

REGISTERED COMPANY NUMBER: 10674059 (England and Wales)  
REGISTERED CHARITY NUMBER: 1176607

**REPORT OF THE TRUSTEES AND  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019  
FOR  
THE NORWEGIAN CHURCH**

Rothmans Audit LLP  
Statutory Auditors  
Chartered Accountants  
Fryern House  
125 Winchester Road  
Chandlers Ford  
Hampshire  
SO53 2DR

**THE NORWEGIAN CHURCH**  
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**FOR THE YEAR ENDED 31 DECEMBER 2019**

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**THE NORWEGIAN CHURCH**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

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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 2019. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

**OBJECTIVES AND ACTIVITIES**

**Objectives and aims**

The Norwegian Church in London dates back to 1692 when the Danish/Norwegian congregation was formed. In 1696 a Danish Norwegian Church was consecrated in Wapping, but from 1868, The Norwegian Seamen's Mission of Bergen, Norway, took over the responsibility for Norwegian seafarers and expatriates in London, under the jurisdiction of the Bishop of Bergen, Norway. A new church was built and consecrated in Surrey Docks area in 1872 and finally, St. Olav's Church, the present church, was built and consecrated in 1927.

The purpose of the Church and Charity is to serve Norwegian expatriates and seafarers in London and South East England, even though the church's jurisdiction covers all UK. St. Olav's Church is a Christian, Cultural and Social Centre for Norwegians and has between 20 and 25 thousand visitors each year. In 1996 an extension was built to accommodate the increasing number of people and activities.

Until 31 December 2018 the activities of the charity were undertaken by The Norwegian Church and Seamens Mission (a trust based charity, charity number 220235). The trustees of that charity, after taking suitable advice, took the decision that the trust based structure would no longer be the most appropriate form for the charity in the future. The Norwegian Church was incorporated in 2017 and registered with the Charity Commission of England and Wales on 10 January 2018. On 1 January 2019 the assets and liabilities of The Norwegian Church and Seamens Mission were transferred to The Norwegian Church. The trustees of the two charities are the same.

**Significant activities**

In line with the Basic Rules and Strategy Document of The Norwegian Seamen's Mission/Norwegian Church abroad, as well as our local strategy plans, we have achieved our objectives. Services, baptisms, confirmations, weddings and funerals are part of the work of the Church, as well as cultural events and social work amongst the target groups.

Social work includes monthly home visits to the elderly, hospital visits to sick Norwegians and prison visits. In addition, during the winter months the charity participates in the Robes Project for homeless.

Cultural events includes the annual Constitution Day Celebrations, Sunday lunch after the Service, weekly toddler song and family lunch, weekly Saturday school and lunch, monthly students dinner and Women Society every fortnight.

The charity continues to plan for the construction of flats to the rear of the church.

**Public benefit**

The trustees confirm that they have complied with the duty in s17(5) of the Charities Act 2011 to have due regard to the Charity Commission's guidance on public benefit. This includes the additional guidance for charities on the advancement of religion, in deciding what activities the charity should undertake, in line with its aims and objectives.

**ACHIEVEMENT AND PERFORMANCE**

**Fundraising activities**

The biggest fundraiser locally is the annual Christmas Fair selling goods imported from Norway as well as handcraft produced by local parishioners. The church has continued to provide support to its visitors.

**THE NORWEGIAN CHURCH**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

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**FINANCIAL REVIEW**

**Financial position**

As noted above the assets and liabilities of The Norwegian Church and Seamen's Mission were transferred to the charity on 1 January 2019.

A summary of the year's results are presented on page 3. Total incoming resources amounted to £799,274 (2018: £926,285) and total resources expended amounted to £881,201 (2018: £899,271).

The balance sheet on page 4 shows total funds at the year end of £1,930,059 of (2018: £2,011,986). All funds are unrestricted, however this amount includes a designated fund (Norwegian Benevolent fund) with a balance of £76,357 (2018: £80,004).

