

**UNAFFILIATED CONGREGATIONAL  
CHURCHES CHARITIES**

**ANNUAL REPORT AND  
FINANCIAL STATEMENTS  
31 DECEMBER 2017**

# UNAFFILIATED CONGREGATIONAL CHURCHES CHARITIES

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# UNAFFILIATED CONGREGATIONAL CHURCHES CHARITIES

## REFERENCE AND ADMINISTRATIVE DETAILS

YEAR ENDED 31 DECEMBER 2017

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<b>Registered charity name</b>	Unaffiliated Congregational Churches Charities
<b>Charity number</b>	273854
<b>Principal office</b>	678 Ripponden Road Moorside Oldham OL4 2LP
<b>Trustees</b>	Mr R J Alp Pastor M J Valentine Mr P Butler Mr D M Tucker Revd C Damp Dr D L James
<b>Executive Officer</b>	Revd F Wroe
<b>Bankers</b>	National Westminster Bank plc 16 South Parade Nottingham NG1 2JX
<b>Solicitors</b>	Anthony Collins Solicitors 134 Edmond Street Birmingham B3 3ES
<b>Auditors</b>	Horsfield & Smith Chartered Accountants & Statutory Auditor Tower House 269 Walmersley Road Bury Lancashire BL9 6NX

# **UNAFFILIATED CONGREGATIONAL CHURCHES CHARITIES**

## **TRUSTEES' REPORT**

### **YEAR ENDED 31 DECEMBER 2017**

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The Trustees present their report and the financial statements of the Charity for the year ended 31st December 2017.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charities governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published on 16 July 2014.

#### **The Trustees**

The trustees who served the Charity during the period were as follows:

##### **Elected by the Unaffiliated Congregational Churches (UCC)**

Mr G Holmes (Honorary Chairman of Trustees – died 21 March 2018)

Mr R J Alp (Honorary Chairman of Trustees – from 20 June 2018)

Pastor M J Valentine

##### **Nominative Trustees from the Congregational Federation (CF)**

Mr P Butler

Revd C Damp

Mr D M Tucker

##### **Nominative Trustees from the Evangelical Fellowship of Congregational Churches (EFCC)**

Mr R Taylor (Retired 21 June 2018)

Dr G Brown (Resigned November 2017 – died January 2018)

Dr D L James (Honorary Secretary of Trustees)

Revd W Harrow (Appointed 21 June 2018)

On 21st March, it was with great shock and deep sadness, the Trustees received the news that the UCCC Chairman, Graham Holmes, had died suddenly. Graham was first elected a Trustee in 2005 representing the Unaffiliated Congregational Churches. He became Chairman of Trustees at the March 2009 Trustee Meeting, when Revd Gwynne Evans stood down.

#### **Achievements and performance**

The Trustees met on three occasions during 2017, March, June and November in order to consider grant applications from several churches and individuals. Details of the awards made and the activity of the Charity are outlined in the report. In addition, the Trustees dealt with the overall running of the Charity.

Five Trustees attended all 3 meetings, three Trustees attended 2 meetings and one trustee attended 1 meeting. The executive Officer attended 2 meetings.



# **UNAFFILIATED CONGREGATIONAL CHURCHES CHARITIES**

## **TRUSTEES' REPORT**

**YEAR ENDED 31 DECEMBER 2017**

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Mr Russell Taylor, one of the 3 Nominative Trustees from the EFCC confirmed that he would serve one further year only of his four-year term. At the November meeting the Trustees were greatly saddened to receive the resignation of Dr Graham Brown as an EFCC Nominative Trustee, Dr Brown informed the board that he had inoperable cancer. Dr Brown died on 18th January 2018.

The Trustees met on three occasions during the year to consider the business of the Trust including grant applications from listed churches and reflecting on ways in which greater contact with all listed churches can be maintained and improved.

At the end of 2016 the Trustees had agreed to award a bursary in memory of Dewi Rowlands. During the early part of the year after extensive advertising three applications had been received and a small panel from the Trustees representing each of the Congregational Groupings discussed each of the applications. There was unanimous agreement to award the bursary to Dr Peter Humphries for research work entitled: 'The Rise and Fall of English and Welsh Congregationalism in Liverpool (1777–2017)' at the June Trustees' Meeting Mrs Elizabeth Rowlands, Dewi's widow, and their daughter Sian, attended the meeting and in an informal setting she presented this first award. After a short presentation to outline his work, Dr Humphries said that with the assistance of the Bursary he aimed to publish the completed work within the next twelve months.

The Trustees spent time considering how best to maintain contact with the listed unaffiliated churches, the lack of response to any sort of correspondence from many of the churches was a disappointment. The aim of contact is to offer help and encourage through grants, not to interfere in the affairs of individual churches. The Trustees considered a programme of positive publicity and maybe in the future produce leaflets or a small magazine with photographs showing positive ways in which the UCCC have assisted some churches. As 2017 was the 40th Anniversary of the UCCC the Trustees decided to produce a more detailed Handbook and in addition make a gift of £100.00 to each church. The Handbook contained the usual information for church secretaries plus in the Directory of listed churches a photograph of each listed church was displayed next to the contact details of that church. The Handbook also contained an updated history of the UCCC and the success stories from four churches outlining how grants from the Trustees have assisted those fellowships in recent years.

