



KENDAL UNITARIAN CHAPEL

ANNUAL REPORT 2018

Ministry Team Report

As Ministry Team Leader, I have sought to put in place a mix of services each month, as that was well received last year. In recent months we have had a number of new visitors who have become regulars, and several have joined or enquired about membership, so the fact that we do not have a Minister does not seem to put anyone off. Hopefully, there is something that speaks to everyone whatever their faith, spiritual beliefs or practice. The 'everyone is welcome' message seems to be getting out there as we become more outward facing. The new website and the Facebook page - which I mainly use to advertise the weekly services - are part of the reason why we are engaging more with different groups in the community, but an even bigger factor is the commitment and enthusiasm which everyone has for what goes on inside our gates. It is every-member ministry.

During 2017 and 2018 we have had 14 visits from Unitarian Ministers (active or retired), including the GA President, Lay Leaders and Worship Leaders from outside the area, plus a service led by our retired Minister, Celia Cartwright. Rev Griff Jones has continued to take the monthly communion services as well as our traditional Remembrance Day and carol services. He has also led a Celebration of Spring service with Sally Jones and stepped in to help me put together a St David's Day service when our visiting service leader made the decision not to attend because of the weather.

John Campbell took our Easter Day service and put together a dialect service with Sally Jones and David Birkett. He also helped Claire Griffel to talk about her work in Senegal, and Hazel Clarke and Jo Rogers collaborated on a service for Samhain. Ann Wilcox conducted Harvest and Advent Gift services, and Sue Parry a New Year's Eve service. Daniel and Saimma Dyer led another Sufi service, and Rob Crompton spoke about hope, based on the story of *Old Turtle*. We had a visit from Ann Treherne from the Sir Arthur Conan Doyle Centre; Tim Shuker gave us an insight into the life of Beethoven; Dee Swift got us doing some movement, and Rabbi Robert Ash spoke about the Liberal Jewish world view and man's quest for meaning. In June, Jeff Morgan took a service on Cities of Sanctuary, and the following Saturday the Chapel was one of the venues for the first Kendal Unity Festival.

In 2017, I conducted a Pet Service with the Wainwright Animal Shelter, at which Br Sean's attendance was most welcome, an Interfaith Service on the theme of *Listening* as part of National Inter Faith Week, and three services in December, including Christmas Day. In 2018, I have led two services: the first was on Mothering Sunday and the second based around my month in Japan.

John Pickering has been busy producing publicity for us, including the monthly service posters, special service posters, and flyers for distribution. He continues to take services regularly - 5 so far - but leading the tally for the year is Graham Phoenix, who has taken 8 services. Graham is about to complete the Advanced Worship Studies Course with his Native-American-themed service on the day of the AGM being his final assessed service. He will then be presented with his certificate. Graham might, on occasions, take a service elsewhere in the future, but he wants to reassure everyone that his sole reason for putting himself through the Worship Studies Course was to be better equipped to offer ministry at his own chapel.

During the last year, Sue Parry has acted as pastoral care coordinator. She has kept her ear to the ground and ensured that members who are unable to attend Chapel have not been forgotten. She has visited folk regularly, either at home or in hospital, with great commitment. Without Sue's invaluable support, I would have found it difficult to go away to Japan, and the fact that I didn't have to return almost as soon as I got there is testimony to the fact that not only Sue but everyone else at our chapel regards pastoral care as very important. Sue has now relinquished this role as she takes on being a full-time carer for David, but she will review the position after twelve months.

There were two further weddings in 2017, after the AGM, and there have been two so far in 2018, with three more booked. There was a further baby-naming ceremony in 2017. In 2018, one baby was baptised, and a brother and sister had a naming ceremony. I have conducted these ceremonies. In April, Rev Griff Jones took a memorial service for Graeme Wilcox, following a short service at Beetham Crematorium. There were no other funerals.

Amanda Reynolds
Ministry Team Leader

Treasurer's Report

The Chapel has two bank accounts. One relates to the trustees' affairs and is concerned primarily with the maintenance and refurbishment of the buildings and with honorarium payments and both regular and occasional wages. Income is derived chiefly from the rent of the Chapel's commercial properties in Finkle Street, the New Shambles, and the Market Place, bequeathed to it in 1724, and also the house in Nether Street, amounting to £63,200. The other is the Chapel account, where the main sources of general income are Sunday collections (on which Gift Aid is claimed, for which thanks are due to Don), coffee mornings, rental from the Schoolroom and conducting rites of passage.

