Trustees' Report and Financial Statements 2016

(A company limited by guarantee, number 135934,
Registered Charity No. 1133373)

United Reformed Church Trust

UNITED REFORMED CHURCH TRUST
TRUSTEES' REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

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UNITED REFORMED CHURCH TRUST

(A company limited by guarantee, number 135934, Registered Charity number 1133373)

TRUSTEES' REPORT

(Incorporating the Report of the Directors)

The directors, who are also trustees of the charity, submit their report and the audited consolidated financial statements for the year ended 31 December 2016. The company is trustee for the General Assembly of the United Reformed Church, and is responsible for reporting its financial affairs.

REFERENCE AND ADMINISTRATIVE INFORMATION

Corporate Trustee Registered Office: 86 Tavistock Place London WC1H 9RT

Directors and Trustees

The directors who served during the year and to the date of this report, unless otherwise indicated, were as follows:

Name	Ex officio	Appointed / Resigned
Mr Andrew Atkinson		Resigned 31 August 2016
Mrs Jane Baird	Deputy General Secretary, Administration & Resources	
Revd Michael Davies		
Mr John Ellis	Honorary Treasurer	
Mr Alastair Forsyth		
Revd Richard Gray (Chairman)		
Revd David Grosch-Miller	Moderator of the General Assembly	Resigned 31 August 2016
Dr Ian Harrison		
Revd Michael Hopkins	Clerk of the General Assembly	
Mr Neil McKenzie		
Mrs Val Morrison		
Mr Emmanuel Osae		
Mr Peter Pay		
Revd John Proctor	General Secretary	
Mr Andrew Summers		
Mrs Margaret Thompson		
Revd Kevin Watson	Moderator of the General Assembly	Appointed 13 September 2016
Mrs Catriona Wheeler		Appointed 13 September 2016
Mr Alan Yates	Moderator of the General Assembly	Appointed 13 September 2016

Secretary: Ms Sandi Hallam-Jones

Most of the directors are appointed as trustees by the General Assembly of the United Reformed Church, to serve for up to four years (with a possibility of renewal for one further period of four years), having been nominated through the representative processes of the Church. There are six directors who serve ex officio, their appointment or election to their positions also having followed nomination. The directors receive no remuneration but may be reimbursed their expenses of attending meetings.

TRUSTEES' REPORT CONTINUED

Most newly appointed directors are already familiar with many aspects of their role through serving on Assembly committees or Synod bodies, but they are provided with relevant documentation and encouraged to sign up to receiving regular information from sources such as the Charity Commission. Training is provided via general external courses and events where possible, and training is given in connection with quarterly meetings in specific areas of governance as needs arise, to assist in the performance of their duties as trustees.

Trustees of subsidiary charities at the date of this report:

United Reformed Church Retired Ministers' Housing Society Limited
(Exempt charity, registered under Co-operative and Community Benefit Societies Act 2014, number 15986R)
Chair: Revd Anne Bedford
Secretary: Vacant (Mr Andrew Bottomley resigned 31 March 2017)
Committee of management (appointed for a renewable term of three years): Revd Ann Bedford, Revd David Bedford, Mr John Ellis, Revd Nicola Furley-Smith, Mr Malcolm Lindo, Revd John Proctor, Revd Kenneth Summers, Mr Peter West

Westminster College, Cambridge
(Registered Charity number 311449)
Convenor of Trustees: Revd Nigel Uden
Principal: Revd Neil Thorogood
Trustees: Revd Nigel Appleton, Mr Mark Hayes, Mr William McVey, Revd Dr. Rickey Mearkle, Dr Jean Stevenson, Revd Prof David Thompson, Revd Samantha White, Mr Christopher Wright

Others with charity governance responsibilities
Moderators Elect - Revd Nigel Uden, Mr Derek Estill
Immediate Past Moderators – Revd David Grosch-Miller, Mr John Ellis
Convenor of the Assembly Arrangements Committee – Revd James Breslin
Deputy General Secretary, Discipleship - Revd Richard Church
Deputy General Secretary, Mission – Ms Francis Brienen
The key management personnel of the charity are the members of the General Secretariat: the General Secretary and three Deputy General Secretaries.

Mission Council

The ex officio trustees, the Chair of trustees and the others listed above are members of Mission Council by virtue of the offices that they hold. Other members are the other convenors of the General Assembly Standing committees, URC Youth representatives, Synod moderators and three representatives from each Synod. These are listed below, as at December 2016.

Convenors**:** Revd Bernard Collins, Mrs Wilma Frew, Mr Peter Knowles, Revd Timothy Meachin, Revd Helen Mee, Revd Prof Neil Messer, Revd Elizabeth Welch.
URC Youth representatives: Mr Alexander Nunn (Moderator), Mr Stephen Ball, Mr Daniel Morrell.

Synod moderators and representatives:
1 Northern: Revd David Herbert, Revd Joan Grindrod-Helmn, Mr Robert Jones, Rev Dr Anthony Haws
2 North Western: Revd Andrew Mills, Mrs Pamela Dent, Rev Brian Jolly, Revd Mike Walsh
3 Mersey: Revd Jacky Embrey, Mrs Rita Griffiths, Mr John Grundy, Rev Chris Parker
4 Yorkshire: Revd Kevin Watson, Revd Dr James Coleman, Revd Tony Lee, Mr Christopher Reed
5 East Midlands: Revd Peter Meek, Mr David Greatorex, Ms Helen Lidgett, Revd Jenny Mills
6 West Midlands: Revd Steve Faber, Mr Bill Potter, Revd Angela Gemmer-Small, Mrs Margaret Marshall
7 Eastern: Revd Paul Whittle, Mrs Ruth Dixon, Revd Geoffrey Felton, Mr Keir Hounsome
8 South Western: Revd Ruth Whitehead, Mr George Faris, Mrs Gwen Jennings, Revd Philip Nevard
9 Wessex: Revd Clare Downing, Mrs Susan Brown, Revd Graham Hoslett, Mrs Rosie Martin

TRUSTEES' REPORT CONTINUED

10 Thames North: Revd Dr Andrew Prasad, Mr Simon Fairnington, Mr Victor Russell, Revd Edward Sanniez
11 Southern: Revd Nicola Furley-Smith, Revd Derrick Dzandu-Hedidor, Mr Frank Liddell, Revd Kim Plumpton
12 Wales: Revd Simon Walkling, Revd Adrian Bulley, Mrs Barbara Jones, Revd Paul Robinson
13 Scotland: Revd Dr David Pickering, Revd Trevor Jamison, Ms Morag McLintock, Dr Jim Merrilees

United Reformed Church Finance Committee
Convenor: Mr John Ellis
Chief Finance Officer: Mr John Samson

Revd Kate Gartside, Revd Richard Gray, Mr Ian Hardie, Mr Brian Hosier, Revd Iain McLaren, Mr Ian Simpson, Revd Richard Turnbull, Revd David Walton, Mr Gordon Wanless

Legal Advisers

Towns Needham & Co (legal adviser to General Assembly)
Kingsgate 2nd Floor
51-53 South King Street
Manchester M2 6DE

Veale Wasbrough Vizards LLP
3 Brindley Place
Birmingham
B1 2JB

Actuaries

Aon Hewitt Limited
Carnegie House
Peterborough Road
Harrow
Middlesex HA1 2AJ

Independent Auditors

Mazars LLP
Chartered Accountants and Statutory Auditors
Times House, Throwley Way
Sutton, Surrey SM1 4JQ

Bankers

HSBC Bank plc
City of London Corporate Banking Centre
60 Queen Victoria Street
London EC4N 4TR

STRUCTURE, GOVERNANCE AND MANAGEMENT

Trustee

The General Assembly of the United Reformed Church in 2006 appointed United Reformed Church Trust as its corporate trustee. Following consultation with the Charity Commission, the company in December 2009 adopted new memorandum and articles and was registered as a Charity. It acts as steward of the charity assets on behalf of the General Assembly.

Church Governance

The governing body of the United Reformed Church is the General Assembly. The authority under which the General Assembly acts was given by the resolutions passed at the Uniting Assemblies of 1972, 1981 and 2000; and the United Reformed Church Acts 1972, 1981 and 2000 enabled those resolutions to be given legal effect in relation to the finance and property of the Church. These Acts of Parliament together with the Basis, Structure and Rules of Procedure for the time being of the United Reformed Church (as contained in sections A - C of the Manual of the United Reformed Church) contain the foundation documents of the Church, known as the Scheme of Union. Each General Assembly appoints members to Mission Council, although those appointed to represent Synods are nominated by the Synods concerned. The names of members of Mission Council are listed above. The purpose of Mission Council is to enable the Church, in its General Assembly, to take a more comprehensive view of the activity and policy of the Church, to decide more carefully about priorities and to encourage the outreach of the Church to the community.

TRUSTEES' REPORT CONTINUED

Charity Status

The United Reformed Church, having charitable status at General Assembly, Synod and local church levels, was formerly excepted from charity registration by legislation. With the implementation of the Charities Act 2006 this exception ended for charities with an annual gross income over £100,000, and as a result United Reformed Church Trust, Synod Trusts and local churches in England and Wales no longer excepted are now registered charities. Under section 30(2)(c) of the Charities Act 2011 the exception continues to apply to other local churches. Churches in Scotland and the Synod of Scotland are registered under Scottish legislation.

Employees

The charity is committed to employment policies which follow best practice, based on equal opportunities for all employees, irrespective of gender, gender reassignment, sexual orientation, religious beliefs, colour, ethnic or national origin, age, marital status or disability. In respect of disabled persons, therefore, it seeks to eradicate less favourable treatment by endeavouring to identify and remove barriers to participation in employment, training, promotion, leadership and representation on church committees.

The charity provides employees with information on matters of concern to them, and consults them regularly, so that their views can be taken into account when making decisions likely to affect their interests. Employee involvement is encouraged, for example by a staff association at the main office, as achieving a common awareness of the charity's priorities and of the financial and economic factors affecting it plays a major role in maintaining its performance.

Remuneration

Remuneration of key management personnel is set in the same way as that of other equivalent staff. All ministers are paid the same basic stipend, the level of which is recommended annually by a sub-committee of Ministries committee having regard to external data on pay and cost inflation, reviewed by Finance committee and confirmed by the Trustees. The pay of lay staff is assessed when a post is created, by a Human Resources advisory group having regard to comparable posts in the charity sector and among Church bodies in particular; it is reviewed and confirmed by a remuneration committee, which decides annual cost of living increases. Any reassessment of a post's remuneration is by the same process.

OBJECTIVES AND ACTIVITIES

The charity's Objects are to advance the Christian religion for the benefit of the public in accordance with the doctrines, principles and usages, and the Scheme of Union of the United Reformed Church.

- **Public benefit**
  Having regard to the guidance published by the Charity Commission, the Trustees continued to provide public benefit by seeking to advance the Christian religion in accordance with the doctrines, principles and usages, and the Scheme of Union of the United Reformed Church. Some of the broad strategies are set out in the following paragraphs, and further details and examples are given under Achievements and Performance. In addition, the Church at General Assembly level acts as an umbrella resource body for the 13 National and Provincial Synods and over 1400 local churches, which are all separate charities.

- **Worship and partnership**
  The United Reformed Church is part of the Church universal. As such its aim is to proclaim the love of God in Jesus Christ in word and deed. A main strategy to achieve that aim is the provision of public worship in viable congregations across the three nations of England, Scotland and Wales. This is increasingly carried out in partnership with ecumenical colleagues, particularly the Methodist Church with whom we have over three hundred shared congregations. It also takes new forms through the 'Fresh Expressions' initiative offering Christian worship, teaching, fellowship and service in non-traditional venues and styles. The United Reformed Church is a partner in 'Fresh Expressions' with the Methodist Church, the Church of England, and other Free Church participants.

TRUSTEES' REPORT CONTINUED

- **Making a difference**
  As the Catch the Vision prayer states, we are 'God's people', being 'transformed by the gospel' in order to 'make a difference'. That 'difference' is being made in many ways, from the preaching of the gospel, through the pastoral care which helps individuals manage the traumas and transitions of life, to the community building undertaken by our Church Related Community Workers (CRCWs), and the funds that we raise to reduce world poverty through Commitment for Life. In 2010 the General Assembly adopted a mission framework called Vision2020 which set out ten priorities for the Church's outreach at national, regional and local levels. The Local Mission and Ministry Review process, through which the Synods challenge and support their churches, is another key vehicle for increasing the effectiveness of local witness and service.

