



CHANGING LIVES AND
COMMUNITIES TOGETHER

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

For the year ended 31 December 2022

Company Number: 02138994

Charity Number: 297483

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Registered office: The Foundry 17 Oval Way London SE11 5RR			
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ANNUAL REPORT AND ACCOUNTS 2022: CHAIR'S FOREWORD

In 2022, we continued to emerge from the Covid-19 pandemic. As we did so, we learned more about the effects of the pandemic on people's physical and mental health and the feelings of isolation that many people experience. This has been compounded by the cost-of-living crisis, including rising energy and food prices, meaning that more people were pushed into deeper poverty and debt.

Throughout these challenging times, Church Urban Fund has adapted and stepped up to play a key role in mobilising faith-based social action that has supported churches and communities to transform the lives of the people they serve. This progress is the result of 35 years' experience listening to and serving local churches, which has led to innovative and sustainable ways to respond to local need.

As the cost-of-living crisis pushed more people into distress, local churches and generous volunteers continued to inspire us with their resilience and creativity, providing practical support as well as love and care.

In 2022, we continued our work building and mobilising a national movement of faith-based social partners working together to serve local people and organisations who know their communities best. We equipped people to make a bigger difference in their community through our training and resources. And we amplified local voices, speaking out to influence policy and decision makers.

We know we have much more to do. As we continue to seek to deliver our strategy of serve, speak, lead, we will build on this progress, but also adapt our approach to respond to the needs of local people and churches.

At CUF, we remain committed to equipping people in local churches to serve, speak and lead in their communities.

As Christians, we know the value of community and fellowship. We know that we need each other to really flourish. We have all been given different parts for this purpose: to serve others as Jesus exhorted us. Church communities allow us to love one another, walk in fellowship with one another, bear each other's burdens and grow to serve our world together.

As local churches across England serve and care for people in need, we must continue to stand with them. The world remains a complex and unjust place for too many people. But, as we have shown through our work in 2022, it doesn't have to be this way. We have hope in the solidarity of people and communities, each of us built in the image of a loving God. From the stories that I hear about the resourcefulness and bravery of churches in the ways in which they work to support people, hope shines out as they journey with people.

The Church of England's parish network means that churches are deeply rooted in every community and this network is one of the country's greatest assets. This means that in every community there is a place of hope. Churches have that enduring presence to create a sense of hope and belonging in a way that few other organisations can. Those of us with responsibility for individual churches know how important it is to keep our doors open, to welcome people in and offer hospitality. Churches often underestimate the impact they have and how many people they are reaching in various ways.

Throughout the year, we have seen a larger number of churches using our Growing Good resources that explore the connections between social action, discipleship and growth. Through the sessions focused on the themes of presence, hospitality, participation, adaptability and perseverance we are seeing how churches can think or re-think about how they can be faithful and fruitful in local communities.

With our expanding network of *Places of Welcome*, we have seen new venues opening their doors, not only as a place for people to be warm in the colder months, but as a place where people can feel valued, less isolated, and more connected to the places where they live in a mix of people who wouldn't necessarily meet otherwise.

Our work with *Near Neighbours* continues to offer a bridge between people of difference in some of our most diverse and divided communities, helping grassroots organisations with small grants to initiate projects of hope and change.

The growth of *Lifesavers* and *Milo's Money* through the *Just Finance Foundation*, has meant more of our children are equipped with a stronger financial education to empower them to make better, more informed choices about their finances throughout their lives.

As I write in mid-2023, we are redoubling delivery against the vision and strategy we agreed in 2021. We are recruiting new trustees to add value to the organisation's governance and building an effective working relationship with our executive team now led by Bishop Rob Wickham. We review our own performance and are committed to complying with the Charity Governance Code including through the make-up of our board who bring a diversity of backgrounds, skills and experiences to our role.

All our work is aimed at empowering people of all ages, backgrounds and beliefs to serve, lead and speak.

Andrew Barnett OBE
Chair of Trustees

OUR IMPACT IN 2022

As the longer term financial and social impact of the Covid-19 pandemic emerged during 2022, and the cost-of-living crisis hit people throughout England, CUF and its subsidiaries were well equipped to respond with programmes and support to those most in need. Some highlights of our impact are below:

Together Network

Worked with 15 core members and 9 associate members to support:

- 512 churches
- 550 projects supported including 137 new initiatives
- 25 networks coordinated and over 158 network meetings held
- More than £1.6 million in funding secured by the Together Network
- The Network helped other organisations secure more than £180,000 in funding

Places of Welcome

- 168 new Places of Welcome opened in 2022, meaning there are now 610 registered locations.
- Places of Welcome reach over 14,000 people every week.
- 2,800 volunteers mobilised.

Growing Good

- 1,000 people signed up to access the resources
- 250 people attended workshops to find out more about the resources and how to use them
- Over 300 churches used the resources to run a course

Positive Pathways

- Reached 1,935 people in total

Near Neighbours

- 2,746 grassroots leaders equipped with practical skills and confidence to make a bigger difference in their neighbourhoods.
- 483 volunteers mobilised and 4,276 volunteer hours to strengthen communities.
- 150 new partnerships facilitated between local organisations.
- 32 grants awarded to the value of £100,078.

Catalyst

- 93 young people participated in 4 cohorts across 3 locations.
- 96% of respondents rated their Catalyst experience good or very good.

Just Finance Foundation

- 60 new Lifesavers schools engaged.
 - 139 active Lifesavers schools, engaging 42,218 pupils.
 - 870 teachers trained.
 - 6,500 new children engaged with Milo's Money.
 - 1,923 visits to Milo's game.
-

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

The Trustee Board presents their Annual Report and Financial Statements of the charity group for the year ended 31 December 2022. The Financial Statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006, the Charities Act 2011, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland.

OVERVIEW

Church Urban Fund (CUF) is a charitable company limited by guarantee and was established by the Church of England in June 1987 as a practical response to unmet need and has been active in local communities for over 30 years. Church Urban Fund's Memorandum of Association defines its objects and powers and is covered by its Articles of Association.

We launched in 2022 the Growing Good resources that were the result of the three-year GRA:CE research project between CUF and Theos looking at the linkages between social action, growth and confidence. This has enabled CUF to further deliver on its vision of being a social action mobiliser, and opened our reach directly to churches, with over 1,000 people accessing the resources in 2022.

We continued to embed and deliver on the refreshed vision, mission and strategy that was finalised in late 2021.

Our **national vision** is communities of hope working together to serve and strengthen society. We believe everyone should have access to a supportive and nurturing community.

We will help achieve this through **our mission** to become a national social action mobiliser working with and through the Church of England to empower people of all ages, backgrounds and beliefs to:

- **Serve:** We work to build and mobilise a national movement of faith-based partners seeking to serve their communities. Our focus is on significantly growing membership of the Together Network, Near Neighbours and Places of Welcome, a national movement of hospitality.
- **Lead:** We equip people to make a bigger difference in their community through high impact, relational programmes – designed by locals and delivered by locals – tackling issues of loneliness, social cohesion, food poverty and, through our subsidiary, the Just Finance Foundation, financial exclusion.
- **Speak:** We amplify grassroots voices and, with an emphasis on storytelling, we influence policy and decision makers. Through our What Works Centre, we will develop a new narrative about what faith-based social action is and how it contributes.

