

Trustees' (Directors') Activities and Achievements Report for the Year 2016

July 2017

History

The City Temple URC has lived as a congregation of the Church of Jesus Christ since at least 1640. Throughout its history, City Temple has been called by a variety of names, worshipping in a variety of places. Since 1874, City Temple has worshipped on the present site on Holborn Viaduct, using its present name. Since 1974, the City Temple has been a member congregation of the United Reformed Church denomination.

Objects and Activities

As a Christian nonconformist congregation in the City of London, City Temple has always had diversity in its outreach. Although the witness of its Sunday congregation has been strong, City Temple has expressed its witness in other ways as well. In particular, City Temple was one of the first congregations in London to develop an intentional outreach to people in the marketplace. Even in the mid-1800s, City Temple drew hundreds of businesspeople to its mid-week services and events.

City Temple has a vision that may be summarized as follows: The vision of City Temple is to develop an urban polycultural Christian fellowship in the City of London that will glorify God the Father by making and equipping disciples of Jesus Christ. City Temple will do this by serving as a resource for the extension of God's loving rulership in the City and the world and by serving as a refuge for the healing and development of God's people. We will serve in partnership with other like-minded Christian ministries through prayer, community, worship, outreach, and training in the power of the Holy Spirit.

City Temple continues to express its faith in a diversity of ways through the ministry areas of prayer, community, worship, outreach and training in a polycultural context.

In reviewing our objects and activities, the trustees have had regard to the guidance issued by the Charity Commission on public benefit. The objects and activities below also describe our achievements and performance in many of those areas.

Prayer

City Temple engages in the ministry of prayer in a number of ways. In addition to various ad hoc groups for prayer, City Temple has regular times of prayer, including Thursday nights, Friday nights, and other regular gatherings. City Temple also maintains a prayer chapel open to the public whenever the building is open. People use this chapel regularly for prayer throughout the week. City Temple also provides other occasional times for prayer, such as all-night prayer events and 24/7 prayer for specified periods.

City Temple offers ministry to people through prayer. In particular, City Temple provides a prayer process called the "Steps to Freedom in Christ", whereby a person might receive directed ministry and coaching through prayer. City Temple encourages and trains people to minister to others through Christian prayer, seeking to meet people where they are in this vital ministry.

Trustees' (Directors') Activities and Achievements Report for the Year 2016

July 2017

2016 saw the continued growth of the City of London House of Prayer (COLHOP). COLHOP seeks to bring Christians together from a variety of churches and backgrounds to promote prayer 24 hours a day, seven days a week. Although it may take a few years to achieve the 24/7 goal, many people from various church backgrounds have already begun to take two-hour "watches" at various times during the week. Each Friday evening, COLHOP has an "Equipping Service" to help develop the vision and values for COLHOP. On Thursday evenings, COLHOP offers "Pursuit" in the context of other CT ministries. In 2016 we continued attracting people from other churches to join with COLHOP to begin making it a multi-church ministry.

Community

City Temple promotes Christian community in a number of ways. On Thursday nights, City Temple provided a *Koinonia* (Greek for "fellowship") *Night*. At this event, people share a meal, engage in worship and prayer, receive training, and share their lives. At the end of the year, City Temple decided to discontinue these Thursday night programmes in order to offer a fuller programme on Sundays.

Throughout the year, the congregation of City Temple gathers frequently for meals and meetings that promote a sense of community and involvement in the ministry of the church.

City Temple also has a residential Christian community as an integral part of its ministry. This community – consisting of staff, members and others – resides in the City Temple building and shares extensively in the ministry and leadership of the church. In 2016, the community began to prepare for the possible redevelopment of the City Temple building, with several members choosing to move from the community. The community continued to take responsibility for the hospitality setup for Sundays as part of its ministry this year as well as exploring other ways to serve in the life of the church.

Worship

City Temple's primary service of worship is held on Sunday mornings. People from about 15 different nationalities gather to worship God in a contemporary format. City Temple has a service at Thursday lunchtimes designed for people in the marketplace. Throughout the year, City Temple provides many other services of worship, such as carol services, Good Friday services, and prophetic intercessory worship. COLHOP (described above) provides a further context for worship in the life of the church.