- **Subsidiary charities**
  The United Reformed Church Retired Ministers' Housing Society Limited has as its objects to carry on for the benefit of the community the business of providing, for retired ministers and widow/ers of ministers of the United Reformed Church, housing and associated amenities, or assistance to enable them to provide this for themselves.
  The object of Westminster College, Cambridge, is to be a theological college of the United Reformed Church, and thus to provide education and promote the Christian religion.

STRATEGIC REPORT

Achievements and Performance

Most of the company's activities are carried out through councils and committees of the United Reformed Church, and a detailed review of their work is incorporated in the Book of Reports to the Church's biennial General Assembly, which met last at Southport in July 2016. We report below on that work and on the specific activities of the Trustees as steward of the charity's assets.

Much discussion at Assembly addressed concerns about the growing number of small local congregations in our Church, and the appropriate deployment of ministers. The Faith and Order Committee brought forward proposals on 'authorised elders', who would preside at sacramental services as part of their leadership and care in local churches.

Assembly completed a two-year discussion about the URC's response to recent legislation on the marriage of same-sex couples. In England and Wales this will be a matter for local church decision, an arrangement that has been confirmed with the General Register Office.

Two Synod Moderators' posts fell vacant through retirement in 2016, and were duly filled, and two other Moderators had their tenure reviewed and extended. New role descriptions were agreed for our National Synods in Scotland and Wales, to take fuller account of their particular national contexts.

Mission Council, which agreed in 2015 to retain the Church's central office in London, confirmed plans for refurbishment of the property, to improve its accessibility, to develop it as a workplace, to enhance its 'green' credentials, and to allow a quarter of the building to be commercially let. The majority of the Church's computer files were placed on an external server, with software that facilitates remote access. This both assists work and removes some vulnerabilities.

TRUSTEES' REPORT CONTINUED

Committee work

Children's and Youth Work

2016 began with Mr Alexander Nunn, the first United Reformed Church' Youth Moderator, being inducted into post by General Assembly Moderator, John Ellis, following the restructuring of FURY (Fellowship of United Reformed Youth) throughout 2014 and 2015. Following the review, the title FURY will no longer be used to represent all those 25 and under in the URC, it being replaced by United Reformed Church Youth.

The Youth Assembly attendance has grown successively over the past three years and the programme has changed considerably and includes key-note speakers, workshops, seminars, group discussions, worship and other activities. The event is peer led and young people are supported, equipped and trained to enable them to fulfil the primary roles at the Assembly. As part of its commitment to battle the stigma around mental ill health, URC Youth has launched a resource called 'Get Talking' to help churches and groups to talk more about the illness.

A promotional video was filmed for our youth organisation Pilots. The Compass, the programme resource for Pilots companies has been completely re-written. A resource on social justice called 'Let Justice Flow' was prepared in collaboration with Christian Aid.

2017 has been designated by the URC as the year for celebrating Feasts and Festivals. With their experience in organising large scale events Pilots is taking the lead in organising a 'Big Day Out' for the whole denomination. It is hoped that around 4,000 people will gather at Warwick Castle for a day which will include a festival of speakers, acts, worship and a giant picnic as well as the usual attractions that Warwick Castle offers.

Communications

The URC's new house style for all written work was introduced and on 1 June we launched the refreshed URC logo. In 2017 we are committed to improving the main URC website, working to ensure it is more user-friendly. The committee will continue with our two- pronged focus on the Church's monthly magazine Reform: continuing to address the overspend on the Reform budget and developing our 'Don't lose Reform' campaign to encourage supporters to buy subscriptions.

Education and Learning

The final year of the Training for Learning and Serving (TLS) foundation course started in September 2016. At its meeting that month the committee endorsed the terms of reference for the task group to design and implement the successor to TLS. The new programme will be a major strand within the Church's wider initiative known as 'Walking the Way: living the life of Jesus today' and is due to be ready to enrol its first students in September 2018.

Having decided to build a research network through a mapping exercise the resulting database gradually grew, leading to the committee's decision to hold a research conference. A planning group for this was established and it will be hosted by Northern College in Manchester in July 2017.

One of the remaining outcomes to be pursued from the 2014 Learning Church, Next Chapter process, was to develop a consistent funding system across the synods for lay development. To this end the committee organised an inter-disciplinary and inter-Synod gathering in Manchester in April 2016. Their deliberations will feed into Walking the Way and the successor to the TLS programme.

The education & learning committee's support for appreciative inquiry (AI) resulted in support for a number of Taste of AI courses in conjunction with Synods, and two residential Developing Your AI Practice events at the Windermere Centre.

TRUSTEES' REPORT CONTINUED

Equalities

The remit of the Equalities committee is 'to remind the United Reformed Church that equality is enshrined in its theology, life and work and to challenge the practice of the URC where appropriate.' Much of the work of the committee is in the promotion and encouragement of equality and diversity. This is achieved through established links with the other Assembly committees as well as by being alert to the work undertaken on Assembly's behalf by bodies such as the Joint Public Issues Team (JPIT) and members of staff but particularly the work around racial justice and intercultural ministry.

The committee is able to remind committees of their responsibilities with regard to equality and diversity and seeks to identify new methods and technologies that will enable participation by all.

Ministries

The committee is concerned with the specific recognised ministries which provide leadership for the Church, including church related community work, eldership, lay preaching and the ministry of word and sacraments, but also recognises that each of these has a duty to enable discipleship in others. During 2016 a considerable emphasis was placed on predicting the number of ministers available to the Church through deployment and identifying strategies to deal with a potential reduction in future years.

There were fourteen church related community workers in accredited 'churches in community' across the Church in 2016. The TLS 'Developing Community Experiences' programme continues to highlight the importance of community presence and engagement by congregations, as well as by specialist staff.

Special category ministry posts are authorised for areas of new work beyond the typical work of ministers in local churches. Some 22 of our ministers serve in these posts as chaplains, evangelists or pioneer ministers. In addition we have eight full-time chaplains in Her Majesty's Forces, and we support and oversee their ministry through participation in the work of the United Navy, Army and Air Force Board.

Mission

The work of the Mission Committee continues to be shaped by Vision2020, the ten-year framework of mission priorities agreed by General Assembly in 2010. The framework encourages local churches to prioritise regularly in their engagement with the community and supports this by giving Vision2020 grants.

Work continued on developing a long-term emphasis on missional discipleship under the Walking the Way programme. The new emphasis was warmly welcomed and endorsed by the General Assembly in 2016. Initial materials are being produced and will be launched over the summer of 2017.

For the first time the United Reformed Church took part in the Greenbelt festival as an associate partner. A dedicated team made an imaginative and creative contribution to this festival of faith, social justice and the arts. The partnership will continue in 2017.

The URC is part of the Joint Public Issues Team (JPIT) with the Baptist Union of Great Britain, the Church of Scotland and the Methodist Church. 2016 marked the tenth anniversary of JPIT and the collaborative work and high profile it enables for our denominations. JPIT's work in the past year focused on refugees, welfare reform, and the EU referendum. Materials to resource good conversations about UK society after Brexit are currently being produced.

The National Rural Officer works to support rural churches to play a central role in their communities. An annual Rural Mission Sunday will be held for the first time in July 2017 to raise the profile of the church in rural areas.

In the course of 2016 the work of World Church Relations and Racial Justice & Intercultural Ministries was merged to form Global and Intercultural Ministries and a new staff team was put in place. The team supports global engagement through individual and group visits to global partner churches, welcoming representatives from partner churches and through sending and receiving mission partners. The URC currently has a mission partner serving in Zambia while a minister from Taiwan works in the UK. The URC is currently planning to receive new mission partners from Taiwan and Korea and strong

TRUSTEES' REPORT CONTINUED

partnership links are being developed with the Church in Pakistan. A visit to Pakistan will take place in 2017.

Commitment for Life continued to raise the profile of Christian Aid and Global Justice Now within the United Reformed Church, raising £337k for projects in Bangladesh, Central America, Israel and the occupied Palestinian territory and Zimbabwe.

On the ecumenical scene a significant development has been the work of Churches Together in England (CTE) on the life and future of Local Ecumenical Partnerships (LEPs). A major consultation was organised in the URC to reflect on the outcomes of this work and the implications for our denomination.

Safeguarding

Throughout 2016, the updated safeguarding policy, Good Practice 4, was developed and disseminated to churches and synods. Part three of this policy, Adults at Risk, was published and sent to all churches in April 2016.

Since the National Safeguarding Officer has been in post, there have been a number of 'national safeguarding team meetings' held at Church House and are open to all synod safeguarding officers. During these meetings, training is provided for the synod officers and there is an opportunity for peer learning, policy development and review. In May 2017, it is planned that the first joint 'national safeguarding team' and 'Safeguarding Advisory Group' (SAG) meeting will take place.

In October 2016, phase two of the Past Case Review opened for anyone to make a complaint or raise concerns about past actions or behaviour of people affiliated with the URC. This continued until 31 March 2017, when the 'active advertising' stage closed. The opportunity for someone to make a complaint after this date will continue.

Resourcing Our Work

All the above must be set in the context of our resources, which continue to be carefully managed in an uncertain economic climate. Detail of the latest year is given in the financial review below, but we have also to consider broader trends. Among these are:

- Giving to central funds from our local churches have since 2010 been on a downward trend, averaging a reduction of around 1% per annum in cash terms. This trend continued into 2016 and is expected to continue in the medium term. The denomination is seriously looking at ways to stem this decline;
- Despite the political uncertainty of 2016, investment values ended the year nearly 11% up compared to the end of 2015. Investment income has continued to grow slowly;
- The liabilities of the Ministers' Pension Fund continued to rise as even lower interest rates increased the cost of providing pensions. This was, to some degree, offset by good performance of the fund's assets. The Church's other pension scheme, mainly for lay staff, is affected by the same issues, and is managed more remotely. Following a review in 2015, changes to its benefit structure have been implemented, intended to mirror those already implemented in the ministers' fund.
- Work has continued to identify and achieve further longer term savings in expenditure, in particular on governance and facilities.

TRUSTEES' REPORT CONTINUED

Managing the Assets

Investments & Investment Policy

United Reformed Church Trust acts as corporate trustee of the central funds of the United Reformed Church. The powers of investment are given under the memorandum and articles of association of the trustee company. The Investment Committee of the Church, which reports to the Trustees, keeps under review our investment policy and monitors the performance of our fund managers. All investments are held in pooled funds that aim to comply with the ethical policies agreed by the Church.

The Investment Committee, having previously with the agreement of the Trustees consolidated the Trust's investments with a single fund manager, CCLA, whose strategy and governance it considered to fit best with the Church's policy, continued to monitor the investments throughout 2016. It was pleased to note good capital performance despite the uncertainty in the markets.

Properties

United Reformed Church Trust is responsible for the management of the properties included in its balance sheet. The management of about 330 houses for retired ministers is delegated to the United Reformed Church Retired Ministers' Housing Society Limited, which has five dedicated staff members and a Committee of management. Its staff members also oversee the houses occupied as manses by Synod Moderators and others in General Assembly posts. Other properties include the buildings of Westminster College, which are managed by the College Trustees, the Windermere Centre, the former Yardley Hastings centre and United Reformed Church House, London.

In March 2016 Mission Council authorised the Trust to take up a quote from a named contractor for the improvement of United Reformed Church House to make it better fit for purpose and to create space for rent-paying tenants. The project is expected to cost £2.6m. Work began on Church House in early 2017.

Development works continue at Westminster College.

Risk Management

During the year the trustees have undertaken a review of the risks with which the central administration of the Church is faced. This is carried out by means of an annual request to departments and committees to identify risks in their areas and to report, noting the measures that are being taken to manage the risk.

The risks which are deemed as having the highest impact and likelihood are given particular attention. Those risks fall broadly into two areas:

- risks associated with serious reputational damage particularly with regard to safeguarding matters; and
- risks associated with a declining membership and consequent reduction in resource.

Reputational matters are taken very seriously and the Church has a process in place whereby anyone concerned that a matter may receive unfavourable publicity refers that matter to the communications department who will advise on its handling or, if the matter is particularly sensitive, will handle it directly. The General Secretary is made aware of all issues and will intervene personally if appropriate.

