

**THE UNITED REFORMED CHURCH
(NORTHERN PROVINCE)
TRUST LIMITED**

Company Number : 134549

**ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED
31 DECEMBER 2008**

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**THE UNITED REFORMED CHURCH (NORTHERN PROVINCE) TRUST LIMITED
DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2008**

Directors:	R.E.Francis	- Chair	
	J.A.Breslin	- Secretary	
	D.C.Hayward	- Treasurer	(to 31 January 2009) (from 6 May 2008)
	D Pigeon	- Treasurer	(from 31 January 2009) (21 March – 21 July 2009)
	E.A.Barnes		
	J.C.Durell		
	J.C.G.Forrest		
	K.B.Hanson		(to 31 December 2008)
	J.C.Kennedy		(from 23 February 2008)
	M.J.Louis		
	J.Miller		
	D.Stembridge		(from 1 January 2009)
	W.R.H.Taylor		(from 1 January 2009)
	J.R.Tomlin		(from 1 January 2009)
	D.M.Walton		(to 30 January 2008)
	P.Ward		(from 1 January 2009)
N.G.Watson		(to 14 April 2009)	

Trust Officer:	A.Atkinson	
Synod Administrator:	A.Beecroft	(to 31 March 2008)
Finance Officer:	H.E.Hogg	(from 23 June 2008)

Registered Office: 4 College Lane Newcastle upon Tyne NE1 8JJ

Bankers:

Lloyds TSB
102 Grey Street Newcastle upon Tyne NE99 1SL

Bank of Scotland
41/51 Grey Street Newcastle upon Tyne NE1 6EE

Solicitors:

Ward Hadaway
Sandgate House
102 Quayside Newcastle upon Tyne NE1 3DX

(to 15 December 2008)

Hay & Kilner
Merchant House
30 Cloth Market Newcastle upon Tyne NE1 1EE

(from 27 February 2009)

Dickinson Dees LLP
One Trinity Broad Chare Newcastle upon Tyne NE1 2HF

Investment Managers:	UBS Wealth Management (UK) Limited 2 St James' Gate Newcastle upon Tyne NE4 7JH
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THE UNITED REFORMED CHURCH (NORTHERN PROVINCE) TRUST LIMITED DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2008

Nominees: UBS Wealth Management (UK) Limited
1 Curzon Street London W1J 5UB

Auditors: RMT Accountants & Business Advisors
Gosforth Park Avenue Newcastle upon Tyne NE12 8EG

Constitution

The United Reformed Church (Northern Province) Trust Limited (formerly known as the Durham and Northumberland Congregational Union (Incorporated)) was incorporated in England & Wales in 1914. It is excepted from registration with the Charity Commission by the Charities (Exception from Registration) (Amendment) Regulations 2007. It is intended to register in 2009 under the Charities Act 2006. It is a private charitable Company, limited by guarantee.

The Company is governed by its Memorandum & Articles of Association, which confer various powers, including powers to hold, maintain and administer property, money and investments; to buy and sell property and investments; and to take over any assets legally transferred to the Company. The investment pool operates according to the rules dated 18 November 1992 and adopted by the trustees on 27 February 1993, to which all parties have agreed.

The Directors are appointed by the United Reformed Church Northern Synod, and the officers are appointed by the Directors. By convention appointments to the Board comprise: the Moderator, Clerk and Treasurer of the Synod, four persons nominated by the Synod taking into account individuals' capacity and the need for a geographic spread, and up to seven other persons, on the basis of expertise. The Moderator of the Synod will usually serve as Chair. The Secretary is appointed from among the members of the Board of Directors. Where vacancies are identified, the Synod's Nominations Committee will seek to nominate, either by direct approach or advertisement amongst the 81 churches within the Synod. By the United Reformed Church Acts 1972-2000, all members and Directors must be also members of the United Reformed Church, and for this reason no candidates are sought outside the churches of the Northern Synod. Upon appointment, all Directors are provided with an induction pack explaining the work of the Company, and including the Charity Commission's leaflet *The Essential Trustee: what you need to know*. Further training may be provided when a need is identified, and indeed a very useful two-day course covering basic trustee duties and charity management was arranged early in 2008.

All Board decisions are taken by simple majority. The Board may make decisions by agreement of two Directors, on straightforward, non-controversial matters. The day-to-day running of the Company's affairs is carried out by two members of office staff, who are responsible to the Board, and who refer to the Directors when major decisions are needed.

Relations with other Parties

The Company shares eleven of its trustees with the United Reformed Church Northern Synod, which also operates out of the Synod Office.

THE UNITED REFORMED CHURCH (NORTHERN PROVINCE) TRUST LIMITED DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2008

The Synod has agreed to indemnify any Director in respect of costs incurred where there has been no fraud or blatant disregard of the interests of members or beneficiaries on the part of that director.

Risk Management

The Directors are responsible for assessing the major risks to which the Company is exposed, and for establishing systems to mitigate those risks. The Directors have considered approximately forty factors which could have a negative effect on the Company's ability to pursue its aims, both in terms of the likelihood of their occurring and the probable impact of such events. Six major risks have been identified, regarding legal compliance, insurance, financial loss, personnel, property and communications. The Directors will continue to review and monitor these risks, and the adequacy of the systems in place to reduce them.

