

**THE UNITED REFORMED CHURCH (YORKSHIRE  
PROVINCE) TRUST LIMITED**

Charity registered no: 1068103

Company registered no: 1562723

**ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
31 DECEMBER 2019**

**THE UNITED REFORMED CHURCH (YORKSHIRE PROVINCE) TRUST LIMITED**  
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**FOR THE YEAR ENDED 31 DECEMBER 2019**

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INDEX	PAGE
Trustees' annual report	1 - 7
Report of the auditors	8 - 10
Statement of financial activities	11
Summary income and expenditure account	12
Balance sheet	13
Statement of Cash Flows	14
Notes to the financial statements	15 – 25

**THE UNITED REFORMED CHURCH (YORKSHIRE PROVINCE) TRUST LIMITED**  
**TRUSTEES' ANNUAL REPORT**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

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Page 1

This report fulfils the requirements of the Charities Act 2011 for a Trustees' Annual Report, and the requirements of the Companies Act 2006 for a Directors' Report.

**Objectives and Activities**

The United Reformed Church (Yorkshire Province) Trust Limited ('the Charity') is established to advance the Christian religion and propagate the Gospel in accordance with the doctrines, principles and usages of the United Reformed Church with particular responsibility for the Yorkshire Synod of that Church.

The Charity exists to support the United Reformed Churches of the Yorkshire Synod in their search to obey the will of Christ in their witness to the world. The main objective of the Charity is to provide resources, funded by the Charity's assets, to enable the churches to do this.

Currently, the main strategy of the Charity is to maximise income through the Executive Council, in partnership with the Investment Sub Committee; and to apply the resources so generated in response to requests from the appropriate councils of the United Reformed Church in Yorkshire and in accordance with the United Reformed Church Acts 1972, 1981 and 2000.

**Significant activities**

Encouraging churches to undertake mission activity relevant to their variety of contexts.

Provision of information, advice, support and encouragement to churches covering...

- Property maintenance and development
- Legal and compliance issues
- Terms of settlement for existing and new ministers
- Accounting requirements
- Management of the Mission and Ministry Scheme

Administering the investments and property of the churches.

Advising and assisting with establishing, grouping, amalgamating or dissolution of local churches within the United Reformed Church and with other denominations.

Developing a strategy for the deployment of ordained ministry within the Synod and assisting churches during times of vacancy.

Providing training and resources for the enabling of;

- Both lay and ordained ministers
- Adults and young people
- Safeguarding of children, young people and vulnerable adults

Grant making and other financial support for church buildings and mission projects.

Management and maintenance of investments and properties held for the use of the Charity.

**Public Benefit**

The Charity has considered the Charity Commission's guidance on public benefit and, in particular, the specific guidance on charities for the advancement of religion.

The Charity proclaims the Gospel of Jesus Christ, with its long established moral framework, and strives to develop spirituality and spiritual well-being through relationship with the God of the Bible.

This benefit is available to all communities who are within reach of one of more of our 95 churches which are situated across Yorkshire. Further details are to be found throughout the remainder of this report.

## **Objectives and Activities (continued)**

### **Grants Policy**

The objects of the Charity dictate that grants can only be made to United Reformed Churches and Local Ecumenical Partnerships which are part of the Yorkshire Synod of the United Reformed Church.

Normally, the only individuals who can receive a grant are retired ministers or their widow(er)s and these welfare grants are awarded in response to applications made to the Welfare Committee in April of each year. Applicants must be resident within the Yorkshire Synod.

United Reformed Churches in Yorkshire may apply for assistance from the following funds:

Church Extension Fund	interest free loans for church building projects
Closed Churches Fund	for 25% of the cost of church survey reports
Synod Mission Fund	for Mission projects assessed against the "Ten Statements of Mission" which have been adopted by the United Reformed Church

Synod Mission Fund grant applications are considered by the Mission Fund Panel, which meets four times a year. The Panel consists of the Synod Clerk, Synod Evangelist, and Conveners of the Synod Pastoral, Ministries, Property and Financial Resources Committees.

From time to time other funds may be made available with the approval of the Synod.

Applications for interest free loans will be considered by the Synod Financial Resources Committee.

All grants are accounted for once a decision has been reached and the church notified, and if applicable has accepted the terms of the grant. Grants will be held for a maximum of three years, any delay longer than this will require a fresh application.

## **Achievements and Performance**

The Charity has maximised its income, subject to compliance with its ethical investment policy, and applied its resources in response to requests from the appropriate councils of the Church and has employed staff to carry out the activities shown on page 1.

The performance of the investment portfolios was assessed by the Investment Sub Committee on behalf of the Trustees and the income received was some 18.5% (2018: 14.5%) higher than the budget set by the Synod for 2019. Considering the continuing problems in the financial markets, it was felt that this was a very acceptable result. However, with the impact of Brexit and other financial forecasts the future still remains uncertain.

The Executive Council carried out its plan for 2019 to withdraw £500,000 from cash currently held on deposit or from disposal of investments, with £3,000 being distributed to every church for them to spend on mission projects and additional expenditure on training, property and evangelism.

Training and development continues to affect almost every aspect of Synod life, as it needs to if the church is to be best equipped to meet the challenges of the 21<sup>st</sup> century.

Appreciative inquiry (AI) is increasingly being used to deal with a variety of needs and situations. Having now developed a robust AI-based approach to church reviews, the Synod are currently exploring how AI might help elders' development. The idea of appraisal for a voluntary role to which people are called would not be appropriate, whereas an approach which builds on strengths can be very encouraging and highly motivating. AI also continues to be used for staff team development within the Synod office. In addition, the Synod Development Officer has continued to deepen his own AI practice, networking with other AI practitioners in the UK, (including those using AI in secular contexts), and helping to design and deliver an advanced AI course at the URC's Westminster College in Cambridge in September. This course welcomed participants from across England, as well as three who travelled over from New Zealand specifically to benefit from a course which is not yet offered anywhere else in the world.

### **Achievements and Performance (continued)**

Faced with diminishing numbers of ministers of word and sacraments – a challenge which is only going to grow – developing elders and other lay leaders is fast becoming a significant focus within the Synod. The annual elders' day conference is now a permanent fixture and in March, around 100 people gathered to hear the Methodist minister and author, Andrew Roberts, speak about his book 'Holy Habits'. This was more than just a good day together as 'Holy Habits' has been adopted as a central resource for the URC's emphasis on whole-life discipleship, otherwise known as 'Walking the Way: Living the Life of Jesus Today.' Because of such events the take up of 'Walking the Way' across the Synod continues to increase.

