

REGISTERED COMPANY NUMBER: 1529484 (England and Wales)
REGISTERED CHARITY NUMBER: 282270

Report of the Trustees and
Financial Statements For The Year Ended 31 December 2022
for

The United Reformed Church (Southern
Synod) Trust Limited
(A Company Limited by Guarantee)

The United Reformed Church (Southern Synod) Trust Limited
(A Company Limited by Guarantee)

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for the Year Ended 31 December 2022

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The United Reformed Church (Southern Synod) Trust Limited
(A Company Limited by Guarantee)

Report of the Trustees
for the Year Ended 31 December 2022

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2022. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' effective January 2015.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

1529484 (England and Wales)

Registered Charity number

282270

Registered office

Synod Office
East Croydon URC
Addiscombe Grove
Croydon
CR0 5LP

Trustees

Miss L Austin
Revd B Banks
Mr J Denison
Revd B Fidler
Revd R Furley-Smith
Mr A Kirby (Chairperson)
Mrs H Miles
Mr D Walters

Company Secretary

Mrs C Kingdom

Auditors

Thornton Springer LLP
Chartered Accountants
Statutory Auditor
67 Westow Street
London
United Kingdom
SE20 3RW

Legal Representatives

Veale Wasbrough Vizards LLP
Second Floor, 3 Brindleyplace
Birmingham
B1 2JB

Bankers

CAF Bank
25 Kings Hill Avenue, Kings Hill
West Malling, Kent
ME20 4JQ

The United Reformed Church (Southern Synod) Trust Limited
(A Company Limited by Guarantee)

Report of the Trustees
for the Year Ended 31 December 2022

PRINCIPAL ACTIVITY & PUBLIC BENEFIT

The Trust is a company limited by guarantee incorporated on 21 November 1980 and is a registered charity number 282270. On 24 November 2010 the trustees agreed to change the name of the Trust from The United Reformed Church (Southern Province) Trust Limited to The United Reformed Church (Southern Synod) Trust Limited. This was certified by Companies House on 8 December 2010.

Its object is to advance the Christian religion in accordance with the doctrine, principles and usages of the United Reformed Church, particularly in the South of England, for the benefit of the public. The trustees have given due consideration to and follow the Charity Commission's published guidance on the Public Benefit requirements.

It has achieved this by continuing to act as Corporate Trustee and Agent for the Southern Synod of The United Reformed Church by holding properties and assets and handling income and expenditure.

The Synod was set up as part of the formation of the United Reformed Church by the United Reformed Acts 1972 and 1981. The Southern Synod is the representative of the local churches within Southern Synod united for the purpose of dealing with matters of wider concern.

One of its main functions is to take action conducive to the propagation of the Gospel at home and abroad, the welfare of the United Reformed Church, the interests of the Church of Christ as a whole, and the well-being of the community in which the Church is based.

At the quarterly trustees' meetings, the trustees agree a broad strategy and areas of activity for the Trust, including consideration of any major grant-making. They ensure all activity supports mission and encourage church extension and the establishment of new causes.

The day to day administration of grants and the processing of applications prior to consideration by the relevant sub-committee are delegated to the Trust staff. The Synod Officers have the delegated authority to make decisions on grants and loans if it is not possible to wait for the next sub-committee meeting. During 2022 there were 4 Synod Officers; the Moderator, the Synod Clerk, the Synod Council Convenor and the Synod Treasurer.

New trustees are selected from within the Synod. They are either Ministers of Religion or people who have otherwise been involved in the life of the Synod. Induction procedures and training are tailored to the previous experience and knowledge of the new trustees. As necessary, both new and existing trustees are reminded of their responsibilities and issued with a copy of the Charity Commission's guide "The Essential Trustee: What you need to know". Training sessions for all trustees are also arranged where necessary.

The Trust also acts as Corporate Trustee for most of the Local United Reformed Churches by holding various properties and investments on their behalf.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

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

Risk Management

The trustees have asked each Synod Committee to regularly consider the major risks to which the Synod is exposed, which have been tabulated in a matrix, and to establish systems and procedures to manage those risks. This is an ongoing process in consultation with the wider United Reformed Church and other Synods. This risk assessment document is then reviewed by the trustees.

The United Reformed Church (Southern Synod) Trust Limited
(A Company Limited by Guarantee)

Report of the Trustees
for the Year Ended 31 December 2022

OBJECTIVES AND ACTIVITIES

The objects of the Trust and the Synod are to help and support local churches in their mission. The mission criteria used are the Synod:

1. is committed to looking for new opportunities for being the church in the geographical area of the Synod
2. is committed to supporting and resourcing the local churches to be faithful followers of Jesus Christ
3. is committed to caring pastorally for its local churches, ministers and staff
4. is committed to supporting and resourcing local churches to provide relevant, inspiring and engaging worship
5. is committed to being aware of the economic, political and social context of life in Southern England and will seek to help local churches address the implications of these issues for their life and work
6. is committed to the proper care and administration of its resources through its personnel, finances and buildings
7. is committed to the wider of church of God through the United Reformed Church nationally, ecumenical relationships and the world church
8. is committed to addressing issues of justice, peace and the environment
9. is committed to regularly reviewing its life and mission in light of the above criteria always seeking the prompting and guidance of the Holy Spirit

The objectives for the year are shaped by these strategic aims and the Synod looks to achieve them through partnership with other Christian institutions, local councils and central government for the benefit of the public.

The Trust can make capital grants to local churches in order to help them make their buildings welcoming and safe for members of the public and to equip them better to fulfil their objectives. This can include support for extending and improving buildings to include more community facilities. In 2022 twenty two grants were made. There are also grants available to support mission projects and the employment of youth workers. The budget for 2023 includes £750,000 for each panel.

The Trust also makes grants to various church organisations which operate within our area. We also support mission work abroad.

