

Total funds carried forward were £2,683,659 (2021 £2,978,894), split £789,943 (2021 £863,200) unrestricted, £682,593 (2021 £760,147) restricted and £1,211,123 (2021 £1,355,547) 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.

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.

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YEAR ENDED 31st DECEMBER 2022

Grant making policies

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

During 2022 the UCCC Trustees were able to award grants to 4 UCCC listed churches and 27 individuals associated with UCCC listed churches. In addition the following Congregational based organisations were assisted with grants; Congregational History Society, the Congregational Partnership Ltd, the Congregational Federation Ltd, the Evangelical Fellowship of Congregational Churches Trust Corporation Ltd.

The grants were made from the Charity's Funds:

<u>Fund</u>	<u>Amount</u> <u>£</u>
• General Purposes Fund	19,435
• Maintenance of the Ministry Fund	23,864
• Ministerial Training Fund	-
• Church Extension Fund	21,494
• Welfare Fund	4,360
• Homes for retired Ministers Fund	12,534
• Education Fund	840
• Sydney Berry Trust	<u>5,290</u>
<u>Total</u>	<u>87,817</u>

The Trustees awarded the grants in the following ways:

- Grants totalling £840 from the Education Fund were awarded to the 7 children of 3 UCCC ministers to assist with their education.
- The Charity was able to assist 3 churches ,1 in North Wales, two in Yorkshire, with grants totalling £21,494 for building work: For the church in North Wales the grant was to assist with the cost of replacing the church windows, the re-decoration of the worship area of the church, and to assist with the renewal of the old drainage system. The grant awarded to the church in South Yorkshire was for building work being carried out to repair and re-plaster the worship area ceiling, which is over 100 years old. The grant awarded to the church in West Yorkshire was for assistance to eradicate woodworm infestation in the church.
All these grants came from the Church Extension Fund.
- 3 churches, two in South Wales the other in West Yorkshire, received grants totalling £23,864 for the support of minister's stipends. All these grants came 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.

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YEAR ENDED 31st DECEMBER 2022

-
- Payments totalling £5,290 were made from the Dr Sydney Berry Trust to 5 retired ministers and the widows of 3 retired ministers of Unaffiliated Churches.
 - Grants totalling £12,534 were awarded from the Homes for Retired Ministers Fund to assist 4 retired ministers and the widows of 3 retired ministers of Unaffiliated Churches, with the payment of Council Tax & Water Rate demands.
 - Grants totalling £4,360 for the relief of hardship were made to 4 retired ministers and the widows of 5 former retired ministers of Unaffiliated Churches, which came from the Welfare Fund.
 - Grants totalling £1,560 were awarded to 12 ministers and pastors of Unaffiliated Congregational Churches (£130 each). All these grants came from the General Purposes Fund with the specific aim of ministers and pastors purchasing theological books or resource material for their ministry.
 - The Trustees made a grant to each of the 3 Congregational Trust Companies, totalling £1,875 which came from the General Purposes Fund. These 3 companies act as Custodian Trustees to 15 UCCC listed churches.
 - The loan made to Bethania, Tredegar £15,000 was converted to a grant during the year after the closure of the church and subsequent sale. This grant came from the General Purposes Fund.

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 2022 and there were no outstanding loans due for repayment in the year.

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	£
2023	28,710
2024	29,908
2025	20,115

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TRUSTEES' REPORT

YEAR ENDED 31st DECEMBER 2022

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.

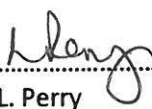
Disclosure of information to auditor

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 21.6.23 and signed on its behalf by:


.....
Mrs L. Perry
Chairman

UNAFFILIATED CONGREGATIONAL CHURCHES CHARITIES

STATEMENT OF TRUSTEES' RESPONSIBILITIES

YEAR ENDED 31 DECEMBER 2022

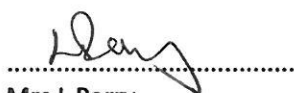
The trustees are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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 21 June '23 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

Opinion

We have audited the financial statements of Unaffiliated Congregational Churches Charities (the 'charity') for the year ended 31 December 2022, 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 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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

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. This description forms part of our auditor's report.



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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UNAFFILIATED
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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.

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.