When considering the recent performance of the Charity's investments the Trustees agreed that they had performed well in 2016 but it was felt that it could do even better and overall the figures showed that not all the investments had performed well. Dr Graham Brown undertook research on behalf of the Trustees and arranged for interviews and assessments of three investment companies to be held by himself, the Chairman and the Executive Officer, their findings to be reported to the November Trustee Meeting. Dr Brown provided a written report for the Trustees recommending that Castlefield Investment Partners be appointed as the UCCC Fund Manager. Castlefield were officially appointed by the Trustees at the November Meeting.

Prior to the November Trustee Meeting the Trustees received news that Dr Graham Brown was seriously ill and would be unable to attend any further Trustee Meetings, even though Dr Brown had only been a Trustee since 2015 he had contributed much to the work of the UCCC in his particular field of investment management for charities. It was with great sadness that the Executive Officer informed the Trustees that Dr Brown died on the 18th January 2018.

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# **UNAFFILIATED CONGREGATIONAL CHURCHES CHARITIES**

## **TRUSTEES' REPORT**

**YEAR ENDED 31 DECEMBER 2017**

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### **Structure, governance and management**

#### **Nature of governing document**

The Unaffiliated Congregational Churches Charities came into being to enable churches that remained independent and did not join either the Congregational Federation or the Evangelical Fellowship of Congregational Churches to receive a fair allocation of the assets of the former Congregational Church in England and Wales, 32 County Union Incorporated Bodies and other apportionable funds. The restrictions to the various funds are laid down in the governing instruments.

The original Charities were founded by the creation of trust funds under a Charity Commission scheme dated 4th January 1977 and in the Charity Commission Scheme the expression "Unaffiliated Congregational Churches" means:

- a) Congregational Churches which were in membership with the former Congregational Church in England and Wales or were members of the Congregational Union of England and Wales in the year 1966 and which on the 31st December 1975 were not member churches of the Congregational Federation or of an Evangelical Fellowship of Congregational Churches and
- b) Congregational Churches in England and Wales formed after 5th October 1972 which are not members of the Congregational Federation or of an Evangelical Fellowship of Congregational Churches.

Further charities were created by a succession of Charity Commission schemes from 1980 onwards. In August 2008 the Charity Commission approved a new scheme, which amalgamated all the County Union Funds into the 7 main funds Unaffiliated Congregational Churches Charities.

#### **Recruitment and appointment of new Trustees**

The Charity has nine Trustees of which six are Nominative Trustees: three by the Committee of the Evangelical Fellowship of Congregational Churches (EFCC) and three the Council of the Congregational Federation (CF). These Trustees are nominated for a period of four years on the basis of providing a wide range of skills and experience that will add to and enhance the charity's existing skill base.

The remaining three Trustees are co-opted by ballot of all the listed Unaffiliated Churches for a period of five years. When a vacancy arises all such churches are contacted and given a specified date by which to submit names of suitable candidates to the Revd Frank Wroe, the Executive Officer. A profile of each candidate is then obtained and circulated to each listed Unaffiliated Church to enable each church to elect a new Trustee by way of ballot.

At the end of their term the Trustees representing the Unaffiliated Churches are required to confirm whether they wish to continue to act or not. If they express a wish to continue this is ratified by the other serving Trustees at the next scheduled Trustees' Meeting. If they do not wish to continue the process of recruiting a new Trustee begins again.

# **UNAFFILIATED CONGREGATIONAL CHURCHES CHARITIES**

## **TRUSTEES' REPORT**

**YEAR ENDED 31 DECEMBER 2017**

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### **Induction and training of new Trustees**

Most Trustees will already be familiar with the practical work of the charity and they are encouraged to read a copy of the Charity's Handbook as well as being provided with copies of minutes of Trustee meetings for the past year.

All new Trustees are provided with a copy of "CC3—The Essential Trustee: What you need to know" as obtained from the Charity Commission website. This document provides guidance to all Trustees, and those who are about to become Trustees, on what is involved in being a charity trustee.

Prospective new Trustees are also encouraged to attend Trustees' meetings as an observer prior to them being appointed as a Trustee. This is designed to give a practical insight into the issues that arise during such meetings and to introduce them to other Trustees.

### **Organisational structure**

#### **Staff**

The Charity has no full time staff but does employ a part-time Executive Officer. Revd Frank Wroe continued in the position of Executive Officer of the Charity and works an average of 3 days per week for the Charity.

#### **Trustees**

Mr G Holmes was elected by the Trustee Board to serve as Chairman of Trustees for 2017.  
Dr D L James was elected by the Trustee Board to serve as Secretary for 2017.

### **Major risks and management of those risks**

#### **Investments**

The Charity has no property other than its Stock Market investments. These investments are held in four charity investment funds, each with a wide spread portfolio of holdings. The funds comprise a roughly equal split between fixed interest and equity funds, with a slight bias towards equities, and they provide a regular quarterly income to the charity of around 5% per annum. The Trustees undertake periodic reviews of the Charity's investments.

2008 saw the investments devalued heavily following the crash but have been slowly recovering since. The Trustees consider that such fluctuations are only material if investments are sold and do not affect their consideration of the administration and fulfilment of the activities and objectives of the Charity.