The balance of the trustees' account at the beginning of 2017 was £18,800, rising to £28,400 at the end. In addition to the items listed above, HMRC and professional and legal fees are paid from this account. It should be noted that the fees due to our managing agents, Messrs Peill & Co and Turner Scott, are deducted before we receive the rents from our properties. Whilst it may look as if we made a 'profit', this is not so, as we were constrained to withdraw a total of £67,000 from our investments held by the Charities Aid Foundation (CAF).

At the beginning of 2017, the balance of the Chapel account was £16,000. This included £3,000 taken in donations for the garden fund. At the end of the year, the balance was £13,400, including £5,000 in the Garden Fund.

The state of most of our properties is now good, although there are still a few things to be completed. Because of this, and the efforts of Peill & Co, in the early part of this year (2018), all our properties were let. Unfortunately, small retail businesses in Kendal are struggling for various reasons and the shop on Finkle Street is now empty again, leaving us with less income as well as historic arrears. New heating has recently been installed in the upper chamber at 17 Market Place, ready for next winter. In the Chapel curtilage, the most urgent job is the repair to the vestry chimney, which will need scaffolding. It should have been done before last winter. The year 2018 is more than halfway to its close, which only leaves us 18 months before the start of our 300th Anniversary Year. We are trying to complete everything before then, without drawing on our CAF funds again, so that we may enter the next 300 years in good shape.

John Campbell
Treasurer

Trustees' Report

The following were elected at the 2017 AGM to serve as trustees: Hazel Clarke, Jayne Finch, Katie Hall, Fred Jordan, Don Kerr, John Pickering, Jo Rogers, Ann Wilcox, Graeme Wilcox. John Campbell, as Treasurer, is an ex officio member of the trustees. Mandy Reynolds, as Ministry Team Leader, was invited to attend the trustees' meetings, which she did.

As ever, one of the trustees' main concerns this year has been to manage the Chapel's let properties, which provide the main **income** for the Chapel. Some of our tenants' shops are doing well while others struggle – a reflection of difficult times for retail more widely. We continue to support the tenants, and balance this with the need for a business-like approach to this key source of income.

The trustees continue to work with Turner Scott to let the manse, which has been successfully tenanted and continues to bring in valuable income.

In terms of **expenditure**, the treasurer has drawn up a budget for several years ahead to enable longer-term planning. The trustees work on the basis of these figures to make all their spending decisions, and the issue of when the Chapel could afford to take on a minister is reviewed at every main meeting (twice a year).

While work on the Shambles has been completed this year, there are repairs to the Chapel and Schoolroom that need to be undertaken as soon as possible – a significant forthcoming expense. The trustees have funded the Administrator's role for two years, but a decision not to continue with the role in its current form was taken early in 2018.

The trustees also decided to reduce the rate at which GA delegates' travel expenses would be paid in future.

The trustees funded the new website, which is now up and running and getting good feedback. I hope that over the next couple of years, in addition to our usual responsibilities, the trustees will be able to support the Chapel's 2020 celebrations, as well as our efforts to raise awareness of the Chapel through publicity and increasing engagement with the community.

Thanks to the trustees for all their hard work, as ever, and to Barbara Duff as Minutes' Secretary.

This year we have been very sad to lose Graeme Wilcox, and Jayne Finch resigned as a trustee; both had given many years' valuable service as trustees. Two people who are familiar with the workings of the trustees, and bring significant financial and legal skills, have been appointed temporarily as trustees: John Campbell and Mandy Reynolds. They will be put forward for election as full trustees at the AGM.

Hazel Clarke
Chair of Trustees

KENDAL UNITARIAN CHAPEL TRUST

ACCOUNTS FOR THE YEAR ENDED

31ST DECEMBER 2017

KENDAL UNITARIAN CHAPEL TRUST

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INDEPENDENT EXAMINER'S REPORT
TO THE TRUSTEES OF
KENDAL UNITARIAN CHAPEL TRUST

We report on the accounts of the Kendal Unitarian Chapel Trust for the year ended 31st December 2017, which are attached.

Respective responsibilities of the trustees and examiner

The charity's trustees are responsible for the preparation of the accounts.

The charity's trustees consider that an audit is not required for the year ended 31st December 2017 under section 144 of the Charities Act 2011 ("the Charities Act") and that an independent examination is needed.