A large proportion of the funds consist of properties, therefore the charity's reserves are £39,947 (2018: £166,250).

The charity's income is derived from sources in the UK and Norway. The Norwegian Central Administration pays the salaries. The Norwegian Head Office guarantees the cash flow requirements of the charity; consequently if there is a cash shortfall caused by reduced activity or a reduction in the income generated locally funding will be made available to ensure the charity can continue its operation.

Annual and monthly accounts, as well as budgets are sent to the Norwegian Seamen's Mission in Bergen, Norway and are subject to their approval.

**Reserves policy**

It is the trustees' policy is to retain sufficient reserves to ensure that the charity's day to day commitments can be met.

Reserves at the 31 December 2019 amounted to £39,586 (2018: £166,250) and were held as primarily as cash balances.

The charity is dependent on donations, legacies and fund raising events for the majority of its income, the timing and amount of which is variable in nature. The trustees therefore consider holding reserves equivalent to 2 - 6 months costs to be appropriate.

During the year the charity used some of its reserve on planning and preparation costs of the development of flats to the rear of the church which will generate a future income stream for the charity.

The charity is able to call upon the support of its head office in Norway to help fund its operations.

**FUTURE PLANS**

The charity continues to plan for the construction of flats to the rear of the church, which once rented will generate future income for the charity.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing document**

The charity was registered by the Charity Commission for England and Wales on 10 January 2018.

The charity is controlled by its governing document, its articles of association dated 16 March 2017, and constitutes a company limited by guarantee, as defined by the Companies Act 2006.

**Decision making**

The trustees meet at least four times a year and are elected on a rotating basis for three year terms.

**Induction and training of new trustees**

New trustees are given full information on the work of the charity over the last years including minutes, annual reports and accounts. Where appropriate, external training courses for trustees are offered and internal training is also provided. Representatives from the Church of Norway Abroad will occasionally visit the charity and give input to the trustees.

**Risk management**

The trustees have a duty to identify and review the risks to which the charity is exposed, in particular those related to its operations and finances, and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error, and to mitigate its exposure to major risks.

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Company number**

10674059 (England and Wales)

**THE NORWEGIAN CHURCH**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

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**Registered Charity number**

1176607

**Registered office**

1 St Olav's Square  
Albion Street  
London  
SE16 7JB

**Trustees**

Ms A Marwa  
Rev T Holt (resigned 5/3/2020)  
Mr B Bratland  
Mrs A M Hovland-Pye  
Mr V S Dart  
Rev D M H Havgar (appointed 5/3/2020)

**Auditors**

Rothmans Audit LLP  
Statutory Auditors  
Chartered Accountants  
Fryern House  
125 Winchester Road  
Chandlers Ford  
Hampshire  
SO53 2DR

**EVENTS SINCE THE END OF THE YEAR**

Information relating to events since the end of the year is given in the notes to the financial statements.

**STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The trustees (who are also the directors of The Norwegian Church 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 charitable 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.

**THE NORWEGIAN CHURCH**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

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**AUDITORS**

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

Approved by order of the board of trustees on 28 October 2020 and signed on its behalf by:

*Dag Magnus H. Havgar*

Rev D M H Havgar - Trustee

## REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE NORWEGIAN CHURCH

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### **Opinion**

We have audited the financial statements of The Norwegian Church (the 'charitable company') for the year ended 31 December 2019 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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 2019 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the 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**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### **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 there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **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.

### **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.

## REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE NORWEGIAN CHURCH

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### **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.

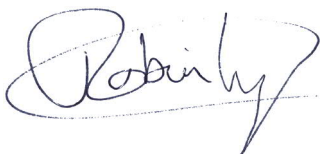
### **Our responsibilities for the audit of the financial statements**

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.

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](http://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.