Activities

The Company acts as custodian trustee, holding monies, investments and properties for the Synod and some local churches. As such, the Company has no assets or liabilities of its own and has not traded during the year. Details of assets held on behalf of others are given in the notes and appendices to these accounts.

As will be seen, the Company's work lies primarily in supporting the charitable work of local churches in their local communities, through its role as custodian trustee. The United Reformed Church (Northern Province) Trust Limited aims to be the preferred choice of custodian trustee for United Reformed Church charities in North East England, and currently handles 97% of United Reformed Church properties in the region. It has several advantages over private trusteeship, including expertise in dealing with many similar charities, access to experienced legal advisors, and continuity of ownership.

Objectives

The Company aims to continue to provide trustee services to the United Reformed Church in the North East. In 2009, we plan to continue the programme of registration of titles to property with HM Land Registry begun in 2005. This has the advantages of making titles more secure, enabling firmer assertion of the church's rights when necessary, and greatly simplifying property transactions. We aim to complete this programme by 2013, working with our solicitors under a service level agreement with HM Land Registry. We also aim to continue to provide good returns in line with our investment policy (see below), through our investment manager.

Volunteers

The work of the Company is carried out by volunteers (mainly the Directors) who receive expenses, as well as by two members of paid Synod staff, who are employed by the United Reformed Church. A service charge is levied by the Synod towards the administrative costs of those employees.

THE UNITED REFORMED CHURCH (NORTHERN PROVINCE) TRUST LIMITED DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2008

Volunteers donated an estimated 70 hours' work in total during the year. The value of this voluntary work is hard to assess in financial terms, but could amount to some £875. The Board takes the view that the Company is not excessively dependent on any one individual.

Review of the Year

In 2008, the Company took on trusteeship of 1 new fund, whilst 1 fund was fully spent, and 9 properties were registered.

Investments

The majority of the available funds of the Company are invested in the name of the custodian trustee, through its nominees. The Company receives advice on investment policy and the use of monies from its investment manager. Policy has been to grow income and capital in the context of a prudent and diversified fund. Following the implementation of the Trustee Act 2000 the following terms have been adopted:

- moderate to moderate-aggressive risk tolerance;
- long term timescale, emphasis on total return;
- with some income generation;
- a maximum exposure of 5% in any individual holding;
- a maximum exposure of 5% to alternative asset classes, each with adequate information, a minimum capital guarantee of 90% and a time limit of 5 years;
- performance measured against the WM Charities Unconstrained Universe of Funds;
- maximum allocation of 8% of the portfolio in total in alternative investments (structured products, hedge funds and real estate)
- minimum capital guarantee of 90% on an individual alternative investment on redemption
- All alternative investments to be denominated in sterling
- Each alternative investment to be adequately explained upon dealing at the time of posting the contract note
- Time limit of 5 years to redemption on alternative investments
- companies whose principal activities (ie, 15% or more of turnover) involve armaments, tobacco, pornography or gambling, or which are recognised as being exploitative of their employees, shall generally be omitted from the portfolio

It is not felt that this policy is having a significantly detrimental long-term effect. The investment manager has discretionary powers to manage the portfolio within the parameters set out by this policy, and reports regularly to the Investment Subcommittee on the performance of these funds.

Over the year the portfolio of funds held by the United Reformed Church (Northern Province) Trust for other charities underperformed the benchmark, with a loss of 27% against an index return of -19%. This was a very disappointing result, but came in the context of falling investment values across the world.

THE UNITED REFORMED CHURCH (NORTHERN PROVINCE) TRUST LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2008

Financial Review

The income of the Trust decreased by 21% to £216,527 in 2008 (2007 = £274,844). After deduction of administrative expenses and income earned on non-pool accounts, £80,644 was allocated to pooled funds (2007 = £212,061), which amounted to 1.4% of the total pooled funds at the beginning of the year. This fall in income can be attributed to the recent turmoil of the financial markets.

During the year, there was a net decrease in investments of £2,946,066, as some of the large sums being held on short-term deposit were drawn down for major redevelopment projects in local churches. Further sums are expected to be drawn down over the next 12 months. The year produced a revaluation deficit of £1,521,460 (2007 = deficit of £95,092). This can be attributed to the state of the financial markets.

Factors Affecting Performance

The Company's ability to achieve its objectives depends on a number of factors, not necessarily within its control, such as performance of investments, and the effective coordinated work of professional advisors and staff. In 2008 the significant factor in the ability of the Trust to meet its objectives was the turmoil in the financial markets.

Plans for the Future

The Company plans to continue its work for the foreseeable future.

The Charities Act 2006 will change the way charities work in future, and it is felt that many of these changes will be advantageous to charities. It is anticipated that the Company will be required to register with the Charity Commission when the relevant provisions of the Act come into effect. The Directors are taking the opportunity to update the Company's Memorandum & Articles of Association, which will allow for greater flexibility in future.

Following discussion between the United Reformed Church and the Charity Commission, the Synod has resolved to transfer all its assets, liabilities and commitments (and powers to manage them) to the Company, in order that there should be a single registerable entity at provincial level. In consequence of this, some members of the Synod's Finance & Property Committee have joined the Board from 1 January 2009, and the Company will in future hold the former Synod assets in its own right.

