

**THE CRISTADELPHIAN HALL & BUILDINGS SOCIETY,
BIRMINGHAM**

**TRUSTEES' AND DIRECTORS' REPORT
AND UNAUDITED FINANCIAL STATEMENTS**

31 DECEMBER 2021

(Registered Company Number: 00113912)

(Registered Charity Number: 702637)

REFERENCE AND ADMINISTRATIVE INFORMATION

Charity name	The Christadelphian Hall & Buildings Society, Birmingham, also known as CHBS
Charity registration number	702637 (England and Wales)
Company registration number	00113912 (England and Wales)
Registered and principal office	12 Rosafeld Avenue Halesowen West Midlands B62 9BU
Trustees and Directors	A T Collinge - Secretary D C Gouldingay – Treasurer S J Ashton A S Firth M G Green S P Griffiths (appointed 12 July 2021) K H Rawlings J Thompson
Bankers	HSBC plc 130 New Street Birmingham B2 4JU
Solicitors	Shakespeare Martineau LLP 1 Colmore Square Birmingham B4 6AA
Investment adviser	Portcullis Financial Planning Limited Wassell Grove Business Centre Wassell Grove Lane Stourbridge DY9 9JH
Independent examiner	Karen Hanlan Independent Examiner Limited 12 Waterloo Close Wellesbourne Warwick CV35 9JG

TRUSTEES' AND DIRECTORS' REPORT

The Directors have pleasure in presenting their annual report and the financial statements of The Christadelphian Hall & Buildings Society, Birmingham for the year ended 31 December 2021.

All Directors of the Society are also Trustees for the purposes of charity law; accordingly, in this report and in the financial statements "Trustees" means both Trustees and Directors.

This report and the accompanying financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statements and comply with the Society's 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 Standards applicable in the UK and Republic of Ireland, Charities SORP (FRS 102) (second edition – October 2019).

Structure, Governance and Management

The Christadelphian Hall & Buildings Society, Birmingham is a company limited by shares with charitable status. It has a Board of eight Trustees who are responsible for the governance of the charity in accordance with the Charities Act 2011 and under the Society's governing document, Articles of Association, prepared in accordance with the Companies Act 2006. The governing document was last amended on 15 February 2021.

Trustees are typically elected for a three-year period by the Society's members having regard to their professional skills and experience. A further Trustee was added during the year to support a growing number of enquiries about making gifts in kind of ecclesial halls to the Society. When a vacancy on the Board arises, nominations for a replacement may be made either by the other Trustees or by members for election at the next Annual General Meeting.

By way of training, all Trustees are encouraged to read relevant available literature on charity law, practices and accounting including updates published by the Charity Commission on its website. New Trustees are additionally encouraged to attend Trustee meetings as observers for a period of up to six months before taking office. Relevant training courses are also encouraged including a small amount of training arranged in-house.

Day to day running of the charity is delegated by the Trustees to the Secretary, Andrew Collinge, who is assisted in overseeing the charity's operations and finances by the Treasurer, David Gouldingay and, following his appointment in the year, Bro Simon Griffiths. Internal controls appropriate to the size of the charity are exercised, including division of duties (to the extent feasible) and an internal audit is undertaken annually by one of the Trustees.

The principal risks to which the charity is exposed, as identified by the Trustees, have been reviewed and systems or procedures have been established to manage those risks. These risks are primarily financial risks arising from the management of the charity's loan book, treasury operations and properties and from compliance with the Financial Conduct Authority consumer credit rules to which the Society is subject.

The Trustees meet at least four times a year (at present using the Zoom online platform) and, between regular meetings, remain in regular communication with the Secretary and Treasurer over new loan and grant applications and any other business arising.

Objectives and Activities

The objects of the charity are to promote and advance the religious work of the Christadelphian community for the public benefit, in particular through the provision or purchase of properties, and the lending or granting of funds towards the cost of purchase, building or maintaining premises and land, in each case for the use of the Christadelphian community in providing access for the public to worship and Bible-based preaching and teaching.

TRUSTEES' AND DIRECTORS' REPORT – continued

The Trustees review activities each year to ensure the charity remains focused upon delivering its stated objects for the public benefit.

Public Benefit Compliance Statement

In the exercise of their powers and duties for the Society's charitable objectives the Trustees have reviewed and had regard to the Charity Commission general guidance on public benefit.