The safeguarding of children and adults at risk is seen as a key responsibility of the Church. Further updated guidance on safeguarding matters was issued in 2016 and materials are available on the Church's website. Churches are required to report annually on safeguarding matters to their synod's safeguarding officer. A Safeguarding Officer at Church House together with the synods' own safeguarding officers are available to offer advice and guidance to churches. DBS/PVG checks are mandatory for all active ministers and key officers including all who work with children.

TRUSTEES' REPORT CONTINUED

In response to the Goddard enquiry, the Church moved into Phase Two of the Past Case Review for anyone to make a complaint about past actions of people affiliated with the URC, as outlined above.

The risks associated with a declining membership are unlikely to crystallise in the near future but in the longer term are likely to have an effect on the way the Church operates. More specifically the risks identified are:

- difficulty in balancing the number of ministers available with the finances available;
- difficulty in balancing the number of ministers available with the demands of local churches;
- reduction in voluntary donations which finance the administration of the Church, the stipends of ministers and the salaries of staff; and
- difficulty in finding sufficient local volunteers to run local churches, staff administrative structures and organise events.

The Church has a procedure for assessing the anticipated ministry available for deployment to each of the synods so that expectations can be set. It also has a robust budgeting procedure which ensures that the financial implications of decisions are understood and that resources and available finance are matched.

Future Developments

Work on refurbishing our Church's central office will run from January to June 2017, after which staff will move back in and we intend to let out a quarter of the building.

In the autumn we look forward to celebrating two important centenaries, of the ordination of our first woman minister in 1917, and of the Lutheran Reformation in 1517. The first of these, recalling the pioneering Christian service of Constance Coltman, will be marked by a conference, shared with members of the Congregational Federation and partners from the world Church.

We shall continue to progress Walking the Way, our Church's new programme of lay Christian education, preparing for a major launch in the summer of 2018.

We shall review the arrangements for our General Assembly, following a remit from the 2016 Assembly, and propose appropriate patterns of meeting for the period 2020-2030.

Finally, as we develop and advocate our Church's Environmental Policy, we hope to contribute in a small way to the well-being of the earth and of those who will live on it in the future.

Financial Review

The financial statements show the consolidated income, expenditure, assets and liabilities of those trusts and other funds controlled by United Reformed Church Trust (the Trust) and administered for the benefit of the United Reformed Church under the overall authority of the General Assembly. These represent the charitable assets of the United Reformed Church that United Reformed Church Trust manages on its behalf and applies towards its charitable purposes. They include the operations of Westminster College (the College), its resource centre for learning in Cambridge, which is a registered charity in its own right, and its subsidiary company Westminster College Trading Limited. They also include the operations of the United Reformed Church Retired Ministers' Housing Society Limited (RMHS), which is an exempt charity providing housing and associated amenities for persons who are retired ministers or widow/ers of ministers of the United Reformed Church. The Balance Sheet also reports separately the assets and liabilities of the Trust, excluding the College and RMHS, and details are given of the funds, incoming and outgoing resources and assets of the College and RMHS as subsidiary charities.

The Finance Committee of the Church is responsible for the general financial oversight of funds administered for the benefit of the United Reformed Church, its long-term financial planning, and the preparation and control of its budget under the authority of Mission Council and the trustees. The Committee ensures that proper procedures are in place for the maintenance of accounting records, controlling and monitoring the budgetary process, and the preparation of financial statements in compliance with applicable United Kingdom law and accounting standards. To this end the Committee

TRUSTEES' REPORT CONTINUED

meets with the auditors at least once a year. The Committee may take such decisions with regard to the finances of the Church as are necessary within the policies set by the General Assembly.

Reserves Policy

The Consolidated Balance Sheet on page 19 shows the disposition of the various charity funds totalling £67,733k as at 31 December 2016 (2015: £69,187k). The term "reserves" describes that part of a charity's income funds that is freely available. Much of our funds are invested in property or restricted in use.

The unrestricted fund net assets readily available are £15,662k. This represents about nine months of unrestricted fund expenditure, an increase from 2015. Expenditure of £2.7 million from reserves has been authorised in respect of the refurbishment of Church House, which will reduce the reserves to approximately 7.5 months of unrestricted fund expenditure.

The Finance Committee, which reviews the policy annually, considers that our aim should be to maintain reserves of between three and six months of unrestricted fund expenditure to support the Church's ongoing activities. Currently this implies reserves of between around £6m and £12m. Confidence is added by the fact Ministry and Mission Fund contributions are pledged each year in advance by local churches via Synods. The valuation of the Ministers' Pension Fund at the start of 2018 may however increase the total call on the budget for contributions, which could require some initial support from reserves. The Committee therefore considers that the present level of reserves, somewhat above the target range, is appropriate and satisfactory.

Grant making

Grants are made on the recommendation of the relevant committee. Each application is assessed on its individual merits.

2016 Financial Results

The results for 2016 are set out in more detail in the Consolidated Statement of Financial Activities on page 18. This shows that there was, overall, a decrease in funds in the year of £1,454k. The following table shows the breakdown of this decrease compared with the increase for the previous year.

	2016	2015
Voluntary income:	**£000**	£000
Ministry and Mission Fund contributions	**19,260**	19,483
Donations, grants and legacies	**961**	2,370
Income from charitable activities	**1,447**	1,506
Trading income	**650**	579
Investment income	**1,626**	1,590
Other income	**2,749**	3,110
Total income	**26,693**	28,638
Expenditure:		
Cost of generating funds	**565**	550
Charitable activities	**24,011**	24,528
Other	**361**	683
Total expended	**24,937**	25,761
Gains on investment assets	**3,723**	360
Net income	**5,479**	3,237
Actuarial gain on pension schemes	**(6,933)**	8,912
	(1,454)	12,149

TRUSTEES' REPORT CONTINUED

Ministry and Mission Fund contributions

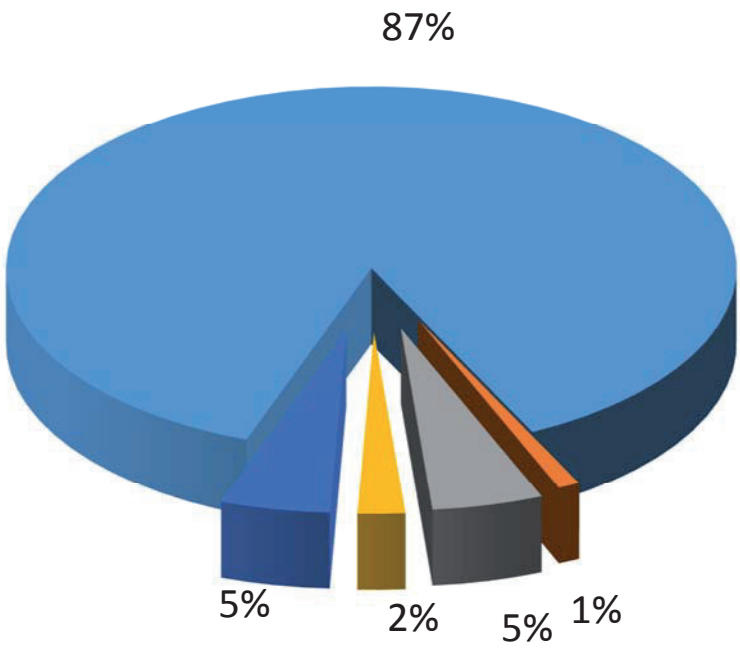
The pie chart on page 13 gives a visual picture, showing that 87% of our unrestricted income comes from Ministry and Mission Fund contributions, which totalled just over £19million and in which most Synods matched the amount pledged. We are very grateful for the faithful and regular giving that this represents, enabling us to support ministry and mission across our three nations, and sustain the major way in which we fund, in partnership, all our work for the kingdom of God. The pie chart on page 14 shows that 92% of our unrestricted expenditure, totalling £19,090k, is used to provide the financial resources to train, equip and provide ministry.

Donations, grants and legacies

We are very grateful for regular grants from a number of trusts, detailed in note 2(b) to the financial statements, as well as for many other donations. Donations fell drastically from the amount received in 2015 but this was due mainly to two specific appeals being run in 2015 which were the Westminster College Development Appeal which raised £400k in 2015 and the contributions from the synods towards the Ministers' Pension Fund deficit of £386k. Commitment for Life donations from churches and individuals was £337k. Legacies bequeathed for general purposes are held in a separate designated Legacy Fund, available for projects not covered by regular budgets. The balance in this fund is now £918k (2015: £964k) and allocations and grants totalled £160k in 2016 (2015: £110k).

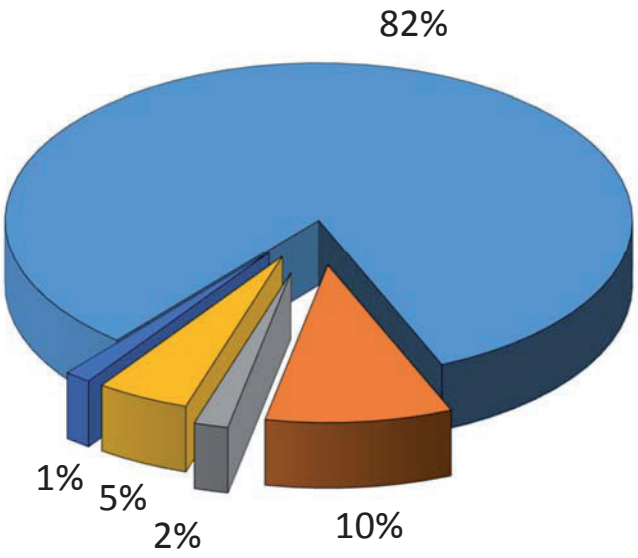
TRUSTEES' REPORT CONTINUED

Unrestricted Income - £22.1m
Year ended 31 December 2016



TRUSTEES' REPORT CONTINUED

Unrestricted Expenditure - £21.1m
Year ended 31 December 2016



TRUSTEES' REPORT CONTINUED

Investment income
Total investment income remained relatively flat with returns being stable over the year. Interest rates on cash deposits remained at historically low levels.

Trading income/cost of generating funds
Established in 2014, Westminster College Trading Limited, continued to grow its bed and breakfast accommodation and conferences and events business in the newly refurbished facilities. Income from these sources totalled £650k in 2016 (2015: £579k), and direct and attributable costs totalled £565k (2015: £550k).

Income from charitable activities
This income includes rental income from retired ministers' housing properties, the student accommodation, catering and course fee income of Westminster College and the Windermere Centre, as well as sales of publications and subscriptions to Reform magazine.

Other income
Most of this income (£2,582k) represents net gains from selling retired ministers' housing properties when they fall vacant, the proceeds of which are used to acquire properties for retiring ministers or sometimes for rehousing them in later years. In 2016 thirteen properties were bought and 25 were sold.

Expenditure – Charitable activities
These costs are analysed in note 5 on page 24, and include a share of support costs.

Ministry: £18,609k. The maintenance of ministry is the most important charge on the Church's resources. This sum pays for the stipends, social security and pension costs of over 440 stipendiary ministers and CRCWs, and includes all costs of the Synod Moderators. In 2016 the cost of ministry fell, as the number of retirements of stipendiary ministers exceeded the number of ordinations. The total also includes costs relating to retired ministers of supplementing pensions and maintaining housing; expenditure on the latter fell in 2016.

Education and Learning: £3,202k. The considerable commitment of resources to training ministers has continued. This sum includes our support for our Resource Centres for Learning, which reflects their wider role in providing learning opportunities for the whole Church, as well as direct support of those training for ministry. Other costs relate to ongoing ministerial training and TLS and other lay training. It includes the total operating costs of the Windermere Centre and the relevant costs of Westminster College.

Children's and Youth Work: £371k. The programmes continued to be developed in 2016. The Compass, the programme resource for Pilots companies was completely rewritten during the year. A new booklet, The Theology of Pilots was also written as well as a resource on social justice.

Mission Programmes: £1,541k. The Mission Committee and team continue to progress longer-term strategies, including the Vision2020 grants programme for projects at home and abroad. Commitment for Life grants were slightly down on last year in line with the decrease in donations received.

Publishing: £288k. The costs of publishing Reform magazine have continued to be tightly controlled while maintaining its quality, although we have seen a drop off in subscriptions. A marketing drive was started in late 2016 to boost sales. In-house publishing has been limited but successful, in particular the online store.