We have continued to look at governance structures and processes. Following the Governance Review, led by Lucent Consulting in 2021 we have begun a process of implementing the recommendations of this review. An immediate action, driven by our desire for greater simplicity, was to operate the CUF and NN's boards

co-terminously. This has increased the awareness of each charity's work across the Trustee group and lessened the reporting impact on the executive team.

The relationship between CUF and the Together Network has continued to develop and mature, following the disaggregation process of 2020/2021. This has reshaped our relationship to one of mutuality and creative support, partnership and collaboration, and has offered the opportunity to expand the Together Network beyond the original members. Closing the year, in addition to the 15 Core members with whom CUF has a legal relationship, we had 9 "associate members" join us in an informal relationship of support and resourcing and we expect this number to grow in the future.

In March 2022 the Rev'd Adam Edwards joined CUF as Deputy Group CEO to strengthen and add capacity to our leadership team. Adam had previously been CEO of one of our Together Network partners and has experience of working in communities. In December 2022, Rachel Whittington left her role as Group CEO to explore new opportunities. The Trustees thank Rachel for the work that she has done for the CUF Group. The Rt Rev'd Rob Wickham was appointed as Group CEO in January 2023 and will take up the role in July 2023, with Adam Edwards operating as Acting CEO in the intervening period.

LEGAL STRUCTURE AND BASIS OF CONSOLIDATION

- The **Together Network** is a network of individual charities, large and small, which was set up in partnership with CUF and the Church of England dioceses. It promotes collaborative, local social action through network building, strengthening of relationships, sharing of best practice and the development and delivery of programmes to tackle social issues including food poverty, loneliness and homelessness.
Since the disaggregation process CUF remains the convening member of the Together Network.
- **Near Neighbours** was established on 15 June 2011 and has been funded principally by the Department for Levelling Up, Housing and Communities (DLUHC) (formerly Ministry of Housing, Communities and Local Government) and CUF, bringing together people who are near neighbours in communities that are religiously and ethnically diverse, so that they can get to know each other better, build relationships of trust and collaborate on initiatives that improve the community they live in.
- The **Just Finance Foundation** was established as a charity on the 15 March 2017. JFF promotes a fairer financial system and equips people to manage their money better. A key focus is on helping primary-aged children, through their schools, develop a positive relationship with money and embed habits, learning and behaviours that build financial resilience into adulthood. We also develop 'train the trainer' community finance programmes to help people budget, save and spend wisely. It is funded by a number of trusts and grants.

TRANSACTIONS BETWEEN THE GROUPS

During the year, CUF undertook the following transactions with the Together Network (TN), Near Neighbours (NN) and the Just Finance Foundation (JFF):

- Near Neighbours paid CUF a grant of £110k (2021: £855k) to administer the Small Grants programme.

- Near Neighbours made a contribution of £187k (2021: £468k) to CUF towards the administration of the overall programme. At the year end, the intercompany balance was £123k (2021: £93k) owed by CUF.
- Just Finance Foundation made a contribution of £50k (2021: £50k) to CUF towards the shared central costs provided by CUF. At the end of the year intercompany balance of £10k owed by CUF (2021: £4k owed to CUF).
- During 2022 CUF paid £nil (2021: £43k) to the joint venture subsidiaries under the Together Network. The intercompany balance for the Together Network was nil (2021: nil) owed by CUF.

In the group accounts these transactions are eliminated on consolidation.

REVIEW OF 2022

As we journeyed through 2022, we had a clearer picture of the longer term social and economic impact of the pandemic, especially around the issues of physical and mental health and loneliness. Also, throughout 2022, there was significant concern about the cost-of-living crisis with increasing food and energy prices that were causing financial distress and hardship to a significant proportion of the population.

It was through the embedding of our strategy, finalised in late 2021, and vision to serve, speak and lead that we were able to lead and inspire churches and community groups to serve their local communities in these difficult times.

This support to churches was bolstered by the rollout of the Growing Good resources in 2022. Growing Good enables churches to take an integrated approach to social action, discipleship and growth. The Growing Good project team launched the Growing Good Toolkit, including five films that focus on the stories of churches that are building new connections and making a difference, and ran a successful workshop for Together Network core members to equip them to share the toolkit in their communities. One toolkit pilot participant, Heather Black, Programme Leader, Mustard Seed in the Diocese of York told us:

"The Growing Good Toolkit provides a resource and a framework to help churches with their thinking and planning." ... "it helps people to look at their church and their community with fresh eyes."

In 2022, there were 1,000 people who accessed the resources and over 300 churches ran a Growing Good course, and over 250 people attended workshops and training events.

Places of Welcome continue to grow, and are an important piece of work in tackling the loneliness and isolation that was exacerbated by the pandemic and cost-of-living crisis. In 2022, 168 new Places of Welcome opened, meaning there are now 610 registered locations reaching over 14,000 people every week.

Our homelessness prevention and support programme, **Positive Pathways**, went from strength to strength in its fourth year. The central goal of Positive Pathways is to "support 1,400 clients at risk of or experiencing homelessness in Yorkshire to live more sustainable and thriving lives". The project closed its fourth quarter having reached 1,935 people in total, exceeding its target and affecting real change across the county. The strength of the Positive Pathways approach is that workers are able to respond flexibly depending on the individual's circumstances and needs, offering a truly bespoke and relational approach which helps them navigate a period of crisis into a place of greater stability – a place where their basic needs are met, including housing, and they can begin to think more actively and positively about the future.

Another significant success of 2022 was our administration and evaluation of the Windrush Day Grants Programme. We awarded 35 grants, with a total value of £500,000, to different types of organisations across England including 5 local authorities, 1 national and 1 regional museum, and 28 community-based organisations. Grantees employed a range of creative approaches to achieve the aims of the scheme. Of the activities undertaken by grant recipients, half involved music or performance arts (50%) with other activities including sporting activities, community street parties or carnivals, storytelling projects, radio projects, art installations/exhibitions, and work with schools. Together, WDGS projects tapped into the assets and creative gifts of their local communities to celebrate the Windrush generations and deepen understanding of the Windrush legacy.

Given the backdrop of the economic impact of the pandemic and the onset of the cost-of-living crisis, the work of the **Just Finance Foundation** in both preventive and reactive financial education programmes proved vital to many people nationally and the team proved as creative and adaptable as ever. At the start of the year, JFF launched Milo's Money and introduced the world to its newest financial education hero. In his picture book, website, and online game, Milo brightened classrooms, laptops and living rooms around the country. Combining practical skills such as coin recognition with soft skills and early exposure to how money works, Milo's child centred approach was beloved by teachers and students alike. During the year we now have 139 active Lifesavers schools engaging 42,218 pupils; 870 teachers were trained, and 6,500 new children engaged with Milo's Money.

Near Neighbours continued to work to bring about social cohesion in some of our most diverse and divided communities, helping grass roots organisations with small grants to initiate projects of hope and change. Throughout the year: 2,746 grassroots leaders were equipped with practical skills and confidence to make a bigger difference in their neighbourhoods; 483 volunteers mobilised and 4,276 volunteer hours to strengthen communities; 150 new partnerships facilitated between local organisations and 32 grants awarded to the value of £100,078.