For the first time ever, and building on the success of the day conferences, a 24-hour elders' residential training session was held in September at Wydale Hall, near Scarborough. One of the Synod's Church Related Community Work ministers, led the conference, on all that's involved with community audits. Again, the enthusiastic participation testified to churches' growing willingness to engage with their local communities in new and relevant ways.

Another example of a significant new development in the area of training was the formation of a pilot group to trial the introductory module or 'stream' of 'Stepwise', the URC's new inter-generational training initiative for everyone, more correctly referred to as the programmatic element of 'Walking the Way'. Meeting over the space of a few months, the participants experienced the joy of learning together and are now looking for effective ways to roll this out to local churches.

Finally, there is one student currently in the 3rd year of a four-year training course for the ministry of word and sacraments.

The Synod Mission Fund continued throughout the year to help churches establish creative and innovative missionary projects. In 2019, the fund made 27 awards totalling £152,484. The projects which received awards ranged from the extensive Peter's House project in Hull to the hiring of coaches for travelling to the Big Day Out.

The fund continues to benefit from the 'Synod Policy for Redundant Manses and Manse Funds' which was adopted in October 2011. Where Manse Funds are declared redundant, 75% of the fund is released to the local church, with 25% being transferred to the Synod Mission Fund. In 2019, £138,529 was received from a manse fund being declared redundant.

It also benefits when a closed church is sold, whereby 40% of the net distributable proceeds are transferred to the Synod Mission Fund. In 2019, £88,249 was received from one church being sold.

### **Plans for Future Periods**

In light of the coronavirus crisis, an unprecedented situation, one which is rapidly changing, concern is for churches and their congregations. The Synod has responded in a number of ways:-

- (i) Created an emergency fund for congregations incurring additional expenses related to maintaining contact with their community;
- (ii) Making sure every congregation is aware of the advice from Church House, the URC National Headquarters;
- (iii) Sending a letter of support to all Treasurers assuring support for any congregation that is experiencing financial difficulties and to help them find a way through these;
- (iv) Follow up Step iii with a telephone call to all church Treasurers;
- (v) Freeze the Vision and Opportunity Initiative and Synod Mission Fund, in order to preserve cash flow. Except for where the expenditure has already been committed or it is an emergency.

However, this is just the beginning, the Charity will continue to act in a strategic way, helping congregations reach decisions in the wider context of their life and mission.

Due to the coronavirus crisis, a number of events have been cancelled, such as the plans for a ninth annual Elders' Conference in March 2020 and also a Ministers' Summer School in June 2020.

### **Plans for Future Periods (continued)**

Currently, there are plans in the autumn of 2020 for two separate 24 hour residential events at Wyedale Hall near Scarborough, one for the elders and the other for serving ministers. Both will be led by the Revd Jamie Kissack who takes up his new role as Synod Moderator in July. Jamie is already well known to the Synod, having served as a minister in Hornsea and then as part of the Sheffield team. Whether these events go ahead, will depend upon when the current measures of social distancing and the lockdown is lifted.

The Executive Council had planned as part of its Vision and Opportunity Initiative to distribute a further £500,000 from cash currently held on deposit or from disposal of investments during 2020. However, this fund has been frozen and will be reviewed and monitored, as the impact of COVID 19 unfolds.

### **Financial Review**

#### **Results for the year**

These financial statements have been prepared in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities" (FRS 102) issued in January 2015.

The excess of income over expenditure for the year amounted to £240,223 (in 2018, the excess of expenditure over income was £676,233).

#### **Reserves policy and going concern**

Reserves are unrestricted funds, which are not held as fixed assets. Reserves will normally be held to finance the work of the United Reformed Church in Yorkshire including the Yorkshire Congregational Union, together with its responsibilities to the work nationally, for a period of 12 months. The average resources expended from unrestricted funds, over the three years, to 31 December 2019, was £412,490 and the level of reserves at that date was £235,195. Within the reserves there are designated funds totalling £81,200 (see note 18).

In 2018, the Trustees became aware of a serious incident related to one particular church, disclosure of which was made by the YCU to the Charity Commission. This matter is still ongoing, financial support from the Trust to the YCU to resolve the issue, would be put in place if required.

The assets are available and adequate to fulfil the obligations of the Charity. Each fund has sufficient resources in an appropriate form to meet its obligations. All the assets of the Charity are used for the direct charitable purposes of the Charity and were acquired in accordance with powers vested in the Executive Council. The financial position at the Balance Sheet date is satisfactory and will enable the Charity to meet future obligations.

#### **Investment policy and investment powers**

On the 19 November 2019 the Executive Council reviewed the Investment Policy Statement and confirmed the Policy Document of that date reflecting a decision to disinvest from fossil fuels. This document outlines the responsibilities of the various committees within the Synod and contains details of the Discretionary Management of the Investments by Brewin Dolphin Securities Ltd. The policy document also outlines the Requirements, Restrictions, Recording, and Reporting under which the Managers will operate.

#### **Property**

All property under the control of the Charity is shown at market value as indicated in notes 9 and 11 of the Financial Statements. The valuations used were those provided by Walker Singleton, in note 9 as at 31 December 2015 and in note 11 as at 24 June 2019.

### **Structure, Governance and Management**

The Charity is a company limited by guarantee under the provisions of the Companies Act 2006. The governing instrument is the Memorandum & Articles of Association which is dated 19 May 1981.

The membership consists of the members for the time being of the Synod Council of the Yorkshire Synod of the United Reformed Church. At 31 December 2019 the number of members totalled 13 (2018 – 16). In the event of the Charity being wound up, every person who is a member, or who has been a member within one year, is liable to contribute to the debts and liabilities of the Charity a sum not exceeding £1.

The business of the Charity is managed by the members of the Executive Council who are Trustees of the Charity and Directors of the United Reformed Church (Yorkshire Province) Trust Limited for the purposes of company law. Members of the Executive Council are the members for the time being of the Financial Resources Committee of the Synod. The members of the Financial Resources Committee are recruited from the membership of the churches of the Yorkshire Synod, the appointments being approved by the Yorkshire Synod Council and ratified by Synod. Synod also appoints the Treasurer, Synod Moderator and the Synod Clerk who are ex-officio members of the Committee. However, following the appointment of a Synod Clerk as an employee of the Charity, on the 9<sup>th</sup> March 2019, the Synod Clerk will not be a member of the Executive Council. The Directors of the Charity are listed on page 6.