# UNAFFILIATED CONGREGATIONAL CHURCHES CHARITIES

## TRUSTEES' REPORT

YEAR ENDED 31 DECEMBER 2017

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### Policy on control of fraud

The Trustees have an agreed policy of continuing to use professional charity experienced accountants to audit the Charity's accounts in order to ensure that they remain in line with the Charity Commission accounting and reporting standards.

The policy will ensure that any loan repayments to the Charity are paid in full and within the agreed time scales.

### Financial Review

Incoming resources amounted to £96,573, additional details are given below. This is a small decrease on the previous year which is due to a fall in investment income.

Resources expended amounted to £121,607, which is an increase on the previous year mainly due to an increase in grants paid.

There was a net deficit for the year, prior to investment revaluations of £25,034 (2016: £11,358) and the investments were revalued by £102,502 resulting in an overall surplus of £77,468.

Total funds carried forward were £2,524,608, split £674,623 unrestricted, £686,177 restricted and £1,163,808 endowment.

### Income details:

The Charity does not engage in any fund raising or trading activities and does not ask for or receive any contributions from individual churches or any of their members.

All the income of the Charity comes from the following sources:

### Investments

During the year the income to the Charity came from its investments and from the apportionment of the Aberdeen Walk Scarborough rental income and the apportionment of the Melbourne Trust for Homes for Retired Ministers.

The overall income was adequate to meet all the needs of the Charity during the year.

Details of the income from these sources amounted to £96,573

Investments	£95,609
Aberdeen Walk (General purposes)	£887
Melbourne Trust (Homes for retired ministers)	£77
<b>Total</b>	<b>£96,573</b>

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# **UNAFFILIATED CONGREGATIONAL CHURCHES CHARITIES**

## **TRUSTEES' REPORT**

**YEAR ENDED 31 DECEMBER 2017**

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### **Policy on reserves**

The funds administered by the Charity are detailed in the notes to the financial statements. Each fund is divided into permanent endowments arising from the original appointment and more recent capital receipts, and accumulation of income. Income is distributed from both permanent endowments and the accumulation of income.

The Charity's policy on reserves is that they should be kept at a minimum. It is not always possible to distribute income for two main reasons; either churches don't apply for grants or loans or because there are just not the number of churches within the scope of the fund to use all the income.

### **Investment policy and objectives**

The principal investment policy of the Charity is to obtain sufficient income to maintain its annual commitments from the investments it holds now and all future investments it will make, whilst at the same time making every effort not to place the capital at risk. The Trustees feel that the investment objectives are being achieved by investing in charity-managed funds and deposits.

### **Objectives and activities**

#### **Objects and aims**

To support through grants and low cost interest loans, personal contact and encouragement where possible the listed Unaffiliated Congregational Churches, their members, serving ministers and where appropriate retired ministers or their widows or widowers.

#### **Public benefit**

The Charity has seven specific funds that allow the Trustees to distribute its income in the form of grants and/or loans where necessary to assist and maintain ministry in individual churches and to assist with the relief of hardship for retired ministers or their widows and widowers. Other areas of assistance include grants for the education of ministers, their children and students training for the ministry.

Grants and loans are also available to churches for repairs and the ongoing maintenance of buildings or expansion of church buildings and assistance to comply with legal building requirements in order to meet current building legislation. Where appropriate, grants for regeneration are also considered to assist churches on the point of closure to remain open.

Churches are invited to apply to the Trustees for support by completing an application form, which gives the Trustees specific details of the assistance required by the church. This application will usually be accompanied by two years accounts of the church and in the case of building work two or three estimates from different builders to support the application. In the case of a grant for maintenance of the ministry or additional ministerial training the minister must possess a clear and current Criminal Record Disclosure Certificate.

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# UNAFFILIATED CONGREGATIONAL CHURCHES CHARITIES

## TRUSTEES' REPORT

YEAR ENDED 31 DECEMBER 2017

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The Trustees confirm that they have complied with the requirements of section 4 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission of England and Wales.

### Grant making policies

The Charity's main objective is to assist churches and individuals with grants as made from appropriate funds.

During 2017 the UCCC Trustees made a gift to all 49 listed churches to mark the 40th Anniversary of the charity. In addition, 8 listed churches and 49 individuals were assisted through grants and loans, as well as the Congregational History Society, the Congregational Federation Ltd, the EFCC Trust Company Ltd UCCC churches with grants. A single grant was awarded to an individual through the Dewi Rowlands Bursary.

The following grants from the Charity's Funds:

<u>Fund</u>	<u>Amount</u>
• General Purposes Fund	£ 47,675
• Maintenance of the Ministry Fund	£ 20,710
• Ministerial Training Fund	£ 1,000
• Church Extension Fund	£ 0
• Welfare Fund	£ 3,150
• Homes for retired Ministers Fund	£ 9,960
• Education Fund	£ 1,200
• Sydney Berry Trust	£ 4,936
<b>Total</b>	<b>£88,631</b>

The Trustees awarded the grants in the following ways:

- A gift of £100.00 was awarded to each of the 49 listed UCCC churches in recognition of the 40th anniversary of the 1977 formation of the Unaffiliated Congregational Churches Charities
- Grants of £100.00 from the Education Fund were awarded to each of 12 children of 5 ministers to assist with their education.
- The Charity was able to assist 7 churches in various parts of the country with the grants totalling £34,900 for various types of building work for the maintenance, repair, improvement and modernisation of existing church premises. This includes a building grant of £5,000 for a church belonging to the Evangelical Fellowship of Congregational Churches.