PLANS FOR THE FUTURE: 2023 AIMS AND OBJECTIVES

We move into 2023 on strong foundations. Over the past year we have embedded our new strategy and maximised opportunities for change and development. Our fundraising has remained stable and even grown in some areas, despite the ongoing challenges presented by the cost-of-living crisis.

We plan to keep investing in equipping churches and mobilising Christian social action. The next 12 months will be a critical time for us to amplify the voices of local communities who are struggling, and celebrate the important role churches play in supporting them.

We will add further resources to our Growing Good toolkit that will help churches who have already begun that journey to understand how social action in their community can be connected to discipleship and growth. As our Places of Welcome network grows, we will support this network and local co-ordinators with practical advice and resources, equipping people to make a bigger difference in their local community.

We will listen to churches and communities to understand their developing needs as we journey together through the cost-of-living crisis and provide relevant tools for churches so that they can support communities. Through the stories that we hear from local people we will amplify their voices and the distinctive value of faith-based social action to influence policy and decision makers to bring about systemic change to people's lives.

We also know that the impact of the pandemic and cost-of-living crisis will continue to be felt in the years to come. This is a critical time to serve and care for the most marginalised people in our communities. We will continue to support the Together Network, building a movement of faith based social action that serves local communities. And we will work with local partners across England to provide personal care to people facing homelessness.

As a Christian organisation, we are motivated by a vision of the world as God intends it to be. We are passionate about building communities where material needs are met and everyone feels connected, valued and loved. All of this is in the hope that, together, we will build confident, connected, hopeful and flourishing communities.

FINANCIAL REVIEW

Overview

The financial statements have been prepared in a way that reflects the charitable activities of CUF during 2022 in three ways:

1. *The Together Network's* programme of activities is delivered through a network of churches, faith-based organisations and secular groups. It works ecumenically and relationally to ensure that:
 - *Social action* by churches and community groups – delivered directly by the Together Network – increases in its extent, effectiveness, and faithfulness, as best practice is shared, resources are leveraged, and appropriate opportunities are identified.
 - *Collaboration* for the common good grows, including across sectors (state, private, and voluntary), faiths, church denominations and within neighbourhoods.
 - *Social policy*, public opinion and public service design and resourcing are increasingly informed by real-life experiences in local communities.
2. The *Near Neighbours* programme whose aim is to:
 - Build a network of people across particular geographical areas and develop relationships across faiths and ethnic boundaries through presence and engagement Hubs.
 - Create engagement through provision of a small grants programme and by supporting local action.
 - Build capacity of community and leadership delivery partners, broadening skills of individuals and organisations.

The *Just Finance Foundation*, which aims to create a fairer financial system focused on servicing the whole community, where everyone has access to responsible credit, savings and other essential financial services.

3. Research, evaluation, promotion and dissemination of information to network participants and the wider public, to influence awareness, consideration and response to issues affecting the flourishing of individuals and communities.

Income and Expenditure

Total income for 2022 was £4.57m (2021: £5.13m).

Unrestricted income received in the year was £2.5m (2021: £1.4m).

Restricted income includes funds for Near Neighbours £526k (2021: £2.3m), Just Finance Foundation £347k (2021: £180k), and the Together Network £6k (2021: £535k).

Expenditure decreased to £3.3m (2021: £6.26m) reflecting the reduction in funding for charitable activities related to Near Neighbours 'Creating Engagement'. This reduction also reflects the disaggregation and dissolution of joint ventures in the Together Network.

The Balance Sheet funds for the group shows a significantly improved unrestricted closing position for the year of unrestricted funds at £2.57m (2021: £1.29m) but a reduced balance on restricted funds at £0.73m (2021: £0.74m). The cash position at the end of the year was £1.46m (2021: £1.57m) with net assets of the group being £3.30m (2021: £2.03m) at 31 December 2022.

CUF gratefully acknowledges the many contributions, both small and large, received from individuals, churches and legacies, without which its work would not be possible. The continued support from the Archbishops Council of £0.2m (2021: £0.2m) is also recognised as an important contribution, as is the funding from various trusts and foundations.

Reserves policy

We aim to maximise the funds we can spend to support our charitable aims. The Trustees annually review our reserves policy and the level of required reserves, due to the highly volatile context in which the charity operates. The Trustees' aim is to maintain the correct balance between a growth strategy and the desire to achieve a prudent level of reserves. They have considered a target level for unrestricted free reserves of £400k from 2021, based on the scale of CUF's activities and resource base at that time to provide operational cover to ensure a timely and orderly transition (or winding up) of the organisation, if necessary. Additionally, to provide support for Near Neighbours and the Just Finance Foundation in the event of the winding up of either charity.

Based on this target the year end reserves are well above the level assessed by the Trustees. Plans and active monthly monitoring were instigated during 2020 to address the shortfall incurred during that year to ensure that the charity could meet its liabilities as they fall due. The increase back to sufficient levels was in part due to large and unexpected legacy income received in 2020, which positioned CUF back to a more than satisfactory reserve level for 2021. As such, the monthly monitoring was revised to quarterly monitoring.

Investment Policy and Performance

Our investment policy is to focus on capital security and liquidity and to invest in cash and cash equivalents investments to achieve this. At the year-end £0.753m (2021: £0.743m) was held with CCLA Investment Management Limited's "The CBF Church of England Deposit Fund". CCLA Investment Management Limited invests in accordance with the Church of England's ethical policies.

DELIVERING PUBLIC BENEFIT

CUF's primary aim is to tackle social and economic disadvantage and we do this in ways set out in the 'Review of 2022 and Plans for the Future' section of this document. We are also working for the renewal of civil society and encouraging the development of the charitable sector.

We work through Church of England structures, but focus our activity on people and organisations of all faiths and denominations. Beneficiaries are not restricted by faith, gender, ethnic origin, disability, age or sexual orientation.

The Trustees consider the guidance on public benefit each year, issued by the Charity Commission and are confident that CUF aims and objectives, as set out above, fulfil the criteria. The Trustees do not anticipate any future change to this operational approach.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Documents

CUF is both a company limited by guarantee subject to the Companies Act 2006 and a charity registered with the Charity Commission. It is governed by its Memorandum and Articles of Association which were last updated on 19 May 2011. The company registration number is 02138994 and the charity number is 297483. The Directors of the company are known as Trustees.

Governance Structure

The Articles of Association allow for up to twelve Trustees and provide that the Archbishop of Canterbury is President. Four Trustees are nominated jointly by the Archbishops of Canterbury and York; three by the Church Commissioners; two by the Archbishops' Council; one by the Finance Committee of the Archbishops' Council and two are co-opted by the Trustees after consultation with the Archbishops. The current composition of the Trustees and Executive Directors is set out on page 2.

The Trustees have established board sub-committees which support CUF work throughout the year and report fully to the Trustees Board:

- A Finance and Administration Committee - which operates under their designated authority and oversees and advises on financial, risk management and administrative matters,
- A Remuneration Committee - which reviews the principles governing pay and benefits as well as key personnel including the Executive Director and other Directors.
- A Safeguarding Committee – which reviews the Safeguarding Policy, staff training and any safeguarding input with active oversight from two board members.

Membership of each of these Committee is agreed by the Trustees and comprises a mix of Trustees and co-opted members whose function is specific to the sub-committees on which they serve. The membership of each sub-committee is set out on page 2. The main Board meets five times a year to review overall strategy operational and financial performance and ensuring our statutory responsibilities are fulfilled.