Robin Lloyd FCA (Senior Statutory Auditor)  
for and on behalf of Rothmans Audit LLP  
Statutory Auditors  
Chartered Accountants  
Fryern House  
125 Winchester Road  
Chandlers Ford  
Hampshire  
SO53 2DR

29 October 2020



**THE NORWEGIAN CHURCH**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

	Notes	Unrestricted funds £	Restricted funds £	2019 Total funds £	2018 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	4	428,159	-	428,159	575,605
<b>Charitable activities</b>					
Charitable Activities	7	176,397	-	176,397	156,298
Other trading activities	5	122,069	-	122,069	104,460
Investment income	6	71,949	-	71,949	89,922
Other income		700	-	700	-
<b>Total</b>		<b>799,274</b>	<b>-</b>	<b>799,274</b>	<b>926,285</b>
<b>EXPENDITURE ON</b>					
Raising funds	8	164,198	-	164,198	165,912
<b>Charitable activities</b>					
Charitable Activities	9	717,003	-	717,003	733,359
<b>Total</b>		<b>881,201</b>	<b>-</b>	<b>881,201</b>	<b>899,271</b>
<b>NET INCOME/(EXPENDITURE)</b>		<b>(81,927)</b>	<b>-</b>	<b>(81,927)</b>	<b>27,014</b>
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		<b>2,011,986</b>	<b>-</b>	<b>2,011,986</b>	<b>1,984,972</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b><u>1,930,059</u></b>	<b><u>-</u></b>	<b><u>1,930,059</u></b>	<b><u>2,011,986</u></b>

The notes form part of these financial statements

## THE NORWEGIAN CHURCH

BALANCE SHEET  
31 DECEMBER 2019

	Notes	Unrestricted funds £	Restricted funds £	2019 Total funds £	2018 Total funds £
<b>FIXED ASSETS</b>					
Tangible assets	16	1,541,042	-	1,541,042	1,496,666
Heritage assets	17	<u>349,070</u>	-	<u>349,070</u>	<u>349,070</u>
		1,890,112	-	1,890,112	1,845,736
<b>CURRENT ASSETS</b>					
Stocks	18	4,194	-	4,194	7,419
Debtors	19	34,138	-	34,138	77,549
Cash at bank and in hand		<u>41,201</u>	-	<u>41,201</u>	<u>94,528</u>
		79,533	-	79,533	179,496
<b>CREDITORS</b>					
Amounts falling due within one year	20	(39,586)	-	(39,586)	(13,246)
<b>NET CURRENT ASSETS</b>					
		<u>39,947</u>	-	<u>39,947</u>	<u>166,250</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>					
		<u>1,930,059</u>	-	<u>1,930,059</u>	<u>2,011,986</u>
<b>NET ASSETS</b>					
		<u>1,930,059</u>	-	<u>1,930,059</u>	<u>2,011,986</u>
<b>FUNDS</b>					
Unrestricted funds	21			<u>1,930,059</u>	<u>2,011,986</u>
<b>TOTAL FUNDS</b>					
				<u>1,930,059</u>	<u>2,011,986</u>

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 28 October 2020 and were signed on its behalf by:

*Dag Magnus H. Havgar*

Rev D M H Havgar - Trustee

**THE NORWEGIAN CHURCH**  
**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

	Notes	2019 £	2018 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	<u>(6,112)</u>	<u>45,682</u>
Net cash (used in)/provided by operating activities		<u>(6,112)</u>	<u>45,682</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(47,956)	(254,485)
Sale of tangible fixed assets		700	-
Interest received		<u>41</u>	<u>52</u>
Net cash used in investing activities		<u>(47,215)</u>	<u>(254,433)</u>
<b>Change in cash and cash equivalents in the reporting period</b>			
Cash and cash equivalents at the beginning of the reporting period		<u>94,528</u>	<u>303,279</u>
Cash and cash equivalents at the end of the reporting period		<u>41,201</u>	<u>94,528</u>

