

Report of the Trustees and
Unaudited Financial Statements for the Year Ended 31 December 2021
for
St Mary's with St George's German
Lutheran Church

Peter Upton
Bridge House
2 Bridge Avenue
Maidenhead
Berkshire
SL6 1RR

**St Mary's with St George's German
Lutheran Church**

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for the Year Ended 31 December 2021**

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**St Mary's with St George's German
Lutheran Church**

**Report of the Trustees
for the Year Ended 31 December 2021**

The trustees present their report with the financial statements of the charity for the year ended 31 December 2021. The trustees have adopted the provisions of 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 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The objects of St Mary's with St George's are those of a normal church, including, but not solely, those of worshipping God, preaching the good news of His love in Jesus Christ, celebrating and administering the sacraments, spiritual care for people, and supporting the work of the wider Church of Christian mission and the relief of suffering. For St Mary's with St George's this also includes a particular concern for those who need or wish to worship in the German language, and for the Evangelical Lutheran Church's understanding of the Christian faith.

The object of the John Christian Schreiber Charity for Widows of Ministers is to provide financial support from an investment fund to widows of clergymen or officiating ministers of St Mary's German Lutheran Church. When there is no such widow the income is available by order of the Charity Commission for the purposes of the Church.

The objects of the Benevolent Fund are to make grants of money or gifts in kind, to such persons approved by the Trustees as are in conditions of need, hardship or distress having regard to but not exclusively those who are members of St Mary's German Lutheran Church.

Grantmaking

Grants made to individuals from the charities are now merged in the Benevolent Fund on the grounds of financial needs. Usually there is a budgeted transfer from the general funds of the Church to the Benevolent Fund to supplement the dividend income of the Fund.

Volunteers

With the exception of the Pastor, who is remunerated by the Synod, and the Pastoral Assistant, all services are given on a voluntary basis by the Church Council, who receive no remuneration.

**St Mary's with St George's German
Lutheran Church**

**Report of the Trustees
for the Year Ended 31 December 2021**

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Services, Membership and Attendance

Services statistics for the last five years are:

	2021	2020	2019	2018	2017
Number of services:	40	49	44	40	43
Average attendance:	46	-	26	27	31

There were no Christenings during 2021, a confirmation class with 5 young people and 2 of them from St. Mary's congregation, one wedding in August (that took place in the Christuskirche) and one funeral.

In addition to the above, the congregation took part in joint services of the London German Churches on the first Sunday of the month, usually held at Christ Church in Knightsbridge or also on Zoom.

At 31 December 2020 the congregation had 78 registered members.

All (main) services normally include the celebration of the Lords Supper. The normal schedule are three services per month. Since 29th March 2020 all congregation join a weekly Zoom service on Sunday (the average attendance of this joined service is between 50-60 participant - this equals 70 persons on average, but from all congregations). During 2021 St Mary's did not celebrate services in the church due to the pandemic and later due to the renovation works that started on 16th April 2021 and they should have finished on 19th November. Due to unforeseen circumstances practical completion was only declared on 17th February 2022. Since January we've started again to celebrate the services on site on a regular basis.

Special Activities

The whole structure of our congregational work changed during the pandemic. From having two groups meeting on a monthly basis, we now moved to the following scheme:

Every Monday: Short video message to be downloaded for a week

Every Wednesday: 9am Bible reflection (average attendance: 15)

Every Friday, 6pm: Study and Discussion group "Tabletalks" (average attendance: 20)

All weekends away for the congregation in Hoddesdon based High Leigh Christian conference center and for families (Youth hostel Medway) had to be cancelled.

Special meetings were scheduled in the weeks before Christmas to celebrate the time of advent ("Digitaler Adventskalender").

After the International Lutheran Student Center (ILSC) ceased to exist, a memorandum of understanding was produced to continue to work together as student chaplaincy from the Lutheran Council and the German Church. Rebekka Daniel was appointed by the Lutheran Council and we've started to work together.

Several Synod meetings were held in Sandwich Street, before they also were organised on Zoom. The church council also agreed that the German Synod rents office space in the church in order to relocate its business address from Tavistock Square to 10 Sandwich Street.

All files and belongings of the Synod were transferred to St Mary's Church but the Synod decided that they no longer need a physical presence in London. So they consequently changed their address again and made sure that all the files all files are again removed from the premises (due in early 2022).

Fundraising activities

The Christmas Bazaar at St Mary's sadly couldn't take place for the second year in a row, on the Sunday of Advent due to the Covid pandemic.

**St Mary's with St George's German
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**Report of the Trustees
for the Year Ended 31 December 2021**

ACHIEVEMENT AND PERFORMANCE

Investment performance

Financial activity has remained at a level consistent with previous years. Income from investments representing unrestricted reserves will continue to be used to finance the day-to-day running of the church.