The grants, concessionary loans and rent-free property provided by the charity continue to benefit the access of the general public, regardless of race, religion, gender, ethnic or social background, to the Bible-based worship, teachings and Christian love of the Christadelphian community throughout the UK and, to a lesser extent, overseas. These help to promote a fuller understanding of the human condition, relative to the eternal things of God, and serve to provide members of the public with direction, balance and purpose in today's complex world.

Supervision by the Financial Conduct Authority

The charity is supervised by the Financial Conduct Authority ("FCA"), the regulatory body responsible for consumer credit, and is registered under FRN 722793.

Achievements and Performance

The way applications arise for financial support makes it difficult for the Trustees to set meaningful objectives against which performance can be measured. However, an annual budget is prepared and, as applications arise, the Trustees respond promptly other than where policy decisions arise which require the decision of a full meeting of the Trustees.

The provision of this support helps to ensure that appropriate premises remain available for promoting and advancing the religious work of the Christadelphian community.

During the year donations included an exceptional gift of £585,724 arising from the sale of an ecclesial hall. In order to ensure that funds were put to prompt use in promoting and advancing the religious work of the Christadelphian community, just before the year end the Trustees (having consulted to the donor) approved grants totalling £543,182 for payment to other Christadelphian charities in connection with their allied charitable objects. These donations appear in creditors at 31 December 2021 and will be paid in 2022, God willing.

One new loan for £45,000 was advanced to an ecclesia in the year (2020 – Nil) whilst new grants from unrestricted funds (including the above provision of £543,182) were made with a total value of £627,446 (2020 - £51,697). Additionally, one grant for £1,308 (2020 - £8,000) was made out of restricted funds. Loan repayments amounted to £23,915 (2020 - £43,784). All ecclesial applications received, falling within the charity's current lending and grant-making criteria, were responded to and met either in full or in part.

One ecclesial property held for many years was vacated, reclassified as investment property and sold during the year. Having been held for many decades by the Society at nil book cost, its sale resulted in a net gain of £258,901 (2020 – gain £9,316).

At the year end the Society owned 4 (2020 - 5) fixed asset properties, provided rent-free to their ecclesial occupiers under its charitable objects. During the year one new property gift in kind was received but then vacated at the end of the year and reclassified as an investment property at the balance sheet date. A further property (see foregoing paragraph) was vacated, reclassified as an investment property and sold. The Society has again been in discussion with a number of ecclesias expressing interest in gifting ecclesial halls to the Society for nil consideration and then leasing back these halls, for continued ecclesial use, on a rent-free basis. Discussions have also been held with ecclesias contemplating closure and possible property gifts to the Society.

TRUSTEES' AND DIRECTORS' REPORT – continued

This interest of some ecclesias in making such property gifts is driven by two main factors:

(1) a shortage of willing property holding trustees; and (2) an ageing membership which foresees ecclesial closure within the medium term, so wishes to protect property proceeds from tax risks for the long-term benefit of the Christadelphian community.

At 31 December 2021 4 (2020 – 3) such proposed hall gifts are at a sufficiently advanced stage to warrant noting as Contingent Assets in Note 17 to the Financial Statements.

At the end of the year the charity had outstanding loans to Christadelphian ecclesias of £108,509 (2020 - £87,424).

Financial Review

The charity receives regular voluntary income donations, including periodic legacies or other lump sums, together with investment income. During 2021 the charity received unrestricted donations of £685,863 (2020 - £21,569), including two exceptional donations in excess of £10,000 totalling £666,099 (2020 - one for £21,375). No restricted donations were received in the year (2020 – one for £8,000). The charity has no employees (2020 - Nil) and no emoluments were paid to the Trustees during the year (2020 – Nil).

Income and expenditure

Net income for the year was £34,418 (2020 – net expenditure £35,894) and there were net realised and unrealised gains on investments of £286,712 (2020 - £2,850). This included an exceptional gain on sale of an investment property of £258,901 (2020 - £6,316). This resulted in a total increase in unrestricted funds of £321,068 (2020 – reduction £35,050) and a total increase in restricted funds of £62 (2020 – £2,006).

The Society is prohibited by its Articles of Association from paying dividends.