The notes form part of these financial statements

THE NORWEGIAN CHURCH

NOTES TO THE CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2019

1. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2019 £	2018 £
<b>Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)</b>	<b>(81,927)</b>	27,014
<b>Adjustments for:</b>		
Depreciation charges	3,580	6,774
Profit on disposal of fixed assets	(700)	-
Interest received	(41)	(52)
Decrease/(increase) in stocks	3,225	(2,105)
Decrease in debtors	43,411	38,974
Increase/(decrease) in creditors	<u>26,340</u>	<u>(24,923)</u>
<b>Net cash (used in)/provided by operations</b>	<b><u>(6,112)</u></b>	<b><u>45,682</u></b>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/1/19 £	Cash flow £	At 31/12/19 £
<b>Net cash</b>			
Cash at bank and in hand	<u>94,528</u>	<u>(53,327)</u>	<u>41,201</u>
	<u>94,528</u>	<u>(53,327)</u>	<u>41,201</u>
<b>Total</b>	<b><u>94,528</u></b>	<b><u>(53,327)</u></b>	<b><u>41,201</u></b>

The notes form part of these financial statements

## THE NORWEGIAN CHURCH

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

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#### 1. CHARITY INFORMATION

The Norwegian Church an incorporated charity was incorporated in England and Wales on 16 March 2017 (registration number 10674059) and was registered as a charity with the Charity Commission for England and Wales on 10 January 2018 (registration number 1176607) .

The registered address is 1 St Olav's Square, Albion Street, London, United Kingdom, SE16 7JB.

The principal activity of The Norwegian Church is religious and social welfare.

#### 2. ACCOUNTING POLICIES

##### **Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The functional and presentation currency is £ sterling.

##### **Preparation of the accounts on a going concern basis**

The Charity reported a cash outflow of £94,528, however, the Trustees are of the view that the costs incurred during the year in respect of the planned construction of new flats to the rear of the Church will secure the immediate future of the Charity. The Charity also continues to maintain the support of the Head Office in Bergen, Norway. On this basis, there are no material uncertainties about the charity's ability to continue and therefore the charity is a going concern.

##### **Income**

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

##### **Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

##### **Allocation and apportionment of costs**

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include personnel, finance, administrative and governance costs which support the operation of the charity and its activities. These costs are allocated between the costs of charitable activities and raising funds.

##### **Depreciation**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- not provided
Fixtures and fittings	- 20% straight line

##### **Fixed assets**

All fixed assets are initially recorded at cost.

Properties are included at cost at the time of acquisition and are all functional. No depreciation is provided on freehold property. Depreciation would be immaterial due to the high residual values of the assets. An annual impairment review is undertaken for those tangible fixed assets which are not depreciated. Individual fixed assets costing £1,000 or more are capitalised at cost.

## THE NORWEGIAN CHURCH

### NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2019

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#### 2. ACCOUNTING POLICIES - continued

##### **Heritage assets**

The charity owns a historic Church dating back to 1927, located at 1 St Olav's Square, Rotherhithe, London, SE16. The Church is maintained by the charity for use by the local Norwegian community as a place of worship and culture.

The Church is reported in the balance sheet at the original cost. The Church is deemed to have an interdependent life and therefore the Trustees do not consider it appropriate to charge depreciation in respect of the Church. An annual impairment review is undertaken for the Church.

##### **Stocks**

Stock is valued at the lower of cost and net realisable value. Net realisable value is based on expected proceeds less cost to sell. Donated items of stock are recognised at fair value which is the expected sales proceeds less to cost to sell.

##### **Debtors**

Debtors are recognised at the settlement amount due after any trade discount offered.

##### **Creditors**

Creditors 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 due to settle the obligation can be measured or estimated reliably. Creditors are recognised at their settlement amount after allowing for any trade discounts due.

##### **Taxation**

The charity is exempt from corporation tax on its charitable activities.