Gains on investment assets
The change in investment values from the beginning to end of the year, broken down by fund, is shown in the Summary of Fund Movements in note 18. 2016 saw a marked increase in investment values following a weaker sterling that arose in the wake of the 'Brexit' vote. Investment gains and losses over time are shown in the five year summary on page 40.

Actuarial gains on pension obligations
We are required to take full account of actuarial gains and losses arising each year in the United Reformed Church Ministers' Pension Fund (MPF), and owing to new accounting requirements now also in the United Reformed Church Final Salary Scheme(FSS), which is mainly for lay staff. In 2016 the lower discount rate and higher inflation expectations resulted in an increase in the pension liabilities of the MPF. This was offset to some degree by significant increases in the value of the fund's diversified

TRUSTEES' REPORT CONTINUED

investments. This led to a net actuarial loss for the year of £4.8million. For similar reasons the FSS reports an actuarial loss of £1.7million. More details are given in notes 21 and 22 to the financial statements on pages 34 to 37. The Church continued to make the required deficit contributions to both funds mainly from contributions from local churches to the Ministry and Mission Fund**.**

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also directors of United Reformed Church Trust for the purposes of company law), are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements: and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

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

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

CONCLUSION

The Trustees have approved this Report, and as directors of the company have approved the Strategic Report included within it. Those wanting more information or explanations about any aspect of the Church's finances are encouraged to address their enquiries to the Treasurer.

Signed on behalf of the Trustees

Revd Richard Gray
Chair
2 May 2017

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF UNITED REFORMED CHURCH TRUST

We have audited the financial statements of United Reformed Church Trust for the year ended 31 December 2016 which comprise the consolidated statement of financial activities, the consolidated and trust balance sheets, the consolidated cashflow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102.

Respective responsibilities of trustees and auditors
As explained more fully in the Statement of Trustees' Responsibilities set out on page 16, 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.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors. This report is made solely to the trust'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 may state to the trust's members those matters that 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 trust and the trust's members as a body for our audit work, for this report, or for the opinions we have formed.

Scope of the audit of the financial statements
A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on the financial statements
In our opinion the financial statements:

- give a true and fair view of the group's and of the trust's affairs as at 31 December 2015 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including FRS 102; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on the other matter prescribed by the Companies Act 2006
In our opinion the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception
We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosure of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Alistair Fraser (Senior Statutory Auditor)
for and on behalf of Mazars LLP
Chartered Accountants and Statutory Auditor
Times House, Throwley Way, Sutton, Surrey, SM1 4JQ
Date: 2 May 2017

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2016

Income	Note	---- Income funds ---- Unrestricted £'000	Restricted £'000	---- Capital funds ---- Unrestricted £'000	Restricted £'000	2016 Total funds £'000	2015 Total funds £'000 (note 27)
Donations and legacies							
Ministry and Mission Fund contributions	2(a)	19,260	-	-	-	**19,260**	**19,483**
Grants receivable	2(b)	77	57	-	-	**134**	**129**
Legacies		83	123	-	-	**206**	**704**
Commitment for Life donations		-	337	-	-	**337**	**381**
Other donations	2(c)	55	224	-	5	**284**	**1,156**
		215	741	-	5	**961**	**2,370**
Charitable activities	4						
Ministry		-	684	-	-	**684**	**649**
Education and Learning		249	300	-	-	**549**	**612**
Children's and Youth work		24	-	-	-	**24**	**37**
Mission programmes		8	-	-	-	**8**	**17**
Publishing		182	-	-	-	**182**	**191**
		463	984	-	-	**1,447**	**1,506**
Other trading activities		-	650	-	-	**650**	**579**
Investment income	3	1,086	540	-	-	**1,626**	**1,590**
Other income							
Gains on sale of properties		916	1,666	-	-	**2,582**	**1,075**
Lease premiums		-	-	-	-	**0**	**1,896**
Other income		152	15	-	-	**167**	**139**
		1,068	1,681	-	-	**2,749**	**3,110**
Total income and endowments		**22,092**	**4,596**	**-**	**5**	**26,693**	**28,638**
Expenditure on:							
Raising funds:							
Trading expenditure		-	565	-	-	**565**	**550**
Charitable activities	5						
Ministry		17,406	1,203	-	-	**18,609**	**19,266**
Education and Learning		2,033	1,169	-	-	**3,202**	**3,128**
Children's and Youth work		371	-	-	-	**371**	**385**
Mission programmes		1,008	533	-	-	**1,541**	**1,430**
Publishing		288	-	-	-	**288**	**319**
		21,106	2,905	-	-	**24,011**	**24,528**
Other expenditure		13	207	-	141	**361**	**683**
Total expenditure		**21,119**	**3,677**	-	141	**24,937**	**25,761**
Gains on investment assets		831	915	1,525	452	**3,723**	**360**
Net income(expenditure)		**1,804**	**1,834**	**1,525**	**316**	**5,479**	**3,237**
Transfers between funds		562	(562)	-	-	-	-
Actuarial (losses)/gains on defined benefit pension schemes	21-22	(6,933)	-	-	-	(6,933)	**8,912**
Net movement in funds		**(4,567)**	**1,272**	**1,525**	**316**	**(1,454)**	**12,149**
Reconciliation of Funds							
Total funds brought forward at 1 January		(820)	47,549	16,951	5,507	**69,187**	**57,038**
Total funds carried forward at 31 December		**(5,387)**	**48,821**	**18,476**	**5,823**	**67,733**	**69,187**

All amounts relate to continuing operations.
There is no material difference between the net incoming resources stated above and their historical cost equivalents.
All gains and losses recognised in the year are included in the Statement of Financial Activities.
The Companies Act income and expenditure account has been included in note 26.
The notes on pages 21 to 39 form an integral part of these financial statements.

CONSOLIDATED AND TRUST BALANCE SHEETS AS AT 31 DECEMBER 2016

	Note	*Consolidated* 2016 £'000	*Consolidated* 2015 £'000	*Trust* 2016 £'000	*Trust* 2015 £'000
Fixed assets					
Intangible assets		15	8	-	-
Tangible assets	11				
Houses for retired ministers		38,311	37,934	682	836
Houses for serving ministers		5,534	4,904	5,534	4,904
Other properties		7,143	7,329	2,045	2,179
Total properties		50,988	50,167	8,261	7,919
Cars and equipment		665	679	160	111
		51,668	50,854	8,421	8,030
Investments and loans					
Investments	12	42,433	38,290	41,150	37,371
Programme-related investments	13	242	215	242	215
Loans	14	134	67	9,464	9,303
		94,477	89,426	59,277	54,919
Current assets					
Stocks and work in progress		13	5	13	5
Debtors	15	2,285	2,126	1,970	1,488
Cash at bank and in hand		8,466	7,646	7,069	5,790
		10,764	9,777	9,052	7,283
Creditors: amounts falling due within one year	16	(1,544)	(1,283)	(2,758)	(1,296)
Net current assets		9,220	8,494	6,294	5,987
Total assets less current liabilities		103,697	97,920	65,571	60,906
Defined benefit pension scheme liability	21-22	(31,929)	(24,698)	(31,929)	(24,698)
Other pension obligations	21	(4,035)	(4,035)	(4,035)	(4,035)
Net assets including pension liability		67,733	69,187	29,607	32,173
Unrestricted income funds					
General reserves		24,890	23,047	24,890	23,047
Revaluation reserve		1,652	831	1,652	831
Total unrestricted income funds before pension reserve		26,542	23,878	26,542	23,878
Pension reserve		(31,929)	(24,698)	(31,929)	(24,698)
Restricted income funds		48,821	47,549	11,656	11,437
Capital funds		24,299	22,458	23,338	21,556
TOTAL CHARITY FUNDS	19&20	67,733	69,187	29,607	32,173

Approved by the Trustees on 2 May 2017 and signed on their behalf by:

Revd Richard Gray
Chair

Mr John Ellis
Treasurer

United Reformed Church Trust is a company limited by guarantee, number 135934, and Registered Charity number 1133373.

The notes on pages 21 to 39 form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2016

	2016 £'000	2015 £'000
Cash flows from operating activities		
Net income before other recognised gains and losses (see page 18)	5,479	3,237
Adjustments for:		
Increase in stocks	(8)	(1)
Increase in debtors	(159)	(694)
Increase/(Decrease) in creditors	238	(63)
Increase/(Decrease) in sums held for Synods and congregations	23	(132)
Gain on investment assets	(3,723)	(360)
Profit on sale of tangible fixed assets	(2,582)	(760)
Depreciation and impairment	263	248
Other investment income	(1,626)	(1,590)
Cash endowment received	(5)	(5)
Cash endowment paid	141	-
Difference between pension contributions and actuarial cost	298	517
Cash flows generated from operations	(1,661)	397
Cash flows from investing activities		
Payments to acquire tangible fixed assets	(2,864)	(2,288)
Receipts from sales of tangible fixed assets	4,370	2,552
Payments to acquire fixed asset investments	(730)	(195)
Receipts from sales of fixed asset investments	282	222
Loans and advances made to ministers	(6)	(37)
Loans repaid by ministers	23	20
Loans and advances to churches	(84)	-
Investment income	1,626	1,590
	2,617	1,864
Cash flows from financing		
Addition to capital endowment	5	5
Payments capital endowments	(141)	-
	(136)	5
Net increase (decrease) in Cash (note 24)	820	2,266

The notes on pages 21 to 39 form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1 PRINCIPAL ACCOUNTING POLICIES

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)) and the Companies Act 2006.

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

A separate Statement of Financial Activities and Cash Flow Statement have not been presented for United Reformed Church Trust itself because it has made use of the exemptions afforded by Section 408 of the Companies Act 2006.

The principal accounting policies, which have been applied consistently throughout the year, are set out below:

(i) Scope

The consolidated financial statements show the combined income, expenditure, assets and liabilities of the charitable funds administered by the Trust for the purposes of the United Reformed Church under the overall authority of the General Assembly, and include the total financial operations of Westminster College ("the college"), Westminster College Trading Limited and of the United Reformed Church Retired Ministers' Housing Society Limited ("the society"). The college is a registered charity (number 311449), while the society is a separate exempt charity registered under the Friendly and Industrial and Provident Societies Acts 1965 to 2003. Each is accounted for as a separate fund and branch of the Church in accordance with the SORP, and details are also given to reflect their legal status as subsidiary charities.

(ii) Classification of funds

Unrestricted income funds may be spent generally for furthering the religious and charitable work of the Church. Restricted income funds are funds whose use is restricted to specific purposes according to the terms on which the funds were received. However, if the purpose is one that forms part of the Church's regular expenditure and the income of the funds are fully spent each year, the restriction has no practical effect and funds with such restrictions are treated as unrestricted.

Capital funds (i.e. endowments) include some permanent endowments that are required to be retained but the income from these funds can be spent for the benefit of the Church subject, in certain cases, to specific restrictions contained in the original endowment. Other capital funds (i.e. expendable endowments) may be converted to income at the discretion of the trustees.

The main funds included in these financial statements, and their classification, are shown in notes 17 to 20.

(iii) Donations and legacies

Donations and legacies are accounted for on a receivable basis. In accordance with this policy, legacies are included when advice has been received from the personal representative of an estate that payment will be made or property transferred and the amount can be quantified with reasonable certainty. Gifts in kind are included within income at the value to the charity at the date of the gift. The value of services provided by volunteers has not been included.

(iv) Grants

Incoming grants are accounted for on a receivable basis. Outgoing grants are accounted for on a payable basis. Grants payable are included in the Statement of Financial Activities when approved and applied for. The value of such grants unpaid at the end of the year is accrued, unless there are unfulfilled conditions attached to them. In such cases these grants are treated as contingent liabilities.

(v) Ministry and Mission Fund contributions, investment income and other income

Ministry and Mission Fund contributions, investment income, income from charitable activities and other incoming resources are accounted for on a receivable basis. Contributions to the fund, based on local church pledges, are agreed annually in advance with each Synod; amounts received in excess of, or shortfalls from the agreed contributions, are accounted for in the year.

(vi) Gains and losses on investments

Realised and unrealised gains and losses on investments are included in the Statement of Financial Activities in the year in which they arise.

(vii) Expenditure

Expenditure is accounted for on an accruals basis and allocated to the appropriate heading in the financial statements. Any irrecoverable VAT is included with the costs to which it relates. Directly attributable costs are allocated to the main charitable activities or to its governance; details are shown in notes 6 to 8. The support costs included in note 8 relate to the whole of the charity's activities and a proportion of these costs is allocated to expenditure headings on a basis that is consistent with the use of the resources.