Outreach

City Temple expresses its outreach as a congregation in many ways, especially through the ministry of hospitality. Since there are few homes in the "neighbourhood" of City Temple, and since we have little access to the homes and businesses within a reasonable commute to City Temple, we must engage in Christian outreach in creative and different ways. One of the primary ways that City Temple engages in outreach is by welcoming people into the building and showing them distinctive Christian hospitality. Such hospitality includes service, prayer, and sharing the gospel of Jesus Christ with users of the building. We welcome people

Trustees' (Directors') Activities and Achievements Report for the Year 2016

July 2017

into the building through such activities as room hire, serving meals, holding worship services, providing special training events and courses, and the like. City Temple seeks to become a leader in hospitality outreach.

Training

City Temple offers a variety of programmes to help train Christians for effective engagement with the world and involvement in ministry inside and outside the "church". City Temple offers various discipleship courses, such as Learning to Walk with Jesus and the Freedom in Christ Discipleship Course.

In 2016, City Temple continued offering at least two training options as part of the weekly *Koinonia Night* programme (see above). These courses cover a range of topics from money management to basic Christian discipleship.

City Temple also saw the publication of *Freed to Lead* in 2016, a book, manuals and DVD resource for developing leaders in both the church and the marketplace. This resource will extend CT's reach well beyond the City of London.

Partnership

City Temple serves as a resource for many other congregations and ministries, partnering with them formally and informally to advance the aims of City Temple as well as the aims of these congregations and ministries. This creates a dynamic synergy within City Temple that allows City Temple to accomplish more than it could on its own. This also leads to the growth of City Temple, as many people who come to special events often look for a church home.

In 2016, City Temple continued to host a congregation of Burmese people. This has developed into an exciting partnership in which both churches have blessed one another. City Temple also established a partnership with HarvestNet International, a global network of churches.

Polycultural Context

2016 saw the continuation of the polycultural vision for the overall ministry of City Temple. For years, City Temple has been one of the few churches in central London to have a truly diverse congregation, with no majority ethnic group represented in the church. In previous years, we may have described this as "multi-cultural". However, the word "multi-cultural" seems to describe a situation in which various cultures exist side-by-side, affirming one another yet maintaining cultural distinctiveness. However, "polycultural" is different than "multi-cultural". Polycultural affirms the value and uniqueness of each culture, but at the same time encourages people from various cultures to influence and change one another so that the result is a personal transformation that brings a greater sense of unity and a fuller cooperation among people. In a polycultural context, people are personally changed by the interaction with other cultures and backgrounds so that they become part of an entirely new "culture". We are excited to see how this vision will develop in coming years.

Socio-Economic Diversity

City Temple embraces people from a wide variety of socio-economic backgrounds and situations. In any given Sunday, you might find homeless persons sitting next to

Trustees' (Directors') Activities and Achievements Report for the Year 2016

July 2017

persons with well-paying jobs; you might find someone with little advanced education engaging with someone having a Masters degree or beyond; you might find people from working-class backgrounds interacting with people from more middle-class backgrounds. In order to help facilitate this interaction, City Temple provides all its services freely or inexpensively in order to allow all people to participate. Even when there is a cost involved, City Temple seeks to provide generous bursaries so that lack of funds does not become an impediment to people experiencing the public benefit of the charity.

Additional Achievements and Performance

As mentioned earlier, the paragraphs above contain a number of reflections on the achievements and performance of the charity in 2016.

The influence of COLHOP on promoting unity among Christians from various backgrounds was one achievement that really stood out for our directors. COLHOP has had an increasing influence on people generally and has successfully promoted community among people who attend various worshipping communities.

In 2016, youth have taken a greater leadership responsibility in the life of the church. The youth are regularly helping to lead worship, volunteering to set up rooms for ministry events and helping disciple other children in the context of adult supervision. CT has generally seen an increase in the involvement of children in the life of the church.

CT has developed a reputation for excellent teaching and training. The diversity and quality of offerings connect with many people, including many who do not attend the church regularly. City Temple offers all its resources to the wider community.

Structure, Governance and Management

City Temple is a congregational church historically, and currently a member church of the United Reformed Church denomination. Because it is a congregational church, the Church Meeting of City Temple is the primary governance authority in the church. The Church Meeting meets at least quarterly, considering such items as financial reports, ministry matters, and other such issues within its purview. The Church Meeting is also responsible for the accountability of the Elders' Meeting (Eldership) in the conduct of its governance.