Transfers between reserves

There were no transfers to or from restricted income funds during the year (2020 – none). Transfers between the unrestricted general fund and the unrestricted revaluation reserve are set out in note 15 to the financial statements and amounted to £18,506 to revaluation reserve (2020 - £2,432 from revaluation reserve). In the year £87,513 was also transferred to the restricted non-distributable reserve from unrestricted general fund in relation to a property gift received in the year, since available for resale. In 2020 £74,901 was transferred from the unrestricted non-distributable reserve to unrestricted general fund when a property gift in kind was sold.

Reserves policy

General reserves are required to fund (a) the charity's core loan-making activities, which may be up to £300,000 and (b) up to three years' running costs of around £390,000, which include grant-making payments. Reserves in excess of this level are applied to making further grants, which meet the grant-making criteria of the Charity Commission and the charity, at the earliest practicable date. Free reserves, currently of £797,906 (being the general fund of £803,714 less the value of land and buildings £5,808) (2020 - £582,857) exceed this amount and Trustees have plans in place to reduce these levels as appropriate grant applications are forthcoming.

Transfers from restricted income funds to unrestricted income funds are only made when the conditions imposed by the relevant donor have been met. Gains arising from property gifts in kind to the charity are transferred to the non-distributable reserve until realised. New property gifts in kind are valued in the accounts after deducting from current professional valuation net present value discounts relative to the estimated future dates on which values can be realised in cash. In such cases, any future annual reductions in discount are treated as revaluation gains.

TRUSTEES' AND DIRECTORS' REPORT – continued

The amounts of restricted, unrestricted and non-distributable reserves held at the end of the year are respectively set out in notes 14 and 15 to the financial statements.

Investment properties held for resale

Investment properties periodically held for resale derive from gifts in kind to the charity and are marketed for onward sale at the time, and in the manner, recommended by professional advisers.

Investment policy and returns

Investments are managed by the Trustees in conjunction with Portcullis Financial Planning Ltd, of which Mr J Thompson (a Trustee of the Society) is the Managing Director. Fees payable to Portcullis Financial Planning Limited for professional services are disclosed in note 20 to the financial statements.

Investments are held in medium term balanced risk investments, for funds not required in the short term, and in fixed interest term deposits or interest-bearing instant access bank accounts, for other funds, so that approved new loans and grants can be paid promptly.

Net assets

At 31 December 2021, the Society held net assets of £1,105,138 (2020 - £784,008) available for appropriate ongoing charitable activities, subject to the donor restrictions set out in note 14 to the financial statements.

The year ahead

Based on its financial forecasts the Trustees anticipate having sufficient financial resources to continue delivering the Society's charitable objects, God willing.

Fixed Assets: Programme Related Investments

Programme related investments are carried in the financial statements at either the FRS102 value gifted or the amount paid less, in the case of concessionary loans, repayments received, and less any impairment arising. In the opinion of the Trustees no such impairment had arisen at 31 December 2021 (2020 – Nil).

Responsibilities of the Trustees

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 as at the balance sheet date and of its income and expenditure for the financial year. In preparing those financial statements, the Trustees should follow best practice and:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on a going concern basis unless it is not appropriate to assume that the company will continue on that basis.

The Trustees are responsible for maintaining 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. The Trustees 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.

TRUSTEES' AND DIRECTORS' REPORT – continued

Trustees and their Share Interests

The Trustees who held office during the year and their beneficial share interests (including family interests) at the end of the year were as follows:

	Ordinary shares of £1 2021	Non-voting directors' shares of £1 2021	Ordinary shares of £1 2020	Non-voting directors' share of £1 2020
A T Collinge	12	305	12	348
S J Ashton	11	304	12	348
A S Firth	11	304	12	347
D C Gouldingay	11	304	12	347
M G Green	11	304	12	347
S P Griffiths (appointed 12 July 2021)	11	304	-	-
K H Rawlings	11	304	12	348
J Thompson	11	304	12	348

The company's Articles of Association require each Trustee to own a minimum share qualification of 5 Ordinary shares of £1 each.

None of the Trustee-owned shares have any dividend or capital entitlements so are of no economic value to their holders.

Trustees and their Share Interests - continued

The Trustees approaching the conclusion of their three-year appointments under the Society's governing document are Mr K H Rawlings and Mr J Thompson who will offer themselves for re-election at the 2022 Annual General Meeting, God willing.

Small company provisions

This report has been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies' regime.