Jonathan Staples BSc FCA DChA (Senior Statutory Auditor)
For and on behalf of Horsfield & Smith, Statutory Auditor

Tower House
269 Walmersley Road
Bury
Lancashire
BL9 6NX

Date: 21 June '23

UNAFFILIATED CONGREGATIONAL CHURCHES CHARITIES

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

YEAR ENDED 31 DECEMBER 2022

	Note	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2022 £
Income and Endowments from:					
Investment income	2	29,526	22,827	48,404	100,757
Other income	3	29,472	-	-	29,472
Total Income		<u>58,998</u>	<u>22,827</u>	<u>48,404</u>	<u>130,229</u>
Expenditure on:					
Raising funds	4	(14,573)	(13,220)	-	(27,793)
Charitable activities	5	<u>(28,016)</u>	<u>(65,990)</u>	<u>-</u>	<u>(94,006)</u>
Total Expenditure		<u>(42,589)</u>	<u>(79,210)</u>	<u>-</u>	<u>(121,799)</u>
Net income/(expenditure)		16,409	(56,383)	48,404	8,430
Gains/losses on investment assets		(89,458)	(69,783)	(144,424)	(303,665)
Gross transfers between funds		<u>(208)</u>	<u>48,612</u>	<u>(48,404)</u>	<u>-</u>
Net movement in funds		(73,257)	(77,554)	(144,424)	(295,235)
Reconciliation of funds					
Total funds brought forward		<u>863,200</u>	<u>760,147</u>	<u>1,355,547</u>	<u>2,978,894</u>
Total funds carried forward	16	<u>789,943</u>	<u>682,593</u>	<u>1,211,123</u>	<u>2,683,659</u>

UNAFFILIATED CONGREGATIONAL CHURCHES CHARITIES

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT) YEAR ENDED 31 DECEMBER 2022

Prior year Statement of Financial Activities

	Note	Unrestricted £	Restricted £	Endowment £	Total 2021 £
Income and Endowments from:					
Investment income	2	27,538	21,473	45,502	94,513
Other income		<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>
Expenditure on:					
Raising funds		(12,629)	(11,468)	-	(24,097)
Charitable activities		<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
Reconciliation of funds					
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>

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

The funds breakdown for 2021 is shown in note 16.

UNAFFILIATED CONGREGATIONAL CHURCHES CHARITIES

BALANCE SHEET 31 DECEMBER 2022

	Note	2022 £	2021 £
Fixed assets			
Investments	13	2,514,936	2,818,601
Current assets			
Debtors	14	36,200	57,491
Cash at bank and in hand	19	139,220	108,545
		175,420	166,036
Creditors: Amounts falling due within one year	15	(6,697)	(5,743)
Net current assets		168,723	160,293
Net assets		2,683,659	2,978,894
Funds of the charity:			
Endowment funds		1,211,123	1,355,547
Restricted income funds			
Restricted funds		682,593	760,147
Unrestricted income funds			
Unrestricted funds		789,943	863,200
Total funds	16	2,683,659	2,978,894

The financial statements on pages 16 to 36 were approved by the trustees, and authorised for issue on 21 June '23 and signed on their behalf by:



Dr D L James
Trustee

UNAFFILIATED CONGREGATIONAL CHURCHES CHARITIES

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2022

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 2022

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 2022

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 2022

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 2022

2 Investment income

	Unrestricted funds General £	Restricted funds £	Endowment funds Expendable £	Total funds £
Interest receivable and similar income;				
Interest receivable on bank deposits	265	-	-	265
Other income from fixed asset investments	29,261	22,827	48,404	100,492
Total for 2022	29,526	22,827	48,404	100,757
Total for 2021	27,538	21,473	45,502	94,513

3 Other income

	Unrestricted funds General £	Restricted funds £	Total funds £
Other income	28,498	-	28,498
Rental income	974	-	974
Total for 2022	29,472	-	29,472
Total for 2021	2,387	83	2,470

4 Expenditure on raising funds

a) Administrative costs

	Unrestricted funds General £	Restricted funds £	Total funds £
Staff Costs	12,124	10,681	22,805
Administrative expenses	2,449	2,539	4,988
Total for 2022	14,573	13,220	27,793
Total for 2021	12,629	11,468	24,097

UNAFFILIATED CONGREGATIONAL CHURCHES CHARITIES

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2022

5 Expenditure on charitable activities

	Note	Unrestricted funds General £	Restricted funds £	Total funds £
Grant funding of activities		24,725	63,092	87,817
Governance costs	6	<u>3,291</u>	<u>2,898</u>	<u>6,189</u>
Total for 2022		<u>28,016</u>	<u>65,990</u>	<u>94,006</u>
Total for 2021		<u>32,262</u>	<u>49,178</u>	<u>81,440</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	1,515	1,335	2,850
Other fees paid to auditors	<u>1,776</u>	<u>1,563</u>	<u>3,339</u>
Total for 2022	<u>3,291</u>	<u>2,898</u>	<u>6,189</u>
Total for 2021	<u>2,906</u>	<u>2,639</u>	<u>5,545</u>