Since 2009 the principal decision making body is Synod Together which meets biannually, usually in March and October. The Synod operated through 5 Synod Areas; London, East Kent, West Kent and East Sussex, Surrey and Sussex, and Central Sussex United Area. Synod Areas normally meet 2 or 3 times each year, to deal with pastoral matters and provide advice to the Synod on property and finance matters.

The Trust employs 5 finance, property and support staff, in the Synod Office, four of whom are full time. There are now a further 3 field staff; Training and Development Officer, Mission Development Officer and Children and Youth Development Officer. We also meet 50% of the costs of a safeguarding officer employed by a neighboring synod, who spends half of her time working with Southern Synod.

ACHIEVEMENTS AND PERFORMANCE

By the nature of the Trust's aims it is difficult to have quantitative measures of performance and achievement, though we are confident that by supporting local churches in their mission aims, we are providing a public benefit.

The United Reformed Church (Southern Synod) Trust Limited
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Report of the Trustees
for the Year Ended 31 December 2022

During 2022 the Trust was able to sell five properties relating to closed church buildings which contributed £9,225K to our income figure. The Trust gave grants to improve 22 church buildings and made 23 grants to churches to improve the manse accommodation for their ministers.

Over £203K was granted from the general and designated Funds to churches and other organisations to support their mission work. A new line of support is helping churches in their online worship.

The Trust agreed to continue to contribute to Inter Synod Resource Sharing with £35,000 being paid in 2022. Churches within the Synod also contributed substantial amounts towards the United Reformed Church's Ministry and Mission Fund.

FINANCIAL REVIEW

Reserves Policy

The Balance sheet on Page 10 indicates the amount in the Unrestricted Fund as at 31 December 2022 was £18.798 m. When this is adjusted for Endowment Funds, Fixed Assets and programme related investments it is calculated that the unrestricted fund assets readily available amount to £18.062m.

Although this amounts to more than 10 years of normal expenditure it is recognised that this has accumulated mainly from the disposal of redundant church buildings and that this income will not continue long term. The Synod Trust does not raise funds and investment income does not cover the costs of running the Synod Trust's normal activities. The Unrestricted General Funds are dependent on the uncertain income arising from the disposal of redundant church property to meet the shortfall and carry out all other mission work and support to member churches. From time to time the Trust has to invest in new property for programme related activities and this requires an above average amount to be kept in reserve.

The trustees, acting on advice of the Finance Committee have agreed to make more money available for mission in the Southern Synod based on a 10 year rolling budget. This will increase the annual expenditure and gradually reduce the historic reserves without putting the financial stability of the Trust in jeopardy. Over £1.3m was awarded in grants and loans to local churches in 2022 within this scheme.

Investment policy and objectives

The Trust investments are held in the Common Investment Funds run by independent professional investment managers. These investments aim to balance growth and income maximizing total return, whilst meeting the Ethical Criteria agreed by the United Reformed Church. The Trust funds can be invested up to 85 % in equities with a minimum of 15% in fixed interest funds. These ratios were reviewed in 2018 to ensure they are still appropriate to meet the Synod's cash flow requirements. The new ratios agreed were 60-80% in equities, 10-30% in Fixed interest and 0-20% in Property Funds.

The United Reformed Church (Southern Synod) Trust Limited
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Report of the Trustees
for the Year Ended 31 December 2022

FUTURE DEVELOPMENTS

The Trust will continue its work in support of local churches within the Synod to develop and extend their mission.

During 2021 the Trust continued discussions with the United Reformed Church regarding a solution to provide financial support to the Ministers Pension Fund which is in deficit. Due to the structure of the national church and ministerial appointments there is no legal obligation for the Trust but all of the regional and national bodies have been approached and there is wide acceptance that there is a moral obligation at the synod level and that such support does fall within the charitable purposes of the Trust. The Trust, together with the other twelve synods, agreed to make contributions to clear the deficit by 2030 with our commitment being £5m in the period 2021 to 2024. In view of the healthy cash position of the Trust it made the first payment of £2,000,000 in December 2021 and the second of £1,500,000 in November 2022. A review will take place in 2025 to ascertain whether further funds will be required. Due to the strength of the reserves of the Trust we do not anticipate any detrimental effect to the core financial position of the Trust due to the Trust's participation in clearing the deficit.

The Trust will continue to participate in these national discussions as required. The Trust continues to monitor and review the position to ensure that any such final commitment is affordable and does not put the financial stability of the Trust at risk.

FUNDS HELD AS CUSTODIAN FOR OTHERS

The trust holds cash deposits and investments on behalf of local churches. As at 31 December 2022 these amounted to bank deposits of £2,105,904 (2021: £1,809,393) and investments of £2,603,581 (2021: £2,877,235). Such investments are held in separate accounts and managed by an independent investment manager.

TRUSTEES

The Trustees during the year under review were:

Miss L Austin
Revd B Banks
Mr J Denison
Revd B Fidler
Revd R Furley-Smith
Mr A Kirby
Mrs H Miles
Revd K Plumpton (resigned 31 May 2023)
Mr D Walters

The United Reformed Church (Southern Synod) Trust Limited
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Report of the Trustees
for the Year Ended 31 December 2022

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees (who are also the directors of The United Reformed Church (Southern Synod) Trust Limited (A Company Limited by Guarantee) for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

In so far as the trustees are aware:

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

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the trustees are aware, there is no relevant information (as defined by Section 418 of the Companies Act 2006) of which the charitable company's auditors are unaware, and each trustee has taken all the steps that they ought to have taken as a trustee in order to make them aware of any audit information and to establish that the charitable company's auditors are aware of that information.

AUDITORS

The auditors, Thornton Springer LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:


J Denison - Trustee

Date: 22-09-23

Report of the Independent Auditors to the Members of
The United Reformed Church (Southern
Synod) Trust Limited
(A Company Limited by Guarantee)

Opinion

We have audited the financial statements of The United Reformed Church (Southern Synod) Trust Limited (A Company Limited by Guarantee) (the 'charitable company') for the year ended 31 December 2022 which comprise the Statement of Financial Activities, the 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

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

Opinions on other matters prescribed by the Companies Act 2006

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

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

Report of the Independent Auditors to the Members of
The United Reformed Church (Southern
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Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

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

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

Our responsibilities for the audit of the financial statements

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

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the charity and the industry in which it operates, we identified that the principal risks of non-compliance with relevant laws and regulations. Non-compliance with these laws and regulations might have a material effect on the financial statements.