During the year, Dr Chris Evans was appointed to the Executive Council and Mrs Elaine Merlin and Mr Willie Duncan resigned due to personal circumstances. Mr Chris Reed came to the end of his term of office on 9<sup>th</sup> March 2019. With his appointment as Synod Treasurer, effective 1st January 2020, the Revd Simon Copley was additionally appointed to the Executive Council.

After a long period of service by Mrs Sheila Duncan as Company Secretary, this role was filled during 2019 by the Revd Dr Matthew Prevett, and from 21st January 2020 by Mr Alastair Forsyth.

The Charity is aware of the need to enable and equip Trustees and takes steps to make available Charity Commission publications and newsletters.

The Financial Resources Committee of the Synod meets six times a year and is responsible for all financial decisions, except the decisions about Synod Mission Fund Grants which are made by the Synod Mission Fund Panel (see Grants Policy on page 2). Investments are monitored by a sub-committee on which the Treasurer serves. This sub-committee meets four times a year and implements investment strategies established by the Trustees. Currently the Investments are managed by Brewin Dolphin Securities on a discretionary basis. Minutes of the Investment Sub-Committee meetings are circulated to the Trustees.

The Charity operates as an autonomous body but, along with twelve other Synods (or regions), is part of The United Reformed Church and this brings a share of national responsibilities. A resource sharing process is in place to enable Synods with more resources to help those less well equipped. Historically, Yorkshire has been a net contributor to this scheme but since 2010 has adopted a neutral position neither giving nor receiving from the process.

### **Connected Charities**

The United Reformed Church (Yorkshire Province) Trust Limited is connected with the Yorkshire Congregational Union (Incorporated) (YCU). The YCU holds investments as Custodian Trustee for many of the local churches of the United Reformed Church in its Yorkshire Synod, and holds property as Trustee for most of those churches. The YCU shares the United Reformed Church (Yorkshire Province) Trust Limited offices and administration, for which it pays a small charge based on its income. The Trustees of the United Reformed Church (Yorkshire Province) Trust Limited are also Trustees of the YCU, but the Chair of Trustees of the YCU is not a Trustee of the Charity.

### **Risk Management**

The Executive Council has a risk management strategy in line with the guidance published by the Charity Commission organising risk into three headings – Governance and Control, Operational Risk and Financial Risk. Control procedures are then agreed to contain, mitigate or even totally remove the risks. The Risk Management Strategy is reviewed annually.

**Reference and Administrative Details**

<b>Company registration number:</b>	1562723
<b>Charity registration number:</b>	1068103
<b>Registered Office:</b>	Somerset House, St Paul's Street Morley, Leeds, LS27 9EP Telephone 0113 289 8490 Fax 0113 289 8491 Email office@urcyorkshire.org.uk
<b>Web Site:</b>	www.urcyorkshire.org.uk
<b>Trustees &amp; Directors:</b>	Mr J Charlesworth Rev S K Copley (from 1 January 2020) Rev A Crump Mr W Duncan (to 21 January 2020) Mr C Evans (from 9 March 2019) Mr S Gooder Mrs E C Merlin (to 1 October 2019) Mr J C Reed (to 9 March 2019) Rev K Watson
<b>Secretary to Trustees &amp; Company Secretary:</b>	Mrs Sheila F Duncan (to 21 May 2019) Rev Dr Matthew Prevett (from 21 May 2019 to 21 January 2020) Mr Alastair C Forsyth (from 21 January 2020)
<b>Bankers:</b>	National Westminster Bank plc Leeds City Branch, PO Box 154, 8 Park Row, Leeds, LS1 1QS
<b>Solicitors:</b>	Lupton Fawcett LLP Yorkshire House, East Parade, Leeds, LS1 5BD
<b>Auditors:</b>	Jolliffe Cork LLP Chartered Accountants and Statutory Auditor, 33 George Street, Wakefield, WF1 1LX
<b>Investment Managers:</b>	Brewin Dolphin Ltd 10 Wellington Place, Leeds, LS1 4AN
<b>Property Advisers:</b>	Walker Singleton Property House, Lister Lane, Halifax, HX1 5AS



**Statement of Responsibilities of the Executive Council**

Company law requires the Executive Council to prepare financial statements for each financial year which give a true and fair view of the state of the Charity's financial activities during the year and of its financial position at the year end. In preparing those financial statements, the Executive Council should follow best practice and:

- select suitable accounting policies and then apply them consistently;
- 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 Charity will continue in operation.

The Executive Council is responsible for keeping accounting records which disclose with reasonable accuracy the financial position of the Charity and which enable it to ascertain its financial position and to ensure that the financial statements comply with the Companies Act 2006, the Charities Act 2011 and regulations thereunder. It is also responsible for safeguarding the assets of the Charity and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as each member of the Executive Council at the date of this report is aware,

- there is no relevant audit information of which the Charity's auditor is unaware; and
- the Executive Council have taken all steps which they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

These financial statements comply with current statutory requirements and with the requirements of the Charity's governing document.

**Auditors**

Jolliffe Cork LLP offer themselves for reappointment as auditors in accordance with section 485 of the Companies Act 2006.

SIGNED ON BEHALF OF THE EXECUTIVE COUNCIL

Rev Simon Copley (Executive Council Member)    Rev Alan Crump (Executive Council Member)

Date:

**THE UNITED REFORMED CHURCH (YORKSHIRE PROVINCE) TRUST LIMITED**

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**Opinion**

We have audited the financial statements of The United Reformed Church (Yorkshire Province) Trust Limited (the 'charitable company') for the year ended 31 December 2019 which comprise the statement of financial activities, balance sheet, cash flow statement and notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (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 Auditor's 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 Trustees' annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

**THE UNITED REFORMED CHURCH (YORKSHIRE PROVINCE) TRUST LIMITED**

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In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**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 Trustees' report (incorporating the Directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report has been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of our 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 Directors' report.

We have nothing to report in respect of the following matters in relation to which 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 Directors' 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 prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

**Responsibilities of Trustees**

As explained more fully in the Trustees' responsibilities statement set out on page 7, 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.

**THE UNITED REFORMED CHURCH (YORKSHIRE PROVINCE) TRUST LIMITED**

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**Auditor's responsibilities for the audit of the financial statements**

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

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 auditor's report.