This report was approved by the Board on 31 January 2022 and signed on its behalf by:



A T Collinge
Secretary

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES AND DIRECTORS OF THE CHRISTADELPHIAN HALL & BUILDINGS SOCIETY, BIRMINGHAM ('the Company')

I report to the charity trustees on my examination of the financial statements of the Company for the year ended 31 December 2021, which are set out on pages 9 to 20.

Responsibilities and basis of report

As the charity's Trustees of the Company (and also its Directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the financial statements are not required to be audited under part 16 of the 2006 Act and are eligible for Independent Examination, I report in respect of my examination of your charity's financial statements as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent Examiner's statement

I have completed my examination. I can confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

- (1) accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
- (2) the financial statements do not accord with those records; or
- (3) the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the financial statements give a 'true and fair view' which is not a matter considered as part of an independent examination; or
- (4) the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.



Karen Hanlan, ACA
12 Waterloo Close
Wellesbourne
Warwick
CV35 9JG

Date: 31-1-2022

STATEMENT OF FINANCIAL ACTIVITIES
including Income and Expenditure Account
for the year ended 31 December 2021

	Note	Unrestricted funds £	Restricted funds £	Total 2021 £	Unrestricted funds £	Restricted funds £	Total 2020 £
Income from:							
Donations and legacies	2	685,863	-	685,863	21,569	8,000	29,569
Charitable activities:							
- Insurance recharges receivable		5,357	-	5,357	5,097	-	5,097
Investments:							
- Bank interest receivable		92	1,370	1,462	532	2,006	2,538
- Dividends and other bonuses receivable		2,224	-	2,224	2,378	-	2,378
- Rent receivable		20	-	20	20	-	20
Total income		693,556	1,370	694,926	29,596	10,006	39,602
Expenditure on:							
Cost of raising funds							
- Investment managers fees		1,896	-	1,896	1,742	-	1,742
Charitable activities:							
- Grants payable	3	627,446	1,308	628,754	51,697	8,000	59,697
- Insurance premium payable		5,357	-	5,357	5,097	-	5,097
- Support costs	4	24,501	-	24,501	8,960	-	8,960
Total expenditure		659,200	1,308	660,508	67,496	8,000	75,496
Net income/(expenditure) before investment gains		34,356	62	34,418	(37,900)	2,006	(35,894)
Net gains on investments		286,712	-	286,712	2,850	-	2,850
Net income/(expenditure) and net movement in funds		321,068	62	321,130	(35,050)	2,006	(33,044)
Reconciliation of funds:							
Total funds brought forward		613,116	166,892	780,008	648,166	164,886	813,052
Total funds carried forward		934,184	166,954	1,101,138	613,116	166,892	780,008

The statement of financial activities is not materially different from the income and expenditure account required by the Companies Act 2006; accordingly, no separate income and expenditure account is presented.

There are no recognised gains and losses for the current or prior financial years other than as stated above. Accordingly, no statement of total recognised gains and losses has been prepared.

All of the activities of the company are continuing.

Company Registration Number: 00113912

BALANCE SHEET
at 31 December 2021

	Note	2021 £	2020 £
FIXED ASSETS			
Programme related Investments:			
Land and buildings	6	5,808	5,808
Loans	7	108,509	87,424
Investments:			
Quoted	8	196,951	175,141
Bank term deposit	9	-	85,000
		<u>311,268</u>	<u>353,373</u>
CURRENT ASSETS			
Investment property	10	93,400	-
Debtors	11	19,479	3,120
Bank term deposit		85,000	85,000
Cash at bank		1,142,634	343,865
		<u>1,340,513</u>	<u>431,895</u>
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	12	546,643	1,350
NET CURRENT ASSETS		<u>793,870</u>	<u>430,635</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,105,138</u>	<u>784,008</u>
THE FUNDS OF THE CHARITY			
Called up share capital	13	4,000	4,000
Accumulated income funds:			
Restricted funds	14	166,954	166,892
Unrestricted funds:			
General fund	15	803,714	588,665
Revaluation reserve	15	42,957	24,451
Non-distributable reserve	15	87,513	-
Total unrestricted funds		<u>934,184</u>	<u>613,116</u>
TOTAL CHARITABLE FUNDS		<u>1,105,138</u>	<u>784,008</u>

Audit Exemption Statement

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2021.