We evaluated management's incentives and opportunity for fraudulent manipulation of the financial statement (including the risk of override of controls) and determined that the principal risks were posting of unusual journal entries outside the normal course of business and revenue recognition journal entries to manipulate the charity's performance measures and objectives.

Report of the Independent Auditors to the Members of
The United Reformed Church (Southern
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Audit procedures performed included: review of the financial statements and disclosures to underlying supporting documentation, review of compliance with the laws and regulations, enquiries with management, testing of journals and evaluating whether there was evidence of bias by the trustees that represented a risk of material misstatement due to fraud.

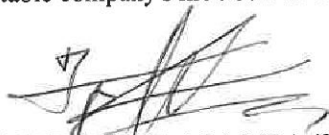
Under ISA 240 (UK) there is a presumed risk that revenue may be misstated due to the improper recognition of revenue. To address this risk, we obtained an understanding of the charity's revenue recognition policies and compared these to the accounting standard, performed a walkthrough to confirm our understanding of the processes and controls through which the business initiates, records, processes and reports revenue transactions. We tested a sample of revenue transactions to supporting evidence and tested, on a sample basis, revenue related balances in the balance sheet.

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

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

Use of our report

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



Zahid Saleem FCCA ACA MBA (Senior Statutory Auditor)
for and on behalf of Thornton Springer LLP
Chartered Accountants
Statutory Auditor
67 Westow Street
London
United Kingdom
SE19 3RW

Date: 22/09/23

The United Reformed Church (Southern Synod) Trust Limited
(A Company Limited by Guarantee)
Statement of Financial Activities (incorporating the Income and Expenditure Account)
for the Year Ended 31 December 2022

		Unrestricted Funds			31.12.22	31.12.21
		General Purposes Funds £	Designated Funds £	Restricted Funds £	Total Funds £	Total Funds £
	Notes					
INCOME AND ENDOWMENTS:						
Income from Investments	2a	639,005	475,819	21,971	1,136,795	874,016
Income from charitable activities						
Donations and Legacies	2a	5,865	-	14,597	20,462	132,857
Other Income	2a	83,733	3,246	-	86,979	250,184
Total operating income		728,603	479,065	36,568	1,244,236	1,257,057
Income on sale of properties	2a	9,225,000	800,000	-	10,025,000	6,076,500
Lease Premiums Received	2a	-	-	-	-	31,942
Profit/(Loss) on sale of properties	2a	-	-	-	-	197,500
Total Income and Endowments	2a	9,953,603	1,279,065	36,568	11,269,236	7,562,999
EXPENDITURE						
Expenditure on Charitable Activities	2b	2,116,102	222,911	5,351	2,344,364	1,878,388
Total operating expenditure	2b	2,116,102	222,911	5,351	2,344,364	1,878,388
Payment to Inter-Synod Resource Sharing		35,000	-	-	35,000	35,000
Contribution to the Ministers' Pension Fund		-	-	-	-	5,000,000
Discounting adjustment for Long Term Creditor		83,598	-	-	83,598	-
Purchase of Manses		-	1,235,000	-	1,235,000	583,000
Total Expenditure		2,234,700	1,457,911	5,351	3,697,962	7,496,388
Net Expenditure on Operating Account	2b	(1,387,499)	256,154	31,217	(1,100,128)	(621,331)
Net Income/(Expenditure)		7,718,903	(178,846)	31,217	7,571,274	66,611
Transfers between Funds	8	-	-	-	-	-
Other Recognised Gains/(Losses)						
Net (Losses)/Gains on Investments	7	(2,516,984)	(1,451,844)	(80,759)	(4,049,587)	2,908,991
Net movement in funds		5,201,919	(1,630,690)	(49,542)	3,521,687	2,975,602
Total funds brought forward		13,596,080	12,657,783	1,121,816	27,375,679	24,400,077
Total funds carried forward	8	18,797,999	11,027,093	1,072,274	30,897,366	27,375,679

The notes form part of these financial statements

The United Reformed Church (Southern Synod) Trust Limited
(A Company Limited by Guarantee)
Balance Sheet
At 31 December 2022

		Unrestricted Funds		Restricted Funds	31.12.22 Total Funds £	31.12.21 Total Funds £
		General Purposes Funds £	Designated Funds £			
	Notes					
FIXED ASSETS						
Tangible assets	9	227,342	74,721	-	302,063	304,223
Investments	10	16,332,108	9,621,731	424,724	26,378,563	25,428,282
Social Investments	11	95,816	-	-	95,816	102,370
		<u>16,655,266</u>	<u>9,696,452</u>	<u>424,724</u>	<u>26,776,442</u>	<u>25,834,875</u>
CURRENT ASSETS						
Debtors: amounts falling due within one year	12	76,171	-	-	76,171	35,750
Cash at bank and in hand		4,622,313	1,785,772	647,550	7,055,635	6,953,153
		<u>4,698,484</u>	<u>1,785,772</u>	<u>647,550</u>	<u>7,131,806</u>	<u>6,988,903</u>
CREDITORS						
Amounts falling due within one year	13	(1,185,546)	(455,131)	-	(1,640,677)	(2,661,492)
NET CURRENT ASSETS / (LIABILITIES)		<u>3,512,938</u>	<u>1,330,641</u>	<u>647,550</u>	<u>5,491,129</u>	<u>4,327,411</u>
TOTAL ASSETS LESS CURRENT LIABILITIES						
		20,168,204	11,027,093	1,072,274	32,267,571	30,162,286
CREDITORS						
Amounts falling due outside one year		(1,370,205)			(1,370,205)	(2,786,607)
NET ASSETS	14	<u>18,797,999</u>	<u>11,027,093</u>	<u>1,072,274</u>	<u>30,897,366</u>	<u>27,375,679</u>
FUNDS						
General Purposes					18,797,999	13,596,080
Designated					11,027,093	12,657,783
Restricted					1,072,274	1,121,816
TOTAL FUNDS	14				<u>30,897,366</u>	<u>27,375,679</u>

The notes form part of these financial statements

The United Reformed Church (Southern Synod) Trust Limited
(A Company Limited by Guarantee)
Balance Sheet - continued
At 31 December 2022

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2022 and the members have not deposited notice, pursuant to Section 476 of the Companies Act 2006 requiring an audit of these financial statements.

