

KENSINGTON UNITED REFORMED CHURCH

ALLEN STREET KENSINGTON

LONDON W8 6BL

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

Minister

Reverend Sally Thomas

Treasurer

Mrs Gifty Saba

Church Secretary

Izumi Nishizono

Assistant Church Secretary

David Nyarko

Bankers

Barclays Bank

Lloyds

Independent examiner

M B Boydell FCA

Boydell & Co

Chartered Accountants

146B Chiswick High Road

London

W4 1PU

# KENSINGTON UNITED REFORMED CHURCH

## REPORT OF THE CHURCH ELDERS

### FOR THE YEAR ENDED 31 MARCH 2022

The Church Elders present the annual report with the financial statements for the year ended March 31st 2022.

Kensington United Reformed Church, one of the constituent churches of the Thames North Synod of the United Reformed Church, is registered as 'Kensington United Reformed Church Charity' (Charity no:1145107) under the Charities Act (2011).

#### **Principal Activities**

- To provide regular acts of Christian worship each Sunday during the year and at other times in accordance with the liturgical procedures of the United Reformed Church.
- To offer pastoral support to church members, members of the congregation and to those seeking assistance. To provide a friendly welcome to all visitors to the church.
- To let the church Meeting Space, sanctuary and halls when available to local organisations, both charitable and commercial, as a service to the community and also as a means of supplementing the income of the church.
- To maintain in good order the buildings and equipment of the Kensington United Reformed Church. To maintain and develop links with other Christian churches through the Kensington Council of Churches and with other faith groups.
- To ensure Kensington United Reformed Church is represented at the meetings of the Thames North Synod of the United Reformed Church and other appropriate councils of the United Reformed Church.

The Elders have held regular meetings during the past year to consider the pastoral care and the task of maintaining the worship services of the church and the day to day running of the building and finances.

Kensington United Reformed Church was in ministry vacancy since 2016. The Church Meeting called the Revd Sally Thomas in October 2019. This call was accepted and the Revd Sally Thomas started the ministry of our church on 1<sup>st</sup> February 2020. Her ministerial position is jointly held with St Paul's Bayswater URC with a scoping of 75%.

Minister: Reverend Sally Thomas

Church Secretary: Ms Izumi Nishizono

Treasurer – Mrs Gifty Saba

Assistant Church Secretary: Mr David Nyarko

Serving Church Elders (2020-21) Mrs Amy Augustin, Prof. Andrew Miller, Mr David Nyarko, Ms. Izumi Nishizono, Mrs Gladys Osei, Mrs Elizabeth Opoku, Mrs Evelyn Quartey-Papafio, Mrs Gifty Saba, Mrs Sarah Worburton.

KENSINGTON UNITED REFORMED CHURCH  
REPORT OF THE CHURCH ELDERS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2022

**Elders**

Elders elected are elected to serve by the Church Meeting. Under the constitution of the Kensington United Reformed Church, Elders will also act as Trustees to the Kensington United Reformed Church Charity.

**Independent Examiner**

Mr M B Boydell FCA  
 Boydell and Co.  
 Chartered Accountants  
 146B Chiswick High Road  
 London W4 1PU

**Bankers - Church**

Barclays Bank  
 Leicester  
 LE87 2BB

**Bankers - Church halls**

Lloyds  
 Kensington High Street  
 London W8

**Financial report**

The accounts have been prepared to comply with the requirements of the Charities Act 2011 and the Statement of Recommended Practice for Charities and with the regulations made under the Church Accounting Regulations 2006. They are prepared on an accruals basis and they are subject to a report by an Independent Examiner.

**Review of this year's activities**

We continued to experience the effects of the Covid-19 pandemic in the year 2021-2022.

Since in-person services resumed from 7th March 2021, Easter Sunday 4th April was celebrated in-person. The Sunday services in the church continued to be shared on Zoom for those who were unable to attend in person. However, due to the decrease in numbers attending online, sharing on Zoom was discontinued from October 2022. Essential meetings (Elders Meetings and Church Meetings) resumed in person. Monthly member-led prayer meetings for healing have been meeting in person, and the joint bible study group with St Paul's Bayswater URC every other week on Zoom. Vision planning meetings were held on 28th November.