The members have not required the charitable company to obtain an audit of its financial statements for the year ended 31 December 2021 in accordance with Section 476 of the Companies Act 2006. However, in accordance with section 145 of the Charities Act 2011 the financial statements have been examined by an independent examiner whose report appears on page 8.

BALANCE SHEET

At 31 December 2021 - continued

The Trustees acknowledge their responsibilities for:

- (1) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006; and
- (2) 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 provisions of Part 15 of the Companies Act 2006 applicable to companies subject to the small companies' regime.

The financial statements were approved by the Board of Trustees on 31 January 2022 and were signed on its behalf by:

D C Gouldingay



D C Gouldingay

Director

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2021

1. ACCOUNTING POLICIES

Legal Status of the Charity

The Christadelphian Hall & Buildings Society, Birmingham is a company limited by shares registered in England and Wales and a charity registered with the Charity Commission in England and Wales.

Basis of Preparation

These financial statements have been prepared in accordance with the 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, Charities SORP (FRS102) (second edition – October 2019). The detailed accounting policies in use are described below:

The charity meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes. Management judgements about the net present value of certain property gifts in kind may significantly affect gift values recognised in the financial statements – see Gifts in kind below.

The charity maintains financial forecasts which indicate that it will have sufficient resources to meet its liabilities as they fall due and, on that basis, the Trustees are satisfied it is appropriate to prepare the financial statements on a going concern basis.

Recognition of Income

All income is included in the Statement of Financial Activities when the charity is legally entitled to the income, its receipt is probable and the amount can be measured reliably.

Investment income receivable is allocated between restricted and unrestricted funds by reference to the individual income-producing assets which make up those funds.

Gifts in kind

Fixed and current assets donated for use by the charity are recognised as income at their current value when receivable. The external valuations of some gifts are discounted to net present value relative to future dates, either 5 or 25 years ahead, when management estimates that realisation will take place. Investment properties held for onward sale are stated at independently advised selling prices less estimated acquisition costs and estimated disposal costs still to be incurred. Unrealised gains on fixed and current assets are transferred to a non-distributable reserve until realisation takes place.

The charity's balance sheet includes freehold land and buildings which were valued at their cost to the charity prior to the adoption of the present accounting policy. Their value has not been restated as the Trustees consider that the cost of ascertaining their values, when gifted long ago, is not justified by the additional benefit such information would provide to users of the financial statements.

Recognition of Expenditure

Expenditure is included in the Statement of Financial Activities on an accruals basis when, and to the extent that, a liability, legal or constructive, is incurred and can be reliably measured.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2021

1. ACCOUNTING POLICIES - continued

Recognition of Expenditure - continued

A constructive liability for a grant is considered to have been incurred when a grant offer has been issued to the recipient ecclesia and all grant conditions have been satisfied.

Fixed Assets Investments: Programme Related Investments

Programme related investments are made to further the objects of the charity and not for financial return. They comprise freehold properties held by the charity, let rent-free to an occupying Christadelphian ecclesia as part of the charity's primary work, and concessionary loans to Christadelphian ecclesias for the acquisition, repair or improvement of premises and land for use by the Christadelphian community. Concessionary loans are unsecured and interest-free and are repayable within a 12 (2020 - 12) year period from inception. Programme related investments are measured in the balance sheet at the amount paid or FRS102 value gifted less, in the case of concessionary loans, repayments received, and less any impairment arising.

Investments

Investment properties held for onward sale are stated at their net realisable value on the balance sheet. Where these properties derive from gifts in kind, unrealised gains are transferred to a non-distributable reserve.

Investments in quoted assets are stated at their fair value on the balance sheet date. Gains or losses on revaluation and investment assets disposals are shown in the Statement of Financial Activities. Unrealised gains are transferred to the revaluation reserve.

Long term investments are classified as fixed assets. Short term investments are classified as current assets.

Fund Accounting

Funds which may be used in accordance with the charity's objects, at the discretion of the Trustees, are held in unrestricted income funds. Restricted funds may only be used for the purpose specified by the donor within the objects of the charity.

Cash at Bank

Cash at bank includes instant access deposit accounts and, unless shown separately on the balance sheet, term deposits maturing within 12 months of the balance sheet date.

Creditors and Provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount required to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amounts after allowing for any trade discounts due.