It is our responsibility to:-

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

Basis of independent examiner's statement

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

Independent examiner's statement

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

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

Chartered Accountants
Date

Jackson & Graham
Lynn Garth
Gillinggate
Kendal
Cumbria LA9 4JB

KENDAL UNITARIAN CHAPEL TRUST
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE FINANCIAL YEAR ENDED
31ST DECEMBER 2017

		<u>This Year</u>		<u>Last Year</u>	
	Note	Restricted Funds	Unrestricted Funds	Restricted Funds	Unrestricted Funds
<u>Incoming Resources</u>	3				
Donations and legacies		183	1000	68	200
Income from investments		-	100557	-	83684
Other income		<u>-</u>	<u>22766</u>	<u>-</u>	<u>5199</u>
Total income and endowments		<u>183</u>	<u>124323</u>	<u>68</u>	<u>89083</u>
 <u>Resources Expended</u>	4				
Expenditure on raising funds			99473		52207
Expenditure on charitable activities		183	61404	68	50680
Other expenditure		<u>-</u>	<u>100</u>	<u>-</u>	<u>252</u>
Total resources expended		<u>183</u>	<u>160977</u>	<u>68</u>	<u>103139</u>
 Net expenditure before investment gains			(36654)		(14056)
Net gains on investments			<u>22430</u>		<u>-</u>
Net Expenditure			(14224)		(14056)
Gains/(losses) on revaluation of fixed assets			<u>(14177)</u>		<u>7114</u>
Net movement in funds			(28401)		(6942)
Reconciliation of funds:					
Total funds brought forward			<u>1237123</u>		<u>1244065</u>
Total funds carried forward			<u>1208722</u>		<u>1237123</u>

KENDAL UNITARIAN CHAPEL TRUST
BALANCE SHEET AS AT 31ST DECEMBER 2017

		<u>This Year</u> <u>Unrestricted</u> <u>Funds</u>	<u>Last Year</u> <u>Unrestricted</u> <u>Funds</u>
	Note		
<u>FIXED ASSETS</u>			
Tangible assets	8	262031	264222
Investments	9	<u>901527</u>	<u>958352</u>
		1163558	1222574
<u>CURRENT ASSETS</u>			
Debtors	10	16438	5409
Cash at bank and in hand	11	<u>41504</u>	<u>28861</u>
		57942	34270
<u>CREDITORS</u>			
Amounts falling due within one year	12	<u>12778</u>	<u>19721</u>
NET CURRENT ASSETS		<u>45164</u>	<u>14549</u>
NET ASSETS		<u>1208722</u>	<u>1237123</u>
<u>FUNDS OF THE CHARITY</u>			
Unrestricted funds		<u>1208722</u>	<u>1237123</u>
Total Funds		<u>1208722</u>	<u>1237123</u>

The notes on pages 4 to 8 form part of these accounts.

	Signature	Name	Date of Approval
Signed by:
On behalf of all the Trustees

KENDAL UNITARIAN CHAPEL TRUST

NOTES TO THE ACCOUNTS FOR THE FINANCIAL YEAR ENDED

31ST DECEMBER 2017

1. Basis of accounting

These accounts have been prepared under the historical cost convention with items recognised at cost or transaction value (except that investments are shown at market value). The accounts have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16th July 2014, and with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), and with the Charities Act 2011.

2. Accounting Policies

2.1 Reconciliation with previous generally accepted accounting practice

In preparing the accounts, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 a restatement of comparative items was needed. No restatements were required.

2.2 Income

(i) Recognition of income

These are included in the Statement of Financial Activities (SoFA) when:

- the charity becomes entitled to the resources;
- the trustees are virtually certain they will receive the resources; and
- the monetary value can be measured with sufficient reliability.

(ii) Offsetting

There has been no offsetting of assets and liabilities, or income and expenses, unless required or permitted by the FRS 102 SORP or FRS 102.

(iii) Grants and donations

Grants and donations are only included on the SoFA when the general income recognition criteria are met (5.10 to 5.12 FRS 102 SORP).

(iv) Tax reclaims on donations and gifts

Gift Aid receivable is included in income when there is a valid declaration from the donor. Any Gift Aid amount recovered on a donation is considered to be part of that gift and is treated as an addition to the same fund as the initial donation unless the donor or the terms of the appeal have specified otherwise.

(v) Income from interest, royalties and dividends

This is included in the accounts when receipt is probable and the amount receivable can be measured reliably.

(vi) Income from membership subscriptions

Membership subscriptions received in the nature of a gift are recognised in Donations and Legacies.

(vii) Investment gains and losses

This includes any realised or unrealised gains or losses on the sale of investments and any gain or loss resulting from revaluing investments to market value at the end of the year.

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KENDAL UNITARIAN CHAPEL TRUST

NOTES TO THE ACCOUNTS FOR THE FINANCIAL YEAR ENDED

31ST DECEMBER 2017

2.3 Expenditure and Liabilities

(i) Liability recognition

Liabilities are recognised where it is more likely than not that there is a legal or constructive obligation committing the charity to pay out resources and the amount of the obligation can be measured with reasonable certainty.