Any Trustee expenses reclaimed are set out in note 11 to the financial statements.

Trustee Induction and Training

Our objective on appointment of our Trustees is to undertake a comprehensive induction programme which covers the formal governance arrangement and includes our legal structures and obligations, charitable priorities and work. The induction also includes briefings from key staff and meetings with those active in our networks, which helps with awareness of grass-roots issues and developments. They are also kept up-to-date with regular briefings on developments in CUF's operating environment. Further training is carried out on an ongoing basis, making use of the Charity Commission website and other charity publications. Trustees are also invited to attend meetings, conferences and seminars, which give them a better understanding of their roles and responsibilities.

Management and Organisational Structure

The day-to-day management and the responsibility for the implementation of strategy and planning are delegated to the Executive Director. Formal reporting to the Trustee Board takes place regularly throughout the year. The Executive Director is supported by a team of Principal Officers, set out on page 2. These are collectively the Senior Management Team.

Fundraising

Our fundraising strategy focuses on aligning with individuals, churches and organisations who share our values and want to contribute funds to supporting local communities across England. To raise funds and awareness of our work in a sustainable way, and to allow supporters to get involved in a way that suits them best, we rely on a range of different fundraising activities. Our core fundraising streams are:

- Legacies
- Individual Giving – namely direct appeals and regular giving
- Church Giving
- Trusts and Foundations

CUF is an organisational member of the Fundraising Regulator and undertakes regular reviews of our fundraising activities, policies and processes to ensure they align with the Code of Fundraising Practice, and guidance from the Charity Commission. Our staff undertake regular training, both internally and externally, and are connected to the broader fundraising sector through organisations and interest groups such as the Chartered Institute of Fundraising.

All our fundraising communications must reflect our vision, mission, and values. Fundraising communications will be transparent and truthful, stating whether funds raised will be used for our general charitable purposes or for a specific purpose.

Whilst it is not a main focus of our fundraising strategy, we do also support churches and members of the public to fundraise on our behalf. This is done through church giving or sponsored fundraising activities. To maintain our fundraising standards, our internal staff work closely with these individuals, providing relevant guidance and support throughout the fundraising process. This guidance assists fundraisers to identify and protect people in vulnerable circumstances.

Data collected by CUF is strictly confidential and we do not share this data with any third party without consent. CUF is compliant with GDPR and data protection regulations. Our staff, trustees and volunteers do not accept commissions or bonuses for fundraising activities on behalf of CUF. We do not currently employ external professional fundraisers to raise funds on our behalf through telephone or door-to-door fundraising.

However, we do seek the support of fundraising grant writers and other creative suppliers to assist our internal fundraising team. We require our suppliers to adhere to our fundraising policies and standards and this is included in our contracts with them.

Our supporters are at the heart of all our fundraising activities and processes. We are pleased to have received no formal fundraising complaints in 2022. If someone does want to make a complaint or provide feedback regarding our fundraising, we encourage them to do so in writing and provide helpful and clear instructions on how to do so.

Protecting people in vulnerable circumstances when fundraising

We are committed to ensuring every individual that engages with CUF feels informed, valued, and inspired about our work. We will always treat donors and prospective donors with respect. This includes striving to respect the wishes and preferences of the donor. We will respond appropriately to the needs of our donors and make all reasonable efforts to adapt our approach to meet the requirements of the donor. All our fundraising staff are trained to take special care to protect people who may be in vulnerable circumstances. Our internal training includes how to identify signs of vulnerability, whether engaging with someone via telephone, face-to-face, or written correspondence. If our fundraisers identify potential signs of vulnerability, they will respond appropriately and according to our donations acceptance and refusal policy. This aligns with the Chartered Institute of Fundraising's Treating Donors Fairly Guidance, and the Charities Act 2016.

CUF PRINCIPAL RISKS

RISK TYPE	RISK	MITIGATION
Governance	Complexity	Embedding coterminous board arrangements and intentional approach with all boards for agreement on further governance recommendations and wider implementation. Regular meetings between the chairs of the three charities within the group to ensure joint working across senior leadership.
Operational	Change in CEO during 2023	Adam Edwards will be acting CEO until 10 July 2023 when the new CEO takes up post. Adam has provided continuity during this time. Adam will revert back to his substantive post as Deputy CEO from 10 July 2023, which will further aid the transition period.
Governance	Change in Chair in 2023	Andrew Barnett will step down as Chair in October 2023, a full programme to recruit his successor has been put in place and Saxton Bampfylde have been appointed to lead the recruitment process. At the time of this report being produced, the interview process was in place and a new Chair was anticipated to be appointed in July 2023, with a period of handover before Andrew steps down.
Financial	Sustainable financial model	Programmes require full funding before proceeding to avoid excess demands on unrestricted income. Conscious financial modelling without reliance on government funding. A cost recovery model was implemented from 2022 onwards to reduce the requirement for unrestricted income to support restricted grant activity.
Reputation	Reporting priorities	Keeping funders informed of future programme delivery and reports monitored and prioritised to maximise opportunities to secure future funding.
Operational	Diversity awareness	Significant improvements made with regards to internal organisational awareness, training complete. Practical progress to recruit broader representation at board level to be prioritised for greater diversity and lived experience.
Other	Employment uncertainty and external competition	Employment in the charity sector is volatile. CUF benchmarking undertaken to understand market position. Review of non-financial benefits to take place during 2023 and strengthen the reason to stay at CUF longer term.
	Displacement as other charities emerge	Structural and strategic review clarifies the specific remit and unique positioning for CUF.

Going Concern

The Trustees have reviewed the charity's financial position, considering the levels of reserves, cash position and strategic plan, in addition to its financial and risk management systems. The Trustees and Senior Management Team have continued with a number of measures such as a detailed budget and cashflow forecast, expenditure controls and the close monitoring of cashflow. Accordingly, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the annual Financial Statements.

Key Management Personnel Remuneration

The Trustees consider the Board of Trustees, and the Directors (listed in note 10) as comprising the key management personnel of the charity in charge of directing and controlling the charity and running and operating the charity on a day-to-day basis. The Trustees gave of their time freely and were not remunerated in the year. Details of Trustees and related party transactions are disclosed in note 22 to the accounts.

The senior staff salaries are reviewed annually and normally increased in accordance with inflation. In 2021, an organisation-wide benchmark against pay awards in similar charitable organisations took place and all salaries were reviewed accordingly, including those of senior staff. All staff are paid above the National Living Wage.

THE TRUSTEES' RESPONSIBILITY STATEMENTS FOR PREPARING ANNUAL FINANCIAL STATEMENTS

The Charity's Trustees are responsible for preparing a Trustees' Annual Report and Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees to prepare annual financial statements for each financial year that give a true and fair view of the Charity's financial activities during the year, its surplus or deficit for the year and its financial position at the end of that year. In preparing annual financial statements, the Trustees have followed best practice and:

- Selected suitable accounting policies and applied them consistently;
- Observed the methods and principles in the applicable Charities SORP;
- Made judgments and estimates that are reasonable and prudent;
- Followed applicable Accounting Standards and Statements of Recommended Practice; and
- Prepared the annual financial statements on the going concern basis.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the Charity's assets and for taking reasonable steps to detect and prevent fraud and other irregularities. The Trustees have overall responsibility for ensuring that the Charity has appropriate systems of control, financial and otherwise.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Each of the Trustees at the date of approval of this Trustees' report confirms that:

- In so far as the Trustees are aware, there is no relevant audit information of which the Charity's auditors are unaware; and
- The Trustees have taken all the steps that they are obliged to take as Trustees in order to make themselves aware of any relevant audit information and to establish that the Charity's auditors are aware of that information.