These financial statements have been audited under the requirements of Section 144 of the Charities Act 2011.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies and with the Financial Reporting Standard 102.

The financial statements were approved by the Board of Trustees on 14-09-23 and were signed on its behalf by:


.....
J Denison - Trustee

The United Reformed Church (Southern Synod) Trust Limited
(A Company Limited by Guarantee)
Statement of Cash Flows
Year Ended 31 December 2022

	Notes	2022 £	2121 £
Cash flow from operating activities:			
Net cash provided/used in operating activities	A	4,100,630	2,390,079
Cash flows from investing activities:			
Dividends and interest from investments		996,930	749,378
Purchase of fixed assets		(1,995)	(4,306)
Proceeds from the sale of fixed assets		230	285,500
Purchase of investments		(5,885,491)	(682,855)
Issue of Programme Related Loans		-	(51,520)
Repayment of Programme Related Loans		6,554	13,200
Proceeds from the sale of investments		885,624	690,000
Net cash provided by/used in investing activities		(3,998,148)	999,397
Change in cash and cash equivalents in the reporting period		102,482	3,389,476
Cash and cash equivalents at the beginning of the reporting period	B	6,953,153	3,563,677
Cash and cash equivalents at the end of the reporting period	B	7,055,635	6,953,153
Notes to the statement of cash flows			
A Reconciliation of net income/expenditure to net cash flow from operating activities			
Net income/expenditure for the reporting period (as per the statement of financial activities)		3,521,687	2,975,602
Adjustments for:			
Depreciation charges		3,759	4,043
(Gains)/losses on investments		4,049,587	(2,908,991)
Dividends and interest from investments		(996,930)	(749,378)
Loss/(profit) on the sale of fixed assets		165	(197,033)
Decrease/(increase) in debtors		(40,421)	16,909
Increase/(decrease) in creditors		(2,437,217)	3,248,927
Net cash provided by operating activities		4,100,630	2,390,079
B Analysis of cash and cash equivalents			
Cash at bank and in hand		7,055,635	6,953,153

The notes form part of these financial statements

The United Reformed Church (Southern Synod) Trust Limited
(A Company Limited by Guarantee)

Notes to the Financial Statements
for the Year Ended 31 December 2022

1 ACCOUNTING POLICIES

General Information

The United Reformed Church (Southern Synod) Trust Limited is a charitable company, limited by guarantee and is registered in England and Wales. The charitable company's registered number and registered office address can be found on the Company Information page.

Accounting convention

The charity constitutes a public benefit entity as defined by FRS102. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at fair value, and in accordance with the Financial Reporting Standard 102, the Charities Statement of Recommended Practice (FRS102), the Companies Act 2006 and the Charities Act 2011.

The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest pound.

Going concern basis

The financial statements have been prepared on a going concern basis. The directors have considered budgets, cash flows and the impact of subsequent events, including that of COVID19. Whilst the economic shutdown in response to COVID 19 has had a significant impact on the charity's operations, the directors are satisfied that the charity has sufficient available resources, both in terms of cash and investments that can be converted to cash, such that there is no material uncertainty and the going concern basis of preparing the financial statements continues to be appropriate.

Funds Included

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

General Purposes Fund
Manse Fund
Synod Mission Fund
Alfriston Mission Project
Funds held for uniting churches
Church Buildings Fund
Retired Ministers Housing Fund
Welfare Fund
Milton Hall Fund
Woolwich Fund

Funds administered on behalf of local churches are not included.

Description and Use of Funds

Restricted income funds are funds whose use is restricted to specific purposes according to the terms on which the funds were received. Endowment funds are permanent endowments which are required to be retained, but the income from these funds can be used for the benefit of the charity, subject in certain cases to specific restrictions contained in the original endowment.

The United Reformed Church (Southern Synod) Trust Limited
(A Company Limited by Guarantee)

Notes to the Financial Statements
for the Year Ended 31 December 2022

1 ACCOUNTING POLICIES (continued)

Unrestricted income funds may be spent generally for furthering the Christian and charitable work of the United Reformed Church in the Southern Synod. The main fund in this category is the General Purposes Fund. Certain funds have been allocated for Manses, although the Synod retains authority to re-allocate such funds and so they are treated as Designated Funds within Unrestricted Income Funds. There are also three other smaller designated funds arising from the sale of redundant church buildings.

The General Purposes Fund is the main fund of the charity and is an unrestricted fund. It is made up of both General Purposes and Church Aid, the initial fund set up after the URC came into force and General Purposes Fund coming from the apportionment scheme in respect of the London Congregational Union.

The Manse Fund is a Designated Fund which came into being in 1996 by approval of the Synod. The Synod Mission Fund and Funds held for uniting churches have arisen from the sale of a church building in 2012 following an uniting of two existing churches. The united church can apply to the latter fund for a project to develop and further their mission whereas the Synod Mission Fund is available to all churches within the Synod for similar projects. The Alfriston Mission Project is a fund arising from the sale of a church hall in Alfriston which has been designated to develop in the mission activities and community facilities of the former Alfriston URC building.

Restricted Funds

The Church Building fund came from the apportionment scheme in respect of the London Congregational Union. (LCU) Its funds can only be used for the upkeep, repair, improvement extension, provision and erection of church buildings.