Assets held as Custodian Trustee

Through the United Reformed Church (Northern Province) Trust, the Company holds the following assets on behalf of other charities:

186 Properties	valuation for insurance purposes estimated to be £60m+
96 Investments	market value of £3,508,780
Cash at Banks	£732,334

**THE UNITED REFORMED CHURCH (NORTHERN PROVINCE) TRUST LIMITED
DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2008**

Details of movements in the pooled cash and investments are given in Appendix I. The properties held are listed in Appendix II. The charities which are beneficiaries of funds held are set out in Appendix III. Each of these charities relates to the United Reformed Church, and as such are proper trusts to be held.

Title deeds are held in safe custody by the Company's solicitors and certain other solicitors, and investments are held by the nominees. Most of the properties are visited regularly by members of the United Reformed Church. Detailed accounting records are kept, segregating the funds relating to individual charities.

Statement of Directors' Responsibilities

The Charities Acts 1993 and 2006, and the Charities (Statement of Account) Regulations 1995 require the Directors to prepare accounts for each financial year. In preparing these accounts, the Directors are encouraged to follow the recommendations outlined in the 2005 Statement of Recommended Practice on Accounting and Reporting by Charities.

The Directors are required to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company's financial activities during the year and of its financial position at the end of the year. In preparing financial statements, the Directors should follow best practice and:

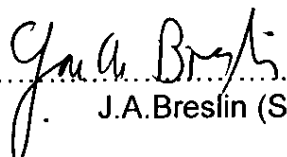
- (a) select suitable accounting policies and then apply them consistently;
- (b) make judgements and estimates that are reasonable and prudent;
- (c) state whether the policies adopted are in accordance with the appropriate Statement of Recommended Practice and with applicable accounting standards, subject to any material departures disclosed and explained in the financial statements;
- (d) prepare the financial statements on the going concern basis unless it is inappropriate to assume that the Company will continue in operation.

The Directors are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time, the financial position of the Company and to enable them to ensure that the financial statements comply with relevant law. They are also responsible for safeguarding the assets of the Company, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

The Auditors, RMT, have expressed their willingness to continue in office, and a resolution to reappoint them will be proposed at the Board Meeting in September 2009.

BY ORDER OF THE BOARD


.....
J.A. Breslin (Secretary)


.....
Date

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE UNITED REFORMED
CHURCH (NORTHERN PROVINCE) TRUST LIMITED**

We have audited the financial statements of The United Reformed Church (Northern Province) Trust Limited for the year ended 31 December 2008 which comprise the Statement of Financial Activities, Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the charity's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

The trustees' (who are also the directors of The United Reformed Church (Northern Province) Limited for the purposes of company law) responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Trustees' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Trustees' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the charity has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees' remuneration and other transactions is not disclosed.

We read the Trustees' Report and consider the implications for our report if we become aware of any apparent misstatements within it. Our responsibilities do not extend to any other information.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE UNITED REFORMED
CHURCH (NORTHERN PROVINCE) TRUST LIMITED**

Basis of audit opinion (continued)

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the charity's affairs as at 31 December 2008 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Trustees' Report is consistent with the financial statements.



.....
RMT
Registered Auditors
Gosforth Park Avenue
Newcastle upon Tyne
NE12 8EG

Date: 29.10.09

THE UNITED REFORMED CHURCH (NORTHERN PROVINCE) TRUST LIMITED

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2008**

(Including Income & Expenditure Account and Statement of Recognised Gains & Losses)

	<u>Notes</u>	<u>Unrestricted Funds</u>	<u>Restricted Funds</u>	<u>Endowed Funds</u>	<u>Total Funds 2008</u>	<u>Total Funds 2007</u>
TOTAL INCOMING RESOURCES	-	-	-	-	-	-
TOTAL EXPENDITURE	-	-	-	-	-	-
GROSS TRANSFERS BETWEEN FUNDS	-	-	-	-	-	-
NET INCOME/(EXPENDITURE) FOR THE YEAR	-	-	-	-	-	-
TOTAL GAINS/(LOSSES) ON INVESTMENTS	-	-	-	-	-	-
NET MOVEMENT IN FUNDS	-	-	-	-	-	-
TOTAL FUNDS BROUGHT FORWARD	-	-	-	-	-	-
TOTAL FUNDS CARRIED FORWARD	-	-	-	-	-	-

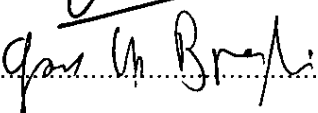
**BALANCE SHEET
AS AT 31 DECEMBER 2008**

	<u>Notes</u>	<u>Unrestricted Funds</u>	<u>Restricted Funds</u>	<u>Endowed Funds</u>	<u>Total Funds 2008</u>	<u>Total Funds 2007</u>
GROSS ASSETS	-	-	-	-	-	-
GROSS LIABILITIES	-	-	-	-	-	-
NET ASSETS	-	-	-	-	-	-
CAPITAL & RESERVES	-	-	-	-	-	-
Called-up Share Capital	2	-	-	-	-	-
Shareholders' Funds	-	-	-	-	-	-

The financial statements on pages 9 to 17 were approved at a meeting of Directors of the United Reformed Church (Northern Province) Trust Limited on 3 September 2009 and are signed on its behalf by:

..... 