Small Company exemption

The company has taken advantage of the small companies' exemption as annual income and total gross assets is below the threshold. The accounts have been prepared in accordance with the special provision contained in the Companies Act.

The entity's Financial Statements comply with FRS102.

Auditors

The Trustees reappointed Mazars LLP as auditors at the Board Meeting on 18th July 2023.

Approved by the Trustees on 18th July 2023 and signed on their behalf by:



Andrew Barnett, OBE - Chair of Trustees

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CHURCH URBAN FUND

Opinion

We have audited the financial statements of Church Urban Fund (the 'charity') for the year ended 31 December 2022 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Charity Balance Sheets, the Consolidated Statement of Cash Flows 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, including FRS 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 group's and of the parent charity's affairs as at 31 December 2022 and of 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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information. 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 course of 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 which includes the Directors' Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The Directors' Report included within the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and the parent charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report included within the Trustees' 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 and proper 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.
- The Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Trustees' 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 20, 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 group and parent charity'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 charity or to cease operations, or have no realistic alternative but to do so.

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 the financial statements.

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

Based on our understanding of the charity and its activities, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: employment regulation, health and safety regulation, and anti-money laundering regulation.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the charity is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the charity which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as tax legislation, pension legislation, the Companies Act 2006 and the Charities Statement of Recommended Practice.

In addition, we evaluated the Trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls, and determined that the principal risks related to income recognition and significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the Trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

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

Use of the audit report

This report is made solely to the charity'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 charity'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 charity and the charity's members as a body for our audit work, for this report, or for the opinions we have formed.

Signed:


Nicola Wakefield (Sep 29, 2023 09:57 GMT+1)

Nicola Wakefield (Senior Statutory Auditor)

for and on behalf of Mazars LLP

Chartered Accountants and Statutory Auditor

6 Sutton Plaza, Sutton Court Road, Sutton, Surrey, SM1 4FS

Date: 29-Sep-2023

CHURCH URBAN FUND

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31st DECEMBER 2022

		Unrestricted Funds 2022 £'000	Restricted Funds 2022 £'000	Total 2022 £'000	Unrestricted Funds 2021 £'000	Restricted Funds 2021 £'000	Total 2021 £'000
	Note						
INCOME & EXPENDITURE							
Income							
Donations & Legacies	4, 5	2,176	12	2,188	1,145	37	1,182
Trusts Income	4, 6	11	901	912	8	309	317
Statutory Income	4, 7	57	679	736	46	463	509
Income from Charitable Activities							
Near Neighbours Programme	2	-	500	500	-	2,300	2,300
Together Network	3	-	6	6	-	535	535
Just Finance Foundation	4	-	4	4	-	77	77
Other Income	8	213	-	213	210	-	210
Investment income		10	-	10	-	-	-
Total Income		2,467	2,102	4,569	1,409	3,721	5,130
Expenditure							
Expenditure on Raising funds	9	406	-	406	287	7	294
Expenditure on Charitable activities	9						
Building and mobilising a national movement of faith-based partners							
Together Network	9a	-	65	65	-	520	520
Network Development	9b	292	-	292	157	175	332
Equipping people to make a bigger difference							
Just Finance Foundation	9c	-	258	258	-	239	239
Windrush Day/Refugee/WCCM	9d	61	627	688	40	436	476
Delivery Programmes	9e	160	415	575	69	159	228
Near Neighbours							
Building Networks	9f	-	244	244	-	925	925
Creating Engagement	9g	-	180	180	-	1,044	1,044
Building Capacity	9h	-	96	96	-	222	222
Amplifying grassroots voices	9i	265	30	295	145	46	191
		778	1,915	2,693	411	3,766	4,177
Disaggregation of Together Network subsidiary	3	-	198	198	-	1,785	1,785
Total Expenditure		1,184	2,113	3,297	698	5,558	6,256
Net income / (expenditure)		1,283	(11)	1,272	711	(1,837)	(1,126)
Transfers between funds					(6)	6	
Balance brought forward at 1 January		1,288	744	2,032	583	2,575	3,158
Balances carried forward 31 December		2,571	733	3,304	1,288	744	2,032

The charity has no recognised gains or losses other than the net movement in funds for the year shown above.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

All items relate to continuing operations with the exception of the Together Network subsidiary.

Wellsprings Together disaggregated from the group on 1st May 2022.

The notes on page 29 to page 37 form part of these financial statements.

CHURCH URBAN FUND

CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2022

Company Number: 02138994

	Note	2022		2021	
		£'000	£'000	£'000	£'000
CURRENT ASSETS					
Cash held on deposit	13	753		743	
Bank		708		824	
Debtors	14	2,120		632	
			3,581		2,199
CURRENT LIABILITIES					
<i>Amounts falling due within one year:</i>	15				
Grants awarded but not yet due for payment					
CUF		5		0	
NN		47		9	
Other creditors		225		158	
			277		167
NET CURRENT ASSETS			3,304		2,032
NET ASSETS			3,304		2,032
FUNDS					
Restricted	17				
Church Urban Fund (CUF)			376		225
Together Network (TN)			0		257
Just Finance Foundation (JFF)			201		112
Near Neighbours (NN)			156		150
			733		744
Unrestricted			2,571		1,288
TOTAL FUNDS	21		3,304		2,032

These financial statements have been prepared in accordance with the provisions applicable to the Companies Act 2006 subject to the small companies regime.

Approved by the Trustees on 18th July 2023 and signed on their behalf by:

Andrew Barnett OBE:



Alison Grieve:



The notes on page 29 to page 37 form part of these financial statements.

CHURCH URBAN FUND

CHARITY BALANCE SHEET AS AT 31 DECEMBER 2022

Company Number: 02138994

	Note	2022		2021	
		£'000	£'000	£'000	£'000
CURRENT ASSETS					
Cash held on deposit	13	753		743	
Cash at bank		471		385	
Debtors	14	2,120		628	
			3,344		1,756
CURRENT LIABILITIES					
<i>Amounts falling due within one year:</i>	15		397		243
NET ASSETS			2,947		1,513
FUNDS					
Restricted	17		376		225
Unrestricted			2,571		1,288
TOTAL FUNDS			2,947		1,513

Approved by the Trustees on 18th July 2023 and signed on their behalf by:

Andrew Barnett OBE:



Alison Grieve:



The notes on page 29 to page 37 form part of these financial statements.

CHURCH URBAN FUND

CONSOLIDATED STATEMENT OF CASH FLOWS
for the year ended 31 December 2022

	2022		2021	
	£'000	£'000	£'000	£'000
Reconciliation of net movement in funds to net cash flow from operating activities				
Net income/(expenditure) for the reporting period (as per statement of financial activities)		1,272		(1,126)
Adjustments for:				
(Increase) in debtors	(1,488)		(200)	
Increase/(Decrease) in creditors	110		(288)	
		(1,378)		(488)
Net cash (used in) operating activities		(106)		(1,614)
Change in cash and cash equivalents in the reporting period		(106)		(1,614)
Cash and cash equivalents at the start of the reporting period		1,567		3,181
		1,461		1,567
Cash held on deposit		753		743
Bank		708		824
Cash and cash equivalents at the end of the reporting period		1,461		1,567

The notes on page 29 to page 37 form part of these financial statements.