City Temple URC is a charitable limited company. City Temple operates in accordance with a Memorandum and Articles (Constitution). In addition, City Temple has Standing Orders that govern the conduct of meetings.

The Elders' Meeting (Eldership) consists of men and women elected by the Church Meeting in accordance with the Memorandum and Articles to serve as elders (leaders) in the overall ministry of City Temple. The Minister chairs the Eldership, which usually meets monthly. The elders serve as the Trustees (Directors) for the charity. The Eldership has the overall responsibility for the leadership and governance of City Temple. Individually, the elders may give oversight to various ministries within the church.

Trustees' (Directors') Activities and Achievements Report for the Year 2016

July 2017

At least once a year, church members have an opportunity to nominate persons whom they believe might be qualified to serve as Elders (Trustees). Those who receive a sufficient number of nominations are then voted on by the Church Meeting. Those who receive at least two-thirds of the votes are selected as elders. In addition, the Minister and Church Secretary, acting together, may place names into nomination for election as elders. New elders receive training regarding the governance of the church, good practice according to the Charity Commission and other issues related to the healthy operation of the charity. The elders together receive ongoing training as needed. Normally, this occurs during the monthly Elders Meetings.

City Temple has three officers: the Minister of Word and Sacrament, who chairs the meetings of the Eldership and Church Meeting; the Honorary Church Secretary, who is the communications officer of the church; and the Honorary Church Treasurer, who provides financial oversight as directed by the Eldership and the Church Meeting. These officers work in tandem to provide day-to-day leadership in the ministry of the church.

City Temple also has a number of employees who serve in various capacities, including finance, administration, stewarding, ministry leadership and the like. These employees are accountable to the Eldership through the Minister or other elder appropriately designated.

The Church Meeting added one additional elder in 2016. The Church Meeting and Elders Meeting worked with a sense of unity and purpose that was healthy for the charity.

One of the major benefits of the style of governance of City Temple is that City Temple is able to draw upon a wider range of knowledge, experience and expertise than many charities because the members and adherents of the charity participate in governance. This strength of City Temple has helped maintain the health and growth of the charity.

Risks and Uncertainties

The Eldership (Trustees) of City Temple has the primary responsibility for risk management, which is generally exercised through its employees on a day-to-day basis. Periodically, the Eldership (primarily through the work of the Operations Coordinator and Business Coordinator) seeks to review the risks in a number of areas, including fire safety, health and safety, and financial practices.

The age and condition of the present building presents one of the greatest uncertainties for the charity. Although structurally sound, the building requires updating in many of its key systems, such as its lift. The potential failure of one of these key systems presents one of the greatest risks to the charity. The Trustees are seeking to manage this risk by identifying, prioritising and fund-raising for the refurbishment of these systems.

Another major uncertainty is the loss of conferencing income from exams. Construction in the area has greatly disturbed the smooth operation of City Temple, creating a level of noise that examination bodies find unacceptable. In 2016 the charity lost significant revenue from exams. The Trustees are seeking to address

Trustees' (Directors') Activities and Achievements Report for the Year 2016

July 2017

this uncertainty by prudent financial management and diversification of people who use the premises.

Monitoring Achievement

In 2016, the trustees monitored achievement approximately every month by reviewing indicators of charity health, problem areas and ministry opportunities.

The solid giving by members of the charity reflects part of the health of the charity. In a time when most charities have seen a decrease in giving, City Temple has seen giving maintained in a healthy manner. In 2016, the giving was significantly more than budgeted, a good indicator of health.

In 2016, the staff assisted the Trustees in monitoring achievement against their stated goals and objectives.

Financial Review

The Eldership seeks to exercise appropriate financial controls for the charity. The Elders have sought to limit expenditures as much as possible. The Treasurer has submitted a realistic, attainable and transparent budget, which has been regularly revised with current financial realities of the charity. The Eldership has consistently reviewed the financial status of the charity before making significant financial decisions.

The Church Treasurer, with the assistance of the finance staff, provides regular reports to the Eldership and the Church Meeting. Overall, the Church Meeting as well as the Eldership continues to be strongly involved in the budgeting process. The Church Treasurer ensures that the financial policies of the Eldership and the Church Meeting are carried out in a timely manner. The financial staff is seeking to hold both the Eldership and the Church Meeting accountable to their own internal policies.