J.C.Durell - Director

..... 

J.A.Breslin - Secretary

The notes and appendices on pages 10 to 22 form part of these financial statements.

THE UNITED REFORMED CHURCH (NORTHERN PROVINCE) TRUST LIMITED
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2008

1 Accounting Policies

The accounts have been prepared in accordance with Statement of Recommended Practice on Accounting and Reporting by Charities (SORP 2005), the Financial Reporting Standard for Smaller Entities, the Charities Act 1993, and the Companies Act 1985.

2 Share Capital

The Company is limited by guarantee and does not have a share capital.

3 Income and Expenditure Account

The Company has not traded, made profits or losses, nor incurred any liabilities during the year ended 31 December 2008.

4 Commitments

The Company has no outstanding commitments.

5 Investment Holdings

The Company acts as custodian trustee, holding monies, investments and properties on behalf of the United Reformed Church Northern Synod and some local churches in that Province, and therefore has no assets or liabilities in its own right.

The Directors have decided that certain assets should more properly be treated as assets of the Trust, and therefore held for all the pool investors at the relevant time. Income and expenditure from these assets is distributed across the investment pool. These assets comprise the freehold reversion of 38 residential properties in Sunderland (shown in Appendix II), from which nominal ground rents are collected. The Directors take the view that whilst these are indeed assets of the Trust and should be disclosed as such, their value can be considered to be negligible.

The following table shows the pooled cash and investments held by the nominees on behalf of the Company. Further details are given in Appendix I.

	31 December 2008		31 December 2007	
	£		£	
Investment Cash & Current Assets	732,334		2,070,754	
	Market Value	Cost	Market Value	Cost
	£	£	£	£
Investments	3,334,911	3,673,470	4,942,557	3,734,436

All investments are held as Custodian Trustee. The Investment Pool is diversified, comprising a variety of gilts, bonds, stocks, shares, unit trusts, mutual funds, and cash. All holdings are listed on recognised stock exchanges or valued by reference to such investments. Investments are mainly in the UK Government and UK companies, with a few European companies. No individual holding is in excess of 5% of the portfolio.

THE UNITED REFORMED CHURCH (NORTHERN PROVINCE) TRUST LIMITED
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2008

6 Directors' Expenses

None of the Directors receives any remuneration for their services to the Company. During the year, Directors were reimbursed by the United Reformed Church Northern Synod for expenses incurred in connection with their duties.

	£	
Travelling expenses (1 Director)	2	

7 Staff Costs and Emoluments

	£	
Gross Salaries of Seconded Staff	14,374	
Employer's National Insurance Contribution	1,266	
Employer's Pension Contributions	2,279	
	<u>17,919</u>	

These secondments from the United Reformed Church Northern Synod amount to an average of 1.05 full-time equivalent employees for the year. No employee received emoluments above £60,000.

8 Related Party Transactions

The United Reformed Church Northern Synod and the United Reformed Church (Northern Province) Trust Limited are related parties in that there are elements of control in common with each other. The Company shared eleven of its Trustees with Synod. Separate accounts are prepared for each body, which provide details of financial transactions between the related parties.

As detailed in Appendix I, funds are received, held and paid out by the Trust on behalf of fundholders, including the Synod. All transactions are properly authorised by the relevant bodies.

Also, as shown in Appendix I, a service charge (of £23,040 in 2008) is paid to the Synod in return for administrative services provided to the Company by the Synod, including staff time and related costs. The level of charge is carefully considered by both bodies on an annual basis.

THE UNITED REFORMED CHURCH (NORTHERN PROVINCE) TRUST LIMITED
APPENDIX I
RECONCILIATION OF POOL FUNDS HELD FOR THE YEAR ENDED 31 DECEMBER 2008

	Notes	Revenue Account £	Synod Funds £	Local Church Funds £	Total Funds 2008 £	Total Funds 2007 £
<u>INCOME</u>						
Monies Received from Investors		-	524,709	21,962	546,671	5,906,507
Investment Income	3	216,341	-	-	216,341	273,977
Income Allocation	3	-	76,147	4,497	80,644	212,061
Other Income	3	186	-	-	186	867
TOTAL INCOMING RESOURCES		216,527	600,856	26,459	843,842	6,393,412
<u>EXPENDITURE</u>						
Indirect Expenditure:						
Monies Paid to/for Investors		-	2,093,189	19,757	2,112,946	6,697,225
Administration: Service Charge	3	23,040	-	-	23,040	22,260
Other Expenses	3	112,844	-	-	112,844	40,522
Money Allocated	3	80,644	-	-	80,644	212,061
TOTAL EXPENDITURE		216,527	2,093,189	19,757	2,329,473	6,972,068
GROSS TRANSFERS BETWEEN FUNDS		-	32,296	(32,296)	-	-
NET INCOMING/(OUTGOING)		-	(1,460,037)	(25,594)	(1,485,631)	(578,656)
Unrealised Gains:						
Revaluation of Investments	2	-	(1,433,916)	(87,544)	(1,521,460)	(95,092)
Realised Gains:						
Sale of Investments		-	57,620	3,405	61,025	311,368
TOTAL GAINS/(LOSSES) ON INVESTMENTS		-	(1,376,296)	(84,139)	(1,460,435)	216,276
NET MOVEMENT IN FUNDS		-	(2,836,333)	(109,733)	(2,946,066)	(362,381)
TOTAL FUNDS BROUGHT FORWARD		-	6,716,540	296,771	7,013,311	7,375,692
TOTAL FUNDS CARRIED FORWARD		-	3,880,207	187,038	4,067,245	7,013,311

The Trust itself does not own any of these funds, and so may not spend them.