Funds are invested in medium risk COIF Charity Funds, which are exclusively available to charities and are designed to meet the specific investment needs of charities. 76% (2020 - 76%) of the value of investments is held in the COIF Investment Income Fund; 4% (2020 - 5%) in the COIF Charities Fixed Interest Fund; 21% (2020 - 19%) in the COIF Charities Investment Accumulation Fund; and 1% (2020 - 1%) is invested with National Savings.

The value of a unit in the COIF Charities Investment Income Fund rose by 14.42% (2020- Rise of 6.42%) , the value of a unit in the COIF Charities Fixed Interest Fund fell by 6.5% (2020 - Rise of 3.3%) and the value of a unit in the COIF Charities Investment Accumulation Fund rose by 17.4 % (2020 - Rose by 9.8%).

The COIF Charities Deposit Fund paid an average interest rate over the year of 0.13%, which reflects the current period of low interest rates. Cash balances held in COIF Reserve accounts have increased during the year and are at £1,090,411 (2020 at £1,740,411).

The income from investments remains in line with low interest rates. The Church Council sees the investments and long term assets and fully appreciate that values may fall and rise again in the future. There are no immediate plans to withdraw from COIF Funds as these are still considered to be suitable long-term low risk investments and the charity is reliant on the income from these investments to carry out its activities.

The reserves are mainly represented by endowment funds, resulting not only from the large legacy in 2002 but also from the declaration by the Congregational Meeting at its session of 25 March 2001 pursuant to section 19 of the Church Order deeming certain assets to be church capital. Unrestricted funds available for general use by the church include interest earned on the legacy from Dr Walter Sonnenberg-Norten since 1991.

Internal and external factors

The fluctuating exchange rate is expected to effect the financial position of the charity as although most of its transactions are in Sterling the Pastor's salary is set in Euros so the annual contribution payable to the Synod is expected to increase in future.

Parish House

After the new pastor moved into the manse no major refurbishment was done. This is now planned to make the house suitable for the new minister and her family.

Synod

The 68th Synod Assembly took place on Zoom last year (23/24 April 2021) for the second time in a row. The Synod service was also held on zoom on the Friday and was followed by debates and discussions on the following day.

Lutheran Council's "Augustana Centre"

The Augustana Centre no longer exists. We got no income from renting out the premises from the Lutheran Council as they stopped this business.

FINANCIAL REVIEW

Principal funding sources

The most significant financial transaction occurring for many years was the receipt in 2002 of a legacy amounting to around £850,000 (including interest but before tax reclaim). The receipt of such a significant sum of money increased reserves, and provides a substantial annual revenue stream from investments and deposits.

The ongoing activities of the church are funded mainly from income from its investments.

Investment policy and objectives

The Church Council only considers what it perceives to be low risk investments which provide constant income streams. These are usually COIF Charities Funds providing both dividend and interest income, but may include cash deposits and National Savings Bonds. The reserves policy is regularly reviewed since there are significant cash balances being held in bank deposit accounts.

Investment Powers

Investment and withdrawal of funds of the Church and of the associated charities shall be decided by the Church Council as a whole with the concurrence of the majority of Trustees.

There are no specific restrictions on the way the charity can operate.

**St Mary's with St George's German
Lutheran Church**

**Report of the Trustees
for the Year Ended 31 December 2021**

FINANCIAL REVIEW

Reserves policy

The Church Council maintains capital and endowment reserves in accordance with the restrictions placed upon them. Income reserves are maintained at levels which are considered to be necessary to cover future expenditure in the furtherance of the charity's objects.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust and constitutes an unincorporated charity.

St. Mary's was founded in 1694 in the Savoy Palace. After many vicissitudes (including destruction of its church and school buildings by bombing in 1941) it completed in 1978, in co-operation with the Lutheran Council of Great Britain as lessee, a joint building which houses the latter's International Lutheran Student Centre as well as St. Mary's fifth church premises.

St. George's German Lutheran Church was founded in 1762 and its church building, completed in 1763, still stands in Alie Street, Whitechapel, London E1. The congregation having become too small to bear the cost of maintaining the building, it decided to join up with St. Mary's, the two having shared the same pastor since 1986, and to hand over its church building to the Historic Chapels Trust. The services have been celebrated jointly in St. Mary's Church since Advent 1996, and the merger was completed with the adoption of the joint constitution on 28 March 1999.

The governing document of St. Mary's with St. George's is the Constitution (Kirchenordnung). It provides inter alia that preaching and teaching in the congregation is to conform to the Confessional Writings of the Evangelical Lutheran Church and that St. Mary's with St. George's is a member of the German-speaking Evangelical Lutheran Synod in Great Britain ("the Synod").