The charity continued to build financial health throughout 2016. Although the overall financial position of the charity is not as strong as the Trustees would like it to be, the Trustees have ensured a measure of financial stability for the charity that is enabling financial health and growth to occur.

The charity derives its revenue from giving by members of the congregation and from revenue from casual room hire activity under the auspices of the "City Temple Conference Centre", an outreach ministry of the charity. The principal financial risks to the charity relate to declining casual room hire activity due to the disruption caused by construction in the surrounding area and by the increase of higher quality room hire options within the City in the past ten years. The elders have continued to monitor these developments, seeking to adjust the budget as necessary to compensate for decreases in revenue.

Financial Reserves

Even though the Eldership is pleased with the general financial health of the charity, and even though the reserves have increased to appropriate levels, the Eldership will continue to build reserves in order to sustain the overall health of the charity. The

Trustees' (Directors') Activities and Achievements Report for the Year 2016

July 2017

Eldership seeks to maintain levels of reserve equal to around three months' operating expenses of the charity.

Transitioning to the New Charitable Limited Company

2016 saw the continuation of a process that the City Temple Church Meeting had begun in 2009: the establishment of City Temple URC as a charitable limited company to replace the City Temple Working Funds (RCN 235447) and the City Temple – Holborn Manse for the Minister (RCN 235446) charities under which City Temple had operated since the 1960s.

On 5 April 2014 the trustees of the aforementioned charities approved the following resolution to facilitate the transition to the new City Temple URC charitable limited company:

“The City Temple Working Funds (RCN 235447) and The City Temple – Holborn Manse for the Minister (RCN 235446). That the assets and liabilities of The City Temple Working Funds and The City Temple – Holborn Manse for the Minister be transferred to the new charitable company called City Temple URC and registered with the Charity Commission with Charity Number 1151257.”

On 5 April 2014 the trustees of City Temple URC (all three charities operated with the same trustees) also approved the following resolutions to facilitate the transition to the new City Temple URC charitable limited company:

“City Temple URC. That all existing policies, management documents, staff forms and other documentation currently being used by The City Temple Working Funds and The City Temple – Holborn Manse for the Minister be adopted by City Temple URC.”

“That Rodney Woods and Fadi Hayek be authorised on behalf of City Temple URC to sign all necessary documentation and to act on behalf of the Trustees to facilitate the setting up of bank accounts, the transfer of contracts and any other documentation required in relation to the transfer of assets and liabilities from The City Temple Working Funds and The City Temple – Holborn Manse for the Minister to City Temple URC.”

“That the firm Robinson's Consulting Limited be appointed as independent examiners for City Temple URC.”

The trustees approved all these resolutions unanimously. Although work began immediately to facilitate this transition, accomplishing all the details — such as setting up necessary bank accounts — proved to be more time-consuming and complex than originally anticipated. However, from the beginning of 2016 the trustees have sought to operate under the auspices of the new charitable limited company, City Temple URC (08357702 and RCN 1151257).

Plans for the Future

The Eldership feels hopeful about the future of the charity. In 2016, the Eldership was able to build on the stability of the charity. Throughout 2016, the Eldership has been able further to maintain health in the charity, especially in three key areas –

Trustees' (Directors') Activities and Achievements Report for the Year 2016

July 2017

financial policies, HR policies and good governance practices within the Eldership and the Church Meeting – while promoting the growth and expansion of the charity.

In 2017, the Eldership (Trustees/Directors) has a number of goals. First, the Eldership wants to raise awareness of City Temple in the areas surrounding City Temple and the marketplace so that more people might benefit from the charitable aims of City Temple. Second, the Eldership will continue to improve the facilities of City Temple in line with current and future needs of the charity. The Eldership will explore various ways to improve the building to a high-quality standard. Third, the Eldership will continue to monitor and improve the financial policies and practices of the charity with a view to supporting the aims and objectives of the charity financially and reestablishing the financial reserves of the charity. Fourth, the Eldership will continue its focus on advancing the ministry of the charity in accordance with its aims and objectives as a Christian church as described above. In particular, the Eldership will seek to grow the attendance at the various offerings of the charity. Fifth, the Eldership will explore ways to redevelop and secure the facilities of City Temple for the future benefit of the charity.