Financial Instruments

The charity's financial assets and liabilities all qualify as basic financial instruments.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2021

2. DONATIONS AND LEGACIES

	Unrestricted funds	Restricted funds	Total 2021	Unrestricted funds	Restricted funds	Total 2020
	£	£	£	£	£	£
These arose from the following sources:						
Thornton Heath Ecclesia - on closure and hall sale	585,724	-	585,724	-	-	-
Seaton Ecclesia – hall gift for leaseback at peppercorn rent	80,374	-	80,374	-	-	-
Halifax (Salterhebble) – on closure and hall sale	-	-	-	21,375	-	21,375
Lincoln Ecclesia - on closure and hall sale	10,000	-	10,000	-	-	-
Nelson Ecclesia - on closure and hall sale	9,758	-	9,758	-	-	-
Donation from a Trust	-	-	-	-	8,000	8,000
Total under £5,000	7	-	7	194	-	194
	<u>685,863</u>	<u>-</u>	<u>685,863</u>	<u>21,569</u>	<u>8,000</u>	<u>29,569</u>

3. CHARITABLE ACTIVITIES - GRANTS PAYABLE

	Unrestricted funds	Restricted funds	Total 2021	Unrestricted funds	Restricted funds	Total 2020
	£	£	£	£	£	£
Grants to institutions for the acquisition, repair or improvement of ecclesial premises and land comprised:						
Exceptional grants to other Christadelphian charities	543,182	-	543,182			
Christadelphian Bible Mission – overseas ecclesias (Africa)	34,564	-	34,564	25,000	-	25,000
Ashton-under-Lyne Ecclesia	15,000	-	15,000	-	-	-
Hereford Ecclesia	8,000	-	8,000	-	-	-
Bedford Ecclesia	-	-	-	-	8,000	8,000
Bournville Ecclesia	7,500	-	7,500	-	-	-
Bracknell Ecclesia	7,500	-	7,500	-	-	-
Asia-Pacific Christadelphian Bible Mission Inc	5,200	-	5,200	-	-	-
Casino Ecclesia, Australia	-	-	-	7,500	-	7,500
Newport Ecclesia	-	-	-	7,500	-	7,500
Llanelli Ecclesia	-	-	-	5,867	-	5,867
Christadelphian Benevolent Fund	5,000	-	5,000	-	-	-
Yeovil Ecclesia	-	-	-	3,130	-	3,130
Wigan Ecclesia	1,500	-	1,500	2,700	-	2,700
Northampton Ecclesia	-	1,308	1,308	-	-	-
	<u>627,446</u>	<u>1,308</u>	<u>628,754</u>	<u>51,697</u>	<u>8,000</u>	<u>59,697</u>

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2021

4. SUPPORT COSTS

	2021	2020
	£	£
Legal and professional expenses (see note below)	19,376	4,246
Financial conduct authority – compliance advice	1,440	1,440
Independent examiner's costs	1,600	1,350
Trustee expenses	159	238
Trustee indemnity and personal accident insurance	712	712
Financial Conduct Authority: annual fee	836	400
Miscellaneous expenses	378	574
	<u>24,501</u>	<u>8,960</u>

2021 legal and professional expenses included £4,387 relating to an ecclesial property gift that the ecclesia withdrew from in the closing stages. £4,012 was also expended on a separate gift and leaseback transaction where the ecclesia was unable to continue but instead hopes to make a property gift for resale to the Society in future.

5. TRUSTEES, DIRECTORS AND EMPLOYEES

The company has no employees. All members of the board act in an unpaid capacity so none of the Trustees and Directors received any remuneration for the year (2020 - Nil).

No expenses were claimed by any Trustee with the exception of secretarial expenses and/or travelling expenses incurred by and reimbursed or accrued for reimbursement to: A T Collinge £89 (2020 - £69); D C Gouldingay £70 (2020 - £73); and M G Green Nil (2020 - £96).