##### **Fund accounting**

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

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

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

Unrestricted funds are available to spend on activities that further any of the purposes of the Church. Designated funds are unrestricted funds of the Church which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the Church's work or for specific projects undertaken by the Church.

#### 3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

##### **Significant Judgements**

In preparing these accounts the trustees have made the following judgements:

Determining whether income is restricted or unrestricted. These decisions depend upon whether the donor has given the income subject to certain terms or conditions which impose a restriction in trust law.

Determining whether the residual values of freehold property are sufficient to result in no depreciation being charged.

Determining whether the church meets the definition of a heritage asset.

##### **Key Sources of Estimation Uncertainty**

Tangible fixed assets are depreciated over their useful economic lives taking into account residual values, where appropriate. The actual lives of the assets and residual values may vary depending on a number of factors. Factors affecting the lives of assets include technological innovation and maintenance programmes.

THE NORWEGIAN CHURCH

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2019

<b>4. DONATIONS AND LEGACIES</b>		<b>2019</b>	<b>2018</b>
		£	£
Regular annual donations		<b>17,376</b>	37,775
Donations		<b>15,650</b>	8,266
Weekly collections		<b>8,748</b>	9,329
Wages and salaries paid by The Norwegian Seamen's Mission in Bergen		<b>289,542</b>	287,891
Other grants		<b>96,843</b>	62,665
Legacies		-	<u>169,679</u>
		<b><u>428,159</u></b>	<b><u>575,605</u></b>
<b>5. OTHER TRADING ACTIVITIES</b>		<b>2019</b>	<b>2018</b>
		£	£
Christmas fair		<b><u>122,069</u></b>	<u>104,460</u>
<b>6. INVESTMENT INCOME</b>		<b>2019</b>	<b>2018</b>
		£	£
Rents received		<b>71,908</b>	89,870
Interest receivable		<b>41</b>	<u>52</u>
		<b><u>71,949</u></b>	<u>89,922</u>
<b>7. INCOME FROM CHARITABLE ACTIVITIES</b>		<b>2019</b>	<b>2018</b>
	Activity	£	£
Events	Charitable Activities	<b>126,094</b>	115,397
Canteen	Charitable Activities	<b>38,548</b>	40,084
Sundry	Charitable Activities	<b>11,755</b>	<u>817</u>
		<b><u>176,397</u></b>	<u>156,298</u>
<b>8. RAISING FUNDS</b>			
<b>Raising funds from charitable activities</b>		<b>2019</b>	<b>2018</b>
		£	£
Canteen		<b>36,398</b>	40,717
Events		<b>66,558</b>	<u>61,035</u>
		<b><u>102,956</u></b>	<u>101,752</u>

THE NORWEGIAN CHURCH

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2019

8. RAISING FUNDS - continued

Other trading activities

	2019 £	2018 £
Christmas fair	59,225	62,472
Church magazine	<u>2,017</u>	<u>1,688</u>
	<u>61,242</u>	<u>64,160</u>
Aggregate amounts	<u>164,198</u>	<u>165,912</u>

9. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 10) £	Support costs (see note 11) £	Totals £
Charitable Activities	<u>703,819</u>	<u>13,184</u>	<u>717,003</u>

10. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2019 £	2018 £
Staff costs	481,366	462,867
Rent rates and insurance	89,315	101,149
Light and heat	28,005	28,693
Telephone	14,142	17,155
Postage and stationery	2,122	2,782
Sundries	20,355	19,251
Catering equipment	3,159	1,554
Repairs and renewals	33,347	51,653
Motor and travel	14,761	20,980
Bank charges	3,094	3,073
Foreign exchange (gain)/loss	6,885	4,411
Payments from designated funds	3,688	4,541
Depreciation	<u>3,580</u>	<u>6,774</u>
	<u>703,819</u>	<u>724,883</u>

11. SUPPORT COSTS

Charitable Activities	Governance costs £ <u>13,184</u>
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**THE NORWEGIAN CHURCH**  
**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

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**12. NET INCOME/(EXPENDITURE)**

Net income/(expenditure) is stated after charging/(crediting):

	<b>2019</b>	2018
	£	£
Auditors' remuneration	<b>3,270</b>	3,270
Depreciation - owned assets	<b>3,580</b>	6,774
Surplus on disposal of fixed assets	<b><u>(700)</u></b>	<u>-</u>

**13. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 December 2019 nor for the year ended 31 December 2018.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31 December 2019 nor for the year ended 31 December 2018.