The charity has built on an ongoing sense of health and vitality throughout 2016. The Eldership expects the charity to continue its growth and development as a key community asset in the western edge of the City of London.



Compiled and signed by Rev. Dr. Rodney Woods, Minister of City Temple, on behalf of the Trustees (Directors), in accordance with the Small Companies' Exemption

COMPANY REGISTRATION NUMBER: 08357702
CHARITY REGISTRATION NUMBER: 1151257

City Temple URC
Company Limited by Guarantee
Unaudited Financial Statements
31 December 2016

City Temple URC
Company Limited by Guarantee
Financial Statements
Year ended 31 December 2016

	Page
Trustees' annual report (incorporating the director's report)	1
Independent examiner's report to the trustees	3
Statement of financial activities (including income and expenditure account)	5
Statement of financial position	6
Notes to the financial statements	7

City Temple URC
Company Limited by Guarantee
Trustees' Annual Report (Incorporating the Director's Report)
Year ended 31 December 2016

The trustees, who are also the directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 31 December 2016.

Reference and administrative details

Registered charity name	City Temple URC
Charity registration number	1151257
Company registration number	08357702
Principal office and registered office	City Temple Holborn Viaduct London EC1A 2DE
The trustees	Fadi Hayek Rodney Woods Olusina Anifowose Christine Miller
Company secretary	Andrew MacPhee
Accountants	Robinsons Consulting Limited Chartered accountant 5 Underwood Street London N1 7LY
Treasurer	Fadi Hayek

Structure, governance and management

The church, founded in 1640, is part of the United Reformed Church denomination of churches in England.

The trustees who served during the year were:

Olusina Anifowose
Rodney Woods
Christine Miller
Fadi Hayek

Trustees are appointed by the members of the church on the recommendation of the leadership.

The church elders are responsible, together with the minister, for overseeing the church's activities. They are accountable to the meeting of church members.

The trustees have assessed the major risks to which the church is exposed and are working diligently to reduce the exposure to these.

City Temple URC

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 December 2016

Objectives and activities

The church's aim is to spread the Christian faith, primarily in the Holborn and City of London area of London, by means of holding services and other activities, and through evangelism and the relief of poverty.

Achievements and performance

The activities and achievements of the church during the year are set out in a separate report.

Financial review

The financial transactions during the year and the financial position at the end of the year are summarised in the attached accounts.

The trustees aim to keep unrestricted funds in hand equivalent to between three and six months' average expenditure. They consider that reserves at this level will ensure that they are able to meet large items of expenditure when necessary in the event of significant fluctuations arising in the timing of the receipt of income. The trustees hope to be able to restore the level of reserves in the future in line with this policy.

Asset Cover For Funds

Note 18 sets out an analysis of the assets attributable to the various funds and a descriptions of the trusts. These assets are sufficient to meet the charity's obligations on a fund by fund basis.

The trustees' annual report was approved on 25 August 2017 and signed on behalf of the board of trustees by:



Fadi Hayek
Trustee

City Temple URC

Company Limited by Guarantee

Independent Examiner's Report to the Trustees of City Temple URC

Year ended 31 December 2016

I report on the financial statements for the year ended 31 December 2016, which comprise the statement of financial activities (including income and expenditure account), statement of financial position and the related notes.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the financial statements. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England and Wales (ICAEW).

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

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

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the next statement.

City Temple URC

Company Limited by Guarantee

Independent Examiner's Report to the Trustees of City Temple URC *(continued)*

Year ended 31 December 2016

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 386 of the Companies Act 2006, and
- to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities

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.



Joseph Robinson FCCA
Robinsons Consulting Limited

5 Underwood Street
London
N1 7LY

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City Temple URC
Company Limited by Guarantee
Statement of Financial Activities
(including income and expenditure account)