All these grants came from the General Purpose Fund.



# UNAFFILIATED CONGREGATIONAL CHURCHES CHARITIES

## TRUSTEES' REPORT

### YEAR ENDED 31 DECEMBER 2017

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- 3 churches, in various parts of the country received grants totalling £20,710 for the support of minister's stipends from the Maintenance of the Ministry Fund.
- £750 from the General Purposes Fund was awarded to the Congregational History Society to assist with the administration costs of the Society.
- Payments totalling £4,936 were made from the Dr Sydney Berry Trust to 4 retired ministers and the widow of a former minister of an Unaffiliated Church.
- Grants totalling £9,960 were awarded from the Homes for Retired Ministers Fund to assist 5 retired ministers and the widows of 2 retired ministers of Unaffiliated Churches, with the payment of Council Tax & Water Rate demands. Further grants totalling £3,150 for the relief of hardship were made to 5 retired ministers and the widows of 2 former retired ministers of Unaffiliated Churches, which came from the Welfare Fund.
- 17 ministers and pastors of Unaffiliated Congregational Churches were awarded a grant of £125.00 each from the General Purposes Fund with the specific aim of purchasing theological books for their own personal library.
- An award of £5,000 was made to the Reverend Dr Peter Humphries in the form of the Dewi Rowlands Bursary, this came from the Charity's General Purposes Fund

#### Loans

From time to time the Charity is able to make low cost interest loans to churches, to be repaid over a set period of 2, 3 or 5 years or longer if required to assist with ongoing repairs or renovations to church property.

All outstanding loans were paid in full and on time.

#### Charitable commitments

As part of the policy of continually reviewing all the regular grants, as outlined in the Report of the Trustees the following grant structure for Maintenance of the Ministry, welfare and various other regular grants is in place. These future grants have been notified to the churches and individuals concerned and with the exception of the grants from Dr Sydney Berry Trust for retired ministers and retired minister's widows, which have not been guaranteed.

Year	£
2018	38,270
2019	36,929
2020	37,601

# UNAFFILIATED CONGREGATIONAL CHURCHES CHARITIES

## TRUSTEES' REPORT

YEAR ENDED 31 DECEMBER 2017

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### Financial instruments

#### Objectives and policies

The Charity's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk.

#### Cash flow risk

The Charity's activities expose it primarily to the financial risks of changes in interest rates. Interest bearing assets are held at fixed rate to ensure certainty of cash flows.

#### Credit risk

The Charity's principal financial assets are bank balances and investments.

The credit risk on liquid funds is limited because the counterparties are banks and high credit ratings by international credit-rating agencies.

The Charity has no significant concentration of credit risk, with exposure spread over a number of counterparties.

#### Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the Charity uses investments in charity-managed funds and deposits which are reviewed on a regular basis.

#### Disclosure of information to auditor

Each Trustee has taken steps that they ought to have taken as a Trustee in order to make themselves aware of any relevant audit information and to establish that the Charity's auditor is aware of that information. The Trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

#### Reappointment of auditor

The auditors Horsfield & Smith are deemed to be reappointed as auditors for the ensuing year.

The annual report was approved by the Trustees of the Charity on 4.7.18 and signed on its behalf by:



Mr R J Alp  
Trustee



## UNAFFILIATED CONGREGATIONAL CHURCHES CHARITIES

### STATEMENT OF TRUSTEES' RESPONSIBILITIES YEAR ENDED 31 DECEMBER 2017

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The trustees are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

The law applicable to charities 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 charity and of the incoming resources and application of resources of the charity 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;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 charity 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 charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the constitution. The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the trustees of the charity on 4.7.2018 and signed on its behalf by:



Mr R J Alp  
Trustee



## UNAFFILIATED CONGREGATIONAL CHURCHES CHARITIES

### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF UNAFFILIATED CONGREGATIONAL CHURCHES CHARITIES YEAR ENDED 31 DECEMBER 2017

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#### **Opinion**

We have audited the financial statements of Unaffiliated Congregational Churches Charities (the 'charity') for the year ended 31 December 2017, which comprise the Statement of Financial Activities, Balance Sheet, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2017 and of its results for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

#### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.





## UNAFFILIATED CONGREGATIONAL CHURCHES CHARITIES

### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF UNAFFILIATED CONGREGATIONAL CHURCHES CHARITIES YEAR ENDED 31 DECEMBER 2017

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

We have nothing to report in this regard.

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

In the light of our knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

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

#### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities [set out on page 11], the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

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

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

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



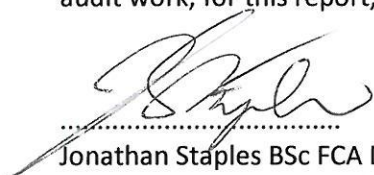
## UNAFFILIATED CONGREGATIONAL CHURCHES CHARITIES

### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF UNAFFILIATED CONGREGATIONAL CHURCHES CHARITIES YEAR ENDED 31 DECEMBER 2017

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#### Use of our report

This report is made solely to the charity trustees, as a body, in accordance with section 145 of the Charities Act 2011 and regulations made under section 154 of that Act. Our work has been undertaken so that we might state to the trustees those matters we are required to state to trustees in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Jonathan Staples BSc FCA DChA (Senior Statutory Auditor)  
For and on behalf of Horsfield & Smith, Statutory Auditor