The Retired Ministers Housing funds both have a house for a retired minister. They operate in Kent and Sussex.

The Welfare fund came from the LCU. Its purpose is relieving, in cases of need, ministers, members of churches and retired ministers.

The Milton Hall fund can be used for general purposes but only within the inner London Boroughs South of the River Thames.

The Woolwich fund is for work in the London Borough of Greenwich.

Contribution to Pension Funds

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

Income

All incoming resources are included in the statement of financial activities when there is sufficient certainty that the receipt of income is considered probable and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Voluntary income is received by way of grants, donations and gifts and is included in full in the Statement of financial activities when receivable.

The United Reformed Church (Southern Synod) Trust Limited
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Notes to the Financial Statements
for the Year Ended 31 December 2022

1 ACCOUNTING POLICIES (continued)

Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. The Synod is not registered for VAT so all irrecoverable VAT is charged with the related cost.

All costs are treated by the finance committee as relating to the unrestricted fund unless there is a specific requirement on the individual funds.

Individual Church Property, including Pastoral Manses

These assets are not shown in the financial statements as they are not the exclusive property of the Synod. Sale proceeds from redundant properties or from part thereof are treated as unrestricted income for general funds and not shown until received.

Non-pastoral manses, which are used for Synod related activities are included in the Balance Sheet at cost, subject to an impairment review and any deficits are accounted for in the Statement of Financial Activities on properties marketed for sale.

Jointly Owned Property

Property owned with The URC Retired Ministers Housing Society Limited is held under the terms of an agreement with the Society whereby the Charity receives no income from the property but contributes towards the cost of maintenance and repair of the property. The property is included in the Balance Sheet at cost.

Custodian Trusteeship

Assets held by the charity as custodian trustee are not shown in the financial statements. The details of those funds are included in the Trustees' annual report.

Depreciation

Depreciation is provided on all tangible fixed assets, apart from property, at rates calculated to write off the cost on a straight line basis over their estimated useful economic lives as follows:-

Fixtures, Fittings & Equipment - over four years

Computer Equipment-over three years

Motor Vehicles-over four years

No amounts under £100 are capitalised.

The trustees recognise that the cost of buildings used as functional assets have a finite life and, in the normal course of events, would be depreciated to their expected residual value. However, those properties that fall into this category are located in an area of the country where that part of the cost that is attributable to land, which does not depreciate, is significantly higher than in other parts of the country. Furthermore, the Charity has a policy of maintaining its properties to a high level, which extends the life of the assets beyond their normal expected lives. Taking these factors into account the trustees consider that any depreciation on the buildings would consequently be immaterial and depreciation is not therefore charged.

Operating Leases

Rentals paid under operating leases are charged to the Statement of Financial Activities as incurred.

The United Reformed Church (Southern Synod) Trust Limited
(A Company Limited by Guarantee)

Notes to the Financial Statements
for the Year Ended 31 December 2022

1 ACCOUNTING POLICIES (continued)

Grants

Grants payable to local churches, organisations and individuals are charged in the year of approval. The value of grants approved, but still to be paid is included in the balance sheet as a current liability.

Investments

Investments are stated at fair value at the balance sheet date. The Statement of Financial Activities includes the net gains and losses arising on revaluations and disposals throughout the year.

Support and Indirect Costs

Support expenditure has been allocated directly to the relevant activity cost category.

Indirect costs which include premises and office costs have been allocated on the basis of each activity costs as a proportion of the total direct costs, shown in note 3.

Financial instruments

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

Judgements and key sources of estimation uncertainty

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

In the opinion of the trustees, there are no special disclosures required in respect of judgements and estimation uncertainty.

The United Reformed Church (Southern Synod) Trust Limited
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Notes to the Financial Statements
for the Year Ended 31 December 2022

2 INCOME AND EXPENDITURE

a) Analysis of Total Income

	Unrestricted Funds			31.12.22	31.12.21
	General Purposes Funds £	Designated Funds £	Restricted Funds £	Total Funds £	Total Funds £
Income from generated funds					
Rents Received	20,475	119,390		139,865	124,638
Investment income-listed investments	590,037	345,283	14,622	949,942	744,971
Interest	28,493	11,146	7,349	46,988	4,407
	<u>639,005</u>	<u>475,819</u>	<u>21,971</u>	<u>1,136,795</u>	<u>874,016</u>
Income from charitable activities					
Donations and Legacies					
Donations	3,000		668	3,668	55,598
Denominational Grant	2,500			2,500	
Monies from closed churches	365			365	77,103
Quinquennial contribution received			13,929	13,929	156
	<u>5,865</u>	<u>-</u>	<u>14,597</u>	<u>20,462</u>	<u>132,857</u>
Other income					
Training course contributions	135			135	125
Discounting of Long Term Creditor				-	213,393
Grants awarded no longer required	83,598	3,246		86,844	36,666
	<u>83,733</u>	<u>3,246</u>	<u>-</u>	<u>86,979</u>	<u>250,184</u>
Total operating income	<u>728,603</u>	<u>479,065</u>	<u>36,568</u>	<u>1,244,236</u>	<u>1,257,057</u>
Income on sale of properties					
-of closed churches	9,225,000			9,225,000	5,326,500
- Lease Premiums Received				-	31,942
-of surplus manses		800,000		800,000	750,000
	<u>9,225,000</u>	<u>800,000</u>	<u>-</u>	<u>10,025,000</u>	<u>6,108,442</u>
Profit/(Loss) on sale of fixed asset:					
-other property				-	197,500
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>197,500</u>
Total income	<u>9,953,603</u>	<u>1,279,065</u>	<u>36,568</u>	<u>11,269,236</u>	<u>7,562,999</u>

The United Reformed Church (Southern Synod) Trust Limited
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Notes to the Financial Statements
for the Year Ended 31 December 2022