(viii) Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

(ix) Pensions

The Church operates a funded defined benefit pension scheme for ministers and Church Related Community Workers (CRCWs) receiving a stipend, known as The United Reformed Church Ministers' Pension Fund. The assets of the scheme are managed independently of the Church. Pension costs are assessed in accordance with the advice of an independent qualified actuary.

The Church, together with most synod trusts, also uses The United Reformed Church Final Salary Scheme, a multi-employer defined benefit scheme operated by TPT Retirement Solutions Trust, an independent pension provider to the not-for-profit sector. It provides trustee and asset management services, and pension costs are assessed in accordance with the advice of an independent qualified actuary.

For both schemes, under FRS 102 paragraph 28 – 'Retirement benefits' – the amounts charged to expenditure are the current service costs, interest costs and expenses, which are included within charitable expenditure. Actuarial gains and losses are recognised immediately and disclosed in the Statement of Financial Activities.

The assets of the pension schemes are measured at fair value and liabilities are measured on an actuarial basis using the attained age method and discounted at a rate equivalent to the current rate of return on a high-quality corporate bond of equivalent term to the scheme liabilities. The actuarial valuations are obtained triennially and are updated at each year end. The resulting defined benefit asset or liability is presented separately after other net assets on the Balance Sheet.

(x) Tangible fixed assets

Tangible fixed assets having an initial cost of £250 or less are written off on acquisition. Assets having an initial cost greater than £250 are stated at cost when purchased and at valuation when received in specie. Property repairs are normally written off when incurred, except when improvements totalling more than £1,000 are made to a vacant property.

Many properties used as houses for retired ministers are owned jointly with tenants or Synods of the United Reformed Church. The value in the Balance Sheet of such properties is the cost (less any impairment charged) to the charity of the charity's share in the property.

Properties are maintained in a state of sound repair. The Finance Committee considers whether any impairment is necessary considering the lives of the properties and their residual value. Any material deficit between the anticipated recoverable amount of freehold property and its carrying value shown in the financial statements is recognised in the Statement of Financial Activities. Depreciation is no longer charged on these properties on grounds of materiality. The value of land is not depreciated.

Depreciation is charged on tangible assets as a percentage of cost as follows:

Improvements to property with limited life	5 % pa
Cars, computers and photocopiers	25 % pa
Other furniture and equipment	10 % pa

Other tangible assets in regular use, principally book collections acquired by or donated to Westminster College over the period since its foundation, are not included in the Balance Sheet, since to obtain a reliable valuation is not practicable. Further details are given in note 12.

(xi) Heritage assets

Westminster College owns certain manuscripts and artefacts that are not in regular use, but are held for their historical or artistic qualities. They were largely acquired by the founders and donated to the College at or soon after its foundation. No formal valuations have been obtained for these assets as the cost of obtaining such valuations would outweigh the benefit. As a result these assets are not included on the Balance Sheet, nor are the assets of the United Reformed Church History Society (see note 12(c)) for the same reasons.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

(xii) Operating leases
Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the Statement of Financial Activities as incurred.

(xiii) Investments
Listed securities are included at market value at the Balance Sheet date. Unlisted securities are stated at cost as there is no readily ascertainable market price.

(xiv) Concessionary loans
Loans to advance the Church's charitable purposes are held within fixed assets recognised and are stated at original cost and subsequently adjusted for any repayments or impairment.

(xv) Financial instruments
The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value

NOTE 2 VOLUNTARY INCOME

(a) Ministry and Mission Fund Contributions

Synods	2016 £'000	2015 £'000
Northern	916	933
North Western	1,908	1,944
Mersey	1,081	1,128
Yorkshire	1,105	1,067
East Midlands	1,176	1,162
West Midlands	1,675	1,618
Eastern	1,881	1,887
South Western	1,351	1,392
Wessex	2,008	2,022
Thames North	2,189	2,303
Southern	2,674	2,734
Wales	517	542
Scotland	779	751
	19,260	19,483

(b) Grants Receivable
The Church receives income from a number of trusts. These are described below.

Congregational Memorial Hall Trust - £77k (2015: £77k). The United Reformed Church has a 70% interest in distributions from this Trust. In 2010 the trust distributed a share of half of its assets by way of a donation totalling £3,658k of investments. Income from the investments has replaced most of the grant.

Council for World Mission - £8k (2015: £19k). The Council has approved grants totalling £79k over three years from its mission support programme, of which the first £34k of which has been received and spent. A new grant of £238k over 3 years has been approved to be used for the Walking the Way programme.

The Cheshunt Foundation - £57k (2015: £5k). The foundation, which is an independent Trust not reporting to the United Reformed Church, supports Westminster College by funding the stipend and expenses of one of the teaching staff, by contributing to the college budget, by student bursaries and by providing financial support for ministers taking sabbatical leave.

(c) Donations
Other donations include £38k (2015: £400k) received by Westminster College towards its Development Appeal, and £21k (2015: £386k) received from Synods towards pension fund deficit contributions.

NOTE 3 INVESTMENT INCOME

	2016 £'000	2015 £'000
Unitised funds	1,595	1,565
Unlisted securities	1	1
Interest on short-term investment and bank deposits	30	24
	1,626	1,590

NOTE 4 INCOME FROM CHARITABLE ACTIVITIES

These comprise:	2016 £'000	2015 £'000
Retired Ministers' Housing rents	664	626
Westminster College - accommodation, conferences, catering and fees	300	322
Windermere Centre - accommodation, catering and courses	223	240
Publication and resource sales	53	60
Reform magazine - subscriptions and advertising	123	130
Other programmes - fees, grants and sales	84	128
	1,447	1,506

NOTE 5 ANALYSIS OF EXPENDITURE

(a) The amount spent on charitable activities, including support costs, is summarised as follows:

	Direct programme expenditure £'000	Grant funding (note 6) £'000	Support costs (note 8) £'000	2016 Total £'000	2015 Total £'000
Ministry	16,196	716	1,697	18,609	19,266
Education and Learning	2,352	546	304	3,202	3,128
Children's and Youth work	322	-	49	371	385
Mission programmes	681	691	169	1,541	1,430
Publishing	248	-	40	288	319
	19,799	1,953	2,259	24,011	24,528

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

NOTE 5 ANALYSIS OF EXPENDITURE (continued)

(b) The amounts spent on charitable activities, excluding support costs, may be analysed by programme as follows:

	Direct programme expenditure £'000	Grant funding £'000	2016 Total £'000	2015 Total £'000
Ministry				
Local and special ministries and CRCWs	13,975	335	14,310	15,498
Synod moderators - stipends and expenses	703	-	703	718
Pension grants	-	375	375	405
Retired ministers' housing	641	-	641	712
Ministries committee	300	6	306	302
	15,619	716	16,335	17,635
Education and Learning				
Initial training for ministry	958	546	1,504	1,445
Ongoing training for ministry	103	-	103	112
Lay training	128	-	128	153
Resource Centres support	605	-	605	575
Windermere Centre programme	413	-	413	397
Education and Learning committee	145	-	145	167
	2,352	546	2,898	2,849
Children's and Youth work				
Staff costs	196	-	196	193
Resources and programme – children & youth	82	-	82	99
Resources and programme – Pilots development	44	-	44	44
	322	-	322	336
Mission programmes				
Grants to local churches	-	220	220	103
Ecumenical and international programmes	143	103	246	277
Commitment for Life programme	62	270	332	367
Other programmes	13	98	111	98
Mission committee	463	-	463	435
	681	691	1,372	1,280
Publishing				
Reform magazine	216	-	216	218
Publications and resources	32	-	32	58
	248	-	248	276
Total	19,222	1,956	21,175	22,376

NOTE 6 ANALYSIS OF GRANTS

	Grants to individuals £'000	Grants to institutions £'000	2016 Total £'000	2015 Total £'000
Pension grants	375	-	375	405
Welfare and other ministry grants	303	6	309	324
Student maintenance and training	529	17	546	595
Local churches - mission and facilities	-	179	179	103
Chaplaincies	-	39	39	39
Ecumenical church bodies	-	103	103	109
Commitment for Life programme	-	304	304	304
Other programmes	8	93	101	96
	1,215	741	1,956	1,975

Major grants to institutions in the year (included above) were:

Organisation	Type	2016 £'000	2015 £'000
Christian Aid	Commitment for Life	253	285
Council for World Mission	Ecumenical	25	25
Global Justice Now	Commitment for Life	17	19

NOTE 7 SUPPORT COSTS

Support costs comprise the premises costs of United Reformed Church House, and the staff and office costs in respect of: Central Secretariat (including Human Resources), Finance, Communications and Information Technology. These costs have been apportioned across the areas of charitable activity on the basis and in the amounts shown below.

	Premises costs £'000	Computer costs £'000	Staff and office costs £'000	2016 Total £'000	2015 Total £'000
Basis of apportionment	Area	Staff	Actual costs		
Ministry	40	57	1,601	1,883	1,631
Education and Learning	14	16	274	347	279
Children's and Youth work	9	9	30	53	49
Mission	15	25	129	190	150
Publishing	9	8	23	44	43
	87	115	2,057	2,517	2,152

NOTE 8 GOVERNANCE COSTS

Governance costs are included in support costs and total £446k (2015: £258k). This figure includes the remuneration of the auditors, amounting to £45k (2015: £44k). The main difference from the previous year was that the General Assembly had its biennial meeting in 2016.

NOTE 9 NOTIFIED LEGACIES

Notification of one small legacy for the restricted funds of Retired Ministers' Housing has been received that have not been included in the financial statements because the conditions for recognition have not yet been met. It is estimated that the amount receivable from this legacy is £251. There were no notifications of legacies for the general purposes of the Trust that had been received but not included in the financial statements because the conditions for recognition have not yet been met. (2015: three legacies, £2k).

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

NOTE 10 STIPEND AND SALARY COSTS

During the year the following stipend and salary costs were incurred:

		2016 £'000	2015 £'000
Ministers and CRCWs : 434 (2015: 456)	Gross stipends	11,118	11,412
	Social security costs	1,035	1,070
	Other pension costs	2,583	2,630
		14,736	15,112
Lay staff : 98 (2015 :97)	Gross salaries	2,590	2,405
	Social security costs	236	223
	Other pension costs	386	591
		3,212	3,219

The numbers shown represent the average for the year, and staff working for part of the year are included at the appropriate proportion calculated on a full time equivalent basis. They include staff working at Church House in London, the Windermere Centre and Westminster College in Cambridge.

There were no ministers, Church Related Community Workers or employees whose emoluments, excluding employer pension contributions, exceeded £60k during 2016 or 2015.

Key management personnel are the General Secretary and three Deputy General Secretaries; of these four two are ministers and two are lay staff. The total of employee benefits paid to key management personnel in 2016 was £173k.

In addition, a great amount of time, the value of which it is impossible to reflect in these financial statements, is donated by thousands of volunteers throughout the United Kingdom.

Individuals acting in a trustee capacity for the various United Reformed Church trusts received no remuneration in respect of their services as trustee, other than the reimbursement of travel expenses to 14 individuals during the year ended 31 December 2016 totalling £3,146 (2015: 16 individuals totalling £3,217).

NOTE 11 TANGIBLE FIXED ASSETS

(a) Consolidated:	Houses for retired ministers £'000	Houses for serving ministers £'000	Other properties £'000	Cars and equipment £'000	Total £'000
Cost					
At 1 January 2016	38,493	4,961	7,670	1,493	52,617
Additions	2,027	630	60	135	2,852
Disposals	(1,698)	-	(139)	(78)	(1,915)
At 31 December 2016	38,822	5,591	7,591	1,550	53,554
Accumulated depreciation and impairment					
At 1 January 2016	559	57	341	814	1,771
Charge for year	-	-	112	145	257
Disposals	(48)	-	(5)	(74)	(127)
At 31 December 2016	511	57	448	885	1,901
Net book value					
At 31 December 2016	38,311	5,534	7,143	665	51,653
At 31 December 2015	37,934	4,904	7,329	679	50,846

NOTE 11 (continued)

Of the land and buildings included above, £4,915k (2015: £5,478k) are leasehold. At 31 December 2016 330 (2015: 336) houses were owned for housing retired ministers and 16 (2015: 18) houses for serving ministers. Although the total market value of all properties is not practicable to quantify, it is considerably in excess of the carrying value shown above.
Other properties include premises improvements at United Reformed Church House, the Yardley Hastings and Windermere Centres, and building improvement costs capitalised at Westminster College. At the Yardley Hastings property, which has a carrying value of £628k, the local church continues to use part of the premises and the remainder is leased to a local charity under a long-term lease.