Associated Charities

The charities associated with this Church and administered as part of its work are:

- (1) The Benevolent Fund in connection with St. Mary's with St. George's German Lutheran Church, registered number 253765
- (2) The Charity of John Christian Schreiber for Widows of Ministers, registered number 253763

**St Mary's with St George's German
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**Report of the Trustees
for the Year Ended 31 December 2021**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational structure

Governing Body

The governing bodies of St. Mary's with St. George's are the Congregational Meeting and the Church Council which is the executive body.

Its members are the (Managing) Trustees of the Church and of all its property; they elect the holders of the offices mentioned below (other than the Pastor), including three Custodian Trustees.

The land and buildings of the Church are, however, vested in the Official Custodian for Charities.

Among the functions of the Congregational Meeting are the election of the Pastor, the Church Councillors, the appointment of the auditors, the approval of the annual financial statements / Management Accounts, and adoption of the budget.

Among the functions of the Church Council are the adoption of the orders of divine service (with the concurrence of the Congregational Meeting), and decisions on special offerings (such as those for causes outside the congregation).

The Church Council is also responsible for the administration of the church finances, investment decisions (with the concurrence of the majority of the custodian trustees), the keeping of financial records, and the preparation of the budget.

The church does not remunerate any member of the Church Council for their services and is therefore dependent on the services of unpaid volunteers who freely donate their time to the church.

Members of the Church Council

The members of the Church Council, serving from commencement of the financial year until the approval of the accounts were:

1. The Rev. Bernd Rapp, Chairman
2. Mrs. Bärbel Grange
3. Dr Matthias Klammer , honorable treasurer since May 2016
4. Dr Martin Liebscher
- 5 Ms Anne Meyer (Resigned January 2022)
6. Dr. Gudrun Stenbeck, Minutes' Secretary
7. Mr George Little

The Congressional meeting on 22nd November 2020 elected all Trustees unanimously for another 3 year term.

The Trustees of the two Linked Charities were the same as the above.

The Congregation is affiliated to the Synod of German Speaking Lutheran, Reformed and United Congregations in Great Britain (the Synod) and to the Lutheran Council of Great Britain (LC).

The member representing us at the Synod has been Mrs Frauke Constable until November 2020. The Congregational meeting elected Dr Matthias Klammer as our new representative; Pastor Bernd Rapp represented the congregation at the Synod and at the LC (since September 2020 Pastor Rapp serves as a Trustee on the Board of the LC).

**St Mary's with St George's German
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**Report of the Trustees
for the Year Ended 31 December 2021**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Decision making

Among the functions of the Congregational Meeting are the election of the Pastor, the Church Councillors, the appointment of the independent examiner, the approval of the annual financial statements / Management Accounts, and adoption of the budget.

Among the functions of the Church Council are the adoption of the orders of divine service (with the concurrence of the Congregational Meeting), and decisions on special offerings (such as those for causes outside the congregation).

The Church Council is also responsible for the administration of the church finances, investment decisions (with the concurrence of the majority of the custodian trustees), the keeping of financial records, and the preparation of the budget.

The church does not remunerate any member of the Church Council for their services and is therefore dependent on the services of unpaid volunteers who freely donate their time to the church.

St. Mary's with St. George's shares the Pastor with the German Lutheran Congregation of St. Albans/Luton and the German Church Sydenham (Dietrich Bonhoeffer Church).

The German pastors are seconded from the regional churches (Landeskirchen) in Germany via their federation, the Evangelische Kirche in Deutschland (EKD). Their stipends are paid by the Synod. At present there are two Pastors serving in London and the Southeast.

Pastor Bernd Rapp started as Pastor on the 1st of August 2016.

The Church Council decided (as part of the pastoral region London East) to adopt the system of employing a "10-months-minister" offered by the German Church (EKD), which is a program that allows retired pastors to work abroad on a 50% basis. Pastor Andreas Volke started the post 1st October 2020 until July 2021, and applied successfully for the (pre-)settled status.

Andreas Volke decided to renew his commitment and served again from September 2021 until July 2022.

Since 01 April 2021 we were fortunate to employ Gabriele Schonfeld on an hourly basis, up to 5 hours per week to help us as a financial administrator.

The Congregational Meeting met once in 2021 (26th May on Zoom due to the pandemic situation), to deal mainly with finances, the 2020 accounts and the 2021 budget and to approve the plans to renovate the building substantially. For this task we were working together with Uberraum Architects, London. The congregational meeting in June 2020 had already agreed in unison to carry out the works.

The Church council met 8 times (mainly on Zoom) and there were several meetings of a joint sub committee (comprising members of the three congregations) to organize the work that affects all 3 congregations together.