Tower House  
269 Walmersley Road  
Bury  
Lancashire  
BL9 6NX

Date: 11<sup>th</sup> July 2018

# UNAFFILIATED CONGREGATIONAL CHURCHES CHARITIES

## STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT)

YEAR ENDED 31 DECEMBER 2017

	Note	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2017 £	Total 2016 £
<b>Income and Endowments from:</b>						
Investment income	2	28,263	22,034	45,312	95,609	96,693
Other income	3	887	77	-	964	447
Total Income		<u>29,150</u>	<u>22,111</u>	<u>45,312</u>	<u>96,573</u>	<u>97,140</u>
<b>Expenditure on:</b>						
Raising funds	4	(14,055)	(13,854)	-	(27,909)	(30,489)
Charitable activities	5	(55,163)	(38,535)	-	(93,698)	(78,009)
Total Expenditure		<u>(69,218)</u>	<u>(52,389)</u>	<u>-</u>	<u>(121,607)</u>	<u>(108,498)</u>
Gains/losses on investment assets		<u>31,230</u>	<u>24,283</u>	<u>46,989</u>	<u>102,502</u>	<u>155,118</u>
Net (expenditure)/income		(8,838)	(5,995)	92,301	77,468	143,760
Gross transfers between funds		<u>13,541</u>	<u>31,771</u>	<u>(45,312)</u>	<u>-</u>	<u>-</u>
Net movement in funds		4,703	25,776	46,989	77,468	143,760
<b>Reconciliation of funds</b>						
Total funds brought forward		<u>669,920</u>	<u>660,401</u>	<u>1,116,819</u>	<u>2,447,140</u>	<u>2,303,380</u>
Total funds carried forward	16	<u>674,623</u>	<u>686,177</u>	<u>1,163,808</u>	<u>2,524,608</u>	<u>2,447,140</u>

# UNAFFILIATED CONGREGATIONAL CHURCHES CHARITIES

## STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT)

YEAR ENDED 31 DECEMBER 2017

	Note	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2016 £
<b>Income and Endowments from:</b>					
Investment income	2	28,666	22,332	45,695	96,693
Other income		-	447	-	447
Total Income		<u>28,666</u>	<u>22,779</u>	<u>45,695</u>	<u>97,140</u>
<b>Expenditure on:</b>					
Raising funds		(15,150)	(15,339)	-	(30,489)
Charitable activities		<u>(26,758)</u>	<u>(51,251)</u>	<u>-</u>	<u>(78,009)</u>
Total Expenditure		<u>(41,908)</u>	<u>(66,590)</u>	<u>-</u>	<u>(108,498)</u>
Gains/losses on investment assets		<u>46,279</u>	<u>36,102</u>	<u>72,737</u>	<u>155,118</u>
Net income/(expenditure)		33,037	(7,709)	118,432	143,760
Gross transfers between funds		<u>11,172</u>	<u>34,523</u>	<u>(45,695)</u>	<u>-</u>
Net movement in funds		44,209	26,814	72,737	143,760
<b>Reconciliation of funds</b>					
Total funds brought forward		<u>625,711</u>	<u>633,587</u>	<u>1,044,082</u>	<u>2,303,380</u>
Total funds carried forward	16	<u>669,920</u>	<u>660,401</u>	<u>1,116,819</u>	<u>2,447,140</u>

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2016 is shown in note 16.


# UNAFFILIATED CONGREGATIONAL CHURCHES CHARITIES

## BALANCE SHEET

31 DECEMBER 2017

	Note	2017 £	2016 £
<b>Fixed assets</b>			
Investments	13	2,427,350	2,374,848
<b>Current assets</b>			
Debtors	14	42,528	42,532
Cash at bank and in hand		59,683	59,320
		102,211	101,852
<b>Creditors: Amounts falling due within one year</b>	15	(4,953)	(29,560)
<b>Net current assets</b>		97,258	72,292
<b>Net assets</b>		2,524,608	2,447,140
<b>Funds of the charity:</b>			
<b>Endowment funds</b>		1,163,808	1,116,819
<b>Restricted funds</b>		686,177	660,401
<b>Unrestricted income funds</b>			
Unrestricted funds		674,623	669,920
<b>Total funds</b>	16	2,524,608	2,447,140

The financial statements on pages 15 to 33 were approved by the trustees, and authorised for issue on 11/7/2018 and signed on their behalf by:

  
 .....  
 Dr D L James  
 Trustee



# UNAFFILIATED CONGREGATIONAL CHURCHES CHARITIES

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2017

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### 1 Accounting policies

#### Statement of compliance

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)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

#### Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011, and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16th July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Unaffiliated Congregational Churches Charities 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 notes.

#### Exemption from preparing a cash flow statement

The charity opted to early adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

#### Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

#### Income and endowments

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

#### Donations and legacies

Cash donations, gifts, legacies and grants are accounted for in full as they are received. The value of voluntary help is not included in the accounts.



# UNAFFILIATED CONGREGATIONAL CHURCHES CHARITIES

## NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2017

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### ***Investment income***

Bank interest is accounted for on receipt. Other investment income is accounted for when receivable.

The Statement of Financial Activities includes net gains and losses arising on revaluations and disposals throughout the year.