**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 auditor's 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.

**Date** .....

**Claire Lawton FCA DChA (Senior Statutory Auditor)**  
**For and on behalf of Jolliffe Cork LLP**  
**33 George Street**  
**Wakefield**  
**West Yorkshire**  
**WF1 1LX**

## STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2019

					2019				2018
	Note	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds
Income and endowments from:		£	£	£	£	£	£	£	£
Donations and legacies	2	78,538	38,618		117,156	111,112	178		111,290
Charitable activities	3	41,632	315,027	-	356,659	985	54,450	-	55,435
Investments	4	283,770	21,377	-	305,147	264,164	20,663	-	284,827
Other									
Total	16	403,940	375,022	-	778,962	376,261	75,291	-	451,552
Expenditure on:									
Raising funds	5	22,976	24,702	4,971	52,649	15,035	22,352	5,055	42,442
Charitable activities	6	473,251	574,517	-	1,047,768	356,293	167,426	-	523,719
Other		-	-	-	-	-	-	-	-
Loss on sale of tangible asset		-	561	-	561	-	-	-	-
Total		496,227	599,780	4,971	1,100,978	371,328	189,778	5,055	566,161
Gains/(losses) on investment assets	11								
Realised		-	28,864	9,143	38,007	(11,262)	(158,410)	(54,212)	(223,884)
Unrealised		-	431,496	92,736	524,232	-	(291,535)	(46,205)	(337,740)
Total		-	460,360	101,879	562,239	(11,262)	(449,945)	(100,417)	(561,624)
Net income/(expenditure)		(92,287)	235,602	96,908	240,223	(6,329)	(564,432)	(105,472)	(676,233)
Transfers between funds	16	4,220	(4,220)	-	-	(303,724)	303,724	-	-
Net movement in funds		(88,067)	231,382	96,908	240,223	(310,053)	(260,708)	(105,472)	(676,233)
Reconciliation of funds:									
Total funds brought forward									
At 1 January 2019		323,262	7,802,010	1,035,867	9,161,139	633,315	8,062,718	1,141,339	9,837,372
Total funds carried forward									
At 31 December 2019	16 & 17	235,195	8,033,392	1,132,775	9,401,362	323,262	7,802,010	1,035,867	9,161,139

## SUMMARY INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2019

	2019 £	2018 £
Income as reported on the SOFA	778,962	451,552
Gains on investments	460,360	-
	<hr/>	<hr/>
Gross income in the reporting period	1,239,322	451,552
Expenditure as reported on the SOFA	1,096,007	561,106
Losses on investments	-	461,207
	<hr/>	<hr/>
<b>Net income / (expenditure) for the year</b>	<b>143,315</b>	<b>(570,761)</b>
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The Summary Income and Expenditure account excludes movements on the endowment funds. It is derived from the Statement of Financial Activities which together with the notes 1 to 19 provides full information on the movements during the year on all the Charity's funds.

## BALANCE SHEET AT 31 DECEMBER 2019

	Note	2019 £	2018 £
<b>Fixed assets:</b>			
Tangible assets	9	1,234,382	1,194,409
Investments	11	7,326,151	6,096,715
<i>Total fixed assets</i>		<b>8,560,533</b>	7,291,124
<b>Current assets:</b>			
Debtors	12	165,569	25,173
Investments - Short term deposits		1,037,371	2,210,871
Cash at bank and in hand		48,549	7,595
<i>Total current assets</i>		<b>1,251,489</b>	2,243,639
<b>Liabilities:</b>			
Creditors: amounts falling due within one year	14	(273,984)	(227,089)
<i>Net current assets</i>		<b>977,505</b>	2,016,550
<i>Total assets less current liabilities</i>		<b>9,538,038</b>	9,307,674
Creditors: amounts falling due after more than one year	15	(136,676)	(146,535)
<b>Total net assets</b>		<b>9,401,362</b>	9,161,139
<b>The funds of the charity:</b>			
Endowment funds	16 - 18	1,132,775	1,035,867
Revaluation reserve/(deficit)		63,852	63,952
Other restricted funds		7,969,540	7,738,058
Unrestricted designated funds	18	81,200	81,200
Other unrestricted funds		153,995	242,062
<b>Total charity funds</b>		<b>9,401,362</b>	9,161,139

The financial statements were approved by the Executive Council on .....

Rev Simon Copley  
Executive Council Member

Rev Alan Crump  
Executive Council Member

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2019

	2019 Total Funds £	2018 Total Funds £
<b>Cash flows from operating activities:</b>		
<i>Net cash used in operating activities</i>	<b>(696,449)</b>	(406,800)
<b>Cash flows from investing activities:</b>		
Dividends, interest and rents from investments	305,147	284,827
Net costs associated with the sale of tangible fixed assets	(467)	-
Purchase of tangible fixed assets	(73,580)	(317,469)
Proceeds from the sale of investments	1,347,990	949,883
Cash (added to) /withdrawn from investments	(700,000)	312,337
Purchase of investments	(1,315,187)	(884,046)
<i>Net cash (used in) provided by investing activities</i>	<b>(436,097)</b>	345,532
<i>Change in cash and cash equivalents in the reporting period</i>	<b>(1,132,546)</b>	(61,268)
<b>Cash and cash equivalents at the beginning of the reporting period</b>	<b>2,218,466</b>	2,279,734
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>1,085,920</b>	2,218,466
<b>Reconciliation of net income/(expenditure) to net cash flow from operating activities</b>		
	2019 Total Funds £	2018 Total Funds £
<b>Net income/(expenditure) for the reporting period (as per the statement of financial activities)</b>	<b>240,223</b>	(676,233)
<b>Adjustments for:</b>		
Depreciation charges	33,513	27,790
Losses /(Gains) on investments	(562,239)	561,624
Dividends, interest and rents from investments	(305,147)	(284,827)
Loss/(profit) on the sale of tangible fixed assets	561	-
Decrease /(Increase) in debtors	(140,396)	2,560
(Decrease) /Increase in creditors	37,036	(37,714)
<i>Net cash used in operating activities</i>	<b>(696,449)</b>	(406,800)
<b>Analysis of cash and cash equivalents</b>		
	2019 Total Funds £	2018 Total Funds £
Cash at bank and in hand	48,549	7,595
Notice deposits (less than 3 months)	1,037,371	2,210,871
<b>Total cash and cash equivalents</b>	<b>1,085,920</b>	2,218,466



## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

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**1 Principal accounting policies****Basis of preparation**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1st January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The United Reformed Church (Yorkshire Province) Trust Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

**Incoming resources**

Donations are included when they are received. Legacies are included when it is probable that they will be received. Investment income is included when it is receivable, and includes any recoverable income tax. Property rents and interest on loans are included when they fall due. Investments and other assets from churches which have closed are accounted for when the amount receivable can reasonably be ascertained.