Major points on the agenda was of course to supervise the progress of the renovation project and to decide from time to time about important design alternatives.

Also the additional installation of AV equipment in the church to be able to stream the services online was discussed on a regular basis. We've put a lot of effort into the idea to develop the church into a "Lutheran Hub". It was also decided to bring in someone in to an administrative role, on a freelance basis, for up to 6 hours a week. This was postponed due to the fact that we couldn't use the church building. This has now happened (March 2022) and we work together with Edith Rosenthal, who works remotely and deals with questions around "Senfkorn", advertising our program and coordinating our work. We've also secured the help of Mauricio Uosta, who lives in Sandwich Street as a caretaker for up to 2 hours a week for the church.

We've worked together with David Rogers to help us to develop a new Health and Safety policy, which is now in place.

The church council also discussed the plans to recruit a new minister. Silke Halfmann was elected in February 2022 and starts her tenure on 1st August 2022.

**St Mary's with St George's German
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**Report of the Trustees
for the Year Ended 31 December 2021**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Activities during the year

St. Mary's with St. George's shares the Pastor with the German Lutheran Congregation of St. Albans/Luton and the German Church Sydenham (Dietrich Bonhoeffer Church).

The German pastors are seconded from the regional churches (Landeskirchen) in Germany via their federation, the Evangelische Kirche in Deutschland (EKD). Their stipends are paid by the Synod. At present there are two Pastors serving in London and the Southeast:

Pastor Bernd Rapp started as Pastor on the 1st of August 2016.

We have been fortunate to have a Pastoral Assistant working in our parish area until May 2019: an additional pastor, financed by the three above named congregations with the help of grants from St. Paul's Reformed Church. Pastor Barbara Killat is serving as pastoral assistant. She returned back to Germany in May 2019 and we thank her for her exceptional service.

The Church Council decided (as part of the pastoral region London East) to adopt the system of employing a "10-months-minister" offered by the German Church (EKD), which is a program that allows retired pastors to work abroad on a 50% basis. Pastor Manfred Kuhn serves from September 2019 until July 2020 in this role!

Public benefit

The Trustees are aware of the Charity Commission's guidance on public benefit in the Advancement of Religion for the Public Benefit and have considered the Public Benefit requirement and believe that the Charity's current activities are in line with the Charity Commission guidelines.

The trustees believe that promoting the work of the wider Christian Church within the Parish provides a public benefit through:

- Providing facilities for public worship, pastoral care and spiritual, moral and intellectual development for its members and the wider community without exception.
- Promoting Christian values and service by members of the Church in and to their communities, to the benefit of individuals and society as a whole.
- Providing assistance, in the forms of special offerings for causes outside the congregation locally, nationally and internationally.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

253762

Principal address

10 Sandwich Street
London
WC1H 9PL

Trustees

Rev Bernd Rapp
Mrs Bärbel Grange
Mr Matthias Klammer
Mr Martin Liebscher
Mrs Monika Schiffer
Dr Gudrun Stenbeck
Mr George Little
Ms Anne Meyer

Independent Examiner

Peter Upton
Peter Upton
Bridge House
2 Bridge Avenue
Maidenhead
Berkshire
SL6 1RR

Solicitors

The charity's solicitors are RadcliffesLeBrasseur of 85 Fleet Street, London, EC4Y 1AE

**St Mary's with St George's German
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**Report of the Trustees
for the Year Ended 31 December 2021**

REFERENCE AND ADMINISTRATIVE DETAILS

Bankers

The charity banks with Barclays Bank PLC, Temple Fortune Branch, Edgware Group, 126 Station Road, Edgware, Middlesex, HA8 7RY and Commerzbank AG, Filiale Fulda, Universitaetsstrasse 7, 36037 Fulda.

Enquiries

Ms Gabriele Schoenfeld, St Mary's with St George's German Lutheran Church, 10 Sandwich Street, London WC1H 9PL, Tel: 07428614309

Parsonage

The Parsonage address is 22 Downside Crescent, London, NW3 2AR.

Approved by order of the board of trustees on and signed on its behalf by:

.....
Rev Bernd Rapp - Trustee

**Independent Examiner's Report to the Trustees of
St Mary's with St George's German
Lutheran Church**

Independent examiner's report to the trustees of St Mary's with St George's German Lutheran Church

I report to the charity trustees on my examination of the accounts of St Mary's with St George's German Lutheran Church (the Trust) for the year ended 31 December 2021.