### ***Expenditure***

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources. The irrecoverable element of VAT is included within the item of expense to which it relates. Grants offered subject to conditions, which have not been met at the year end date, are noted as commitment but not accrued as expenditure.

### ***Raising funds***

These are costs incurred in the management of investments.

### ***Charitable activities***

Charitable expenditure comprises those costs incurred by the Charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

### ***Governance costs***

These include the costs attributable to the Charity's compliance with constitutional and statutory requirements.

### ***Taxation***

The charity is exempt from tax on its charitable activities.

### ***Fixed asset investments***

Fixed asset investments, other than programme related investments, are included at market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the Statement of Financial Activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the Statement of Financial Activities based on the market value at the year end.

# UNAFFILIATED CONGREGATIONAL CHURCHES CHARITIES

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2017

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### **Trade debtors**

are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of is established when there is objective evidence that the will not be able to collect all amounts due according to the original terms of the receivables.

### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

### **Borrowings**

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

# UNAFFILIATED CONGREGATIONAL CHURCHES CHARITIES

## NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2017

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### **Fund structure**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the Trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Endowment funds represent assets which must be held permanently by the Charity. Income from those assets may be used to support the objectives of the Charity.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

### **Financial instruments**

#### ***Classification***

Financial assets and financial liabilities are recognised when the Charity becomes a party to the contractual provisions of the instrument.

Financial liabilities are classified according to the substance of the contractual arrangements entered into.

#### ***Recognition and measurement***

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs),

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the Charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

# UNAFFILIATED CONGREGATIONAL CHURCHES CHARITIES

## NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2017

### 2 Investment income

	Unrestricted funds	Restricted funds	Endowment funds	Total 2017	Total 2016
	General £	£	Expendable £	£	£
Interest receivable and similar income;					
Interest receivable on bank deposits	17	-	-	17	38
Other income from fixed asset investments	28,246	22,034	45,312	95,592	96,655
	<u>28,263</u>	<u>22,034</u>	<u>45,312</u>	<u>95,609</u>	<u>96,693</u>

### 3 Other income

	Unrestricted funds	Total 2017	Total 2016
	General £	£	£
Rental income	887	887	-
Other income	-	-	447
	<u>887</u>	<u>887</u>	<u>447</u>

### 4 Expenditure on raising funds

	Note	Allocated support costs	Total 2017	Total 2016
		£	£	£
Administration costs	6	<u>27,909</u>	<u>27,909</u>	<u>30,489</u>

# UNAFFILIATED CONGREGATIONAL CHURCHES CHARITIES

## NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2017

### 5 Expenditure on charitable activities

		Unrestricted funds	Restricted funds	Total 2017	Total 2016
	Note	General £	£	£	£
Grant funding of activities		52,611	36,020	88,631	73,239
Governance costs	6	2,552	2,515	5,067	4,770
		<u>55,163</u>	<u>38,535</u>	<u>93,698</u>	<u>78,009</u>

### 6 Analysis of governance and support costs

#### Raising funds expenditure

##### Administrative costs

	Unrestricted funds	Restricted funds	Total 2017	Total 2016
	General £	£	£	£
Staff costs	9,853	9,712	19,565	19,197
Administrative expenses	4,202	4,142	8,344	11,292
	<u>14,055</u>	<u>13,854</u>	<u>27,909</u>	<u>30,489</u>

##### Governance costs

	Unrestricted funds	Restricted funds	Total 2017	Total 2016
	General £	£	£	£
Audit fees				
Audit of the financial statements	932	918	1,850	1,800
Other fees paid to auditors	1,620	1,597	3,217	2,970
	<u>2,552</u>	<u>2,515</u>	<u>5,067</u>	<u>4,770</u>

# UNAFFILIATED CONGREGATIONAL CHURCHES CHARITIES

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2017

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### 7 Grant-making

#### Analysis of grants

	Grants to institutions		Grants to individuals	
	2017	2016	2017	2016
	£	£	£	£
<b>Analysis</b>				
General Purposes	40,550	17,860	12,061	6,528
Maintenance of the Ministry	20,710	25,500	-	-
Ministerial Training	1,000	11,000	-	-
Homes for Retired Ministers	-	-	9,960	8,420
Welfare	-	-	3,150	3,031
Education	-	-	1,200	900
	<u>62,260</u>	<u>54,360</u>	<u>26,371</u>	<u>18,879</u>

### 8 Net incoming/outgoing resources

Net outgoing resources for the year include:

	2017	2016
	£	£
Audit fees	<u>1,850</u>	<u>1,800</u>

### 9 Trustees remuneration and expenses

During the year the charity made the following transactions with trustees:

£2,302 (2016: £2,460) of expenses were reimbursed to during the year.

During the year nine trustees were paid expenses in relation to reimbursed meeting expenses.

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any other benefits from the charity during the year.

# UNAFFILIATED CONGREGATIONAL CHURCHES CHARITIES

## NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2017

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### 10 Staff costs

The aggregate payroll costs were as follows:

	2017 £	2016 £
<b>Staff costs during the year were:</b>		
Wages and salaries	17,786	17,452
Pension costs	<u>1,779</u>	<u>1,745</u>
	<u>19,565</u>	<u>19,197</u>

The monthly average number of persons (including senior management team) employed by the charity during the year expressed as full time equivalents was as follows:

	2017 No	2016 No
Executive officer	<u>1</u>	<u>1</u>

No employee received emoluments of more than £60,000 during the year

### 11 Auditors' remuneration

	2017 £	2016 £
Audit of the financial statements	<u>1,850</u>	<u>1,800</u>
<b>Other fees to auditors</b>		
All other non-audit services	<u>3,217</u>	<u>2,970</u>

### 12 Taxation

The charity is a registered charity and is therefore exempt from taxation.