**14. STAFF COSTS**

	<b>2019</b>	2018
	£	£
Wages and salaries	<b><u>481,366</u></b>	<u>462,867</u>
	<b><u>481,366</u></b>	<u>462,867</u>

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

	<b>2019</b>	2018
Staff	<b><u>26</u></b>	<u>22</u>

No employees received emoluments in excess of £60,000.

During the year key management personnel received remuneration of £58,652 (2018: £56,495) and rent free accommodation at a property owned by the charity.

THE NORWEGIAN CHURCH

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2019

15. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	575,605	-	575,605
<b>Charitable activities</b>			
Charitable Activities	156,298	-	156,298
Other trading activities	104,460	-	104,460
Investment income	89,922	-	89,922
<b>Total</b>	926,285	-	926,285
<b>EXPENDITURE ON</b>			
Raising funds	165,912	-	165,912
<b>Charitable activities</b>			
Charitable Activities	731,860	1,499	733,359
<b>Total</b>	897,772	1,499	899,271
<b>NET INCOME/(EXPENDITURE)</b>	28,513	(1,499)	27,014
<b>RECONCILIATION OF FUNDS</b>			
<b>Total funds brought forward</b>	1,983,473	1,499	1,984,972
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u>2,011,986</u>	<u>-</u>	<u>2,011,986</u>

16. TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures and fittings £	Totals £
<b>COST</b>			
At 1 January 2019	1,491,884	141,011	1,632,895
Additions	44,731	3,225	47,956
Disposals	-	(5,455)	(5,455)
At 31 December 2019	<u>1,536,615</u>	<u>138,781</u>	<u>1,675,396</u>
<b>DEPRECIATION</b>			
At 1 January 2019	-	136,229	136,229
Charge for year	-	3,580	3,580
Eliminated on disposal	-	(5,455)	(5,455)
At 31 December 2019	<u>-</u>	<u>134,354</u>	<u>134,354</u>
<b>NET BOOK VALUE</b>			
At 31 December 2019	<u>1,536,615</u>	<u>4,427</u>	<u>1,541,042</u>
At 31 December 2018	<u>1,491,884</u>	<u>4,782</u>	<u>1,496,666</u>

THE NORWEGIAN CHURCH

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2019

17. HERITAGE ASSETS

	Total £
<b>MARKET VALUE</b>	
At 1 January 2019 and 31 December 2019	<u>349,070</u>
<b>NET BOOK VALUE</b>	
At 31 December 2019	<u>349,070</u>
At 31 December 2018	<u>349,070</u>

Heritage assets are comprised of the church buildings.

18. STOCKS

	2019	2018
	£	£
Stocks	<u>4,194</u>	<u>7,419</u>

19. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019	2018
	£	£
Other debtors	<u>34,138</u>	<u>77,549</u>

Debtors are recognised at the settlement amount due after any trade discount offered.

20. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019	2018
	£	£
Other creditors	<u>36,316</u>	9,976
Accruals and deferred income	<u>3,270</u>	<u>3,270</u>
	<u>39,586</u>	<u>13,246</u>

Creditors 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 due to settle the obligation can be measured or estimated reliably. Creditors are recognised at their settlement amount after allowing for any trade discounts due.