THE UNITED REFORMED CHURCH (NORTHERN PROVINCE) TRUST LIMITED
APPENDIX I
BALANCE OF POOL FUNDS HELD AS AT 31 DECEMBER 2008

	<u>Notes</u>	<u>2008</u>	<u>2007</u>
FIXED ASSETS		£	£
Investments	2	3,508,780	5,085,428
CURRENT ASSETS			
Cash at bank		<u>558,465</u>	<u>1,927,883</u>
		<u>558,465</u>	<u>1,927,883</u>
NET ASSETS		<u>4,067,245</u>	<u>7,013,311</u>
REPRESENTED BY:			
Trust Capital Accounts		889,504	2,139,503
Synod Accounts		<u>2,990,703</u>	<u>4,577,037</u>
Total Synod Funds		3,880,207	6,716,540
Local Church Funds		<u>187,038</u>	<u>296,771</u>
		<u>4,067,245</u>	<u>7,013,311</u>

THE UNITED REFORMED CHURCH (NORTHERN PROVINCE) TRUST LIMITED
APPENDIX I
NOTES TO POOL FUNDS

1 Accounting Policies

These accounts have been prepared in accordance with the Statement of Recommended Practice on Accounting and Reporting by Charities (SORP 2005), the Financial Reporting Standard for Smaller Entities and the Charities Act 1993.

However, the Trustees take the view that the full SORP is not entirely appropriate for the pool, as all assets are held on behalf of others. Therefore, a Reconciliation of Funds Held (showing movements in funds held for Synod and for Local Churches) and a Balance of Funds Held have been provided rather than a Statement of Financial Activities and a Balance Sheet. Analysis of restrictions on funds and full compliance with the SORP is to be found in the accounts of owners of the underlying assets.

The accounts have been prepared under the historical cost convention except for the revaluation of certain investments and the principal accounting policies adopted within that convention are set out below.

- (a) Dividends and interest from investments and income from rents are brought into account when received. Tax recoverable is brought into account when receivable.
- (b) Investments are stated at market value at 31 December 2008 and have been revalued at that date. The trustees have allocated the gain on revaluation on the basis of the funds held in the investment pool at 31 December 2007 and will adjust for capital gains/(losses) at six monthly intervals thereafter.
- (c) Trust income is allocated to individual trust funds according to balances held on their respective capital accounts and is calculated on half-yearly valuations at June and December.
- (d) The company has taken advantage of the exemption conferred by Financial Reporting Standard 1 from presenting a cashflow statement as it qualifies as a small charity.

THE UNITED REFORMED CHURCH (NORTHERN PROVINCE) TRUST LIMITED
APPENDIX I
NOTES TO POOL FUNDS

2 Fixed Asset Investments

	UK Listed Invest- ments £	Ex-UK Listed Invest- ments £		Total £
Opening Balance	4,892,468	50,089		4,942,557
Additions	271,353	-		271,353
Disposals	(418,564)	-		(418,564)
Revaluation	(1,455,487)	(4,948)		(1,460,435)
Closing Balance	<u>3,289,770</u>	<u>45,141</u>		<u>3,334,911</u>
Cash held				173,869
Total Investments held				<u><u>3,508,780</u></u>
Historical Cost				
31 December 2007	<u>3,705,148</u>	<u>29,288</u>	-	<u>3,734,436</u>
31 December 2008	<u>3,644,745</u>	<u>28,725</u>	-	<u>3,673,470</u>

Further analysis of investments can obtained from the Synod Office.

THE UNITED REFORMED CHURCH (NORTHERN PROVINCE) TRUST LIMITED
APPENDIX I
NOTES TO POOL FUNDS

3 Revenue Account

For the Year Ended 31 December 2008

	<u>2008</u>		<u>2007</u>	
INCOME	£	£	£	£
Investment Income:				
Dividends and interest (UK)	151,292		142,760	
Dividends and interest (ex-UK)	1,625		1,250	
Bank interest	33,307		129,967	
Deposit Income	27,297			
Loan Interest	<u>2,820</u>			
		216,341		273,977
Income from ground rents at Sunderland	186		392	
Sundry Income	<u>0</u>		<u>475</u>	
		186		867
Less:				
Miscellaneous Expense:				
Non-Pool Deposit Income	(96,718)		(27,777)	
Investment Manager's Fees (Note 4)	(13,048)		(11,525)	
Insurance	(1,833)		(1,150)	
Sundry Expenses	(1,245)		(71)	
Trust Administration Charge	<u>(23,040)</u>		<u>(22,260)</u>	
		(135,884)		(62,782)
		<u>80,644</u>		<u>212,062</u>
Allocations To:				
Accounts held for Churches	4,497		86,642	
Trust Capital Accounts	13,276		48,824	
Synod Accounts	<u>62,871</u>		<u>76,595</u>	
		<u>80,644</u>		<u>212,061</u>

4 Investment Manager's Fees

	<u>2008</u>	<u>2007</u>
	£	£
Fees for 12 months' investment	11,105	9,808
VAT	<u>1,943</u>	<u>1,716</u>
	<u>13,048</u>	<u>11,525</u>

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Properties Vested in the Company as Custodian Trustee

The title deeds to 142 largely local Church properties vested in the Company as custodian trustee are set out below.