With the exception of certain improvements and additions, including the costs of the major refurbishment in 2013-14, the buildings of Westminster College are not included in the Balance Sheet since the use of the College was originally a gift to the Church, the value of which cannot readily be ascertained without excessive cost. In addition, there is a covenant in perpetuity restricting the Church's ability to use the College for purposes wider than that of a theological college; hence an open market value cannot be applied.

The College also owns certain tangible assets, which have been acquired or donated to it over the years since its foundation, not included in the Balance Sheet. These include the Academic Library and other book collections with an insurance valuation in excess of £1million, historic furniture and works of art. All book collections are in regular use, either for theological study and reference or for historical research. Other items are in use or on display as appropriate.

(b) Trust:	**Houses for retired ministers £'000**	**Houses for serving ministers £'000**	**Other properties £'000**	**Cars and equipment £'000**	**Total £'000**
Cost					
At 1 January 2016	882	4,961	2,290	549	8,682
Additions	-	630	-	121	751
Disposals	(161)	-	(139)	(11)	(311)
At 31 December 2016	721	5,591	2,151	659	9,122
Accumulated depreciation and impairment					
At 1 January 2016	46	57	111	438	652
Charge for year	-	-	-	69	69
Disposals	(7)	-	(5)	(8)	(20)
At 31 December 2016	39	57	106	499	701
Net book value					
At 31 December 2016	682	5,534	2,045	160	8,421
At 31 December 2015	836	4,904	2,179	111	8,030

(c) Heritage Assets

Westminster College owns certain manuscripts and artefacts that are not in regular use, but held for their historical qualities. Most derive from the collections of the founding sisters, Agnes Lewis and Margaret Gibson, and were donated by them to the College during their lifetime. Some are displayed and others stored. In recent years some items of significant value, but not relevant to the heritage of the church traditions represented in the United Reformed Church nor to the present objectives of the College, were sold in order to raise funds for College development. The College also holds the archives, manuscripts and historic books of the United Reformed Church History Society (which is a separate charity) on behalf of the United Reformed Church. Indicative valuations have been obtained for some items held, but are not considered sufficiently robust to be reported here.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

NOTE 12 INVESTMENTS

	Consolidated		Trust	
Fixed asset investments	**2016 £'000**	**2015 £'000**	**2016 £'000**	**2015 £'000**
Carrying value at beginning of year	38,290	37,955	37,371	37,042
Additions to investments at cost	700	194	430	194
Disposals at carrying value	(271)	(210)	(271)	(210)
Net gains/(losses) on revaluation	3,714	351	3,620	345
Carrying value at end of year	42,433	38,290	41,150	37,371

	Consolidated		Trust	
Investments comprise units in UK based Common Investment Funds at market value, as follows:	**2016 £'000**	**2015 £'000**	**2016 £'000**	**2015 £'000**
COIF Charities Ethical Investment Fund	41,329	37,150	40,046	36,231
COIF Charities Property Fund	1,104	1,140	1,104	1,140
	42,433	38,290	41,150	37,371
Investments at book cost	34,031	32,527	33,010	31,776

The trustees believe that the carrying value of the investments is supported by their underlying net assets.

NOTE 13 PROGRAMME-RELATED INVESTMENTS

Programme-related investments are investments made in pursuit of the Trust's charitable purposes, the primary motivation for which is not financial but to further our objectives and programme. The principal programme-related investment is £200k as a Founder Member of Luther King House Educational Trust, which owns the property that houses our resource centre for learning at Northern College. Smaller investments are held in Oikocredit, the Churches' Mutual Credit Union and Traidcraft plc.

NOTE 14 CONCESSIONARY LOANS

	Consolidated		Trust	
	2016 £'000	**2015 £'000**	**2016 £'000**	**2015 £'000**
External loans comprise:				
To ministers	50	67	50	67
To Churches	84	-	84	-
Inter-fund concessionary loans	-	-	9,330	9,236
	134	67	9,464	9,303

Loans to ministers are generally interest free.

Loans to churches comprises a long term loan to the Synod of Wales in respect of the Glamorgan Chaplaincy. The loan is interest free and is repayable if the chaplaincy is wound up.

Inter-fund concessionary loans represent the long-term indebtedness of the United Reformed Church Retired Ministers' Housing Society Limited to other funds of the Church. Loans have been made available for the purchase of properties, for as long as they are required, to enable the Society to fulfil its objectives.

NOTE 15 DEBTORS

	Consolidated		Trust	
	2016 £'000	**2015 £'000**	**2016 £'000**	**2015 £'000**
Debtors comprise:				
Amounts owed by group undertakings	-	-	623	441
Tax recoverable	29	24	29	24
Other debtors	1,226	1,171	527	510
Prepayments and accrued income	1,030	931	791	513
	2,285	2,126	1,970	1,488

NOTE 16 CREDITORS: amounts falling due within one year

	Consolidated		Trust	
	2016 £'000	**2015 £'000**	**2016 £'000**	**2015 £'000**
Current liabilities comprise:				
Amounts owed to group undertakings	-	-	1,396	221
Sums held for Synods and congregations	127	103	93	26
Other creditors including taxation and social security	628	539	624	534
Accruals and deferred income	789	641	645	515
	1,544	1,283	2,758	1,173

Creditors include £8k (2014: £2k) in respect of grants from the Council for World Mission received in the year but not yet spent on the relevant projects.

NOTE 17 UNRESTRICTED FUNDS

The Ministry and Mission Fund is the general fund of the Church through which the bulk of our income and expenditure, covered by the annual budget agreed by the Trustees and presented to Mission Council, is passed. Associated with it are two capital funds, Maintenance of the Ministry and Ministerial Training, the whole of whose income each year is transferred to the Ministry and Mission Fund, which is responsible for meeting ministry and training costs.

The Ministry and Mission unrestricted fund balance includes £918k (2015: £964k) designated as a Legacy Fund, from which sums are allocated by the Finance Committee to projects not covered by regular budgets. The first allocations were in 2010, and £160k was allocated in 2016.

These funds include £18.5million held as capital, most having been gifted by other trusts. These funds are invested and the income is used as intended; in the case of £15.3million the capital is expendable by decision of the Trustees.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

NOTE 18

SUMMARY OF FUND MOVEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

Fund		Classification (see note 1(ii))	Funds at 1 Jan 2016	Incoming Resources	Resources Expended	Transfers between funds	Gains(losses) on investment assets	Actuarial gains(losses)	Funds at 31 Dec 2016
			£'000	£'000	£'000	£'000	£'000	£'000	£'000
Ministry and		Capital	6,121	-	-	-	542	-	6,663
Mission Fund		Unrestricted	(820)	21,639	(21,119)	1,015	831	(6,933)	(5,387)
Maintenance of the		Capital	765	-	-	-	78	-	843
Ministry Fund		Unrestricted	-	34	-	(34)	-	-	-
Ministerial		Capital	10,065	-	-	-	906	-	10,971
Training Fund		Unrestricted	-	419	-	(419)	-	-	-
Westminster		**Capital**	**902**	**-**	**-**	**-**	**59**	**-**	**961**
College Funds	*	**Restricted**	**7,777**	**1,099**	**(1,928)**	**352**	**35**	**-**	**7,335**
Church Buildings		Capital	184	-	-	-	-	-	184
Fund		Restricted	3,201	126	(156)	-	300	-	3,471
Retired Ministers'		Capital	391	-	-	-	-	-	391
Housing Funds		Restricted	5,150	368	(41)	(894)	-	-	4,583
Retired Ministers'		**Capital**	-	-	-	-	-	**-**	**-**
Housing Society	**	**Restricted**	**28,335**	**2,252**	**(757)**	**-**	**-**	**-**	**29,830**
Welfare		Capital	669	-	-	-	67	-	736
Fund		Restricted	**2**	46	(56)	11	-	-	3
Retired Ministers'		Capital	234	-	-	-	24	-	258
Aid Fund		Restricted	(319)	33	(52)	-	56	-	(282)
Retired Ministers'		Capital	245	-	-	-	24	-	269
Fund		Restricted	(303)	128	(265)	-	285	-	(155)
World Church and		Capital	251	-	-	-	25	-	276
Mission Funds		Restricted	708	44	(13)	-	64	-	803
Windermere		Capital	-	-	-	-	-	-	-
Centre Fund		Restricted	411	-	-	-	-	-	411
Yardley Hastings		Capital	-	-	-	-	-	-	-
Fund		Restricted	590	-	-	-	-	-	590
Commitment for		Capital	-	-	-	-	-	-	-
Life Fund		Restricted	23	338	(333)	-	-	-	28
Other		Capital	2,631	5	(141)	-	252	-	2,747
Funds		Restricted	1,974	162	(76)	(31)	175	-	2,204
Consolidated Totals (see page 16)			**69,187**	**26,693**	**(24,937)**	-	**3,723**	- 6,933	**67,733**
Comprising:		**Capital**	**22,458**	**5**	**(141)**	-	**1,977**	**-**	**24,299**
		Restricted	**47,549**	**4,596**	**(3,677)**	**(562)**	**915**	**-**	**48,821**
		Unrestricted	**(820)**	**22,092**	**(21,119)**	**562**	**831**	**(6,933)**	**(5,387)**
Trust Totals			**32,173**	**23,342**	**(22,252)**	**(352)**	**3,629**	**(6,933)**	**29,607**
Comprising:		**Capital**	**21,556**	**5**	**(141)**	-	**1,918**	-	**23,338**
		Restricted	**11,437**	**1,245**	**(992)**	**(914)**	**880**	**0**	**11,656**
		Unrestricted	**(820)**	**22,092**	**(21,119)**	**562**	**831**	**(6,933)**	**(5,387)**

* Funds of Westminster College Cambridge

** Funds of the United Reformed Church Retired Ministers' Housing Society Limited

The movements in the funds of the subsidiary charities are highlighted above.

The net income before transfers, totalling £5,479k, have been dealt with in the financial statements of the Trust and its subsidiary entities as follows:

	£'000
URC Trust	4,719
Westminster College	(820)
Westminster College Trading Limited	85
Retired Ministers' Housing Society	1,495
	5,479

NOTE 19

ANALYSIS OF NET ASSETS BETWEEN FUNDS
AS AT 31 DECEMBER 2016

Fund	Net Assets 31 Dec 2016	Intangible Assets	Property	Cars and equipment	Investments	External Loans	Inter fund Loans	Net current assets	Pension Reserve	Inter--fund balances
	£'000		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Ministry and	6,663		400	-	6,263	-	-	-	-	-
Mission Fund	(5,387)		5,782	131	9,493	50	4,994	6,870	(31,610)	(1,097)
Maintenance of the	843		-	-	843	-	-	-	-	-
Ministry Fund	-		-	-	-	-	-	-	-	-
Ministerial	10,971		-	-	10,971	-	-	-	-	0
Training Fund	-		-	-	-	-	-	-	-	-
Westminster	**961**		**323**	**-**	**638**	**-**	**-**	**-**	**-**	**-**
College Funds	**7,335**	**15**	**4,775**	**505**	**645**	-	-	**2,017**	-	**(622)**
Church Buildings	184		183	-	-	-	-	-	-	1
Fund	3,471		-	-	3,311	84	-	-	-	**76**
Retired Ministers'	391		391	-	-	-	-	-	-	-
Housing Funds	4,583		292	-	-	-	4,290	-	-	1
Retired Ministers'	**-**		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Housing Society	**29,830**		**37,628**	**-**	**-**	**-**	**(9,329)**	**135**	**-**	**1,396**
Welfare	736		-	-	736	-	-	-	-	-
Fund	3		-	-	-	-	-	-	-	**3**
Retired Ministers'	258		-	-	258	-	-	-	-	-
Aid Fund	(282)		-	-	589	-	-	-	(882)	**11**
Retired Ministers'	269		-	-	269	-	-	-	-	-
Fund	(155)		-	-	3,013	-	-	-	(3,153)	(15)
World Church and	276		-	-	276	-	-	-	-	0
Mission Funds	803		-	-	723	-	-	-	-	80
Windermere	-		-	-	-	-	-	-	-	-
Centre Fund	411		731	29	-	-	-	-	-	(349)
Yardley Hastings	-		-	-	-	-	-	-	-	-
Fund	590		483	-	-	-	-	-	-	107
Commitment for	-		-	-	-	-	-	-	-	-
Life Fund	28		-	-	-	-	-	(121)	-	149
Other	2,747		-	-	2,742	-	-	-	-	5
Funds	2,204		-	-	1,905	-	45	-	-	254
Consolidated Totals	**67,733**	**15**	**50,988**	**665**	**42,675**	**134**	**0**	**8,901**	**(35,645)**	**0**
Capital	**24,299**	**-**	**1,297**	**-**	**22,996**	**-**	**-**	**-**	**-**	**6**
Restricted	**48,821**	**15**	**43,909**	**534**	**10,186**	**84**	**- 4,994**	**2,031**	**- 4,035**	**1,091**
Unrestricted	**- 5,387**	**-**	**5,782**	**131**	**9,493**	**50**	**4,994**	**6,870**	**- 31,610**	**- 1,097**
Trust Totals	**29,607**	**-**	**8,262**	**160**	**41,392**	**134**	**9,329**	**6,749**	**(35,645)**	**(773)**
Capital	**23,338**	**-**	**974**	-	**22,358**	-	-	-	-	**6**
Restricted	**11,656**	**-**	**1,506**	**29**	**9,541**	**84**	**4,335**	**(121)**	**(4,035)**	**318**
Unrestricted	**(5,387)**	**-**	**5,782**	**131**	**9,493**	**50**	**4,994**	**6,870**	**(31,610)**	**(1,097)**