Regrettably, church attendance on Sunday services has not recovered to the 2019 level. It is now rare for children to attend a Sunday service. There is a concern that members who have not attended since the onset of the Covid pandemic have become too accustomed to staying at home on Sunday mornings. We will need to address this issue in earnest.

KENSINGTON UNITED REFORMED CHURCH  
REPORT OF THE CHURCH ELDERS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2022

**Review of this year's activities (continued)**

One piano concert was held by the Director of Music. Our sanctuary is suited for concerts because of the superior acoustic. We hope to be able to hold more concerts in the future, to engage with the local community. We were not able to do much fund raising for other charities.

In terms of hall use, all the regular building users from before the pandemic returned, though one children's theatre group has not recovered to pre-pandemic levels.

Halls and Meeting Spaces were let to children's groups at commercial rate and self-help groups (Alcoholics Anonymous and Gamblers Anonymous) at reduced rate. We are pleased to be able to support AA and GA in this way. A Ghanaian congregation started hiring the Sanctuary and the Small Hall on Sunday afternoons.

Eden Montessori Nursery had a rent holiday for five months between April to August 2020. Their repayment began in January 2021 and ended in March 2022. This contributed to the income increase in 2021-2022, which compensated the loss of income from the manse.

In my last year's report, I concluded: 'As we recover from the pandemic, we look forward to reconnecting the church congregation, rebuilding the finances, returning to our normal activities, and developing further in faith with the help of our minister.' We are on course to rebuilding our finances. Going forward, reconnecting with the church congregation and returning to our normal activities should be top of our agenda. Then we hope to develop further prayerfully with the help of our minister the Revd Sally Thomas.

**Future Activities**

The Elders wish to focus on:

- Improving provision for pastoral care with the help of our minister, together with the members of the congregation.
- Trying to identify mission and outreach in the local community and implementing them with the help of our new minister.
- Making the sanctuary and the Meeting Space available to the church-related activities during the week.
- Continuing with the current programme to improve the financial position of the church and to create a surplus of income over expenditure. In particular, to recover from the loss of income from the church closure during the pandemic.

KENSINGTON UNITED REFORMED CHURCHREPORT OF THE CHURCH ELDERS (CONTINUED)FOR THE YEAR ENDED 31 MARCH 2022**Risk Management**

Church Elders are continuing to identify the major risks which impact on the work of the church, especially in regard to the security of the financial assets of the church.

The Elders are mindful that Child Protection procedures in line with the current legislation for all who work with children must be maintained. A safeguarding policy has been in place since October 2017 and was updated in September 2021.

On behalf of the Church Elders



.....  
Izumi Nishizono (Church Secretary/Church Elder)

18 / 9 | 2022

KENSINGTON UNITED REFORMED CHURCH

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2022

Notes	Unrestricted Funds £	Restricted Funds £	TOTAL 2022 £	TOTAL 2021 £
<u>Notes</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
INCOME AND EXPENDITURE				
INCOMING RESOURCES (2)				
Offerings	8,451	-	8,451	8,219
Donations and grants	157	-	157	1,606
Investment income and interest	13,444	-	13,444	12,314
Property income	106,137	-	106,137	52,763
Other income	30	199	229	227
	<u>128,219</u>	<u>199</u>	<u>128,418</u>	<u>75,129</u>
TOTAL INCOMING RESOURCES	<u>128,219</u>	<u>199</u>	<u>128,418</u>	<u>75,129</u>
RESOURCES USED (3)				
Ministry & Mission fund contributions	37,850	-	37,850	48,319
Ministers' expenses & local ministry	652	-	652	2,821
Premises costs	55,844	-	55,844	54,631
Other expenses	14,102	-	14,102	14,349
Donations	52	-	52	150
	<u>108,500</u>	<u>-</u>	<u>108,500</u>	<u>120,270</u>
TOTAL RESOURCES USED	<u>108,500</u>	<u>-</u>	<u>108,500</u>	<u>120,270</u>
NET INCOMING/(OUTGOING) RESOURCES	19,719	199	19,918	(45,141)
GAINS AND LOSSES (note 1)				
Unrealised gain	30,801	-	30,801	66,369
	<u>50,520</u>	<u>199</u>	<u>50,719</u>	<u>21,228</u>
NET MOVEMENT IN FUNDS	<u>50,520</u>	<u>199</u>	<u>50,719</u>	<u>21,228</u>
BALANCES brought forward				
At 1 April 2021	511,370	849	512,219	490,991
	<u>511,370</u>	<u>849</u>	<u>512,219</u>	<u>490,991</u>
BALANCES carried forward				
At 31 March 2022	£ 561,890	£ 1,048	£ 562,938	£ 512,219
	=====	=====	=====	=====

The notes on pages 7 to 11 form part of these accounts.