**Recognition and valuation of donated services**

The services of the Synod's Development Officer and Evangelist, who are Ministers of Word and Sacrament in the URC, are provided by the URC under its Plan for Partnership in Ministerial Remuneration at no charge to the charity. These donations have been valued at the usual employment cost of a URC minister, reduced for the Synod Evangelist, which is not a full-time appointment. The cost is included in expenditure on charitable activities.

The Charity's activities are dependent on volunteer members of committees. Travel expenses are reimbursed but there is no recognition in these accounts of the time donated by volunteers.

**Basis of allocation of costs**

Grants payable are voluntary payments to individuals, local URC churches or URC organisations in accordance with the purpose of the relevant fund. They are accounted for when they have been approved by the Synod Council or Financial Resources Committee, the recipient has been told of that approval, and if applicable has accepted the terms related to the grant. Grants to URC churches are usually multi-year grants. A creditor is included for the full amount of the grant offered. Payment of the second or later year's instalment is dependent on receipt of a report on the previous year, showing the progress made on the project. Occasionally Synod Council will require repayment of grants which have not been spent.

Support costs incurred in maintaining the office and employing the office staff have been allocated to raising income, charitable activities and governance in proportion to the time spent by office staff on each activity.

**Tangible fixed assets and depreciation**

Freehold and leasehold properties held for continuing use by the Charity are revalued by professional valuers every 5 years and are depreciated over 50 years. Long leasehold properties are defined as those properties with an unexpired lease term of more than 50 years. Properties acquired between valuations are included at cost and depreciated over 50 years. Properties sometimes pass to the Charity from United Reformed Churches in Yorkshire which have closed. If they are to be retained they are valued on acquisition. If the property is to be sold it is not revalued.

Office equipment is capitalised where a purchase or project costs over £500, and is included at cost less a provision for depreciation. This is calculated to write down the cost of tangible fixed assets by equal annual instalments over their expected useful lives, which are between 3 and 10 years.

## NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 DECEMBER 2019 (continued)

**1 Principal accounting policies (continued)****Investment assets**

Investments listed or traded on a recognised stock exchange are included at market value at the balance sheet date. Investment properties are valued professionally every five years. In between the valuations the Trustees' best estimate of market value is used. In accordance with standard accounting practice, no depreciation is charged on investment properties. Concessionary loans to URC churches are valued at the amount paid less repayments received.

**Current asset measurement**

Debtors are included at their recoverable amount.

Current asset investments comprise working capital held on short-term deposit.

Cash at bank and in hand comprises the balance in the bank current account and the petty cash float.

Creditors: amounts falling due within one year are valued at settlement amount.

**2 Income from donations and legacies****Donations**

Synod Levy

Notional Grant for Synod Development Officer and Evangelist

Gifts

2019	2018
£	£
28,085	29,170
50,405	48,804
38,666	33,316
<b>117,156</b>	<b>111,290</b>

The Synod Levy as passed at Synod in 2011, is calculated at £10 per member per year. The Charity is very grateful for the generous giving of all its churches.

**3 Income from charitable activities**

Net proceeds of redundant manse funds and sale of redundant churches

Income from church closed in the year

Interest on loans to churches & ministers

Management charge (see note 13)

2019	2018
£	£
315,027	45,757
37,395	869
79	8,809
4,158	-
<b>356,659</b>	<b>55,435</b>

When United Reformed Churches in Yorkshire close, the net assets and building pass to the Charity. The building is not included in fixed assets if it is sold within a year of closure. There can be significant variances in this income from one year to another.

From October 2019, the net proceeds from the sale of Closed Church property are to be divided 20% to the United Reformed Church Ministers' Pension Fund; 40% to the Synod Mission Fund and 40% to the Closed Churches Fund.

From March 2010 amalgamated churches, and those in local ecumenical partnerships, are required to transfer to the Charity 50% of the net proceeds of any United Reformed Church property sale, for use by the Synod Mission Fund.

From October 2011 any manse fund declared redundant is divided 75% to the local church and 25% to the Synod Mission Fund.

**4 Income from Investments**

Income from quoted investments

Investment property rents

Interest on bank balances

2019	2018
£	£
274,318	252,090
22,756	22,756
8,073	9,981
<b>305,147</b>	<b>284,827</b>

## NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 DECEMBER 2019 (continued)

<b>5 Expenditure on raising funds</b>	<b>Direct costs</b>	<b>Grant funding</b>	<b>Support costs</b>	<b>2019</b>	<b>2018</b>
	£	£	£	£	£
<i>Managing investments</i>					
Investment management fees	29,673	-	-	<b>29,673</b>	27,557
Support costs	-	-	22,976	<b>22,976</b>	14,885
	<b>29,673</b>	<b>-</b>	<b>22,976</b>	<b>52,649</b>	<b>42,442</b>
<b>6 Expenditure on charitable activities</b>	<b>Direct costs</b>	<b>Grant funding</b>	<b>Support costs</b>	<b>Total 2019</b>	<b>Total 2018</b>
<i>Grant making</i>	£	£	£	£	£
Grants to individuals					
Retired ministers and widows (7 grants)		6,900		<b>6,900</b>	5,000
Grants to URC institutions					
To churches for mission activities (27 grants)		152,484		<b>152,484</b>	141,700
To churches for property surveys (7 grants)		1,120		<b>1,120</b>	3,573
Vision & Opportunity to churches (110 grants)		396,282		<b>396,282</b>	-
URC ministers' pensions (1 grant)		-		<b>-</b>	-
Support costs			5,744	<b>5,744</b>	3,721
	<b>-</b>	<b>556,786</b>	<b>5,744</b>	<b>562,530</b>	<b>153,994</b>
<i>Other charitable activities</i>					
Training ministers and lay members	48,383		2,872	<b>51,255</b>	48,349
Youth, children and safeguarding	85,680		2,872	<b>88,552</b>	74,775
Administering churches' property and investments	918		68,926	<b>69,844</b>	46,895
Supporting committees and Synod	16,037		40,207	<b>56,244</b>	47,690
Pastoral work	1,173		22,975	<b>24,148</b>	16,117
Supporting and encouraging URC churches, districts and centrally	19,984		77,542	<b>97,526</b>	68,920
Chaplaincies, industrial mission and ecumenical relations	1,452		5,744	<b>7,196</b>	3,846
Management & maintenance of Synod properties	35,000		14,360	<b>49,360</b>	38,095
Sundry and contingencies	1,348		-	<b>1,348</b>	552
	<b>209,975</b>	<b>-</b>	<b>235,498</b>	<b>445,473</b>	<b>345,239</b>
<i>Governance costs</i>					
External audit fee	5,508		-	<b>5,508</b>	5,040
Internal audit and accountancy	1,794		-	<b>1,794</b>	1,550
Legal and professional fees	2,190		-	<b>2,190</b>	1,740
Recruitment fees	5,197		-	<b>5,197</b>	1,271
Revaluation fees	2,100		-	<b>2,100</b>	-
Support costs	-		22,976	<b>22,976</b>	14,885
	<b>16,789</b>	<b>-</b>	<b>22,976</b>	<b>39,765</b>	<b>24,486</b>
<b>Total expenditure on charitable activities</b>	<b>226,764</b>	<b>556,786</b>	<b>264,218</b>	<b>1,047,768</b>	<b>523,719</b>

## NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 DECEMBER 2019 (continued)

**5 Expenditure on raising funds - previous year**

	Direct costs £	Grant funding £	Support costs £	2018 £
<i>Managing investments</i>				
Investment management fees	27,557	-	-	27,557
Support costs	-	-	14,885	14,885
	27,557	-	14,885	42,442

**6 Expenditure on charitable activities - previous year**

	Direct costs £	Grant funding £	Support costs £	Total 2018 £
<i>Grant making</i>				
Grants to individuals				
Retired ministers and widows (9 grants)		5,000		5,000
Grants to URC institutions				
To churches for mission activities (10 grants)		141,700		141,700
To churches for property surveys (12 grants)		3,573		3,573
Support costs			3,721	3,721
	-	150,273	3,721	153,994
<i>Other charitable activities</i>				
Training ministers and lay members	46,488		1,861	48,349
Youth, children and safeguarding	74,775		-	74,775
Administering churches' property and investments	378		46,517	46,895
Supporting committees and Synod	21,641		26,049	47,690
Pastoral work	1,232		14,885	16,117
Supporting and encouraging URC churches, districts and centrally	18,683		50,237	68,920
Chaplaincies, industrial mission and ecumenical relations	125		3,721	3,846
Management & maintenance of Synod properties	28,792		9,303	38,095
Sundry and contingencies	552		-	552
	192,666	-	152,573	345,239
<i>Governance costs</i>				
External audit fee	5,040		-	5,040
Internal audit and accountancy	1,550		-	1,550
Legal and professional fees	1,740		-	1,740
Recruitment fees	1,271		-	1,271
Support costs	-		14,885	14,885
	9,601	-	14,885	24,486
<b>Total expenditure on charitable activities</b>	<b>202,267</b>	<b>150,273</b>	<b>171,179</b>	<b>523,719</b>

## NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 DECEMBER 2019 (continued)

**7 Analysis of support costs**

	Raising funds £	Grant- making £	Other charitable activities £	Governance £	Total £
Office staff costs	17,391	4,348	178,253	17,391	<b>217,383</b>
Office rates and maintenance	3,415	854	35,000	3,415	<b>42,684</b>
Office expenses and equipment	1,507	377	15,451	1,507	<b>18,842</b>
Depreciation	663	165	6,794	663	<b>8,285</b>
	<b>22,976</b>	<b>5,744</b>	<b>235,498</b>	<b>22,976</b>	<b>287,194</b>

**Analysis of support costs - previous year**

	Raising funds £	Grant- making £	Other charitable activities £	Governance £	Total £
Office staff costs	12,135	3,034	124,381	12,134	<b>151,684</b>
Office rates and maintenance	1,172	293	12,012	1,172	<b>14,649</b>
Office expenses and equipment	1,374	343	14,080	1,374	<b>17,171</b>
Depreciation	204	51	2,100	205	<b>2,560</b>
	<b>14,885</b>	<b>3,721</b>	<b>152,573</b>	<b>14,885</b>	<b>186,064</b>

Support costs are allocated in proportion to the time spent by office staff on the activities shown.

It has been accepted that the Synod Development Officer and Synod Evangelist are Ministers of Word and Sacraments under the terms of the United Reformed Church Plan for Partnership in Ministerial Remuneration and should not be classified as employees.

**8 Analysis of staff costs, trustee remuneration and expenses and the cost of key management personnel**

	2019 £	2018 £
Salaries and wages	<b>214,877</b>	157,776
Employer's National Insurance	<b>17,806</b>	12,377
Pension contributions to defined benefit schemes	<b>51,858</b>	40,589
	<b>284,541</b>	210,742

No employee received remuneration of more than £60,000 per annum, and there were no other employee benefits other than those disclosed above.

The average number of employees during the year was 9 (2018 - 8).

The key management personnel of the Charity are the Trustees, who include the Synod Clerk to March 2019 and the Synod Treasurer, and key employees of the charity, who are the Trust and Property Secretary, the Synod Clerk from April 2019 and the Finance Manager. The employee benefits of the key personnel total £116,275 (2018 £77,440).

**Trustees' expenses**

Members of the Executive Council are entitled to claim travel expenses for attending its meetings. The Synod Clerk and Treasurer may claim other expenses (travel, telephone, stationery etc.) incurred in their capacity as trustees. No trustee nor anyone connected with the trustees received any remuneration in 2019 or 2018 except as noted below.

## NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 DECEMBER 2019 (continued)

**8 Analysis of staff costs, Trustee remuneration and expenses and the cost of key management personnel**

	2019	2018
The total of expenses claimed, by 3 (2018 3) Trustees, for the year was:	<b>760</b>	£2,542

**9 Tangible assets**

	Freehold Property £	Office equipment £	Total £
<b>Cost or valuation</b>			
At 1 January 2019	1,246,996	56,074	<b>1,303,070</b>
Additions	60,940	12,640	<b>73,580</b>
Disposals	(100)	-	<b>(100)</b>
At 31 December 2019	<b>1,307,836</b>	<b>68,714</b>	<b>1,376,550</b>
<b>Depreciation</b>			
At 1 January 2019	62,207	46,454	<b>108,661</b>
Charge for the period	24,938	8,575	<b>33,513</b>
Disposals	(6)	-	<b>(6)</b>
At 31 December 2019	<b>87,139</b>	<b>55,029</b>	<b>142,168</b>
<b>Net book value</b>			
At 1 January 2019	1,184,789	9,620	<b>1,194,409</b>
At 31 December 2019	<b>1,220,697</b>	<b>13,685</b>	<b>1,234,382</b>
Net carrying value of revalued assets on historical cost basis	1,243,984	-	<b>1,243,984</b>

**Property****Net book amount**

The property is used for the direct charitable purposes of the Charity and comprises:	£
Housing for ministers of local churches or in Synod posts (a part share in 4 properties)	938,865
Graveyards (1 site)	92
Synod office building	281,740
	<b>1,220,697</b>

The housing and graveyards were revalued as at 31 December 2015 by Walker Singleton, external Chartered Surveyors, at market value with vacant possession, in accordance with the Royal Institute of Chartered Surveyors Valuation Standards. The Synod office building was similarly revalued as at 31 December 2015 at existing use value.