CHURCH URBAN FUND

Notes to the Financial Statements for the year ended 31 December 2022

1 ACCOUNTING POLICIES

a. Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities", 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, Charities SORP and the Companies Act 2006.

The consolidated financial statements of the Group incorporate the financial statements of the Charity Church Urban Fund and its subsidiaries, Near Neighbours, the Together Network and Just Finance Foundation.

No separate Statement of Financial Activities is presented for the Charity, as permitted by the Companies Act 2006. Net movement in funds for the Charity alone for the year was a surplus of £1,435k (2021: £607k).

The Trustees have reviewed the charity's financial position, considering the levels of reserves, cash position and strategic plan, in addition to its financial and risk management systems. The Trustees and Senior Management Team have continued with a number of measures such as a detailed budget and cashflow forecast, expenditure controls, and the close monitoring of cashflow. Accordingly, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the annual Financial Statements.

b. Income recognition

All income is recognised in the SOFA when the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably. The following specific policies apply to the categories of income:

Donations include tax recoverable where applicable, and are recognised when receivable and also when the charity has been notified in writing of both the amount and settlement date.

Legacies are recognised on a case by case basis following the granting of probate when the administrator or executor for the estate has communicated in writing both the amount and settlement date.

Grants receivable and Trust Income are accounted for in the year to which they relate.

c. Expenditure recognition

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 settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings.

Grants payable are payments made to third parties in the furtherance of the charity's objectives. Grants are charged to the Statement of Financial Activities when they are awarded.

Grants to Near Neighbours Delivery Partners are charged to the Statement of Financial Activities when the funds have been transferred to the recipient's account.

d. Support costs

The support costs for grants include the costs of assessing, reporting on, facilitating the use of and paying grants.

Support costs relating to charitable activities have been apportioned based on the staff time spent on each activity and analysed in note 12.

f. Cost of raising funds

The cost of fundraising comprises costs incurred in encouraging churches, individuals, and trusts to contribute to its activities.

g. Charitable activities

Costs of charitable activities includes grants made and apportionment of support costs as shown in note 12.

h. Investment returns

Investment income is accounted for when receivable.

i. Pensions costs

The charity operates a defined pension scheme, Church Urban Fund Pension Plan with Legal and General for all employees. The contributions to the defined contribution schemes are accounted for in the year to which they relate. Costs of the contributions to the scheme is accounted for in the year to which they relate and included within staff costs (note 10).

The charity has no liability beyond making its contributions and paying across the deductions for the employee's contributions.

j. Fund structure

Unrestricted funds represents funds received that are available for use at the discretion of the trustees for any purpose in furtherance of the objectives of the charity.

Restricted funds represents funds received that are subject to specific restrictive conditions imposed by donors (see note 17 for more details of restricted funds).

k. Operating lease

Rentals payable under operating leases are charged against income on a straight-line basis over the term of the lease.

l. Tangible fixed assets and policy on capitalisation

Capital additions which do not exceed £10,000 are expensed in full in the year of purchase.

There were no tangible fixed assets in 2022 or 2021.

2. RESULTS OF SUBSIDIARY - NEAR NEIGHBOURS

Near Neighbours a charitable company limited by guarantee that builds associations and relationships across faith and ethnic divisions and creates a context where people can come together to develop common values and address community issues. The Board of Trustees is appointed by Church Urban Fund and the Archbishops' Council. The company registration number 7603317 and charity number 1142426.

Near Neighbours receives funding from the Department of Levelling Up, Housing and Communities (DLUHC) and from the Church Urban Fund.

	2022 £'000	2021 £'000
Income		
Income from Charitable Activities - DLUHC via Church Urban Fund	500	2,300
Income from Charitable Activities - Other	26	3
	526	2,303
Expenditure		
Charitable activities		
Building Networks	244	925
Creating Engagement	180	1,044
Building Capacity:		
Young Leaders	56	102
Real People Honest Talk	34	100
Places of Welcome	6	20
	520	2,191
Transfer to Church Urban Fund	-	58
Total expenditure	520	2,249
Net income	6	54
Balance brought forward at 1 January	150	96
Balance carried forward at 31 December	156	150

3. RESULTS OF SUBSIDIARIES - TOGETHER NETWORK

The Together Network comprises of 1 (2021: 17) small subsidiary which is consolidated in the CUF group accounts at the year end. The final Together Network member, Wellspring Together, disaggregated from the group on 30th April 2022.

The balances below reflect the figures up to the point of disaggregation.

	Church Urban Fund Income £'000	Other External Income £'000	Total Income £'000	Total Expenditure £'000	Balance b/f 01/01/22 £'000	Net Assets At Disaggregation £'000
Wellsprings Together	-	6	6	65	257	198
Total	-	6	6	65	257	198

Before the disaggregation of Wellsprings Together from the group its Trustees were appointed by CUF and the Leeds Diocesan Board of Finance. Wellsprings Together is a Company limited by guarantee (reg. no 11423641) and charity registered in England and Wales (reg. no. 1179481).

4. RESULTS OF SUBSIDIARIES - JUST FINANCE FOUNDATION

Just Finance Foundation is a charitable company limited by guarantee promoting a fairer financial system and equipping people to manage their money better. It is funded by a number of trusts and grants. Company Number 10204667 and Charity Number 1172050.

	2022 £'000	2021 £'000
Income		
Income from Individuals and Legacies	10	21
Income from Trusts	148	82
Income from Corporates	185	-
Income from Charitable Activities:		
Money and Pensions Service	4	77
	347	180
Expenditure		
Charitable activities		
Financial Capacity		
LifeSavers	159	101
Covid Cash Recovery	17	44
Milo's Money	82	95
	258	240
Total expenditure	258	240
Net income/(expenditure)	89	(60)
Balance brought forward at 1 January	112	172
Balance carried forward at 31 December	201	112

5. INCOME FROM DONATIONS AND LEGACIES - CUF

	2022 £'000	2022 £'000	2022 £'000	2021 £'000
	Unrestricted	Restricted	Total	Total
Donations: Individual, Church and Community Donations	455	2	457	529
Legacies	1,721	-	1,721	632
	2,176	2	2,178	1,161

6. INCOME FROM TRUSTS - CUF

	2022 £'000	2022 £'000	2022 £'000	2021 £'000
	Unrestricted	Restricted	Total	Total
The Albert Gubay Charitable Foundation	-	50	50	-
Benefact Trust	-	440	440	-
The Liz and Terry Bramall Foundation	-	213	213	-
Sir Halley Stewart Trust	-	22	22	-
Other Trusts	11	2	13	232
	11	727	738	232

7. STATUTORY INCOME - CUF

	2022 £'000	2022 £'000	2022 £'000	2021 £'000
	Unrestricted	Restricted	Total	Total
Public Funds: DLUHC	57	494	551	509
	57	494	551	509

8. INCOME FROM OTHER ACTIVITIES - CUF

	2022 £'000	2022 £'000	2022 £'000	2021 £'000
	Unrestricted	Restricted	Total	Total
Archbishops' Council	203	-	203	203
Together Network members	10	-	10	7
	213	-	213	210