KENSINGTON UNITED REFORMED CHURCH

BALANCE SHEET

AT 31 MARCH 2022

	<u>Notes</u>	<u>2022</u>	<u>2021</u>
TANGIBLE FIXED ASSETS	(1)		
Investment assets	(4)	411,315	380,514
Church equipment	(5)	5,220	6,960
		<u>416,535</u>	<u>387,474</u>
CURRENT ASSETS			
Debtors	(6)	30,300	28,705
Cash at bank		121,057	101,254
		<u>151,357</u>	<u>129,959</u>
CREDITORS: amounts falling due within one year	(7)	(4,954)	(5,214)
NET CURRENT ASSETS		<u>146,403</u>	<u>124,745</u>
		<u>£ 562,938</u>	<u>£ 512,219</u>
		=====	=====
FUNDS			
Unrestricted		561,890	511,370
Restricted	(8)	1,048	849
		<u>£ 562,938</u>	<u>£ 512,219</u>
		=====	=====

Approved by the Church Elders on 18 / 9 / 2022 and signed on their behalf by



.....  
Gifty Saba – Treasurer/Elder



.....  
Izumi Nishizono – Church Secretary/Elder



## KENSINGTON UNITED REFORMED CHURCH

### NOTES TO THE FINANCIAL ACTIVITIES

#### FOR THE YEAR ENDED 31 MARCH 2022

#### 1. ACCOUNTING POLICIES

The financial statements have been prepared in accordance with the Statement of Recognised Practice – Accounting for Charities (2015) and the Church Accounting Regulations 2006.

The financial statements have been prepared under the historical cost convention except for the valuation of investment assets, which are shown at market value.

##### Funds

Unrestricted funds represent the funds that are not subject to any restrictions regarding their use and are available for use in furtherance of the objectives of the Church. Restricted funds are those donated for use in a particular area or for specific purposes.

The accounts include all transactions, assets and liabilities for which the Elders are responsible in law. They do not include the accounts of church groups that owe their main affiliation to another body nor those that are informal gatherings of Church members.

##### Incoming Resources

Voluntary income and capital sources:

Collections are recognised when received by or on behalf of the Church.

Planned giving receivable under Gift Aid is recognised only when received.

Income tax recoverable on Gift Aid is recognised when the income is recognised.

Grants and legacies to the Church are accounted for when the Church is notified of its legal entitlement and the amount due.

##### Property income

Rental income from the letting of church premises and the Manse is recognised when the rental is due.

##### Income from investments

Dividends and interest are accounted for when receivable. Tax recoverable on such income (if any) is recognised in the same accounting year.

##### Gains and losses on investments

Realised gains or losses are recognised when investments are sold. Unrealised gains or losses are accounted for on revaluation of investments at 31 March.

##### Resources used

Grants:

Grants and donations are accounted for on an accruals basis.

Activities directly relating to the work of the Church

The Ministry & Mission contributions are accounted for when payable.



KENSINGTON UNITED REFORMED CHURCH

NOTES TO THE FINANCIAL ACTIVITIES (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Fixed assets

Consecrated land and buildings and moveable church furnishings:

Consecrated and beneficed property is excluded from the accounts by s.10(2)(a) and (c) of the Charities Act 2011.

No value is placed on movable church furnishings held by the Elders on special trust for the Church since the Elders consider this to be inalienable property. All expenditure incurred during the year on consecrated or benefice buildings and movable church furnishings, whether maintenance or improvement, is written off as expenditure in the SOFA and separately disclosed.

Other fixtures, fittings and office equipment

Equipment used within the church premises is depreciated on a straight-line basis over 4 years except for individual items of equipment with purchase price of £2,000 or less which are written off when the asset is acquired.

Investments

Investments are valued at market value at the year end.

Current assets

Amounts owing to the Church at 31 March in respect of fees, rents or other income are shown as debtors less provision for amounts that may prove uncollectible.