**10 Taxation**

The company is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

## NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 DECEMBER 2019 (continued)

<b>11 Fixed asset investments</b>	<b>Investment properties</b>	<b>Listed investments</b>	<b>Balances at stockbroker</b>	<b>Concessionary loans</b>	<b>Total</b>
<b>Market value</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
At 1 January 2019	502,764	5,526,961	43,740	23,250	<b>6,096,715</b>
Less:					
Disposals at opening book value	-	(1,299,914)	-		<b>(1,299,914)</b>
Deposits realised/(reinvested)	-	-	(700,011)		<b>(700,011)</b>
Investment management fees	-	-	(29,674)		<b>(29,674)</b>
Loan repayments	-	-	-	(10,069)	<b>(10,069)</b>
Add:					
Deposited for investment	-	-	700,000	-	<b>700,000</b>
Acquisitions at cost	-	2,037,932	-	6,940	<b>2,044,872</b>
Revaluation	(25,138)	549,370	-		<b>524,232</b>
<b>At 31 December 2019</b>	<b>477,626</b>	<b>6,814,349</b>	<b>14,055</b>	<b>20,121</b>	<b>7,326,151</b>
<b>Historical cost</b>					
At 31 December 2019	-	5,828,122	14,055	20,121	<b>5,842,177</b>
Disposals:					
Proceeds	-	1,337,921	-	-	1,337,921
Book value at 1 Jan 2019		(1,299,914)	-	-	(1,299,914)
Gain / (loss)	-	38,007	-	-	38,007

The investment property is 83.794% of the freehold at Aberdeen Walk, Scarborough, and was revalued as at 24 June 2019 by Walker Singleton, external Chartered Surveyors, at market value, in accordance with the Royal Institute of Chartered Surveyors Valuation Standards.

All fixed asset investments are in held in the UK, in Nominee Accounts at the brokers. Details of the portfolio of listed investments are as follows:

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Equity investments	<b>2,179,543</b>	2,287,771
Gilt-edged and fixed interest stocks	<b>578,543</b>	500,477
Investment and unit trusts	<b>4,056,263</b>	2,738,713
	<b>6,814,349</b>	5,526,961
Material investments (over 5% by value) at the end of the year:	<b>£</b>	<b>£</b>
JP Morgan US Equity Income K	<b>361,965</b>	236,113
North American Income Trust	<b>355,095</b>	176,700

All concessionary loans are to churches within the URC Yorkshire province. The maximum repayment period is 5 years and simple interest is charged at 5%, 3% or 0%. Repayments of capital and accrued interest are made quarterly. No security is provided on any loan. The maximum capital outstanding on any loan at 31 December 2019 was £6,000 (31 December 2018: £9,000).

	<b>£</b>	<b>£</b>
Concessionary loans falling due within one year	<b>9,971</b>	9,000
Concessionary loans falling due after more than one year	<b>10,150</b>	14,250
	<b>20,121</b>	23,250

## NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 DECEMBER 2019 (continued)

<b>12 Debtors</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Amounts owed by group and associated undertakings:		
Yorkshire Congregational Union (Incorporated)	<b>4,158</b>	-
Cash in transit from YCU (Inc)	<b>138,529</b>	
Prepayments and accrued income	<b>22,882</b>	25,173
	<b>165,569</b>	25,173

**13 Related Parties**

The Yorkshire Congregational Union (Incorporated) is a Charity administered by the same Trustees as the United Reformed Church (Yorkshire Province) Trust Limited, from the same office. It acts as Trustee for many of the United Reformed Churches in the Yorkshire Synod. The Yorkshire Congregational Union (Incorporated) has no employees; its administrative work is performed by employees of the United Reformed Church (Yorkshire Province) Trust Ltd, for which a management charge is made. The charge for 2019 of £4,158 (2018 - £nil) is a debtor in these accounts. In addition, one of the churches for which the YCU acts as custodian trustee owed the Trust £138,529 (2018 - £nil) at the year end. The Trust owed the YCU £nil at the year end (2018: £6,500).

Trustees or people connected with the Trustees may also be Trustees of a church in receipt of a grant or concessionary loan from the Trust. Grants are awarded by a separate group from the Trustees, and members of that group will not take part in the decision if they have a conflict of interest. In 2015 a Trustee was appointed who is married to an employee. The Trustee is not involved in any decision which might confer a financial benefit on his wife. The employee retired in December 2019 and the Trustee retired in January 2020.

Revd A Crump who is a minister at Knaresborough and Bilton Grange URCs and is also a Trustee, occupies a manse which is part owned by the Trust, and was paid a sabbatical grant of £1,200 on the same basis as other serving ministers.

<b>14 Creditors: amounts falling due within one year</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Accruals for grants payable	<b>145,208</b>	162,486
Accruals and deferred income	<b>13,359</b>	10,685
Other creditors	<b>115,417</b>	53,918
	<b>273,984</b>	227,089

Other creditors includes an amount of £nil (2018: £38,451) from the winding up of South Yorkshire Workplace Chaplaincy. This has been held until a decision was made about a related activity elsewhere in Yorkshire, and has now been released to the Synod Mission Fund.