9. EXPENDITURE

	Staff costs £'000 (note 10)	Programme costs £'000 (note 9a-i)	Other direct costs £'000	Support costs £'000 (note 12)	2022 £'000	2021 £'000
Expenditure on Raising Funds	237	-	80	89	406	294
Expenditure on Charitable Activities						
Building and mobilising a national movement of faith-based partners						
Together Network (9a)	26	32	-	7	65	520
Network Development (9b)	191	19	11	71	292	332
Equipping people to make a bigger difference						
Just Finance Foundation (9c)	147	68	2	41	258	239
Windrush Day/Refugee/WCCM Grants (9d)	65	620	3	-	688	476
Delivery Programmes (9e)	185	305	16	69	575	228
Near Neighbours Programme						
Building Networks (9f)	45	185	2	12	244	925
Creating Engagement (9g)	54	110	2	14	180	1,044
Building Capacity (9h)	64	14	2	16	96	222
Amplifying grassroots voices (9i)	119	-	131	45	295	191
Total charitable activities	896	1,353	169	275	2,693	4,177
Disaggregation of Together Network Subsidiary	-	198	-	-	198	1,785
Total expenditure	1,133	1,551	249	364	3,297	6,256

9a. BUILDING AND MOBILISING A NATIONAL MOVEMENT OF FAITH-BASED PARTNERS: TOGETHER NETWORK

	2022 £'000	2021 £'000
Programme Costs	32	153
Staff costs	26	304
Support costs	7	63
	65	520

On consolidation grants totalling £nil (2021: £43k) awarded to each of the subsidiaries under the Together Network were eliminated (note 3).

9b. BUILDING AND MOBILISING A NATIONAL MOVEMENT OF FAITH-BASED PARTNERS: NETWORK DEVELOPMENT

	2022 £'000	2021 £'000
Capacity Building through resources & events	19	183
	19	183
Staff costs	191	114
Support costs	82	35
	292	332

9c. EQUIPPING PEOPLE TO MAKE A BIGGER DIFFERENCE: JUST FINANCE FOUNDATION

	2022 £'000	2021 £'000
Programme costs	68	61
Staff costs	147	131
Support costs	43	47
	258	239

9d. EQUIPPING PEOPLE TO MAKE A BIGGER DIFFERENCE: WINDRUSH DAY/REFUGEE/WCCM GRANTS

	2022 £'000	2021 £'000
Grants awarded to projects during the year (see note 19a for details)	620	523
Less writebacks of awards	-	(113)
Net grant awards	620	410
Staff costs	65	63
Support costs	3	3
	688	476

Writebacks of awards represent grants awarded in previous years that have been unclaimed.

9e. EQUIPPING PEOPLE TO MAKE A BIGGER DIFFERENCE: DELIVERY PROGRAMMES

	2022 £'000	2021 £'000
Positive Pathways	161	127
Wayfinder	133	-
Growing Good	11	-
	305	127
Staff costs	185	78
Support costs	85	23
	575	228

EQUIPPING PEOPLE TO MAKE A BIGGER DIFFERENCE: NEAR NEIGHBOURS PROGRAMME**9f. BUILDING NETWORKS**

	2022 £'000	2021 £'000
Funding Delivery Partners		
Thrive Together Birmingham	25	85
St Philip's Centre, Leicester	12	62
Transforming Notts Together, Nottingham	7	53
Centre for Theology and Community, East London	31	77
Wellsprings Together, Bradford, Leeds & Dewsbury	24	69
King's Centre, West London	13	83
Transforming Communities Together, Black Country	12	67
Greater Together Manchester, Rochdale & Bury	13	69
Together Lancashire, Burnley, Hyndburn, Rossendale, Blackburn, Pendle	-	-
Building Bridges Burnley	13	46
Grassroots, Luton	25	83
Peterborough	10	82
	185	776
Staff costs	45	84
Other direct costs	2	23
Support costs	12	42
	244	925

9g. CREATING ENGAGEMENT

	2022 £'000	2021 £'000
Grants awarded to projects during the year (see note 20a for details)	126	841
Less writebacks of awards	(16)	(21)
Net grant awards	110	820
Staff costs	54	128
Other direct Costs	16	96
	180	1,044

Writebacks of awards represent grants awarded in previous years that have been unclaimed.

9h. BUILDING CAPACITY

	2022 £'000	2021 £'000
Funding Delivery Partners		
Young Leaders capacity building		
Catalyst Programme	7	2
Ripple Effect Programme	-	25
Community capacity building		
Real People Honest Talk	7	6
Stories of Hope	-	6
Leadership for Effective Change	-	4
	14	43
Staff costs	64	99
Other direct costs	2	30
Support costs	16	50
	96	222

9i. AMPLIFYING GRASSROOTS VOICES

	2022 £'000	2021 £'000
Publications and printing	-	1
Web development and digital	1	1
Promotion and production	59	16
Research and evaluation	71	95
	131	113
Staff costs	119	74
Support costs	45	4
	295	191

10. STAFF COSTS

	2022 £'000	2021 £'000
Salaries	956	843
Social Security	94	83
Pensions	83	67
	1,133	993

The key management personnel of the charity is comprised of the Trustees, the Group Chief Executive Officer, Director of Operations (to March 2022), Deputy Group CEO (from March 2022), Director of Partnerships, Director of Programmes and Innovation, Head of Finance (to October 2022) and Director of Finance and Governance (from August 2022). The total redundancy costs during the year across the group was £3k (2021: £0k)

The total employment benefits of the key management personnel of the charity, including employer pension contributions were £356k (2021: restated from £291k to £322k).

The number of staff whose emoluments for the year exceeded £60,000 were:

	2022	2021
Normal emoluments		
(£60,000 - £70,000)	1	3
(£70,000 - £80,000)	1	-
(£80,000 - £90,000)	-	1
	2	4

11. STAFF NUMBERS

The average monthly headcount for the group was 29 staff (2021: 37). The decrease is due to the disaggregation and dissolution of subsidiaries. The average monthly number of full-time equivalent employees (including casual and part-time staff) during the year was 25:

	2022	2021
Direct Charitable	15	22
Fundraising	4	4
Communications	1	1
Management and Administration	5	5
	25	32

None of the Trustees received any benefits from employment with the charity or its subsidiaries in the year (2021: £nil). Appropriate expenses incurred in attending meetings and on other business of CUF were reimbursed to Trustees as follows:

	2022 No.	£'000	2021 No.	£'000
Travel, subsistence and other expenses	2	2	2	1

The amount waived by trustees for the year was £nil (2021: £nil).

12. ALLOCATION OF SUPPORT COSTS

The breakdown of support costs and how these were allocated is shown below.