UNAFFILIATED CONGREGATIONAL CHURCHES CHARITIES

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2022

7 Grant-making

Analysis of grants

	Grants to institutions		Grants to individuals	
	2022	2021	2022	2021
	£	£	£	£
Analysis				
General Purposes	17,875	23,125	6,850	6,231
Maintenance of the Ministry	23,864	22,351	-	-
Church Extension	21,494	7,000	-	-
Homes for Retired Ministers	-	-	12,534	11,868
Welfare	-	-	4,360	4,000
Education	-	-	840	1,320
	<u>63,233</u>	<u>52,476</u>	<u>24,584</u>	<u>23,419</u>

8 Net incoming/outgoing resources

Net incoming/(outgoing) resources for the year include:

	2022	2021
	£	£
Audit fees	<u>2,850</u>	<u>2,625</u>

9 Trustees remuneration and expenses

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

£709 (2021: £103) 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 2022

10 Staff costs

The aggregate payroll costs were as follows:

	2022 £	2021 £
Staff costs during the year were:		
Wages and salaries	20,731	19,765
Pension costs	<u>2,074</u>	<u>1,976</u>
	<u>22,805</u>	<u>21,741</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:

	2022 No	2021 No
Executive officer	<u>1</u>	<u>1</u>

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

11 Auditors' remuneration

	2022 £	2021 £
Audit of the financial statements	<u>2,850</u>	<u>2,625</u>
Other fees to auditors		
All other non-audit services	<u>3,339</u>	<u>2,920</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 2022

13 Fixed asset investments

	2022 £	2021 £
Other investments	<u>2,514,936</u>	<u>2,818,601</u>

Other investments

	Fixed interest investments £	Managed funds £	Total £
Cost or Valuation			
At 1 January 2022	1,095,321	1,723,280	2,818,601
Revaluation	<u>(156,710)</u>	<u>(146,955)</u>	<u>(303,665)</u>
At 31 December 2022	<u>938,611</u>	<u>1,576,325</u>	<u>2,514,936</u>
Net book value			
At 31 December 2022	<u>938,611</u>	<u>1,576,325</u>	<u>2,514,936</u>
At 31 December 2021	<u>1,095,321</u>	<u>1,723,280</u>	<u>2,818,601</u>

Analysis of investments at 31 December 2022 between funds

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2022 £	Total Funds 2021 £
Listed and other investments					
Fixed interest investments	250,697	195,563	492,351	938,611	1,095,321
Managed funds	<u>481,750</u>	<u>375,803</u>	<u>718,772</u>	<u>1,576,325</u>	<u>1,723,280</u>
	<u>732,447</u>	<u>571,366</u>	<u>1,211,123</u>	<u>2,514,936</u>	<u>2,818,601</u>

UNAFFILIATED CONGREGATIONAL CHURCHES CHARITIES

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2022

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	80,779	3.2	82708.374	120,698	4.7
COIF Income Units	17231.700	313,184	12.5	23674.980	430,290	17.1
Charifund Units	27600.000	405,588	16.1	29074.909	427,262	17.0
COIF Ethical Investment Units	150164.920	411,572	16.4	118783.990	325,563	13.0
		<u>1,211,123</u>			<u>1,303,813</u>	

UNAFFILIATED CONGREGATIONAL CHURCHES CHARITIES

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2022

14 Debtors

	2022 £	2021 £
Prepayments	200	200
Other debtors	-	41
Amounts falling due after more than one year: Interest in property	11,000	17,250
Amounts falling due after more than one year: Loans to churches	<u>25,000</u>	<u>40,000</u>
	<u>36,200</u>	<u>57,491</u>

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

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.

Also, in March 1992 a loan was made to the Congregational Federation Limited to purchase the freehold reversion of Bethania, Tredegar, amounting to £6,250, which 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. The church was sold during 2022 and the charity received £29,790, being 13% 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. The church was sold during 2022 and the loan has been converted to a grant during the year.