31 December 2016

		Unrestricted funds	2016 Restricted funds	Total funds	2015 Total funds
	Note	£	£	£	£
Income and endowments					
Donations and legacies	5	117,203	15,591	132,794	113,588
Charitable activities	6	327,395	–	327,395	356,733
Total income		<u>444,598</u>	<u>15,591</u>	<u>460,189</u>	<u>470,321</u>
Expenditure					
Expenditure on charitable activities	7,8	(366,257)	(16,787)	(383,044)	(403,232)
Total expenditure		<u>(366,257)</u>	<u>(16,787)</u>	<u>(383,044)</u>	<u>(403,232)</u>
Net income and net movement in funds		<u>78,341</u>	<u>(1,196)</u>	<u>77,145</u>	<u>67,089</u>
Reconciliation of funds					
Total funds brought forward as previously reported		64,460	14,897	79,357	–
Prior year adjustment		–	43,415	43,415	–
Total funds brought forward as restated		<u>64,460</u>	<u>58,312</u>	<u>122,772</u>	–
Total funds carried forward		<u>142,801</u>	<u>57,116</u>	<u>199,917</u>	<u>67,089</u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The notes on pages 7 to 14 form part of these financial statements.

City Temple URC
Company Limited by Guarantee
Statement of Financial Position
31 December 2016

		2016		2015
		£	£	£
Fixed assets				
Tangible fixed assets	13		9,584	12,239
Current assets				
Debtors	14	18,498		11,527
Cash at bank and in hand		<u>176,218</u>		<u>121,032</u>
		194,716		132,559
Creditors: amounts falling due within one year	15	<u>4,383</u>		<u>22,026</u>
Net current assets			190,333	110,533
Total assets less current liabilities			<u>199,917</u>	<u>122,772</u>
Net assets			<u>199,917</u>	<u>122,772</u>
Funds of the charity				
Restricted funds			57,116	58,312
Unrestricted funds			142,801	64,460
Total charity funds	17		<u>199,917</u>	<u>122,772</u>

For the year ending 31 December 2016 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Trustees responsibilities:

- The members have not required the charity to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements were approved by the member of eldership and authorised for issue on 25 August 2017, and are signed on behalf of the board by:



Fadi Hayek
Trustee

The notes on pages 7 to 14 form part of these financial statements.

City Temple URC

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 December 2016

1. General information

The charity is a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is City Temple Holborn Viaduct, London, EC1A 2DE.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Charities Act 2011.

3. Accounting policies

(i) Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

(ii) Going concern

There are no material uncertainties about the charity's ability to continue.

(iii) Transition to FRS 102

The entity transitioned from previous UK GAAP to FRS 102 as at 1 January 2015. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 20.

(iv) Disclosure exemptions

The charity has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

(a) No cash flow statement has been presented for the charity.

(b) Disclosures in respect of financial instruments have not been presented.

City Temple URC

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2016

3. **Accounting policies** *(continued)*

(v) **Fund accounting**

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

(vi) **Incoming resources**

Donations, legacies and other forms of voluntary income are recognised as incoming resources when receivable, except insofar as they are incapable of financial measurement. Income tax recoverable on Gift Aid donations is credited at the same time as the related donations and is included in debtors in the Balance Sheet until received.

Income for room hire and events is credited to income at the time of the relevant event. Any such income received in advance is carried forward as a current liability in the Balance Sheet.

(vii) **Resources expended**

Expenditure is recognised in the accounts at the time when a commitment to make payment is incurred.

General costs are allocated to activities in proportion to the respective levels of income.

(viii) **Tangible assets**

Tangible fixed assets other than freehold land are stated at cost less depreciations.

City Temple URC

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2016

3. Accounting policies *(continued)*

(ix) Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixtures and equipment	-	10% - 20% p.a. on cost
Boiler	-	10% straight line

(x) Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

(xi) Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

4. Limited by guarantee

The company is a charitable company limited by guarantee.

City Temple URC

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2016

5. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £
Donations			
General donations	83,064	15,591	98,655
Other donations and legacies			
Offerings	34,139	–	34,139
	<u>117,203</u>	<u>15,591</u>	<u>132,794</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2015 £
Donations			
General donations	31,921	35,619	67,540
Other donations and legacies			
Offerings	46,048	–	46,048
	<u>77,969</u>	<u>35,619</u>	<u>113,588</u>

6. Charitable activities

	Unrestricted Funds £	Total Funds 2016 £	Unrestricted Funds £	Total Funds 2015 £
Conference income	290,576	290,576	315,828	315,828
Rental income	36,819	36,819	40,905	40,905
	<u>327,395</u>	<u>327,395</u>	<u>356,733</u>	<u>356,733</u>