The assets and liablilites of the subsidiary charities are highlighted above.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

NOTE 20 RESTRICTED FUNDS

(a) Westminster College funds
This group of funds are the charity funds of Westminster College. In addition to the College general fund that deals with income and expenditure from its main academic activities, there are library funds, scholarship funds, its Development Appeal fund and other funds available for use in connection with the development of the College. Regular support from the Church is shown by way of transfer from the Ministry and Mission Fund.

(b) Church Buildings Fund
This fund may be used in the upkeep and repair of the buildings of the local churches of the United Reformed Church and the maintenance of the services therein; in the improvement and extension of the buildings of such churches; and in the provision and erection of buildings for use for the purposes of such churches or as residences for ministers of the United Reformed Church. Both grants and loans are available for these purposes; notes 7 and 15 give some details.

(c) Retired Ministers' Housing Funds and Retired Ministers' Housing Society
The whole of these funds is utilised by the Retired Ministers' Housing Committee in providing accommodation for ministers and ministers' widow/ers in their retirement. Income in 2016 included £162k from donations and £121k from legacies. Most of the remaining income arises from the profit on the sale of houses, the proceeds of which were largely re-invested in further house purchases. The indebtedness of the Society to the other funds of the Church is included in the Trust Balance Sheet and notes 15 to 17 as inter-fund loans and balances; note 24 gives information on its future commitments.

(d) Welfare Fund
This fund can be used to relieve cases of need among ministers of the United Reformed Church, their spouses and other dependants. Regular uses have been to provide a grant on the death of a minister to the surviving spouse, to provide a grant at Christmas to widow/ers of United Reformed Church ministers, counselling costs and assistance with medical costs. Surplus income of certain other funds is transferred to this fund.

(e) Retired Ministers' Fund and Retired Ministers' Aid Fund
These funds are used to supplement the pensions paid to ministers and ministers' widow/ers, principally by upgrading the pensions of former ministers of the Congregational Church and the Churches of Christ and the widow/ers of such ministers to a level of 95% of the pension that would have been paid if the minister's service had been to the former Presbyterian Church, and also to pay certain ill-health early retirement pensions. The balances shown for these funds are after deducting the actuarially assessed cost of the Church's constructive obligation to continue making these payments, totalling £4,035k.

(f) World Church and Mission Funds
These funds are used by the Mission Committee under the Belonging to the World Church programme and for other purposes, as the terms of the various trusts permit.

(g) Windermere Centre Fund and Yardley Hastings Fund
These funds were raised to develop the Windermere Centre and the Yardley Hastings Centre and are mainly invested in those properties. The annual income and costs of the Windermere Centre are shown through the Ministry and Mission Fund. The Yardley Hastings property houses the local church, and a long term lease has been agreed on the remainder of the premises.

(h) Commitment for Life Fund
This programme involves substantial sums of money being collected through the Church and Society office, and disbursed for Christian Aid programmes and other purposes. The balance held at the year end represents sums received, which had not yet been allocated.

(i) Other funds
There are some fifty other funds in the care of United Reformed Church Trust, covering many different activities relating to the Church centrally, and some to the wider parts of the United Reformed Church. Most of their income is earned from investments, and expenditure is in accordance with their various specific purposes.

NOTE 21 THE UNITED REFORMED CHURCH MINISTERS' PENSION FUND

Pensions for most ministers are provided by The United Reformed Church Ministers' Pension Fund. The Fund is a defined benefit pension scheme and the assets are invested and managed by an independent trustee.

Triennial actuarial valuations of the pension scheme are performed by a qualified actuary. The actuarial valuation at 1 January 2015 was formally agreed on 23 September 2015. For the purpose of these financial statements, the actuary has updated that valuation at 31 December 2016 using assumptions that are consistent with the requirements of FRS102. Compared with a year ago, this update has increased the present value of scheme liabilities by 20% while asset values have increased by 19%. This has resulted in an increase of £5.4million in the scheme's deficit and hence in the level of the pension reserve.

a) Contributions:

The defined benefit scheme is funded and is not contracted-out of the state scheme. Contributions in 2016 totalled 22.4% of pensionable pay, together with a fixed annual amount of deficit funding, in 2016 £968k (2015: £1,128k), increasing in line with stipends. Members' contributions are 7.5% of pensionable pay. Church contributions totalled £2,547k in 2016 (2015: £2,682k). Following the latest valuation, contributions from January 2017 will total 22.4% of pensionable pay, together with annual deficit funding of £980k, increasing in line with stipends.

The major assumptions used by the actuary in assessing scheme liabilities on a FRS102 basis were:

	2016	2015
Discount rate at year end	2.65%	3.65%
Expected return on plan assets at year end	n/a	n/a
Future stipend increases	2.20%	1.90%
Future pension increases (RPI up to 5%)	3.15%	2.90%
Future deferred pension revaluation (CPI)	2.20%	1.90%
Life expectancy of current male pensioners (age 65)	23.9	23.9
Life expectancy at 65 of future male pensioners (age 55)	24.6	24.5

b) The amounts recognised in the Balance Sheet are as follows:

	2016 Value at 31 Dec £'000	2015 Value at 31 Dec £'000
Present value of obligations	(161,763)	(134,771)
Fair value of plan assets	133,477	111,877
Net (liability)	(28,286)	(22,894)

c) The charge to the Statement of Financial Activities for the year comprised:

Operating charge	2016 £'000	2015 £'000
Current service cost	2,017	1,994
Administrative expenses	301	301
Financing cost:		
Interest on net defined liability	823	1,026
Total operating charge	3,141	3,321
Other Comprehensive Income (OCI)		
Asset gains/(losses) arising during the year	20,466	(783)
Liability (losses)/gains arising during the year	(25,261)	8,528
OCI	(4,815)	7,745

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

NOTE 21 (continued)

d) Change in defined benefit obligation:

	2016 £'000	2015 £'000
Opening defined benefit obligation	134,771	141,710
Service cost (inc. employee contributions)	3,025	2,810
Interest expense on DBO	4,858	4,830
Actuarial losses/(gains) on liabilities	25,261	(8,528)
Benefits paid	(6,152)	(6,051)
Closing defined benefit obligation	161,763	134,771

e) Change in fair value of plan assets:

	2016 £'000	2015 £'000
Opening fair value of plan assets	111,877	111,710
Interest income on assets	4,035	3,804
Actuarial gains (losses)	20,446	(783)
Contributions by employer	2,547	2,682
Contributions by employees	1,008	816
Administrative expenses	(284)	(301)
Benefits paid	(6,152)	(6,051)
Closing fair value of plan assets	133,477	111,877

f) Future employer contributions:

The Church expects to contribute about £2,567,000 to the plan during the next accounting year.

g) Breakdown of plan assets:

The major categories of plan assets as a percentage of total plan assets are as follows:

	2016 Asset allocation %	2015 Asset allocation %
Equities	33.6	33.9
Property	6.7	8.2
Bonds	59.2	56.8
Cash/other	0.5	1.1

h) Five year comparison

The amounts for the current and previous four years are as follows:

	2016 £'000	2015 £'000	2014 £'000	2013 £'000	2012 £'000
Defined benefit obligation	161,763	134,771	141,710	134,933	128,870
Plan assets	133,477	111,877	111,710	98,700	91,622
Surplus/(deficit)	(28,286)	(22,894)	(30,000)	(36,233)	(37,248)

Other pension obligations

SORP 2015 requires that constructive obligations, although not legally binding, be recognised on a charity's balance sheet. United Reformed Church Trust considers that it has a long-term constructive obligation in respect of:

a) the pension supplements it pays to former ministers of the Congregational Church and the Churches of Christ and the widow/ers of those ministers, in order to bring their pension to a level of 95% of the pension that would have been paid if the minister's service had been to the former Presbyterian Church, and

b) other pension grants, principally for ill-health early retirement until 2004.

An independent actuarial assessment of the net present value of these future payments was obtained at the time of the formal actuarial review as at 31 December 2014, using comparable assumptions as for FRS 17 calculations; this value (£4,035k) has been deducted from the assets of the Retired Ministers' Fund or the Retired Ministers' Aid Fund included in the Balance Sheet.

NOTE 22 THE UNITED REFORMED CHURCH FINAL SALARY SCHEME

a) The United Reformed Church contributes to a staff pension scheme known as the "Final Salary" scheme; this too is a defined benefit scheme, which is administered by TPT Retirement Solutions (formerly The Pensions Trust). The United Reformed Church is the principal employer in the scheme, and eleven synods and Northern College are participating employers. There is no agreement to charge the net defined benefit cost to participating employers, who are therefore unable to identify their share of the underlying assets and liabilities – each employer pays a common contribution rate. The information below is provided by the principal employer in respect of the whole scheme as required by FRS102.

Triennial actuarial valuations of the whole Final Salary scheme are performed by a qualified independent actuary. The most recent formal actuarial review of the scheme was at 30 September 2013, when the scheme had a deficit of £2,725k. For the purpose of these financial statements, the actuary has updated that valuation at 31 December 2016 using assumptions that are consistent with the requirements of FRS102.

i) Contributions:

During 2016 the United Reformed Church contributed 28.2% (2015: 28.2%) of basic salary in respect of members of the scheme, which includes 10.5% as deficit funding and 3.2% to meet expenses and levies. Members contributed at the rate of 6% to September 2016 and then at 7.5% from October 2016 (2015: 6%) of pensionable salary throughout the accounting period.