2 INCOME AND EXPENDITURE (continued)

b) Analysis of Total Expenditure

	Unrestricted Funds		Restricted	31.12.22	31.12.21
	General Purposes	Designated	Funds	Total	Total
	Funds	Funds	Funds	Funds	Funds
	£	£	£	£	£
Expenditure on Charitable Activities					
Ministry & Mission:-					
Mission Officer	50,163			50,163	52,305
Ecumenical Officer	1,206			1,206	266
Grants (note 4)	203,158		4,371	207,529	373,058
Shared indirect costs (note 3)	24,661		80	24,741	36,603
	<u>279,188</u>	<u>-</u>	<u>4,451</u>	<u>283,639</u>	<u>462,232</u>
Training:-					
Training of Ministers & Lay					
preachers (note 4)	29,054			29,054	12,290
Students (note 4)	750			750	500
Training & Development Officer	56,528			56,528	51,913
Children's & Youth Development Officer	52,897			52,897	50,395
Safeguarding Officer	25,767			25,767	22,589
Other training costs	7,900			7,900	1,375
Shared indirect costs (note 3)	15,853			15,853	57,197
	<u>188,749</u>	<u>-</u>	<u>-</u>	<u>188,749</u>	<u>196,259</u>
Property:-					
Church building grants (note 4)	1,170,412			1,170,412	586,446
Manse Repairs (note 4)		136,101		136,101	118,590
Manse Expenses		11,667		11,667	14,541
Quinquennial Costs		2,520	900	3,420	5,556
Expenses on Sale & Purchase of Property	201,364	15,402		216,766	248,008
Other property costs	24,025			24,025	44,753
Staff costs	90,234			90,234	89,031
Shared indirect costs (note 3)	133,872			133,872	62,397
	<u>1,619,907</u>	<u>165,690</u>	<u>900</u>	<u>1,786,497</u>	<u>1,169,322</u>

The United Reformed Church (Southern Synod) Trust Limited
(A Company Limited by Guarantee)

Notes to the Financial Statements
for the Year Ended 31 December 2022

2 INCOME AND EXPENDITURE (continued)

b) Analysis of Total Expenditure

	Unrestricted Funds		Restricted Funds £	31.12.22	31.12.21
	General Purposes Funds £	Designated Funds £		Total Funds £	Total Funds £
Governance:-					
Synod Together Meetings	1,546			1,546	48
Synod Committees	1,185			1,185	281
Honoraria Synod Clerk and Treasurer	1,000			1,000	1,000
Synod Officers' expenses	2,266			2,266	149
Legal Costs	5,358	53,366		58,724	14,978
Audit Fees	10,660			10,660	9,580
Investment management costs	4,482	3,855		8,337	7,207
Shared indirect costs (note 3)	1,761			1,761	17,332
	<u>28,258</u>	<u>57,221</u>	<u>-</u>	<u>85,479</u>	<u>50,575</u>
 Total expenditure on charitable activities	 <u><u>2,116,102</u></u>	 <u><u>222,911</u></u>	 <u><u>5,351</u></u>	 <u><u>2,344,364</u></u>	 <u><u>1,878,388</u></u>
 Net expenditure on operating account	 <u><u>(1,387,499)</u></u>	 <u><u>256,154</u></u>	 <u><u>31,217</u></u>	 <u><u>(1,100,128)</u></u>	 <u><u>(621,331)</u></u>

The United Reformed Church (Southern Synod) Trust Limited
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Notes to the Financial Statements
for the Year Ended 31 December 2022

3 INDIRECT COSTS

	<u>Unrestricted Funds</u>			31.12.22	31.12.21
	<u>General Purposes</u>	<u>Designated</u>	<u>Restricted</u>	Total	Total
	<u>Funds</u>	<u>Funds</u>	<u>Funds</u>	Funds	Funds
	<u>£</u>	<u>£</u>	<u>£</u>	£	£
Premises Costs:-					
Synod rent & Hire of Rooms	18,269			18,269	18,000
Repairs and Maintenance	564			564	-
Synod Electricity	1,500			1,500	1,500
Insurance	972			972	943
Cleaning	110			110	133
	<u>21,415</u>	<u>-</u>	<u>-</u>	<u>21,415</u>	<u>20,576</u>
Office Costs:-					
Synod Employment Costs	122,700			122,700	120,800
Car & Travel Expenses	3,070			3,070	2,880
Miscellaneous	3,619			3,619	2,194
Depreciation	3,679		80	3,759	4,043
Loss on Disposal of Fixed Assets	165			165	467
Telephone	5,263			5,263	5,184
Stationery and Publications	1,832			1,832	1,681
Postage	922			922	671
Photocopier-Lease and Meter	786			786	641
Equipment and Consumable Costs	8,007			8,007	10,001
IT and Website	4,304			4,304	4,190
Catering	385			385	201
	<u>154,732</u>	<u>-</u>	<u>80</u>	<u>154,812</u>	<u>152,953</u>
Total Indirect Costs	<u>176,147</u>	<u>-</u>	<u>80</u>	<u>176,227</u>	<u>173,529</u>
	Total	Ministry & Mission	Training	Property	Governance
	£	£	£	£	£
Total Indirect Costs	176,147	24,661	15,853	133,872	1,761
% of Direct Costs	100%	14%	9%	76%	1%

The United Reformed Church (Southern Synod) Trust Limited
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Notes to the Financial Statements
for the Year Ended 31 December 2022

4 GRANTS

The following grants have been charged in furtherance of the charitable objects during the year:-

	Institutions		Individuals	
	Number	Amount £	Number	Amount £
Ministry and Mission:				
Other mission projects	6	28,319		
Ecumenical situations	3	2,860		
Local Church Missions	14	161,979		
Youth & Children's Work	1	10,000		
Welfare Grants			9	4,371
	24	203,158	9	4,371
Training:				
Ministers & lay preachers	-	-	13	29,054
Students	-	-	3	750
	-	-	16	29,804
Property:				
Local Churches	22	1,170,412	-	-
Manse	23	136,101	-	-
	45	1,306,513	-	-
Total Grants Charged	69	1,509,671	25	34,175

5 EMPLOYMENT EMOLUMENTS

	31.12.22	31.12.21
	£	£
Wages & salaries	245,743	247,157
Employers national insurance	30,500	28,573
Pension costs	80,498	81,607
	356,741	357,337

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

Ministry & Mission	1	1
Training	2	2
Property	2	2
Administration	3	3
	8	8

No employee received £60,000 per annum or more.