Responsibilities and basis of report

As the charity trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Trust's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Peter Upton
Peter Upton
Bridge House
2 Bridge Avenue
Maidenhead
Berkshire
SL6 1RR

Date:

**St Mary's with St George's German
Lutheran Church**

**Statement of Financial Activities
for the Year Ended 31 December 2021**

	Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	31.12.21 Total funds £	31.12.20 Total funds £
INCOME AND ENDOWMENTS FROM						
Donations and legacies	2	8,805	-	-	8,805	9,825
Other trading activities	3	434	-	-	434	1,989,963
Investment income	4	85,985	-	-	85,985	86,515
Total		<u>95,224</u>	<u>-</u>	<u>-</u>	<u>95,224</u>	<u>2,086,303</u>
EXPENDITURE ON Charitable activities						
Grants	5	32,909	-	-	32,909	26,000
Staffing		24,482	-	-	24,482	17,085
Church premises		1,533	-	-	1,533	9,945
House		9,576	-	-	9,576	8,506
Church work		13,691	-	-	13,691	38,452
Other		5,690	-	-	5,690	-
Total		<u>87,881</u>	<u>-</u>	<u>-</u>	<u>87,881</u>	<u>99,988</u>
Net gains/(losses) on investments		(204,936)	128	697,702	492,894	229,167
NET INCOME/(EXPENDITURE)		<u>(197,593)</u>	<u>128</u>	<u>697,702</u>	<u>500,237</u>	<u>2,215,482</u>
RECONCILIATION OF FUNDS						
Total funds brought forward		3,596,404	13,395	2,626,119	6,235,918	4,020,436
TOTAL FUNDS CARRIED FORWARD		<u><u>3,398,811</u></u>	<u><u>13,523</u></u>	<u><u>3,323,821</u></u>	<u><u>6,736,155</u></u>	<u><u>6,235,918</u></u>

The notes form part of these financial statements

**St Mary's with St George's German
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**Balance Sheet
31 December 2021**

	Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	31.12.21 Total funds £	31.12.20 Total funds £
FIXED ASSETS						
Tangible assets	10	68,761	-	1,267,692	1,336,453	853,544
Investments	11	2,083,912	1,027	1,989,002	4,073,941	3,581,050
		<u>2,152,673</u>	<u>1,027</u>	<u>3,256,694</u>	<u>5,410,394</u>	<u>4,434,594</u>
CURRENT ASSETS						
Debtors	12	22,725	-	-	22,725	17,959
Cash at bank		1,225,813	12,496	67,127	1,305,436	1,790,800
		<u>1,248,538</u>	<u>12,496</u>	<u>67,127</u>	<u>1,328,161</u>	<u>1,808,759</u>
CREDITORS						
Amounts falling due within one year	13	(2,400)	-	-	(2,400)	(7,435)
		<u>1,246,138</u>	<u>12,496</u>	<u>67,127</u>	<u>1,325,761</u>	<u>1,801,324</u>
NET CURRENT ASSETS						
		<u>3,398,811</u>	<u>13,523</u>	<u>3,323,821</u>	<u>6,736,155</u>	<u>6,235,918</u>
TOTAL ASSETS LESS CURRENT LIABILITIES						
		<u>3,398,811</u>	<u>13,523</u>	<u>3,323,821</u>	<u>6,736,155</u>	<u>6,235,918</u>
NET ASSETS						
		<u>3,398,811</u>	<u>13,523</u>	<u>3,323,821</u>	<u>6,736,155</u>	<u>6,235,918</u>
FUNDS						
Unrestricted funds	14				3,398,811	3,596,404
Restricted funds					13,523	13,395
Endowment funds					3,323,821	2,626,119
					<u>6,736,155</u>	<u>6,235,918</u>
TOTAL FUNDS						

The financial statements were approved by the Board of Trustees and authorised for issue on and were signed on its behalf by:

.....
Mr Matthias Klammer - Trustee

**Notes to the Financial Statements
for the Year Ended 31 December 2021**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

Financial reporting standard 102 - reduced disclosure exemptions

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

- the requirements of Section 7 Statement of Cash Flows.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Tangible fixed assets

Tangible fixed assets are capitalised at cost. Revaluation surpluses are taken to reserves. Depreciation, where provided, is calculated to write off tangible fixed assets on an appropriate basis over their estimated useful lives as follows:

Freehold property is stated at cost. No depreciation is provided on the land element as it is deemed to have an infinite useful life. Depreciation is not provided on buildings on the basis that net realisable value exceeds the carrying amount in the accounts.

Equipment includes church plate, church organs, and other fixtures and fittings owned by the church and is stated at cost less depreciation. Depreciation is provided on a straight line basis on cost less residual value at the following rates:

Church Plate	- 20% per annum
Other Fixtures and Equipment	- 20% per annum
Hymn Books, Service Orders, etc	- 20% per annum
Computer Equipment	-25% per annum

Motor vehicles are stated at the church's share of cost less depreciation, which is provided at 20% per annum on a reducing balance basis.