2. <u>INCOMING RESOURCES</u>	Unrestricted Funds £	Restricted Funds £	TOTAL 2022 £	TOTAL 2021 £
Offerings				
Freewill offering scheme	6,474	-	6,474	5,720
Loose offerings	1,977	-	1,977	780
Income tax recoverable	-	-	-	1,719
	<u>8,451</u>	<u>-</u>	<u>8,451</u>	<u>8,219</u>
Donations and grants :				
Charitable donations	157	-	157	43
Coffee mornings	-	-	-	-
Grant received	-	-	-	1,563
	<u>157</u>	<u>-</u>	<u>157</u>	<u>1,606</u>
Investment income and interest	13,444	-	13,444	12,314
Rental and hiring income	106,137	-	106,137	52,763
Other income	30	199	229	227
	<u>119,611</u>	<u>199</u>	<u>119,810</u>	<u>63,304</u>
TOTAL INCOMING RESOURCES	<u>128,219</u> =====	<u>199</u> =====	<u>128,418</u> =====	<u>75,129</u> =====

KENSINGTON UNITED REFORMED CHURCH

NOTES TO THE FINANCIAL ACTIVITIES (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

	Unrestricted Funds £	Restricted Funds £	TOTAL 2022 £	TOTAL 2021 £
3. <u>RESOURCES USED</u>				
Ministry and Mission Fund contributions	37,850	-	37,850	48,319
	<u>37,850</u>	<u>-</u>	<u>37,850</u>	<u>48,319</u>
Ministry:				
Visiting ministers/local ministry	652	-	652	2,821
	<u>652</u>	<u>-</u>	<u>652</u>	<u>2,821</u>
Premises costs:				
Cleaning	16,731	-	16,731	9,943
Heat and light	11,248	-	11,248	9,900
Insurance	5,697	-	5,697	8,609
Church building repairs and maintenance	6,395	-	6,395	11,641
Administration of halls	14,058	-	14,058	14,166
Council Tax	1,422	-	1,422	-
Water	393	-	393	372
	<u>55,844</u>	<u>-</u>	<u>55,844</u>	<u>54,631</u>
Other expenses:				
Organist, choir and music	4,166	-	4,166	3,830
Telephone and fax	1,037	-	1,037	1,284
Printing, stationery, copier and computer costs	568	-	568	422
Sundry expenses	1,102	-	1,102	1,193
Independent examiner's fee	3,489	-	3,489	3,300
Book-keeping	2,000	-	2,000	2,000
Depreciation	1,740	-	1,740	2,320
	<u>14,102</u>	<u>-</u>	<u>14,102</u>	<u>14,349</u>
Donations:				
Miscellaneous	52	-	52	150
	<u>52</u>	<u>-</u>	<u>52</u>	<u>150</u>
TOTAL RESOURCES USED	<u>108,500</u>	<u>-</u>	<u>108,500</u>	<u>120,270</u>

KENSINGTON UNITED REFORMED CHURCH

NOTES TO THE FINANCIAL ACTIVITIES (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

4. INVESTMENT FIXED ASSETS

	£
Market value:	
At 1 April 2021	380,514
Additions at cost	-
Disposals	-
Net gain on annual revaluation	30,801
	<hr/>
At 31 March 2022	£ 411,315

The investments are all quoted on a UK stock exchange.

5. CHURCH EQUIPMENT

Balance 1 April 2021	9,280
Additions -	-
	<hr/>
	9,280
Depreciation as at 01 April 2021	2,320
Depreciation charge for the year	1,740
	<hr/>
Depreciation as at 31 March 2022	4,060
	=====
	<hr/>
Balance 31 March 2022	£ 5,220
	=====

6. DEBTORS

	<u>2022</u>	<u>2021</u>
Prepayments	1,364	350
URC Thames North Trust	28,936	28,355
	<hr/>	<hr/>
	£ 30,300	£ 28,705
	=====	=====

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	<u>2022</u>	<u>2021</u>
Accruals	3,489	4,300
Other Creditors	1,465	914
	<hr/>	<hr/>
	£ 4,954	£ 5,214
	=====	=====

THE KENSINGTON UNITED REFORMED CHURCH

NOTES TO THE FINANCIAL ACTIVITIES (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

8. RESTRICTED FUNDS

Movements on restricted funds during the year were as follows:

Funds:	B/f £	Received £	Expended £	Transfer £	C/f £
Bursary fund for young peoples' activities	849	199	-	-	1,048
	<u>£ 849</u>	<u>199</u>	<u>-</u>	<u>-</u>	<u>£ 1,048</u>

9. DEVELOPMENT OF CHURCH BUILDINGS

Kensington United Reformed Church and Church Hall are owned by URC Thames North Trust, a registered charity, number 1022551. Kensington United Reformed Church (through its Elders) is responsible for maintaining the premises and it is permitted to retain any rental income derived therefrom.