The United Reformed Church (Southern Synod) Trust Limited
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Notes to the Financial Statements
for the Year Ended 31 December 2022

6 TRUSTEES' REMUNERATION AND BENEFITS

The following honorarium, which is included in Trustees Expenses, was paid to a trustee during the year, in accordance with the governing document and approved by the Charity Commission:-

	31.12.22	31.12.21
	£	£
Mr J Denison (Synod Treasurer)	1,000	1,000
	<u>1,000</u>	<u>1,000</u>

During the year six trustees (2021: five) were reimbursed out of pocket expenses mainly for telephone costs and travelling totalling £768 (2021: £240). Three trustees (2021: two) were also paid a total of £2,902 (2021: £269) relating to their positions as stipendiary ministers, comprising training grants and reimbursement of ministerial expenses.

7 GAINS/(LOSSES) ON INVESTMENTS

	31.12.22	31.12.21
	£	£
Realised gains/(losses) on investments sold	(609,232)	65,132
Less: Gains/(losses) previously recognised in Synod accounts	(3,332,544)	(38,420)
Net gains/(losses) in year on investments sold	(3,941,776)	26,712
Unrealised gains/(losses) on investments for the year	(107,811)	2,882,278
Net gains/(losses) on Investments for the Year	<u>(4,049,587)</u>	<u>2,908,990</u>

8 MOVEMENT IN FUNDS

Fund:-		Balance 01.01.22	Income	Expenditure	Transfers between Funds	Gains/(losses) on Investments	Balance 31.12.22
		£	£	£		£	£
General Purposes	Unrestricted	13,108,731	9,953,603	(2,234,700)	-	(2,442,698)	18,384,936
	Endowment	487,349			-	(74,286)	413,063
Manse	Designated	12,331,691	1,279,065	(1,457,911)	-	(1,451,844)	10,701,001
Alfriston Mission Project	Designated	170,538			-		170,538
Synod Mission Fund	Designated	24,444			-		24,444
Fund held for Uniting	Designated	131,110			-		131,110
Church Building	Restricted	166	14,207	(900)	-		13,473
	Endowment	10,600			-	(2,586)	8,014
Welfare	Restricted	35,463	1,694	(4,371)	-	(4,493)	28,293
	Endowment	2,839			-	(693)	2,146
Retired Ministers' Housing	Restricted	311,578	5,665		-	(533)	316,710
	Endowment	177,000			-		177,000
Milton Hall	Restricted	114,832	8,957	(80)	-	(6,619)	117,090
	Endowment	256,391			-	(46,251)	210,140
Woolwich	Restricted	212,947	6,045		-	(19,584)	199,408
		<u>27,375,679</u>	<u>11,269,236</u>	<u>(3,697,962)</u>	<u>-</u>	<u>(4,049,587)</u>	<u>30,897,366</u>

The United Reformed Church (Southern Synod) Trust Limited
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Notes to the Financial Statements
for the Year Ended 31 December 2022

9 TANGIBLE FIXED ASSETS

	Fixtures,		Totals
	Property	Equipment	
	£	£	£
COST			£
At 1 January 2022	299,496	27,667	327,163
Additions in year		1,995	1,995
Disposals in year		(1,503)	(1,503)
At 31 December 2022	299,496	28,159	327,655
4,622,313			
DEPRECIATION			
At 1 January 2022	-	22,940	22,940
Charge for period	-	3,759	3,759
Eliminated for disposals	-	(1,107)	(1,107)
At 31 December 2022	-	25,592	25,592
NET BOOK VALUE			
At 31 December 2022	299,496	2,567	302,063
At 31 December 2021	299,496	4,727	304,223

10 FIXED ASSET LISTED INVESTMENTS

	UNRESTRICTED FUNDS		RESTRICTED FUNDS		TOTALS
	Fixed Interest	UK	Fixed Interest	UK	
	Securities	Equities Fund	Securities	Equities Fund	
	£	£	£	£	£
As at 1 January 2022	3,762,338	20,515,368	134,967	370,515	24,783,188
Purchases	7,362,813	21,688,535	102,316	315,310	29,468,974
Sales	(5,800,511)	(21,740,382)	(134,967)	(370,514)	(28,046,374)
Net gains/(losses) fair value	(99,414)	(15,493)	(275)	7,371	(107,811)
	5,225,226	20,448,028	102,041	322,682	26,097,977
Cash held for Investment	280,586				280,586
Fair Value at 31 December 2022	5,505,812	20,448,028	102,041	322,682	26,378,563
Cost at 31 December 2022	5,309,727	20,257,866	102,316	315,310	25,985,219

All investment funds are held in the UK and are held in the Affirmative Common Investment Funds.

The United Reformed Church (Southern Synod) Trust Limited
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Notes to the Financial Statements
for the Year Ended 31 December 2022

11 SOCIAL INVESTMENTS

	31.12.22	31.12.21
	£	£
Loans to Local Churches	<u>95,816</u>	<u>102,370</u>

Loans made to local churches and ministers are normally repayable between three and five years and interest is charged at 5% per annum on the outstanding balance.