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

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.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

**St Mary's with St George's German
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**Notes to the Financial Statements - continued
for the Year Ended 31 December 2021**

1. ACCOUNTING POLICIES - continued

Financial instruments

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments, which are initially recognised at transaction value and subsequently measured at their settlement value.

2. DONATIONS AND LEGACIES

	31.12.21	31.12.20
	£	£
Offerings	-	145
Donations	8,805	8,821
Gift aid	-	859
	<u>8,805</u>	<u>9,825</u>

3. OTHER TRADING ACTIVITIES

	31.12.21	31.12.20
	£	£
Other events	434	442
Exceptional items	-	1,989,521
	<u>434</u>	<u>1,989,963</u>

4. INVESTMENT INCOME

	31.12.21	31.12.20
	£	£
Ground rents receivable	1,446	471
Dividends	84,338	83,524
Deposit account interest	201	2,520
	<u>85,985</u>	<u>86,515</u>

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Grant funding of activities (see note 6) £	Support costs (see note 7) £	Totals £
Grants	209	32,700	-	32,909
Staffing	24,482	-	-	24,482
Church premises	1,533	-	-	1,533
House	-	-	9,576	9,576
Church work	13,691	-	-	13,691
	<u>39,915</u>	<u>32,700</u>	<u>9,576</u>	<u>82,191</u>

**St Mary's with St George's German
Lutheran Church**

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2021**

6. GRANTS PAYABLE

	31.12.21	31.12.20
	£	£
Grants	32,700	26,000
Church work	-	625
	<u>32,700</u>	<u>26,625</u>

7. SUPPORT COSTS

	Management	Governance	Totals
	£	costs £	£
Other resources expended	-	5,690	5,690
House	9,576	-	9,576
	<u>9,576</u>	<u>5,690</u>	<u>15,266</u>

8. TRUSTEES' REMUNERATION AND BENEFITS

No remuneration was received during the year by the Trustees, apart from the Pastor, who is paid by the Synod. Total contributions to the Synod towards key management remuneration during the year totalled £26,000 (2020 - £26,000).

Trustees' expenses

During the year £214.85 (2020: £387.64) was reimbursed to the trustees for expenses incurred on behalf of the charity.

9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds £
INCOME AND ENDOWMENTS FROM				
Donations and legacies	9,825	-	-	9,825
Other trading activities	1,989,963	-	-	1,989,963
Investment income	86,515	-	-	86,515
Total	<u>2,086,303</u>	-	-	<u>2,086,303</u>
EXPENDITURE ON				
Charitable activities				
Grants	26,000	-	-	26,000
Staffing	17,085	-	-	17,085
Church premises	9,945	-	-	9,945
House	8,506	-	-	8,506
Church work	38,452	-	-	38,452
Total	<u>99,988</u>	-	-	<u>99,988</u>
Net gains/(losses) on investments	(473,873)	54	702,986	229,167
NET INCOME	<u>1,512,442</u>	<u>54</u>	<u>702,986</u>	<u>2,215,482</u>

RECONCILIATION OF FUNDS

Total funds brought forward	2,083,962	13,341	1,923,133	4,020,436
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**St Mary's with St George's German
Lutheran Church**

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2021**

9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds £
TOTAL FUNDS CARRIED FORWARD	3,596,404	13,395	2,626,119	6,235,918

10. TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST					
At 1 January 2021	784,080	112,810	5,750	5,291	907,931
Additions	483,612	-	-	939	484,551
At 31 December 2021	1,267,692	112,810	5,750	6,230	1,392,482
DEPRECIATION					
At 1 January 2021	-	44,539	5,750	4,098	54,387
Charge for year	-	903	-	739	1,642
At 31 December 2021	-	45,442	5,750	4,837	56,029
NET BOOK VALUE					
At 31 December 2021	1,267,692	67,368	-	1,393	1,336,453
At 31 December 2020	784,080	68,271	-	1,193	853,544

All assets owned by the church are held for charitable use in the furtherance of the church's objectives.

Freehold Property comprises the church premises of St Mary's and the Parish House. The church premises of St George's is owned by the Historic Chapels Trust and does not form part of the church's assets. The land element included in Freehold Property cannot be reliably estimated and a valuation of the total market value of freehold land and buildings owned by the church is deemed unrealistic as the church property is regarded as unmarketable due to the very long renewable lease held by the Lutheran Council.