The major assumptions used by the actuary in assessing scheme liabilities on a FRS102 basis were:

	2016	2015	2014
Discount rate at year end	2.65%	3.80%	3.40%
Inflation (RPI)	3.35%	3.10%	3.10%
Inflation (CPI)	2.35%	2.10%	2.10%
Future salary increases	2.60% for 3 years and 2.85% thereafter	2.85%	2.85%
Future deferred pension revaluation (CPI)	2.50%	2.50%	2.50%
Life expectancy in years of males retiring in 2016 (age 65)	23.1	23.0	n/a
Life expectancy in years of females retiring in 2016 (age 65)	24.8	24.7	n/a
Life expectancy in years of males retiring in 2036 (age 65)	24.8	24.7	n/a
Life expectancy in years of females retiring in 2036 (age 65)	26.3	26.2	n/a

ii) The amounts recognised in the Balance Sheet are as follows:

	2016 Value at 31 Dec £'000	2015 Value at 31 Dec £'000	2014 Value at 31 Dec £'000
Present value of obligations	(26,719)	(21,122)	(21,861)
Fair value of plan assets	23,362	19,513	18,980
Net (liability)	(3,357)	(1,609)	(2,881)

iii) The charge to the Statement of Financial Activities for the year comprised:

Operating charge	2016 £'000	2015 £'000
Current service cost	717	667
Administrative expenses	107	101
Net interest cost:	54	95
Total operating charge	878	863
Other Comprehensive Income (OCI)		
Asset gains/(losses) arising during the year	2,562	(407)
Liability gains (losses) arising during the year	(4,573)	1,574
OCI	2,011	1,167

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

iv) Change in defined benefit obligation:

	2016 £'000	2015 £'000
Opening defined benefit obligation	21,122	21,861
Current service cost (inc. contributions by plan participants)	898	868
Interest expense on DBO	806	745
Administrative expenses	107	101
Actuarial losses/(gains) on liabilities	4,573	(1,574)
Benefits paid and death in service premiums	(787)	(879)
Closing defined benefit obligation	26,719	21,122

v) Change in fair value of plan assets:

	2016 £'000	2015 £'000
Opening fair value of plan assets	19,513	18,980
Interest income on assets	752	650
Actuarial gains (losses)	2,562	(407)
Contributions by employers	1,141	968
Contributions by plan participants	181	201
Benefits paid	(787)	(879)
Closing fair value of plan assets	23,362	19,513

vi) Future employer contributions:

Employers expect to contribute about £1,141,000 to the plan during the next accounting year.

vii) Breakdown of plan assets:

The major categories of plan assets are as follows:

	2016 £'000	2015 £'000	2014 £'000
Equity-Type assets	12,017	9,724	8,724
Fixed Interest Bonds	4,261	3,838	3,762
Index-Linked bonds	4.425	3,525	3,822
Fixed Interest Gilts	540	395	560
Property	1,416	1,336	1,180
Other	706	695	932
Total assets	23,365	19,513	18,980

b) Certain members of the Final Salary scheme have also made additional voluntary contributions to the 'Growth Plan', a multi-employer funded pension plan operated by TPT Retirement Solutions. Certain past contributions to this plan entitle the members to either a defined pension or a guaranteed capital sum to be converted into an annuity at retirement. The Church does not normally make contributions to the Growth Plan, but from 1 April 2013 has been required to do so as a result of an actuarial deficit. The most recent formal actuarial valuation of the Growth Plan, as at 30 September 2014, revealed a deficit of £177m, equivalent to a funding level of 82%. Its latest recovery plan includes a requirement for contributions from the Church over a period of 9.5 years from 1 April 2016, including £21k in 2016. The Church now recognises a liability for the net present value of these future contributions, amounting to £187k at the balance sheet date (2015: £195k). The present value is calculated using a discount rate of 1.44% (2015: 2.5%), and the charge to the Statement of Financial Activities of £5k (2015: £8k) represents the finance cost of unwinding the discount rate and the effect of any changes in actuarial assumptions.

In addition, in the event of no members continuing to contribute to the Growth Plan, there is a contingent obligation of an employer debt on withdrawal in respect of certain liabilities incurred before March 2010. TPT Retirement Solutions estimated the Church's contingent obligation at £271k as at 30 September 2014, but there is not currently any expectation that this situation will arise.

NOTE 23 COMMITMENTS

At 31 December 2016 there were, in respect of the purchase of properties, commitments of £nil (2015: £1,340k), and contractual liabilities of £135k (2015: £nil). There were no commitments to make grants.

The Church is committed, through the United Reformed Church Retired Ministers' Housing Society Limited and other earmarked funds, to providing housing for retired ministers. Owing to the many unknown variables which would be involved in calculating the value of this long-term liability, no provision is included in the Balance Sheet.

These variables include the number of ministers requiring assistance from the Society and the level of contributions able to be made by individual ministers towards the cost of their homes. During 2016 £2.0 million was spent on acquiring housing for retired ministers, £549k on repairing and maintaining existing properties and profits of £1.3 million were earned from the sale of homes no longer required. Exercises have been undertaken periodically by the Society's management committee to collect information to assist more accurate long-term planning; these have confirmed a continuing significant level of need for assistance in the short to medium term. Future cash flow is kept under continuous review, and in recent years has benefitted from more properties being available for sale or a new tenant; there remains an expectation of a high cash requirement in the next few years.

The Trust entered into a legal Guarantee on 21 July 2010, under which it guarantees future contributions by the Church to the United Reformed Church Ministers' Pension Fund, as set out in the Schedule of Contributions in force from time to time up to an aggregate maximum amount of £16 million, using assets available for this purpose.

On 19 December 2016 The Trust entered into an agreement with Peldon Rose Ltd for the refurbishment of Church House. The value of the contract is £1,846k. Work on the project began in January 2017.

NOTE 24 CASH FLOW INFORMATION

Reconciliation of net cash flow to movement in net cash funds

	2016 £'000	2015 £'000
Increase (decrease) in cash in the period	820	2,266
Net cash funds at 1 January	7,646	5,380
Net cash funds at 31 December	8,466	7,646

Net cash funds are represented by bank balances and money on call, as shown on the Consolidated Balance Sheet. Of the total, £7,069k is shown on the Trust Balance Sheet.

NOTE 25 RELATED PARTY TRANSACTIONS

The Trust has taken advantage of the exemption given by Financial Reporting Standard 8, Related Party Disclosures, from disclosing transactions with its wholly owned subsidiaries.

NOTE 26 CONSOLIDATED SUMMARY INCOME AND EXPENDITURE ACCOUNT

	2016 £'000	2015 £'000
Gross income from continuing operations	24,106	27,558
Net gains on disposal of fixed assets	2,582	1,075
Transfer from endowment funds	-	-
Total income	26,688	28,633
Total expenditure	(24,477)	(25,681)
Net income for year	2,211	2,952

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

NOTE 27

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2015

Income	---- Income funds ---- Unrestricted £'000	Restricted £'000	---- Capital funds ---- Unrestricted £'000	Restricted £'000	2015 Total funds £'000
Donations and legacies					
Ministry and Mission Fund contributions	19,483	-	-	-	**19,483**
Grants receivable	77	52	-	-	**129**
Legacies	49	655	-	-	**704**
Commitment for Life donations	-	381	-	-	**381**
Other donations	397	754	-	5	**1,156**
	523	1,842	-	5	**2,370**
Incoming resources from charitable activities					
Ministry	1	648	-	-	**649**
Education and Learning	290	322	-	-	**612**
Children's and Youth work	37	-	-	-	**37**
Mission programmes	17	-	-	-	**17**
Publishing	191	-	-	-	**191**
	536	970	-	-	**1,506**
Other trading activities	-	579	-	-	**579**
Investment income	1,068	522	-	-	**1,590**
Other income					
Gains on sale of properties	93	982	-	-	**1,075**
Lease premiums	-	1,896	-	-	**1,896**
Other income	124	15	-	-	**139**
	217	2,893	-	-	**3,110**
Total income and endowments	**21,827**	**6,806**	-	**5**	**28,638**
Expenditure on:					
Raising funds:					
Trading expenditure	-	550	-	-	**550**
Charitable activities					
Ministry	17,986	1,280	-	-	**19,266**
Education and Learning	2,110	1,018	-	-	**3,128**
Children's and Youth work	385	-	-	-	**385**
Mission programmes	943	487	-	-	**1,430**
Publishing	319	-	-	-	**319**
	21,743	2,785	-	-	**24,528**
Other expenditure	-	603	-	80	**683**
Total expenditure	**21,743**	**3,938**	-	80	**25,761**
Gains on investment assets	65	63	196	36	**360**
Net income(expenditure)	**149**	**2,931**	**196**	**(39)**	**3,237**
Transfers	(303)	303	-	-	-
Actuarial gains on defined benefit pension scheme	8,912	-	-	-	**8,912**
Net movement in funds	**8,758**	**3,234**	**196**	**(39)**	**12,149**
Reconciliation of Funds					
Total funds brought forward at 1 January	(9,578)	44,315	16,755	5,546	**57,038**
Total funds carried forward at 31 December	**(820)**	**47,549**	**16,951**	**5,507**	**69,187**

FIVE YEAR SUMMARY (unaudited)

	2012 £'000	2013 £'000	2014 £'000	2015 £'000	2016 £'000
INCOME AND EXPENDITURE ACCOUNTS					
Income					
Ministry and Mission Fund contributions	20,231	19,839	19,643	19,483	19,260
Investment income	1,376	1,375	1,487	1,590	1,626
Grants receivable	132	110	132	129	134
Legacies	438	534	624	704	206
Donations	3,181	2,607	1,440	1,537	621
Other income	3,037	1,416	2,028	3,689	3,399
	28,395	25,881	25,354	27,132	25,246
Expenditure					
Ministry	18,066	17,259	16,363	16,986	16,228
Education & Learning	2,244	2,206	2,364	2,787	2,914
Children's and Youth work	335	279	268	299	298
Mission programmes	1,415	1,315	1,233	1,263	1,364
Support activities (incl. publishing)	2,519	2,174	2,367	2,237	2,325
	24,579	23,233	22,595	23,572	23,129
Development costs	0	0	532	603	220
Capital funds distributed	0	(20)	0	(80)	(141)
Net income	3,816	2,628	2,227	2,877	1,756
Investment gains/(losses)	2,235	3,638	1,361	360	3,723
Actuarial gains/(losses)	(7,552)	1,150	6,235	8,912	(6,933)
Net increase/(decrease) in funds	(1,501)	7,416	9,823	12,149	(1,454)

Note: The classification of expenditure has changed significantly during the period covered by this Summary, owing to internal reorganisation and legal requirements. Earlier expenditure figures have been restated as far as is practicable to give a meaningful comparison with the latest year. Expenditure on charitable activities is shown net of related income.

CASH FLOW STATEMENTS					
Cash required for investment in					
Houses for retired ministers	(65)	128	(982)	(1,147)	(2,193)
Other properties	77	2,611	602	831	556
Cars and equipment	29	146	610	52	131
Loans to churches and ministers	(22)	(5)	(5)	17	67
	19	2,880	225	(247)	(1,439)
Source of cash					
Net incoming/(outgoing) resources for the year (see above)	3,816	2,628	2,227	2,877	1,756
Adjustment for items not resulting in a cash movement, for returns on investments, and for capital receipts	(2,139)	(82)	(1,323)	(891)	(1,932)
	1,677	2,546	904	1,986	(176)
Net increase in capital	18	6	5	5	5
Net decrease/(increase) in investments	1	(1)	(3,062)	28	(448)
Decrease/(increase) in bank balances	(1,677)	329	2,378	(2,266)	(820)
	19	2,880	225	(247)	(1,439)

FIVE YEAR SUMMARY continued

	2012 £'000	2013 £'000	2014 £'000	2015 £'000	2016 £'000
BALANCE SHEETS (Consolidated)					
Fixed assets					
Tangible assets					
Houses for retired ministers	36,574	37,655	38,005	37,934	38,311
Houses for serving ministers	5,655	4,971	4,796	4,904	5,534
Other properties	2,674	6,310	7,034	7,329	7,143
Cars, equipment and intangibles	186	286	771	687	680
	45,089	49,222	50,606	50,854	51,668
Long term investments (incl.programme-related)	30,110	33,748	38,173	38,505	42,675
Loans to churches and ministers	68	64	49	67	134
	75,267	83,034	88,828	89,426	94,477
Net current assets/(liabilities)					
Current assets					
Debtors and stock	2,206	1,325	1,436	2,131	2,298
Bank balances and money on call	8,087	7,758	5,380	7,646	8,466
	10,293	9,083	6,816	9,777	10,764
less : current liabilities	1,360	1,516	1,478	1,283	1,544
	8,933	7,567	5,338	8,494	9,220
Net assets excluding pension liability	84,200	90,601	94,166	97,920	103,697
Defined benefit pension scheme liability	(37,248)	(36,233)	(30,000)	(24,698)	(31,929)
Other pension obligations	(4,060)	(4,060)	(4,035)	(4,035)	(4,035)
Net assets including pension liability	42,892	50,308	60,131	69,187	67,733
Unrestricted income funds	(15,760)	(13,715)	(6,485)	(820)	(5,387)
Restricted income funds	38,268	42,547	44,315	47,549	48,821
Capital funds	20,384	21,476	22,301	22,458	24,299
Total funds	42,892	50,308	60,131	69,187	67,733

NON-FINANCIAL STATISTICS
(from URC Year Book)

	2012	2013	2014	2015	2016
Members	61,627	59,077	58,276	56,086	52,060
Stipendiary ministers	524	494	480	469	438
Non-stipendiary ministers	91	82	74	68	65
Churches	1,512	1,487	1,472	1,447	1,426
Retired ministers	900	915	914	892	891
Ministry and Mission contribution per member	£328	£336	£337	£347	£373