<b>15 Creditors: amounts falling due after more than one year</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Accruals for grants payable	<b>136,676</b>	146,535



## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019 (continued)

## 16 Movement in funds during the year

	Balance 1 January 2019 £	Incoming resources £	Outgoing resources £	Transfers between funds £	Revaluation gains/losses £	Balance 31 December 2019 £
<b>Permanent endowments</b>						
General Purposes	695,001	-	(3,327)	-	68,213	<b>759,887</b>
Church Extension	235,420	-	(1,135)	-	23,252	<b>257,537</b>
Maintenance of Ministry	16,595	-	(80)	-	1,639	<b>18,154</b>
Welfare of Ministry	71,121	-	(343)	-	7,024	<b>77,802</b>
Home Churches	17,730	-	(86)	-	1,751	<b>19,395</b>
	<b>1,035,867</b>	<b>-</b>	<b>(4,971)</b>	<b>-</b>	<b>101,879</b>	<b>1,132,775</b>
<b>Restricted funds</b>						
Closed Churches capital	6,966,026	88,249	(446,483)	-	460,460	<b>7,068,252</b>
Closed Churches revaluation reserve	63,952				(100)	<b>63,852</b>
Synod Mission capital and income	395,628	268,744	(152,484)	-	-	<b>511,888</b>
<b>Income funds</b>						
Church Extension	365,373	12,907	-	-	-	<b>378,280</b>
Maintenance of Ministry	-	770	-	(770)	-	<b>-</b>
Welfare	9,669	3,522	-	(3,450)	-	<b>9,741</b>
Home Churches	1,362	830	(813)	-	-	<b>1,379</b>
	<b>7,802,010</b>	<b>375,022</b>	<b>(599,780)</b>	<b>(4,220)</b>	<b>460,360</b>	<b>8,033,392</b>
<b>Unrestricted Funds</b>						
General income	239,104	114,893	(482,944)	279,984	-	<b>151,037</b>
Designated funds (note 18)	81,200	-	-	-	-	<b>81,200</b>
Closed Churches income	-	289,047	(13,283)	(275,764)	-	<b>-</b>
Albion - capital and income	2,958	-	-	-	-	<b>2,958</b>
	<b>323,262</b>	<b>403,940</b>	<b>(496,227)</b>	<b>4,220</b>	<b>-</b>	<b>235,195</b>
<b>Total Funds</b>	<b>9,161,139</b>	<b>778,962</b>	<b>(1,100,978)</b>	<b>-</b>	<b>562,239</b>	<b>9,401,362</b>

The Charity is Trustee of all the funds, which are to be used by the United Reformed Church in its Yorkshire Synod.

**Permanent Endowment funds** represent those assets which must be held permanently by the Charity, principally investments. Any capital gains or losses arising on the investments form part of the fund. Investment management charges are charged against the fund. Income arising on the endowment funds is either restricted or unrestricted depending on the fund.

**The endowment investments** are pooled and held within the Common Investment Fund. All gains and income are credited to the constituent endowment and income funds in the proportion of the assets originally pooled, which were general (66.93%), church extension (22.84%), maintenance of the ministry (1.61%), welfare (6.90%) and home churches (1.72%).

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019 (continued)

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**16 Movement in funds during the year (continued)**

**Restricted funds** are funds which have been given for particular purposes.

**Unrestricted funds** comprise those funds which the Trustees are free to use in accordance with the charitable objects.

**Designated funds** are amounts of money within unrestricted funds which have been set aside for a specific purpose which will be achieved within less than three years.

**General purposes fund** - use of the income is unrestricted for the furtherance of religious and other charitable work of the United Reformed Church within its Yorkshire Synod.

**Church extension fund** - makes loans to local United Reformed Churches for the upkeep and repair of their buildings.

**Maintenance of the ministry fund** - provides a small income which is transferred to the general purposes fund where it is deemed to assist in the maintenance of the ministry of the Synod Moderator.

**Welfare of the ministry fund** - provides income which forms 50% of the grants made in cases of need to ministers, retired ministers and their dependants.

**Home churches fund** - represents a small amount of capital, the income from which forms part of the Synod's mission and ministry fund contributions to the United Reformed Church.

**Closed churches fund** - holds funds from churches closed after 1972, under the terms of the URC Trusts set out in the 1972 URC Act, as modified by the 1981 Act. The capital is available for use in accordance with the URC Act 1981, Schedule 2, parts I and II. Income from the investment of the capital is directed to the general purposes fund and is used to fund the work of the Synod.

**Albion fund** - consisted mainly of accrued income and was administered and managed as part of the general purposes fund. The fund was liquidated during 2018 to purchase a manse for a Special Category Minister appointed to work in the Synod with young adults (Generation Y).

**Synod mission fund** was set up in 2010 and incorporates the former Amalgamation fund. It receives funds primarily from property sales that arise as part of the closure or amalgamation of local churches, or the creation of Local Ecumenical Projects. Both capital and income are available for grants to local churches for any project that can be shown to promote the missionary work of the United Reformed Churches in Yorkshire.

**Transfers between funds**

The net income on the Closed churches fund is unrestricted and transferred to the General fund each year. The General fund also receives the income from the maintenance of the ministry and welfare funds, in line with the above descriptions.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019 (continued)

**17 Analysis of net assets between funds at the year end**

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds £
<b>Fund balances at the year end are represented by:</b>				
Tangible fixed assets	13,685	1,220,697	-	<b>1,234,382</b>
Investments	-	6,193,639	1,132,512	<b>7,326,151</b>
Net current assets	221,510	833,371	263	<b>1,055,144</b>
Long term liabilities	-	(214,315)	-	<b>(214,315)</b>
<b>Total net assets</b>	<b>235,195</b>	<b>8,033,392</b>	<b>1,132,775</b>	<b>9,401,362</b>

**18 Designated Funds**

	Balance 1 January 2019 £	Incoming resources £	Outgoing resources £	Balance 31 December 2019 £
Within the General Fund are the following: A temporary fund holding church contributions to the URC Mission and Ministry Fund	81,200	-	-	<b>81,200</b>

**19 Pension costs**

The Charity contributes to a URC lay staff pension scheme known as the "Final Salary" scheme, which is administered by TPT Retirement Solutions (formerly The Pensions Trust). This is operated as a defined benefit scheme but the Charity is not the only participating employer in the scheme and is ordinarily unable to identify its share of the underlying assets and liabilities - each employer in that scheme pays a common contribution rate.

During 2019 the Charity contributed 25.1% (2018: 25.1%) of basic salary in respect of members of the Final Salary scheme. Members contributed at the rate of 7.5% (2018: 7.5%) of pensionable salary throughout the accounting period.

Triennial actuarial valuations of the Final Salary scheme are performed by a professionally qualified actuary. The most recent formal actuarial review of the scheme was at 30 September 2016, when the scheme had a deficit of £5,445,000. The assumptions underlying that valuation include:

Discount rate:	pre-retirement 4.9%, post-retirement 1.8%
Pensionable earnings growth:	2.45% for three years, 2.7% thereafter
Price inflation and pension increases:	2.2%
Retirement age:	65, with maximum commutation

In the event of no members continuing to contribute, there is a contingent obligation of an employer debt on withdrawal. The Charity's contingent obligation has not been quantified, but there is not currently any expectation that this situation will arise.