Fixtures and Equipment include church plate stated at cost or valuation totalling £67,125, which is based on a professional valuation in 2000 as most items are hundreds of years old and the actual cost of these items is unknown. No depreciation is provided on church plate due to the high residual value of these items. Candle holders and an altar cross which the St George's congregation brought to St Mary's when joining are now being kept at the newly refurbished St George's premises, but they remain the property of St Mary's and are insured by the Historic Chapels Trust.

11. FIXED ASSET INVESTMENTS

	Listed investments £	Unlisted investments £	Totals £
MARKET VALUE			
At 1 January 2021	3,552,050	29,000	3,581,050
Revaluations	492,891	-	492,891
At 31 December 2021	4,044,941	29,000	4,073,941
NET BOOK VALUE			
At 31 December 2021	4,044,941	29,000	4,073,941
At 31 December 2020	3,552,050	29,000	3,581,050

There were no investment assets outside the UK.

**St Mary's with St George's German
Lutheran Church**

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2021**

11. FIXED ASSET INVESTMENTS - continued

Cost or valuation at 31 December 2021 is represented by:

	Listed investments £	Unlisted investments £	Totals £
Valuation in 2021	4,044,941	29,000	4,073,941

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.21 £	31.12.20 £
Other debtors	22,725	17,959

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.21 £	31.12.20 £
Other creditors	2,400	7,435

14. MOVEMENT IN FUNDS

	At 1.1.21 £	Net movement in funds £	At 31.12.21 £
Unrestricted funds			
General reserve	1,967,269	(292,137)	1,675,132
Fixed asset reserve	853,561	(16)	853,545
Repairs reserve	718,659	94,560	813,219
Commitments reserve	56,915	-	56,915
	3,596,404	(197,593)	3,398,811
Restricted funds			
The Benevolent Fund	8,509	128	8,637
Outside causes	4,886	-	4,886
	13,395	128	13,523
Endowment funds			
Church endowments	1,019,636	519,488	1,539,124
Church s19	1,265,124	177,935	1,443,059
Church St George's s19	269,116	(10,014)	259,102
The Benevolent Fund	23,206	3,306	26,512
Schreiber for Widows Fund	49,037	6,987	56,024
	2,626,119	697,702	3,323,821
TOTAL FUNDS	6,235,918	500,237	6,736,155

**St Mary's with St George's German
Lutheran Church**

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2021**

14. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General reserve	95,224	(87,865)	(299,496)	(292,137)
Fixed asset reserve	-	(16)	-	(16)
Repairs reserve	-	-	94,560	94,560
	<u>95,224</u>	<u>(87,881)</u>	<u>(204,936)</u>	<u>(197,593)</u>
Restricted funds				
The Benevolent Fund	-	-	128	128
Endowment funds				
Church endowments	-	-	519,488	519,488
Church s19	-	-	177,935	177,935
Church St George's s19	-	-	(10,014)	(10,014)
The Benevolent Fund	-	-	3,306	3,306
Schreiber for Widows Fund	-	-	6,987	6,987
	<u>-</u>	<u>-</u>	<u>697,702</u>	<u>697,702</u>
TOTAL FUNDS	<u><u>95,224</u></u>	<u><u>(87,881)</u></u>	<u><u>492,894</u></u>	<u><u>500,237</u></u>

Comparatives for movement in funds

	At 1.1.20 £	Net movement in funds £	At 31.12.20 £
Unrestricted funds			
General reserve	1,157,560	809,709	1,967,269
Fixed asset reserve	251,283	602,278	853,561
Repairs reserve	618,204	100,455	718,659
Commitments reserve	56,915	-	56,915
	<u>2,083,962</u>	<u>1,512,442</u>	<u>3,596,404</u>
Restricted funds			
The Benevolent Fund	8,455	54	8,509
Outside causes	4,886	-	4,886
	<u>13,341</u>	<u>54</u>	<u>13,395</u>
Endowment funds			
Church endowments	402,125	617,511	1,019,636
Church s19	1,189,736	75,388	1,265,124
Church St George's s19	263,390	5,726	269,116
The Benevolent Fund	21,805	1,401	23,206
Schreiber for Widows Fund	46,077	2,960	49,037
	<u>1,923,133</u>	<u>702,986</u>	<u>2,626,119</u>
TOTAL FUNDS	<u><u>4,020,436</u></u>	<u><u>2,215,482</u></u>	<u><u>6,235,918</u></u>