# UNAFFILIATED CONGREGATIONAL CHURCHES CHARITIES

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2017

### 13 Fixed asset investments

	2017 £	2016 £
Other investments	<u>2,427,350</u>	<u>2,374,848</u>

### Other investments

	Fixed interest investments £	Managed funds £	Total £
<b>Cost or Valuation</b>			
At 1 January 2017	948,700	1,426,148	2,374,848
Revaluation	(6,488)	108,990	102,502
Disposals	<u>(50,000)</u>	<u>-</u>	<u>(50,000)</u>
At 31 December 2017	<u>892,212</u>	<u>1,535,138</u>	<u>2,427,350</u>

### Net book value

At 31 December 2017	<u>892,212</u>	<u>1,535,138</u>	<u>2,427,350</u>
At 31 December 2016	<u>948,700</u>	<u>1,426,148</u>	<u>2,374,848</u>

### Analysis of investments at 31 December 2017 between funds

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2017 £	Total Funds 2016 £
<b>Listed and other investments</b>					
Fixed interest investments	(245,090)	(191,189)	(455,933)	(892,212)	(948,700)
Managed funds	<u>(464,735)</u>	<u>(362,528)</u>	<u>(707,875)</u>	<u>(1,535,138)</u>	<u>(1,426,148)</u>
	<u>(709,825)</u>	<u>(553,717)</u>	<u>(1,163,808)</u>	<u>(2,427,350)</u>	<u>(2,374,848)</u>

The investments representing more than 5% of the total value are as follows:

	Endowed			Expendable		
	Units	Market Value £	%	Units	Market Value £	%
Charinco Income Units	55354.057	107,553	4.4	82708.374	160,702	6.6
COIF Income Units	17231.700	254,495	10.5	23674.980	349,656	14.4
Charifund Units	27600.000	453,380	18.7	29074.909	477,608	19.7
COIF Fixed Interest Units	251447.120	348,380	14.4	198900.440	275,576	11.3
		<u>1,163,808</u>			<u>1,263,542</u>	



## UNAFFILIATED CONGREGATIONAL CHURCHES CHARITIES

### NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2017

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#### 14 Debtors

	2017 £	2016 £
Prepayments	200	200
Other debtors	78	82
Amounts falling due after more than one year: Interest in property	17,250	17,250
Amounts falling due after more than one year: Loans to churches	<u>25,000</u>	<u>25,000</u>
	<u>42,528</u>	<u>42,532</u>

The interest in property figure includes loans to two churches made on the following basis:

In March 1992 a loan was made to the Congregational Federation Limited to purchase the freehold reversion of Bethania, Tredegar, amounting to £6,250. This represented 13% of the value of the building at that time. Repayment of the loan will be made in the event of the church closing with 13% of the sale price.

Also in March 1992, a loan was made to the Congregational Federation Limited to purchase the freehold reversion of Bethesda, Brynmawr, amounting to £11,000. This loan represented 22% of the value of the building at that time. Repayment of the loan will be expected if and when the church is sold with 22% of the sale price.

Loans to churches carry an interest rate set by the Trustees. All such loans are considered recoverable.

In November 2016 the trustees agreed a loan of £25,000 to the Union Croft Chapel. This loan will only be repayable in the event of the closure of the chapel or if the pastor leaves the chapel.

#### 15 Creditors: amounts falling due within one year

	2017 £	2016 £
Accruals	<u>4,953</u>	<u>29,560</u>

# UNAFFILIATED CONGREGATIONAL CHURCHES CHARITIES

## NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2017

### 16 Funds

	Balance at 1 January 2017 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 December 2017 £
<b>Unrestricted funds</b>						
<i>General</i>						
General purpose	669,920	29,150	(69,218)	13,541	31,230	674,623
<b>Restricted funds</b>						
Maintenance of ministry	-	2,955	(20,710)	14,499	3,256	-
Ministerial training	181,674	2,861	(5,504)	10,122	3,153	192,306
Church extension	227,814	8,497	(5,645)	1,743	9,364	241,773
Homes for retired ministers	221,988	6,380	(15,464)	3,598	6,947	223,449
Welfare	28,925	1,317	(3,866)	823	1,450	28,649
Education	-	101	(1,200)	986	113	-
<b>Total restricted funds</b>	<b>660,401</b>	<b>22,111</b>	<b>(52,389)</b>	<b>31,771</b>	<b>24,283</b>	<b>686,177</b>
<b>Endowment funds</b>						
<i>Permanent</i>						
General purpose	660,629	26,803	-	(26,803)	27,795	688,424
Maintenance of ministry	47,047	1,909	-	(1,909)	1,979	49,026
Ministerial training	249,473	10,122	-	(10,122)	10,496	259,969
Church extension	42,969	1,743	-	(1,743)	1,808	44,777