City Temple URC

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2016

7. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £
Church activities	68,058	–	68,058
Conference activities	116,664	–	116,664
Support costs	181,535	16,787	198,322
	<u>366,257</u>	<u>16,787</u>	<u>383,044</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2015 £
Church activities	70,267	–	70,267
Conference activities	127,209	–	127,209
Support costs	224,721	(18,965)	205,756
	<u>422,197</u>	<u>(18,965)</u>	<u>403,232</u>

8. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	Total funds 2016 £	Total fund 2015 £
Church activities	68,058	142,867	210,925	204,840
Conference activities	116,664	55,455	172,119	198,392
	<u>184,722</u>	<u>198,322</u>	<u>383,044</u>	<u>403,232</u>

9. Net income

Net income is stated after charging/(crediting):

	2016 £	2015 £
Depreciation of tangible fixed assets	<u>2,655</u>	<u>4,471</u>

10. Independent examination fees

	2016 £	2015 £
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>1,920</u>	<u>1,800</u>

City Temple URC
Company Limited by Guarantee
Notes to the Financial Statements *(continued)*
Year ended 31 December 2016

11. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2016	2015
	£	£
Wages and salaries	157,306	168,781
Social security costs	9,118	11,109
Employer contributions to pension plans	6,133	3,307
	<u>172,557</u>	<u>183,197</u>

The average head count of employees during the year was 9 (2015: 8). The average number of full-time equivalent employees during the year is analysed as follows:

	2016	2015
	No.	No.
Number of staff - administrative	<u>9</u>	<u>8</u>

No employee received employee benefits of more than £60,000 during the year (2015: Nil).

12. Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees.

13. Tangible fixed assets

	Fixtures and equipment £	Boiler £	Total £
Cost			
At 1 Jan 2016 and 31 Dec 2016	<u>10,488</u>	<u>6,222</u>	<u>16,710</u>
Depreciation			
At 1 January 2016	3,712	759	4,471
Charge for the year	2,033	622	2,655
At 31 December 2016	<u>5,745</u>	<u>1,381</u>	<u>7,126</u>
Carrying amount			
At 31 December 2016	<u>4,743</u>	<u>4,841</u>	<u>9,584</u>
At 31 December 2015	<u>6,776</u>	<u>5,463</u>	<u>12,239</u>

14. Debtors

	2016	2015
	£	£
Prepayments and accrued income	10,887	844
Other debtors	7,611	10,683
	<u>18,498</u>	<u>11,527</u>

City Temple URC

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2016

15. Creditors: amounts falling due within one year

	2016 £	2015 £
Accruals and deferred income	4,383	4,650
Other creditors	–	17,376
	<u>4,383</u>	<u>22,026</u>

16. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £6,133 (2015: £3,307).

17. Analysis of charitable funds

Unrestricted funds

	At 1 January 2016 £	Income £	Expenditure £	Prior year adjustments £	At 31 December 2016 £
General funds	59,788	444,598	(366,257)	–	138,129
Designated Fund 2 - For organ repairs	4,672	–	–	–	4,672
	<u>64,460</u>	<u>444,598</u>	<u>(366,257)</u>	<u>–</u>	<u>142,801</u>

Restricted funds

	At 1 January 2016 £	Income £	Expenditure £	Prior year adjustments £	At 31 December 2016 £
Missions Fund, Deacons Fund, Recon Fund and COLHOP Fund	14,675	15,591	(16,787)	43,415	56,894
Refugee & Woolbank Fund and others	222	–	–	–	222
	<u>14,897</u>	<u>15,591</u>	<u>(16,787)</u>	<u>43,415</u>	<u>57,116</u>

City Temple URC

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2016

18. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £
Tangible fixed assets	9,584	–	9,584
Current assets	137,600	57,116	194,716
Creditors less than 1 year	<u>(4,383)</u>	–	<u>(4,383)</u>
Net assets	<u>142,801</u>	<u>57,116</u>	<u>199,917</u>

19. Prior year adjustments

A prior year adjustment has been made in respect of an overstatement of accruals as at 31 December 2015. The error resulted in an understatement of restricted funds totalling £43,415 as at 31 December 2016.

20. Transition to FRS 102

These are the first financial statements that comply with FRS 102. The charity transitioned to FRS 102 on 1 January 2015.

No transitional adjustments were required in the retained funds or income or expenditure for the year.