**St Mary's with St George's German
Lutheran Church**

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2021**

14. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General reserve	2,086,303	(99,988)	(1,176,606)	809,709
Fixed asset reserve	-	-	602,278	602,278
Repairs reserve	-	-	100,455	100,455
	<u>2,086,303</u>	<u>(99,988)</u>	<u>(473,873)</u>	<u>1,512,442</u>
Restricted funds				
The Benevolent Fund	-	-	54	54
Endowment funds				
Church endowments	-	-	617,511	617,511
Church s19	-	-	75,388	75,388
Church St George's s19	-	-	5,726	5,726
The Benevolent Fund	-	-	1,401	1,401
Schreiber for Widows Fund	-	-	2,960	2,960
	<u>-</u>	<u>-</u>	<u>702,986</u>	<u>702,986</u>
TOTAL FUNDS	<u><u>2,086,303</u></u>	<u><u>(99,988)</u></u>	<u><u>229,167</u></u>	<u><u>2,215,482</u></u>

Capital and Endowment Funds

Church Endowments
Church s19 Capital
Church s19 St George's
The Benevolent Fund
Schreiber for Widows Fund

Capital funds generate income to be used for the work of the church in achieving the objectives of the charity. These capital amounts are restricted and cannot be used for current expenditure. The Church s19 Capital fund was created under the Church Order to protect the capital and help ensure adequate income would be created for the future to fulfil the church's obligations, and likewise the Church s19 St George's fund was created to protect the capital received on the merger with St Mary's. This group of funds also includes the two specific funds from the linked charities.

Restricted Income Funds

The Benevolent Income
Outside Causes Fund

Restricted income funds relate to income which can only be used for specific purposes. The Benevolent Income Fund combines the income from the corresponding capital fund with additional funds, to be used for grants to persons in need. The Outside Causes Fund was created by the Congregational Meeting to enable the church to make gifts to causes in addition to those on the church's monthly list.

General Unrestricted Funds

General reserve

General unrestricted reserve is a residual reserve for use in the furtherance of the charity's objectives without any specific restriction. This currently includes a notional separate reserve for the income accumulated on the capital legacy from Dr WS Norten while the church seeks advice on permitted uses of these funds.

Designated Asset Funds

Fixed asset reserve

Designated asset reserves mostly represent funds accumulated for replacing assets at the end of their life at the prices then expected to prevail. This expenditure does not occur annually and is expected to be significant so reserves are grown to ensure adequate funds will be available when required.

**St Mary's with St George's German
Lutheran Church**

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2021**

14. MOVEMENT IN FUNDS - continued

Other Designated Funds

Repairs reserve
Commitments reserve

Other designated reserves are created for significant non-capital expenditure expected in future years. As with the reserves for capital items, these are grown annually to ensure adequate funds will be available when required.

15. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 December 2021 or 2020.

**St Mary's with St George's German
Lutheran Church**

**Detailed Statement of Financial Activities
for the Year Ended 31 December 2021**

	31.12.21 £	31.12.20 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Offerings	-	145
Donations	8,805	8,821
Gift aid	-	859
	<hr/>	<hr/>
	8,805	9,825
Other trading activities		
Other events	434	442
Exceptional items	-	1,989,521
	<hr/>	<hr/>
	434	1,989,963
Investment income		
Ground rents receivable	1,446	471
Dividends	84,338	83,524
Deposit account interest	201	2,520
	<hr/>	<hr/>
	85,985	86,515
Total incoming resources	<hr/>	<hr/>
	95,224	2,086,303
EXPENDITURE		
Charitable activities		
Cleaner	-	50
Insurance	1,533	1,387
Motor expenses	3,245	1,452
Travel	280	203
postage & stationery	413	201
Telephone	317	289
Computer	650	-
Pastor's Assistant	24,482	17,035
Social work	-	39
Subscriptions	250	167
Community work	615	1,936
Cost of services	4,699	2,714
Bank charges	95	119
Special Project	-	4,153
Public relations	1,486	1,360
Children/confirmations	209	-
Consumables	-	327
Plant and machinery	1,641	1,428
Synod contributions	26,000	26,000
To individuals & charities	6,700	625
	<hr/>	<hr/>
	72,615	59,485
Support costs		
Management		
Rates and water	1,710	1,617
Insurance	5,103	5,051
Carried forward	6,813	6,668

**St Mary's with St George's German
Lutheran Church**

**Detailed Statement of Financial Activities
for the Year Ended 31 December 2021**

	31.12.21	31.12.20
	£	£
Management		
Brought forward	6,813	6,668
Light and heat	180	180
Office costs	-	70
Repairs and maintenance	2,583	10,326
Archive and storage	-	2,355
	<hr/>	<hr/>
	9,576	19,599
Governance costs		
Auditors' remuneration	-	3,000
Independent examiner's fees	2,400	-
Legal fees	1,152	16,030
Bookkeeping fees	2,138	1,874
	<hr/>	<hr/>
	5,690	20,904
Total resources expended	<hr/>	<hr/>
	87,881	99,988
Net income	<hr/> <hr/>	<hr/> <hr/>
	7,343	1,986,315