15 Creditors: amounts falling due within one year

	2022 £	2021 £
Other taxation and social security	345	-
Accruals	<u>6,352</u>	<u>5,743</u>
	<u>6,697</u>	<u>5,743</u>

UNAFFILIATED CONGREGATIONAL CHURCHES CHARITIES

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2022

16 Funds

	Balance at 1 January 2022 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 December 2022 £
Unrestricted funds						
General purpose	863,200	58,998	(42,589)	(208)	(89,458)	789,943
Total unrestricted funds	863,200	58,998	(42,589)	(208)	(89,458)	789,943
Restricted funds						
Maintenance of ministry	-	3,061	(23,864)	30,160	(9,357)	-
Ministerial training	236,578	2,964	(4,965)	10,812	(9,061)	236,328
Church extension	275,551	8,802	(27,244)	1,862	(26,909)	232,062
Homes for retired ministers	223,640	6,530	(17,153)	3,843	(19,963)	196,897
Welfare	24,378	1,365	(5,144)	879	(4,172)	17,306
Education	-	105	(840)	1,056	(321)	-
Total restricted funds	760,147	22,827	(79,210)	48,612	(69,783)	682,593
Endowment funds						
<i>Permanent</i>						
General purpose	801,842	28,633	-	(28,633)	(85,430)	716,412
Maintenance of ministry	57,104	2,039	-	(2,039)	(6,084)	51,020
Ministerial training	302,799	10,812	-	(10,812)	(32,261)	270,538
Church extension	52,155	1,862	-	(1,862)	(5,557)	46,598

UNAFFILIATED CONGREGATIONAL CHURCHES CHARITIES

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2022

	Balance at 1 January 2022 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 December 2022 £
Homes for retired ministers	107,635	3,843	-	(3,843)	(11,468)	96,167
Welfare	24,606	879	-	(879)	(2,622)	21,984
Education	9,406	336	-	(336)	(1,002)	8,404
Total endowment funds	1,355,547	48,404	-	(48,404)	(144,424)	1,211,123
Total funds	2,978,894	130,229	(121,799)	-	(303,665)	2,683,659
	Balance at 1 January 2021 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 December 2021 £
Unrestricted funds						
General purpose	778,198	29,925	(44,891)	17,390	82,578	863,200
Total unrestricted funds	778,198	29,925	(44,891)	17,390	82,578	863,200
Restricted funds						
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	-

UNAFFILIATED CONGREGATIONAL CHURCHES CHARITIES

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2022

	Balance at 1 January 2021 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 December 2021 £
Total restricted funds	706,710	21,556	(60,646)	28,112	64,415	760,147
Endowment funds						
<i>Permanent</i>						
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
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
Total endowment funds	1,212,429	45,502	-	(45,502)	143,118	1,355,547
Total funds	2,697,337	96,983	(105,537)	-	290,111	2,978,894

UNAFFILIATED CONGREGATIONAL CHURCHES CHARITIES

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2022

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 2022

17 Analysis of net assets between funds

	Unrestricted funds General £	Restricted funds £	Endowment funds £	Total funds at 31 December 2022 £
Fixed asset investments	732,447	571,366	1,211,123	2,514,936
Current assets	64,193	111,227	-	175,420
Current liabilities	(6,697)	-	-	(6,697)
Total net assets	<u>789,943</u>	<u>682,593</u>	<u>1,211,123</u>	<u>2,683,659</u>
	Unrestricted funds General £	Restricted funds £	Endowment funds Expendable £	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>

18 Analysis of net funds

	At 1 January 2022 £	Financing cash flows £	At 31 December 2022 £
Cash at bank and in hand	<u>108,545</u>	<u>30,675</u>	<u>139,220</u>
Net debt	<u>108,545</u>	<u>30,675</u>	<u>139,220</u>
	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>

19 Cash and cash equivalents

	2022 £	2021 £
Cash on hand	76	140
Cash at bank	<u>139,144</u>	<u>108,405</u>
	<u>139,220</u>	<u>108,545</u>

UNAFFILIATED CONGREGATIONAL CHURCHES CHARITIES

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2022

20 Financial instruments

Categorisation of financial instruments

	2022	2021
	£	£
Financial assets measured at fair value through profit or loss	2,514,936	2,818,601
Financial assets that are debt instruments measured at amortised cost	30,000	57,250
Financial liabilities measured at amortised cost	6,697	5,743

UNAFFILIATED CONGREGATIONAL CHURCHES CHARITIES

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2022

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.

UCCC Trustees, Pastor Mike Valentine, the Minister of Bradley Congregational Church and Pastor Clive Davies the Minister at Cedron Chapel, Pontybodkin, 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.