	Total 2022 £'000	Total 2021 £'000
Professional Costs	106	79
Audit	32	33
Accommodation	41	44
Trustees expenses	2	1
Other (Recruitment, office costs, travel and subsistence)	183	136
	364	293

13. CASH HELD ON DEPOSIT Group and Charity

CCLA The CBF Church of England Deposit Fund - current assets

2022 £'000	2021 £'000
753	743
753	743

14. DEBTORS

	Group		Charity	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Prepayments and accrued income	9	4	9	4
Other debtors				
Legacies	2,003	564	2,003	564
Donations (vouchers, credit cards)	21	5	21	5
Other Debtors	87	59	87	51
	2,120	632	2,120	624
Intercompany account (Just Finance Foundation)			-	4
	2,120	632	2,120	628

15. CURRENT LIABILITIES

	Group		Charity	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Amounts falling due within one year:				
Grants payable CUF (note 16)	5	-	5	-
Grants payable NN (note 16)	47	9	47	9
Taxation & Social Security	8	9	8	9
Accruals	31	29	21	19
Other creditors	186	120	183	113
	277	167	264	150
Intercompany account (Near Neighbours)	-	-	123	93
Intercompany account (Just Finance Foundation)	-	-	10	-
	277	167	397	243

16. MONEY FOR LOCAL ACTION

	Widrush Day, Refugee and WCCM CUF Programme		Creating Engagement NN Programme		Total	Total
	2022 £'000	2021 £'000	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Balance brought forward	-	113	9	74	9	187
Grants awarded (note 19 & 20)	620	523	126	841	746	1,364
Writebacks	-	(113)	(16)	(21)	(16)	(134)
	620	523	119	894	739	1,417
Less						
Grants paid during year	645	538	86	904	731	1,442
Returned Grants	(30)	(15)	(14)	(19)	(44)	(34)
	615	523	72	885	687	1,408
Balance of grants payable	5	-	47	9	52	9

17. RESTRICTED FUNDS

	Balance at 2021 £'000	Income £'000	Expenditure £'000	Disaggregation of Subsidiaries £'000	Transfers between funds £'000	Balance at 2022 £'000
CUF Programme						
Windrush Day Grant	-	494	494	-	-	-
Refugee Grant	-	140	134	-	-	6
Delivery Programmes	225	589	444	-	-	370
	225	1,223	1,072	-	-	376
Near Neighbours	150	346	340	-	-	156
Near Neighbours - Creating Engagement	-	180	180	-	-	-
	150	526	520	-	-	156
Together Network	257	6	65	(198)	-	-
Just Finance Foundation	112	347	258	-	-	201
	744	2,102	1,915	(198)	-	733

The Windrush Day Grants support groups to commemorate, celebrate and educate people on, the contribution of the Windrush Generation in communities. The Refugee Grants, funded by the Benefact Trust, provide small grants to support Ukrainian and Afghan refugees. The Delivery Programme (previously Network Development) costs are to support programmes work across the network. The Near Neighbours programme costs enables the work of bringing faith based communities together. The Together Network fund is to support the partnership work between Church Urban Fund and the Church of England dioceses of mobilising the church to respond to issues of poverty locally.

18. OPERATING LEASE

	Land and Building		Other	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
1 year	12	11	-	-

In 2020, CUF moved to The Foundry and the new lease agreement requires four months notice to vacate the office space. The amount paid in rent to The Foundry during 2022 was £35k (2021: £32k)

19a EQUIPPING PEOPLE TO MAKE A BIGGER DIFFERENCE: WINDRUSH DAY/REFUGEE/WCCM GRANTS AWARDED IN 2022 BY SECTOR

	2022 £'000	2021 £'000
Grants		
Windrush Day: Community	494	500
Refugees & Asylum Seekers	126	-
Homeless/Housing	-	23
Total Grants Awarded before writebacks (see Note 9d)	620	523

19b. GRANTS AWARDED IN 2022 BY REGION (DIOCESE)

	2022 £'000	2021 £'000
Bath & Wells	23	-
Birmingham	24	10
Bristol	39	53
Carlisle	3	-
Chelmsford	68	19
Chesster	8	-
Chichester	7	-
Coventry	11	15
Derby	-	13
Ely	5	-
Exeter	21	-
Guildford	3	-
Gloucester	-	11
Leicester	13	29
Leeds	49	56
Lichfield	-	18
Lincoln	5	-
Liverpool	8	5
London	126	70
Manchester	12	12
Newcastle	5	15
Oxford	-	26
Peterborough	27	-
Rochester	-	11
St Albans	17	33
St Edmundsbury & Ipswich	7	6
Sheffield	14	10
Southwark	92	74
Southwell & Nottingham	21	21
Worcester	3	-
York	9	16
Total Grants Awarded before writebacks (see Note 9d)	620	523

20a. NEAR NEIGHBOURS PROGRAMME - CREATING ENGAGEMENT IN 2022 BY ACTIVITY

	2022 £'000	2021 £'000
Local Initiatives		
Near Neighbours Small Grants	126	270
Community Covid Relief Grants	-	396
Community Covid Relief Mid-Sized Grants	-	175
Total Grants Awarded before writebacks (see Note 9g)	126	841

20b. NEAR NEIGHBOURS PROGRAMME - CREATING ENGAGEMENT IN 2022 BY REGION

	2022 £'000	2021 £'000
Regional Centre		
Centre for Theology and Community, London	22	71
St Philip's Centre, Leicester	14	53
Thrive Together Birmingham	17	61
Wellsprings Together Bradford	25	71
King's Centre, West London	3	81
Transforming Communities Together, Black Country	-	52
Grassroots, Luton	20	67
Greater Manchester	2	79
Building Bridges Burnley	16	42
Transforming Notts Together	7	62
Peterborough	-	27
Direct grants not awarded via regional centre	-	175
Total Grants awarded before writebacks (see Note 9g)	126	841

21. NET ANALYSIS OF ASSETS AND LIABILITIES BY FUND

	Unrestricted £'000	Restricted £'000	2022 £'000	2021 £'000
Current assets	2,763	818	3,581	2,199
Current liabilities	(192)	(85)	(277)	(167)
	2,571	733	3,304	2,032
Church Urban Fund	2,571	376	2,947	1,513
Near Neighbours	-	156	156	150
Just Finance Foundation	-	201	201	112
Together Network	-	-	-	257
	2,571	733	3,304	2,032

22. RELATED PARTIES

The charity's key relationship in the pursuit of its charitable objectives is with the Church of England. During the year Church Urban Fund received a grant from the Archbishops' Council of £203k both this year and last.

During the year CUF undertook the following transactions with its subsidiary Near Neighbours:

CUF received the full amount of grant from DLUHC of £500k (2021: £2,300k) and passed this over to Near Neighbours to deliver the programme.
Near Neighbours paid CUF a grant of £110k (2021: £855k) to administer the Small Grants programme.
Near Neighbours made a contribution of £187k (2021: £468k) to CUF for the administration of the overall programme.
At the year end, the intercompany balance was £123k (2021: £93k) owed by CUF.

During the year Just Finance Foundation made a contribution of £50k (2021: £50k) to CUF towards the shared central service costs provided by CUF. At the end of the year intercompany balance of £10k was owed by CUF (2021: £4k owed to CUF).

During 2022 CUF paid £nil (2021: £43k) to the subsidiaries under the Together Network. The intercompany balance for the Together Network was nil (2021: nil) owed by CUF. In the group accounts these transactions are eliminated on consolidation.

During the year CUF made payments of £7k (2021: £11k) to Invigilo Consulting. Robert Hallam is a CUF Trustee and a director of Invigilo Consulting.

There are no other outstanding balances with related parties.

23. Legal Form of the Entity

CUF was established by the Church of England in England 1987, registration number 2138994 and charity number 297483. The charity is located at The Foundry, 17 Oval Way, London, SE11 5RR.