Property	Documents Held
St James's Church, Pottergate, Alnwick	Ward Hadaway
St James's Manse, 25 Swansfield Park Road, Alnwick	Ward Hadaway
St Mark's Church, Wellwood Street, Amble	Ward Hadaway
Trinity Church, Station Road, Ashington	Ward Hadaway
Land at 1 Park Road East, Ashington	Ward Hadaway
Land behind former Langwell Crescent Manse, Ashington	Ward Hadaway
Trinity Church, Front Street, Bedlington	Ward Hadaway
Trinity Manse, 24 Barnard Close, Bedlington	Ward Hadaway
Church, Nursery Lane, Belford	Ward Hadaway
Manse, 5 Nursery Lane, Belford	Ward Hadaway
Former BirdhopeCraig Church, Bremenium Way, Rochester	Ward Hadaway
Church, Manse, Hall & Cottages, 1-11 West Turnpike, Glanton	Ward Hadaway
Church & House, 26 Crookham, Cornhill-on-Tweed	Ward Hadaway
Church, Longframlington	Ward Hadaway
St George's Church & Hall, Bridge Street, Morpeth	Ward Hadaway
St George's Manse, 3 River View, Morpeth	Ward Hadaway
St Mark's Church, Gibson Street, Newbiggin-by-the-Sea	Ward Hadaway
Church, Market Place, Rothbury	Ward Hadaway
Manse & land, High Street/Craggside View, Rothbury	Ward Hadaway
Church & land, The Butts, Warkworth	Ward Hadaway
Manse, 29a Morwick Road, Warkworth	Ward Hadaway
Church & Hall, Cheviot Street, Wooler	Towns Needham
Manse, 51 Glendale Road, Wooler	Towns Needham
Car park, Wooler	Towns Needham
Church, Great Bavington	Ward Hadaway
Christ Church, Acklington Road, North Broomhill	Ward Hadaway
St Cuthbert's Centre, Prior Lane/Fiddlers Green, Holy Island	Ward Hadaway
St Cuthbert's Manse, Lewins Lane, Holy Island	Ward Hadaway
Refuge Manse, 28 Northumberland Road, Tweedmouth	Ward Hadaway
St Paul's Church, Main Street, Spittal, Berwick upon Tweed	Ward Hadaway
Hall, Main Street, Horncliffe	Ward Hadaway
Manse, 38 Goldstone, Tweedmouth	Ward Hadaway
Church & Manse, Thropton	Ward Hadaway
Church & Churchyard, Falstone	Ward Hadaway
Church & Churchyard, Kielder	Ward Hadaway
Church, Waterloo Road, Blyth	Ward Hadaway
Manse, 27 Collingwood Terrace, Blyth	Ward Hadaway
Church & Hall, Brighton Road, Gateshead	Ward Hadaway
Church, Cromer Avenue, Low Fell, Gateshead	Ward Hadaway
Manse, 33 Cromer Avenue, Low Fell, Gateshead	Ward Hadaway

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Church, Denewell Avenue, Low Fell, Gateshead	Ward Hadaway
Manse, 42 Denewell Avenue, Low Fell, Gateshead	Ward Hadaway
Trinity Manse, 2 Elmfield Grove, Gosforth	Ward Hadaway
St Aidan's Church, Hencotes, Hexham	Ward Hadaway
St Aidan's Manse, 2 Leazes Terrace, Hexham	Ward Hadaway
St Andrew's Church, Eastfield Avenue, Monkseaton	Hay & Kilner
Synod Manse, 14 Elmwood Road, Monkseaton	Ward Hadaway
Former Church site, Hugh Gardens, Benwell, Newcastle upon Tyne	Ward Hadaway
St Cuthbert's Church, Heaton Road, Heaton, Newcastle upon Tyne	Ward Hadaway
St Cuthbert's Manse, 3 Crompton Road, Heaton, Newcastle upon Tyne	Ward Hadaway
Church & Hall, Burdon Terrace, Jesmond, Newcastle upon Tyne	
Manse flat, Haldane House, 51 Burdon Terrace, Jesmond, Newcastle upon Tyne	Ward Hadaway
Halls, Haldane House, 49 Burdon Terrace, Jesmond, Newcastle upon Tyne	Ward Hadaway
Flat, Haldane House, 51a Burdon Terrace, Jesmond, Newcastle upon Tyne	Ward Hadaway
St Andrew's Church, Wyndham Avenue, Kenton, Newcastle upon Tyne	Ward Hadaway
St Andrew's Manse, Wyndfall Way, Kenton, Newcastle upon Tyne	Ward Hadaway
Robert Stewart Memorial Church & flat, 89 Wingrove Road, Newcastle upon Tyne	Ward Hadaway
Robert Stewart Memorial Manse, 10 Warenford Place, Newcastle upon Tyne	Ward Hadaway
St George's Church & Halls, Newton Road, High Heaton, Newcastle upon Tyne	Ward Hadaway
St George's Manse, 2 Boundary Gardens, High Heaton, Newcastle upon Tyne	Ward Hadaway
St James's Church, Northumberland Road, and Halls & House, 4-8 College Lane, Newcastle upon Tyne	Ward Hadaway
St James's Manse, 21 The Riding, Kenton, Newcastle upon Tyne	Ward Hadaway
John Knox Church, Middlegate, West Denton, Newcastle upon Tyne	Ward Hadaway
John Knox Manse, 58 Ashdale Crescent, West Denton, Newcastle upon Tyne	Ward Hadaway
West End Church & House, 69 Two Ball Lonnen, Fenham, Newcastle upon Tyne	Ward Hadaway
West End Manse, 32 Grange Road, Fenham, Newcastle upon Tyne	Ward Hadaway
St Mark's Church, Tynemouth Road, High Howdon	Ward Hadaway
St Columba's Church & Hall, 30 Northumberland Square, North Shields	Ward Hadaway
St Columba's Manse, 15 West Dene Drive, North Shields	Ward Hadaway