21. MOVEMENT IN FUNDS

	At 1/1/19	Net movement in funds	At
	£	£	31/12/19
			£
<b>Unrestricted funds</b>			
General fund	1,931,982	(78,280)	1,853,702
Benevolent fund	<u>80,004</u>	<u>(3,647)</u>	<u>76,357</u>
	<u>2,011,986</u>	<u>(81,927)</u>	<u>1,930,059</u>
<b>TOTAL FUNDS</b>	<u>2,011,986</u>	<u>(81,927)</u>	<u>1,930,059</u>

THE NORWEGIAN CHURCH

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2019

21. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	799,233	(877,513)	(78,280)
Benevolent fund	<u>41</u>	<u>(3,688)</u>	<u>(3,647)</u>
	<b>799,274</b>	<b>(881,201)</b>	<b>(81,927)</b>
<b>TOTAL FUNDS</b>	<b><u>799,274</u></b>	<b><u>(881,201)</u></b>	<b><u>(81,927)</u></b>

Comparatives for movement in funds

	At 1/1/18 £	Net movement in funds £	At 31/12/18 £
<b>Unrestricted funds</b>			
General fund	1,898,978	33,004	1,931,982
Benevolent fund	<u>84,495</u>	<u>(4,491)</u>	<u>80,004</u>
	1,983,473	28,513	2,011,986
<b>Restricted funds</b>			
Hymn Books	1,499	(1,499)	-
	<u>1,499</u>	<u>(1,499)</u>	<u>-</u>
<b>TOTAL FUNDS</b>	<b><u>1,984,972</u></b>	<b><u>27,014</u></b>	<b><u>2,011,986</u></b>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	926,235	(893,231)	33,004
Benevolent fund	<u>50</u>	<u>(4,541)</u>	<u>(4,491)</u>
	926,285	(897,772)	28,513
<b>Restricted funds</b>			
Hymn Books	-	(1,499)	(1,499)
	<u>-</u>	<u>(1,499)</u>	<u>(1,499)</u>
<b>TOTAL FUNDS</b>	<b><u>926,285</u></b>	<b><u>(899,271)</u></b>	<b><u>27,014</u></b>

**Norwegian Benevolent Fund**

The Scandinavian Benevolent Fund ended its activities in 2006. Assets were donated to the Norwegian and the Danish church in January 2007. The Norwegian Church continues to support the Norwegian citizens that were supported in 2006 with a similar amount of money. The Benevolent fund is a designated fund.

**THE NORWEGIAN CHURCH**  
**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

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**22. RELATED PARTY DISCLOSURES**

There were no related party transactions for the year ended 31 December 2019.

**23. POST BALANCE SHEET EVENTS**

The COVID-19 pandemic developed in 2020 therefore the trustees consider that any post balance sheet event arising to be non-adjusting in nature.

The charity is dependent on voluntary income and income from its other fund raising activities. As a result, during the lockdown period from March 2020 the charity's ability to generate income was severely restricted. The trustees remain confident that the charity will be in a strong position by the end of the current year.

The trustees have made use of the available government support, which included making use of the furlough scheme to help protect the jobs of the employees.

Since the easing of the lockdown measures visitors have been able to return to the church and the groups that use the church have reopened, albeit initially with reduced opening hours. This has allowed for the gradual return to work of the furloughed staff.

Any shortfall in income against budgeted expenditure in 2020 can be rectified by calling upon the support of the charity's head office in Norway.

**24. CHARITY RECONSTRUCTION**

In 2017 the trustees of The Norwegian Church and Seamen's Mission, an unincorporated charity (Charity number 220235), decided that it would benefit the future of the charity to change its legal form from a trust to an incorporated charitable company.

The Norwegian Church, an incorporated charitable company, was incorporated on 16 March 2017 and registered with the Charity Commission on 10 January 2018.

The assets and liabilities of the trust based charity were transferred to the incorporated charitable company on 1 January 2019.

The reconstruction has been accounted for using the merger method in accordance with the Charities SORP and FRS 102.