12 DEBTORS

	31.12.22	31.12.21
	£	£
Sundry debtors	<u>76,171</u>	<u>34,893</u>

13 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.22	31.12.21
	£	£
Other creditors	334,354	67,854
Grants not drawn	<u>1,306,323</u>	<u>2,592,781</u>
	<u>1,640,677</u>	<u>2,660,635</u>

14 CREDITORS: AMOUNTS FALLING DUE OUTSIDE ONE YEAR

	31.12.22	31.12.20
	£	£
Contribution to Ministers' Pension Fund	1,370,205	2,786,607
	<u>1,370,205</u>	<u>2,786,607</u>

15 DISPOSITION OF FUNDS AS AT 31 December 2022

Fund:-		Tangible Fixed Assets £	Investments £	Social Investments £	Debtors/ Creditors £	Cash & Deposits £	TOTALS £
General Purposes	Unrestricted	227,342	15,919,045	95,816	(2,479,580)	4,622,313	18,384,936
	Endowment		413,063				413,063
Manse	Designated	74,721	9,193,570		(26,970)	1,459,680	10,701,001
Alfriston Mission Project	Designated					170,538	170,538
Synod Mission Fund	Designated		428,161		(428,161)	24,444	24,444
Fund held for Uniting Churches	Designated					131,110	131,110
Church Building	Restricted Endowment		8,014			13,473	13,473 8,014
Welfare	Restricted Endowment		25,996 2,146			2,297	28,293 2,146
Retired Ministers' Housing	Restricted Endowment		1,652			315,058 177,000	316,710 177,000
Milton Hall	Restricted Endowment		44,660 210,140			72,430	117,090 210,140
Woolwich	Restricted		132,116			67,292	199,408
		<u>302,063</u>	<u>26,378,563</u>	<u>95,816</u>	<u>(2,934,711)</u>	<u>7,055,635</u>	<u>30,897,366</u>

The United Reformed Church (Southern Synod) Trust Limited
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Notes to the Financial Statements
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16 PENSION SCHEME

During the year, the United Reformed Church (Southern Synod) Trust contributed £80,498 (2021: £81,607) to The United Reformed Church Final Salary Scheme, a pension scheme principally for lay staff which is administered by TPT Retirement Solutions Trust (formerly The Pensions Trust). The scheme is a defined benefit scheme but the Trust is unable to identify its share of the underlying assets and liabilities – each member in the scheme pays a common contribution rate.

The most recent formal actuarial review of the scheme was at 30 September 2020, when the scheme had a surplus of £2,689,000. The assumptions underlying that valuation include:

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

The scheme was closed to future accrual on 28 February 2023. A new defined contribution scheme has been set up and staff will be moved to this scheme.

17 COMMITMENTS

Property

The office forms part of a property registered in the name of the United Reformed Church (Southern Synod) Trust Limited and held on statutory trusts in favour of East Croydon United Reformed Church. Under an informal agreement, the Trust company pays rent of £18,000 to the local church for the use of the Synod offices.

Contributions to the URC Ministers' Pension Scheme

The pension scheme for ministers, run nationally as a central function of the United Reformed Church, has been in deficit for some years despite several attempts to resolve the underfunding based on the valuation approach required of the scheme actuaries. Due to the structure of the national church and ministerial appointments there is no legal obligation for the Trust but all of the regional and national bodies have been approached and there is wide acceptance that there is a moral obligation at the synod level and that such support does fall within the charitable purposes of the Trust. At the balance sheet date, a commitment of £3,000,000 to be paid by 2024 and this is included in long-term creditors. A further £3 million has been offered if a review in 2024/5 indicates it is required and this would be due in the period 2025 to 2030. This is not a firm commitment and therefore no provision is included in the financial statements for this additional sum..

Church Grant Funding

The Synod Trust has agreed a sum of up to £55,000 as possible further funding of a church rebuilding project in Eastbourne. This is 50% of the maximum possible shortfall on the project with the remaining 50% being guaranteed by the partner denomination. The Trustees are hopeful that alternative funding will be found and this guarantee will not be required so no provision has been made in the financial statements.

18 CONTINGENT ASSETS

At the year end, the property of three churches, held on Statutory Trusts in accordance with the United Reformed Church Acts of 1972, 1981 and 2000 by the company, were held following the church's closure. The proceeds will revert to Synod on the sale in accordance with the Statutory Trusts on which the property are held. Professional advice is being sought prior to disposal.

The United Reformed Church (Southern Synod) Trust Limited
(A Company Limited by Guarantee)

Notes to the Financial Statements
for the Year Ended 31 December 2022

19 COMPARATIVE ANALYSIS BY FUND

The key components from the prior year figures are analysed below by fund:-

	2021			
	Unrestricted Funds		Restricted Funds	Total Funds
	General Purposes Funds £	Designated Funds £	Funds £	£
INCOME AND ENDOWMENTS:				
Income from Investments	456,493	404,570	12,953	874,016
Income from charitable activities				
Donations and Legacies	80,608	51,599	650	132,857
Other Income	250,184	-	-	250,184
Total operating income	787,285	456,169	13,603	1,257,057
 Income on sale of properties	5,326,500	750,000	-	6,076,500
Lease Premiums Received	31,942			31,942
Profit/(Loss) on sale of properties	-		197,500	197,500
	6,145,727	1,206,169	211,103	7,562,999
Total Income and Endowments				
EXPENDITURE				
Expenditure on Charitable Activities	762,258	1,105,647	10,483	1,878,388
Total operating expenditure	762,258	1,105,647	10,483	1,878,388
 Payment to Inter-Synod Resource Sharing	35,000	-	-	35,000
 Contribution to the Ministers' Pension Fund	5,000,000	-	-	5,000,000
 Purchase of Manse	-	583,000	-	583,000
Total Expenditure	5,797,258	1,688,647	10,483	7,496,388
 Net Expenditure on Operating Account	25,027	(649,478)	3,120	(621,331)
Net Income/(Expenditure)	348,469	(482,478)	200,620	66,611
 Transfers between Funds	1,070,189	(1,070,189)	-	-
 Other Recognised Gains/(Losses)				
Net (Losses)/Gains on Investments	1,738,574	1,124,225	46,192	2,908,991
Net movement in funds	3,157,232	(482,478)	246,812	2,975,602
 Total funds brought forward	10,438,848	13,086,225	875,004	24,400,077
Total funds carried forward	13,596,080	12,603,747	1,121,816	27,375,679