Monies accruing to the building development are held on behalf of Kensington United Reformed Church by the URC Thames North Trust.

Following discussions with them, it was agreed that the balance standing to the credit of the account they maintain known as "Kensington Redevelopment Scheme" as at 1 April 2009, should be shown as income in the accounts of Kensington United Reformed Church and they would be shown as debtors. The amount involved amounted to £ 7,377. Interest arising and administration charges from that date are included in the Statement of Financial Activities.

The financial statements record the income from lettings and the administration and maintenance costs and the cost of furnishings and equipment.

10. THE JENKINS LEGACY

URC Thames North Trust has been holding funds derived from "The Jenkins Legacy". Following discussions with them, and because they hold these funds on trust for Kensington United Reformed Church, it was agreed that the funds held by them as at 1 April 2009 amounting to £ 34,264 should be treated as income in the financial statements as at that date and they would be included as debtors. Interest arising and administration charges from that date are included in the Statement of Financial Activities.

11. CHURCH ELDERS EMOLUMENTS

Two of the church elders received emoluments during the year for their services. The church secretary, Izumi Nishizono received £14,058 (2021 £14,166) for the administration of the hall lettings and the church treasurer, Gifty Saba received £ 2,000 (2021 £2,000) for book-keeping services.

THE KENSINGTON UNITED REFORMED CHURCH  
INDEPENDENT EXAMINER'S REPORT TO THE ELDERS OF  
KENSINGTON UNITED REFORMED CHURCH

This report on the accounts of the Church for the year ended 31 March 2022, which are set out on pages 5 to 11, is in respect of an examination carried out in accordance with the Church Accounting Regulations 2006 ("the Regulations") and section 145 of the Charities Act 2011 ("the Act").

Respective responsibilities of trustees and examiner

The Church Elders as Charity Trustees for the Church are responsible for the preparation of the accounts. They consider that the audit requirement of the Regulations and section 144(2) of the Act does not apply and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act and the Regulations;
- to follow procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of 2011 Act; and
- to state whether particular matters have come to my attention.

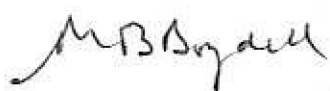
Basis of this report

My examination was carried out in accordance with the General Directions given by the Charity Commissioners. That examination includes a review of the accounting records kept by the Church Elders and a comparison of the accounts with those records. It also includes considering any unusual items or disclosures in the accounts and seeking explanations from the Elders as trustees concerning such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent examiner's statement:

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in any material respect the requirements to keep accounting records in accordance with section 130 of the 2011 Act, and to prepare accounts which accord with the accounting records and to comply with the requirements of the Act and the Regulations have not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



M B Boydell FCA  
 Boydell & Co  
 Chartered Accountants  
 146B Chiswick High Road  
 London  
 W4 1PU

22 / 9 / 2022

THE KENSINGTON UNITED REFORMED CHURCH

APPENDIX TO THE STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2022

The following information regarding the Church Halls and Nursery is included in the property income and expenditure shown in the Statement of Financial Activities on page 4 of the financial statements.

Income

	2022 £	2021 £
Hall lettings	106,137	52,763

Expenditure

Administration – by self employed individuals	14,058	14,166
Cleaning	16,731	9,943
Independent examination and accountancy (20% proportion)	698	660
Insurance (say 20% proportion)	1,139	1,722
Council Tax	1,422	-
Heating & lighting (say 50% proportion)	5,624	4,950
Repairs and maintenance (say 50% proportion)	3,198	5,820
Telephone	1,037	1,284
	<u>43,907</u>	<u>38,545</u>
PROFIT of income over expenditure re Halls	<u>£ 62,230</u> =====	<u>£ 14,218</u> =====