6. FIXED ASSETS INVESTMENTS - PROGRAMME RELATED INVESTMENTS:
LAND AND BUILDINGS

	2021	2020
	£	£
Programme related investments: land and buildings comprise the following freehold properties let at peppercorns rents to:		
Bournville Ecclesia, Birmingham	2,232	2,232
Brislington Ecclesia, Bristol – vacated and sold in 2021	-	-
East Ham Ecclesia, London	1,286	1,286
Kings Heath Ecclesia, Birmingham	-	-
Old Trafford Ecclesia, Manchester	2,290	2,290
Cost at 31 December	<u>5,808</u>	<u>5,808</u>
Impairment at 31 December	-	-
Net book value at 31 December	<u>5,808</u>	<u>5,808</u>

Freehold buildings are insured by the charity, the relevant proportion of the premium being recharged at cost to each occupying ecclesia.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2021

7. FIXED ASSETS INVESTMENTS - PROGRAMME RELATED INVESTMENTS:
CONCESSIONARY LOANS

Programme related investments: concessionary loans comprise advances made to ecclesias for the acquisition, repair or improvement of premises and land for use by the Christadelphian Community. Loans are unsecured and interest-free and repayable within a period of up to twelve years from inception. Movements in the year were as follows:

	2021	2020
	£	£
Loans at 1 January	87,424	142,905
New loans advanced	45,000	-
	<u>132,424</u>	<u>142,905</u>
Less:		
- New or existing loans repaid	23,915	43,784
- Loans waived by CHBS – treated as additional grants	-	11,697
Loans at 31 December	<u>108,509</u>	<u>87,424</u>
Outstanding loans at year end:		
Ashton-under-Lyne Ecclesia	45,000	-
Barton-under-Needwood Ecclesia	6,500	8,500
Birmingham, Kings Heath Ecclesia	34,200	39,300
Maidenhead Ecclesia	7,200	9,600
Manchester, Old Trafford Ecclesia	9,200	15,367
Nottingham (South) Ecclesia	3,909	6,657
Wellington Ecclesia, New Zealand	2,500	8,000
	<u>108,509</u>	<u>87,424</u>

£12,615 (2020 - £16,015) is due for repayment within 12 months of the balance sheet date.

At 31 December 2021 the charity had committed Nil (2020 – £45,000) to new ecclesial loan advances, subject to contract, and accordingly not taken up at the reporting date.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2021

8. FIXED ASSET INVESTMENTS: QUOTED INVESTMENTS

	2021 £	2020 £
Market value at start of year	175,141	180,970
Acquisitions at cost	2,224	2,379
Disposal proceeds	(1,896)	(1,742)
Realised gains/(losses)	-	-
Unrealised (losses)/ gains	21,482	(6,466)
Market value at end of year	<u>196,951</u>	<u>175,141</u>
Historic cost of investments held at year end	<u>154,958</u>	<u>154,578</u>
The investment portfolio comprises:		
Equity income funds	74,224	61,382
Managed growth bonds	66,755	62,534
Property bonds	55,972	51,225
	<u>196,951</u>	<u>175,141</u>

9. FIXED ASSET INVESTMENTS: BANK TERM DEPOSIT

	£	£
Maturing on 13 October 2022	-	85,000
	<u>-</u>	<u>85,000</u>

10. INVESTMENT PROPERTY

	£	£
Held for resale	93,400	-
	<u>93,400</u>	<u>-</u>

11. DEBTORS

	£	£
Prepaid acquisition costs – programme related investments	19,248	2,274
Accrued income - interest on deposits	231	755
Sundry debtor – insurance refund	-	91
	<u>19,479</u>	<u>3,120</u>

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	£	£
Other creditors (including grants £543,182 – 2020 Nil)	546,643	1,350
	<u>546,643</u>	<u>1,350</u>

13. SHARE CAPITAL

	£	£
Authorised, called up, allotted and fully paid:		
1,567 Ordinary shares of £1 each	1,567	1,567
2,433 Non-voting directors' shares of £1 each	2,433	2,433
	<u>4,000</u>	<u>4,000</u>

None of the shares are dividend-bearing.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2021

14. RESTRICTED FUNDS

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and legacies held on trust for specific purposes:

	Opening balance £	Movement in funds			Closing balance £
		Income £	Expenditure £	Transfers £	
Donation – former Tenby Ecclesia	94,388	775	-	-	95,163
Legacy A - Anonymous	62,927	517	-	-	63,444
Legacy B - Anonymous	9,577	78	(1,308)	-	8,347
	166,892	1,370	(1,308)	-	166,954

The restricted donation from the former Tenby Ecclesia is conditional upon a grant of up to £90,000 (plus net income) being made available by the charity, within its objects, towards the property needs of any recognised new Christadelphian ecclesia that may in future be established in a donor-prescribed area on or before 30 April 2029. Should such grant be required £20,000 would be payable after 60 days, a further £20,000 after 6 months and the balance of £50,000 (plus any net income) after 2 years. With effect from 1 May 2029 any unused funds will be transferable to unrestricted income funds.