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Church, Broadway, Darras Hall, Ponteland	Ward Hadaway
Manse, 1 Station Cottages, Broadway, Darras Hall, Ponteland	Ward Hadaway
Church, Main Road, Barmoor, Ryton	Ward Hadaway
Church, Hall & land, Main Street, Horsley	Ward Hadaway
Manse, Main Street, Horsley	Ward Hadaway
Car park access, Horsley	Ward Hadaway
Land at Whiggs Farm, Great Whittington	Ward Hadaway
Elsdon Avenue Church, Elsdon Avenue, Seaton Delaval	Ward Hadaway
43/45 Blyth Street, Seaton Delaval	Ward Hadaway
21/22 Manners Gardens, Seaton Delaval	Ward Hadaway
Synod Manse, 18 Mortimer Road, South Shields	Ward Hadaway
St Margaret's Church, Prince Edward Road, South Shields	Ward Hadaway
St Paul's & St John's Church, Beach Road, South Shields	Ward Hadaway
St Paul's & St John's Hall, 1 Broughton Road, South Shields	Ward Hadaway
St Paul's & St John's Manse, 80 Grosvenor Road, South Shields	Ward Hadaway
Former Trinity Church, Esplanade, Whitley Bay	Ward Hadaway
Former Trinity Manse, 50 Beech Grove, Whitley Bay	Ward Hadaway
St John's Church, 1 Canterbury Way, Wideopen	Ward Hadaway
St John's Manse, 33 Halton Drive, Wideopen	Ward Hadaway
Church & land, Front Street, Winlaton	Ward Hadaway
Church, Hexham Road, Wark	Ward Hadaway
Church, Westgate, Haltwhistle	Ward Hadaway
Car Park, Sycamore Street, Haltwhistle	Ward Hadaway
St Andrew's Church, Durham Road, Blackhill, Consett	Ward Hadaway
Synod Manse, 44 Wearside Drive, Durham	Ward Hadaway
Church, Waddington Street, Durham	Ward Hadaway
Manse, 10 Ellam Avenue, Nevilles Cross, Durham	Ward Hadaway
Church & Schoolhouse, Front Street, Boldon	Ward Hadaway
Church, Galway Road, Grindon, Sunderland	Ward Hadaway
Church, Side Cliff Road, Roker, Sunderland	Ward Hadaway
Manse, 18 North Grove, Roker, Sunderland	Ward Hadaway
St George's Centre, Belvedere Road, Sunderland	Ward Hadaway
Bartram Lodge, 16 Ashmore Street, Sunderland	Ward Hadaway
St George's Manse, 138 Queen Alexandra Road, Sunderland	Ward Hadaway
West Park Centre, Stockton Road, Sunderland	Ward Hadaway
West Park Manse, 108 Mount Road, Sunderland	Ward Hadaway
Christ Church, hall & land, Church Bank, Stanley	Ward Hadaway
Manse, 38 Brancepeth Road, Oxclose, Washington	Ward Hadaway
St Bede Church, School, etc, 65 Sorley Street, Sunderland	Ward Hadaway
St Bede Cottage, 12 Ewesley Road, Sunderland	Ward Hadaway
Church & Flat, 12 Hall Street, Barnard Castle	Ward Hadaway
St Columba's Church, Marsh House Avenue, Billingham	Ward Hadaway
Church, Northgate, Darlington	Ward Hadaway
Manse, 138 Woodland Road, Darlington	Ward Hadaway
Springfield site, Thompson Street East, Darlington	Ward Hadaway
Church, Westgate, Guisborough	Ward Hadaway