(ii) Governance and support costs

Support costs have been allocated between governance costs and other support. Governance costs comprise all costs involving public accountability of the charity and its compliance with regulation and good practice.

(iii) Creditors

The charity has creditors which are measured at settlement amounts less any trade discounts.

2.4 Assets

(i) Tangible fixed assets for use by charity

These are capitalised if they can be used for more than one year, and cost at least £100. They are valued at cost. The depreciation rates and methods used are disclosed in note 8.

(ii) Investment Properties

These are let properties included at a valuation at 31st December 2013 by Peill & Co, Kendal. They are not depreciated and are revalued every 5 years.

(iii) Investments

Fixed asset investments in quoted shares, traded bonds and similar investments are valued initially at cost and subsequently at fair value (their market value) at the year end.

(iii) Debtors

Debtors are measured on initial recognition at settlement amount after any trade discounts or amounts advanced by the charity. Subsequently, they are measured at the cash or other consideration expected to be received.

3. Incoming Resources

Donations and legacies:

Donations and gifts

This Year

Last Year

1183

268

1183

268

Income from investments:

Rental income

98691

81200

Bad Debts recovered

-

30

Bank and other interest

18

27

Dividends (from Investment Assets)

1848

2427

100557

83684

Other income

From Kendal Unitarian Congregation Accounts

22766

5199

22766

5199

Cont...

KENDAL UNITARIAN CHAPEL TRUST

NOTES TO THE ACCOUNTS FOR THE FINANCIAL YEAR ENDED

31ST DECEMBER 2017 (continued)

4. Resources Expended

	<u>This Year</u>		<u>Last Year</u>	
	Restricted Funds	Unrestricted Funds	Restricted Funds	Unrestricted Funds
<u>Expenditure on Raising Funds</u>				
Let property expenses		17673		15454
Bad debts written off		-		8157
Professional fees		5255		2298
Repairs to let properties		73415		21432
Property insurance		<u>3130</u>		<u>4866</u>
		<u>99473</u>		<u>52207</u>
<u>Expenditure on Charitable Activities</u>				
Costs of Minister		0	68	11865
Ministry Team Leader Honorarium		1000		-
Pulpit supply	183	4704		1515
Caretaker		10413		10461
Administrators		11025		8424
Treasurer Honorarium		1000		600
Fellowship Editor Honorarium		637		-
Organists		2668		877
Travel expenses		481		1193
Property expenses - Chapel		10786		1608
- Manse		8952		4577
Building alterations depreciation		1986		1986
Donations (Note 7)		20		20
General assembly quota		1670		1645
General assembly meetings		1449		1460
Publicity		321		89
Governance & support costs (Note 5)		<u>4292</u>		<u>4360</u>
	<u>183</u>	<u>61404</u>	<u>68</u>	<u>50680</u>
<u>Other Expenditure</u>				
To Kendal Unitarian Congregation Accounts		100		252

5. Governance & support costs

Accountancy	2520	2540
Bank Charges	15	-
Telephone & internet	232	429
Equipment depreciation	205	249
Sundries and training	<u>1320</u>	<u>1142</u>
	<u>4292</u>	<u>4360</u>

Cont...

31ST DECEMBER 2017 (continued)

KENDAL UNITARIAN CHAPEL TRUST

NOTES TO THE ACCOUNTS FOR THE FINANCIAL YEAR ENDED

31ST DECEMBER 2017 (continued)

9. <u>Fixed Asset Investments</u>	Listed Investments	Investment Properties
Carrying value at 1 st January 2017	108352	850000
Acquisitions at cost	1921	-
Disposals at carrying value	(44569)	-
Net Gain/Loss on revaluation	(14177)	-
Carrying value at 31 st December 2017	<u>51527</u>	<u>850000</u>

10. Debtors & Prepayments

	<u>This Year</u>	<u>Last Year</u>
Other debtors	1134	1210
Prepayments	3786	3435
Other debtors (accrued rents)	<u>11518</u>	<u>764</u>
	<u>16438</u>	<u>5409</u>

11. Cash at Bank and in Hand

	<u>This Year</u>	<u>Last Year</u>
Cash at bank and in hand	41504	28861

12. Creditors & Accruals

Amounts falling due within one year

	<u>This Year</u>	<u>Last Year</u>
Other creditors	-	11
Accruals & deferred income	<u>12778</u>	<u>19710</u>
	<u>12778</u>	<u>19721</u>

Deferred income comprises rent paid in advance.