Restricted legacy A is conditional upon a grant of up to £60,000 (plus net income) being made available by the charity, within its objects, towards the property needs of any recognised Christadelphian ecclesia that may in future be established in an estate-prescribed area on or before 31 March 2025. Should such grant be required £20,000 would be payable after 60 days, a further £20,000 after 6 months and the balance of £20,000 (plus any net income) after 2 years. With effect from 1 April 2025 any unused funds will be transferable to unrestricted income funds.

Restricted legacy B is conditional upon a grant of up to £9,130 (plus net income) being made available by the charity, within its objects, towards the property needs of a prescribed Christadelphian ecclesia before 24 May 2022. With effect from 25 May 2022 any unused funds will be transferable to unrestricted income funds.

15. UNRESTRICTED FUNDS

<i>31 December 2021</i>	Opening balance £	Income £	Expenditure £	Gains and losses £	Transfers £	Closing balance £
General fund	588,665	693,556	(659,200)	286,712	(106,019)	803,714
Revaluation reserve	24,451	-	-	-	18,506	42,957
Non-distributable reserve	-	-	-	-	87,513	87,513
	613,116	693,556	(659,200)	286,712	-	934,184

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2021

15. UNRESTRICTED FUNDS - continued

<i>31 December 2020</i>	Opening balance	Income	Expenditure	Gains and losses	Transfers	Closing balance
	£	£	£	£	£	£
General fund	546,382	29,596	(67,496)	2,850	77,333	588,665
Revaluation reserve	26,883	-	-	-	(2,432)	24,451
Non-distributable reserve	74,901	-	-	-	(74,901)	-
	648,166	29,596	(67,496)	2,850	-	613,116

The revaluation reserve comprises unrealised gains on the charity's fixed assets investments portfolio.

The non-distributable reserve comprises an unrealised gain on the charity's current assets investment property.

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Restricted Funds	General Funds	Total
<i>At 31 December 2021:</i>	£	£	£
Fixed assets: programme related investments	-	5,808	5,808
Fixed assets: investments	-	305,460	305,460
Current assets	166,954	1,173,559	1,340,513
Creditors: amounts falling due within one year	-	(546,643)	(546,643)
Total net assets	166,954	938,184	1,105,138
 <i>At 31 December 2020:</i>	 £	 £	 £
Fixed assets: programme related investments	-	93,232	93,232
Fixed assets: investments	-	260,141	260,141
Current assets	166,892	265,093	431,985
Creditors: amounts falling due within one year	-	(1,350)	(1,350)
Total net assets	166,892	617,116	784,008

17. CONTINGENT ASSETS

Fixed assets – programme related investment: land and buildings

At 31 December 2021 the charity had been advised of 4 (2020 - 3) proposals to gift halls to the Society with a view to leasing them back forthwith from the charity at peppercorn rents.

Whilst these hall gifts seem probable and the charity can measure their value with reasonable accuracy, at 31 December 2021 aspects of legal and other due diligence were still to be completed so legal entitlement had not passed. Accordingly, these proposed gifts and leasebacks cannot be included in the Society's 2021 income or assets. At the balance sheet date, the Trustees estimate the accounting value of these gifts to be not less than £635,000 (2020 - £625,000).

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2021

18. CONTINGENT LIABILITIES

At 31 December 2021 the charity had not issued any offers of grant funding to ecclesias where the satisfaction of remaining conditions for the payment of loans and grants lay outside the actions of the charity. Accordingly, contingent liabilities of Nil (2020 - £15,000) were outstanding at the balance sheet date.

19. TAXATION

The company is a registered charity and as such is exempt from tax on income and gains arising from activities within its charitable objects. No tax charges have arisen in the charity.

20. RELATED PARTY TRANSACTIONS

Mr Jonathan Thompson is the Managing Director of Portcullis Financial Planning Limited ("PFP"), which provides investment advisory services to the charity. During the year PFP received fees of £783 (2020 - £727) paid from the funds administering the charity's fixed assets investments.

With the exception of the above fees paid to PFP, no Trustee or other person related to the charity had any personal interest in any transaction entered into by the charity other than the repayment of expenses disclosed in note 5 (2020 - Nil).