# UNAFFILIATED CONGREGATIONAL CHURCHES CHARITIES

## NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2017

	Balance at 1 January 2017 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 December 2017 £
Homes for retired ministers	88,679	3,598	-	(3,598)	3,731	92,410
Welfare	20,273	823	-	(823)	853	21,126
Education	7,749	314	-	(314)	327	8,076
<b>Total funds</b>	<b>1,116,819</b>	<b>45,312</b>	<b>-</b>	<b>(45,312)</b>	<b>46,989</b>	<b>1,163,808</b>
	<b>2,447,140</b>	<b>96,573</b>	<b>(121,607)</b>	<b>-</b>	<b>102,502</b>	<b>2,524,608</b>
	Balance at 1 January 2016 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 December 2016 £
<b>Unrestricted funds</b>						
<i>General</i>						
General purpose	625,711	28,666	(41,908)	11,172	46,279	669,920
<b>Restricted funds</b>						
Maintenance of ministry	202	2,995	(25,507)	17,468	4,842	-
Ministerial training	179,918	2,900	(16,039)	10,207	4,688	181,674
Church extension	209,388	8,611	(5,864)	1,758	13,921	227,814
Homes for retired ministers	215,651	6,836	(14,456)	3,628	10,329	221,988
Welfare	28,428	1,335	(3,824)	830	2,156	28,925
Education	-	102	(900)	632	166	-
<b>Total restricted funds</b>	<b>633,587</b>	<b>22,779</b>	<b>(66,590)</b>	<b>34,523</b>	<b>36,102</b>	<b>660,401</b>

# UNAFFILIATED CONGREGATIONAL CHURCHES CHARITIES

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2017

	Balance at 1 January 2016 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 December 2016 £
<b>Endowment funds</b>						
<i>Permanent</i>						
General purpose	617,603	27,030	-	(27,030)	43,026	660,629
Maintenance of ministry	43,982	1,925	-	(1,925)	3,065	47,047
Ministerial training	233,225	10,207	-	(10,207)	16,248	249,473
Church extension	40,170	1,758	-	(1,758)	2,799	42,969
Homes for retired ministers	82,904	3,628	-	(3,628)	5,775	88,679
Welfare	18,954	830	-	(830)	1,319	20,273
Education	7,244	317	-	(317)	505	7,749
	<u>1,044,082</u>	<u>45,695</u>	<u>-</u>	<u>(45,695)</u>	<u>72,737</u>	<u>1,116,819</u>
<b>Total funds</b>	<u>2,303,380</u>	<u>97,140</u>	<u>(108,498)</u>	<u>-</u>	<u>155,118</u>	<u>2,447,140</u>

## **UNAFFILIATED CONGREGATIONAL CHURCHES CHARITIES**

### **NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2017**

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The specific purposes for which the funds are to be applied are as follows:

Maintenance of the Ministry - Income is used for grants to Unaffiliated Congregational Churches or otherwise for maintaining ministry within a Congregational Church.

Ministerial Training - Income is used for training men and women for the ministry of the Congregational Denomination.

Church Extension - For the use of the upkeep and repair of property, and the services it provides, of an Unaffiliated Congregational Church. In addition the fund may be used for the extension of existing buildings and in the provision or construction of buildings to be used as a Congregational Church or for residences of ministers of Unaffiliated Congregational Churches.

Homes for Retired Ministers - Income from this fund is to be used to provide accommodation for retired ministers and their widows/widowers in retirement.

Welfare - For use in the relief of need among ministers and their dependents by way of grants 'or otherwise'.

Education - To be used for the benefit of the children of the minister of an Unaffiliated Congregational Church.

# UNAFFILIATED CONGREGATIONAL CHURCHES CHARITIES

## NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2017

### 17 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Endowment funds	Total funds
	General £	£	Permanent £	£
Fixed asset investments	709,825	553,717	1,163,808	2,427,350
Current assets	(30,249)	132,460	-	102,211
Current liabilities	(4,953)	-	-	(4,953)
Total net assets	<u>674,623</u>	<u>686,177</u>	<u>1,163,808</u>	<u>2,524,608</u>

### 18 Analysis of net funds

	At 1 January 2017 £	Cash flow £	At 31 December 2017 £
Cash at bank and in hand	59,320	363	59,683
Net debt	<u>59,320</u>	<u>363</u>	<u>59,683</u>

### 19 Financial instruments

#### Categorisation of financial instruments

	2017 £	2016 £
Financial assets measured at fair value through profit or loss	2,427,350	2,374,848
Financial assets that are debt instruments measured at amortised cost	42,328	42,332
Financial liabilities measured at amortised cost	4,953	29,560

## UNAFFILIATED CONGREGATIONAL CHURCHES CHARITIES

### NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2017

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#### 20 Related party transactions

Pastor Mike Valentine took no part in the discussion or the decision to award a grant to his chapel, Bradley Chapel or to awarding of the minister's Book Grants

As Treasurer to the Congregational History Society, Reverend Chris Damp took no part in the discussion or the decision to award the grant.

Custodian Trustee Grants awarded to the Trust Bodies of: Congregational Federation Ltd, the Evangelical Fellowship of Congregational Churches Trust Corporation Ltd and the Congregational Partnership Ltd. The Nominative Trustees from each group took no part in the discussion or the decision to award a Custodian Trustee Grant for their particular group

The Nominative Trustees from the Evangelical Fellowship of Congregational Churches did not take part in the discussion or the decision to award a grant to West Cliff Congregational Church, Whitby.