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House, 56/58 Westgate, Guisborough	Ward Hadaway
Church, Stanghow Road, Lingdale	Ward Hadaway
Manse & land, 2 Stanghow Road, Lingdale	Ward Hadaway
Church, Clive Road, Linthorpe, Middlesbrough	Ward Hadaway
Zion Church, 178 High Street, Northallerton	Ward Hadaway
Zion Manse, 2a Hatfield Road, Northallerton	Ward Hadaway
Shop, 178 High Street, Northallerton	Ward Hadaway
Shop, 179 & 179a High Street, Northallerton	Ward Hadaway
St Andrew's Church, Cypress Road, Marton, Middlesbrough	Ward Hadaway
Church & Flat, 72/84 Station Road, Redcar	Ward Hadaway
Manse, 31 Torcross Way, Redcar	Ward Hadaway
St Andrew's Mission Hall, Mansfield Avenue, Thornaby-on-Tees	Ward Hadaway
Church, School, Institute & Manse, Keld	Ward Hadaway
Land at Broken Intake, Keld	
Allotment land, Keld	
Church, Low Row	Ward Hadaway
Land at Birkett Pasture, Nateby, Kirkby Stephen	Ward Hadaway
Land at Waller Fields	Ward Hadaway
Queen's Park Church, Alma Street, Stockton-on-Tees	Ward Hadaway
St Andrew & St George Church, Yarm Lane, Stockton-on-Tees	Ward Hadaway
Manse, 40 Crooks Barn Lane, Stockton-on-Tees	Ward Hadaway
Manse, 9 Springfield Avenue, Hartburn, Stockton-on-Tees	Ward Hadaway
St George's Church, York Road, Hartlepool	Ward Hadaway
St George's Manse, 26 Tunstall Avenue, Hartlepool	Ward Hadaway
Group Manse, 10 Farington Drive, Marton, Middlesbrough	Ward Hadaway
Group Manse, 24 Badgers Wood, Kip Hill, Stanley	Ward Hadaway
Church, Main Street, Cockermouth	Towns Needham

The title deeds to 38 ground rent properties vested in the Company as custodian trustee are set out below.

62 Alston Crescent, Sunderland	Ward Hadaway
67 Alston Crescent, Sunderland	Ward Hadaway
69 Alston Crescent, Sunderland	Ward Hadaway
71 Alston Crescent, Sunderland	Ward Hadaway
75 Alston Crescent, Sunderland	Ward Hadaway
23 Dene Lane, Sunderland	Ward Hadaway
17 Dykelands Road, Sunderland	Ward Hadaway
19 Dykelands Road, Sunderland	Ward Hadaway
25 Dykelands Road, Sunderland	Ward Hadaway
29 Dykelands Road, Sunderland	Ward Hadaway
33 Dykelands Road, Sunderland	Ward Hadaway
49 Dykelands Road, Sunderland	Ward Hadaway
51 Dykelands Road, Sunderland	Ward Hadaway
53 Dykelands Road, Sunderland	Ward Hadaway
83 Dykelands Road, Sunderland	Ward Hadaway

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84 Dykelands Road, Sunderland	Ward Hadaway
91 Dykelands Road, Sunderland	Ward Hadaway
92 Dykelands Road, Sunderland	Ward Hadaway
93 Dykelands Road, Sunderland	Ward Hadaway
94 Dykelands Road, Sunderland	Ward Hadaway
95 Dykelands Road, Sunderland	Ward Hadaway
103 Dykelands Road, Sunderland	Ward Hadaway
109 Dykelands Road, Sunderland	Ward Hadaway
111 Dykelands Road, Sunderland	Ward Hadaway
113 Dykelands Road, Sunderland	Ward Hadaway
12 Keswick Avenue, Sunderland	Ward Hadaway
20 Keswick Avenue, Sunderland	Ward Hadaway
10 Marina Avenue, Sunderland	Ward Hadaway
9 Prince George Avenue, Sunderland	Ward Hadaway
11 Prince George Avenue, Sunderland	Ward Hadaway
31 Prince George Avenue, Sunderland	Ward Hadaway
10 Viewforth Drive, Sunderland	Ward Hadaway
2 Winalot Avenue, Sunderland	Ward Hadaway
3 Winalot Avenue, Sunderland	Ward Hadaway
4 Winalot Avenue, Sunderland	Ward Hadaway
5 Winalot Avenue, Sunderland	Ward Hadaway
6 Winalot Avenue, Sunderland	Ward Hadaway
8 Winalot Avenue, Sunderland	Ward Hadaway

The title deeds to 5 properties held for retired ministers' housing or wider ministries housing vested in the Company as custodian trustee are set out below.

29 Dovedale Gardens, High Heaton, Newcastle upon Tyne	Ward Hadaway
7 Dunmoor Road, Ingleby Barwick, Stockton-on-Tees	Ward Hadaway
5 The West Rig, Kenton, Newcastle upon Tyne	Ward Hadaway
19 Richardson Fields, Barnard Castle	Ward Hadaway
24 Melrose Drive, Low Hartburn, Stockton-on-Tees	Ward Hadaway

The title deeds to St Mark's Manse, 20 Fox Howe, Coulby Newham, Middlesbrough are believed to be vested in the Company as custodian trustee jointly with the Methodist Property Division. The deeds are held with Nunthorpe Methodist Circuit.

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Schedule of Beneficiaries of Funds Held

The United Reformed Church Northern Synod
Rothbury United Reformed Church
Widdrington United Reformed Church
Great Bavington United Reformed Church
Thropton United Reformed Church
St Columba's United Reformed Church, North Shields
Cromer Avenue United Reformed Church, Gateshead
Ponteland United Reformed Church
Horsley Village Church
The Church on the Green, Stamfordham
Trinity United Reformed Church, Whitley Bay
Stockton Road United Reformed Church, Sunderland
St Columba's United Reformed Church, Billingham
St George's United Reformed Church, Hartlepool