

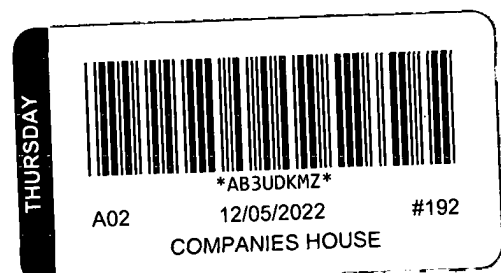
Registrar

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

Charity registered no: 1068103

Company registered no: 1562723

**ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
31 DECEMBER 2021**



**THE UNITED REFORMED CHURCH (YORKSHIRE PROVINCE) TRUST LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

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**THE UNITED REFORMED CHURCH (YORKSHIRE PROVINCE) TRUST LIMITED**  
**TRUSTEES' ANNUAL REPORT**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

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Page 1

This report fulfils the requirements of the Charities Act 2011 for a Trustees' Annual Report, and the requirements of the Companies Act 2006 for a Directors' Report.

**Objectives and Activities**

The United Reformed Church (Yorkshire Province) Trust Limited ('the Charity') is established to advance the Christian religion and propagate the Gospel in accordance with the doctrines, principles and usages of the United Reformed Church with particular responsibility for the Yorkshire Synod of that Church.

The Charity exists to support the United Reformed Churches of the Yorkshire Synod in their search to obey the will of Christ in their witness to the world. The main objective of the Charity is to provide resources, funded by the Charity's assets, to enable the churches to do this.

Currently, the main strategy of the Charity is to maximise income through the Executive Council, in partnership with the Investment Sub Committee; and to apply the resources so generated in response to requests from the appropriate councils of the United Reformed Church in Yorkshire and in accordance with the United Reformed Church Acts 1972, 1981 and 2000.

**Significant activities**

Encouraging churches to undertake mission activity relevant to their variety of contexts.

Provision of information, advice, support and encouragement to churches covering...

- Property maintenance and development
- Legal and compliance issues
- Terms of settlement for existing and new ministers
- Accounting requirements
- Management of the Mission and Ministry Scheme

Administering the investments and property of the churches.

Advising and assisting with establishing, grouping, amalgamating or dissolution of local churches within the United Reformed Church and with other denominations.

Developing a strategy for the deployment of ordained ministry within the Synod and assisting churches during times of vacancy.

Providing training and resources for the enabling of;

- Both lay and ordained ministers
- Adults and young people
- Safeguarding of children, young people and vulnerable adults

Grant making and other financial support for church buildings and mission projects.

Management and maintenance of investments and properties held for the use of the Charity.

**Public Benefit**

The Charity has considered the Charity Commission's guidance on public benefit and, in particular, the specific guidance on charities for the advancement of religion.

The Charity proclaims the Gospel of Jesus Christ, with its long established moral framework, and strives to develop spirituality and spiritual well-being through relationship with the God of the Bible.

This benefit is available to all communities who are within reach of one or more of our 88 churches which are situated across Yorkshire. Further details are to be found throughout the remainder of this report.

### **Objectives and Activities (continued)**

#### **Grants Policy**

The objects of the Charity dictate that grants can only be made to United Reformed Churches and Local Ecumenical Partnerships which are part of the Yorkshire Synod of the United Reformed Church.

Normally, the only individuals who can receive a grant are retired ministers or their widow(er)s and these welfare grants are awarded in response to applications made to the Welfare Committee each year. Applicants must be resident within the Yorkshire Synod.

United Reformed Churches in Yorkshire may apply for assistance from the following funds:

Church Extension Fund	interest free loans for church building projects
Closed Churches Fund	for 25% of the cost of church survey reports
	Vision and Opportunity grant for churches facing building challenges
	Vision and Opportunity grant for churches and individuals for training, evangelical and pastoral projects
Synod Mission Fund	for Mission projects assessed against the "Ten Statements of Mission" which have been adopted by the United Reformed Church

Synod Mission Fund grant applications are considered by the Mission Fund Panel, which meets four times a year. The Panel consists of the Synod Clerk, Synod Evangelist, and Conveners of the Synod Pastoral, Ministries, Property and Financial Resources Committees.

From time to time other funds may be made available with the approval of the Synod.

Applications for interest free loans will be considered by the Synod Financial Resources Committee.

All grants are accounted for once a decision has been reached and the church notified, and if applicable has accepted the terms of the grant. Grants will be held for a maximum of three years, any delay longer than this will require a fresh application.

### **Achievements, Performance and Future Plans**

The Charity has maximised its income, subject to compliance with its ethical investment policy, and applied its resources in response to requests from the appropriate councils of the Church and has employed staff to carry out the activities shown on page 1.

The performance of the investment portfolios was assessed by the Investment Sub Committee on behalf of the Trustees and the income received was some 15% higher (2020: 13% lower) than the budget set by the Synod for 2021. Considering the impact of Covid-19 on the financial markets, it was felt that this was a very acceptable result. The economic climate remains uncertain with increasing interest rates, inflationary pressures and the situation in the Ukraine.

Two years on from the beginning of pandemic restrictions, it is clear that there are continuing impacts on the normal church life. The working, worshipping and mission patterns have changed and it is not yet clear to what extent they will revert to what they were like pre-pandemic, and to what extent there will be long-term adjustments.

The process has been traumatic in many ways, and the impact is showing itself in slow-motion in the church. Over the last year there has been the closure of 4 churches, and there have been 2 instances of amalgamating churches. The pandemic has forced conversations over issues which have long been there. More positively, the Synod has proven it can do things differently and this has created the opportunity to re-imagine the life of the church.

There are many examples of good work across the Synod. The Leading Your Church into Growth team is doing superb work, and is one of the most significant tools the Synod has to help the churches meet the challenges of the moment. The Lay

## TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

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**Achievements, Performance and Future Plans (continued)**

Preachers, Ministers and Church Secretaries continue to support each other and the Elders' Development group carry on their excellent work. After a slow start, the discipleship development programme (known as Stepwise) is starting to gain momentum and it is good to hear stories of members of churches exploring their calling to different roles in the local church. The Wilderness team continue their work with children and young people in the Synod. There is a continued offer of training and support in relation to IT, and this is appreciated by many churches and has opened up new possibilities for engagement.

At the October Synod, a focus was on the work of the Green Apostle in moving the churches and Synod toward EcoChurch status, and time was spent exploring racial justice. Alongside these, a major theme of Mission was picked up. During 2022, it is hoped that the Synod will be able to draw together from the different contexts of local churches, a serious conversation about how to articulate the calling to mission, how this is already being put into practice, and how to face fresh challenges.

Plans for Elders made for 2021 included the Annual Conference and a 24-hour meeting at Wydale Hall. For the Annual Conference plans were revisited which had been made for the 2020 conference with title "Wise and wonderful: the gift and responsibility of God's creation". The Annual Conference took place online, which was a well-attended and interesting day, giving participants much to think about and act on in their own contexts. The 24-hour meeting at Wydale Hall at the end of September 2021, looked at a study based on the Psalms, the title of which was, 'How Can We Sing the Lord's Song?'

Elders' plans for 2022 include an Annual Conference on Saturday 26 March at Bilton Grange URC in Harrogate and online. Plans are also well advanced for a day on Spirituality and Prayer entitled 'From a Spark to a Flame'. There are again plans to hold a 24-hour event at Wydale Hall at the end of September 2022.

Wydale Hall is also the venue in November 2022 for a 2-day Minister's residential.

Finally, there are currently no students in training for the Ministry of Word and Sacraments.

A dominant factor of 2021 have been the discussions about the URC Ministers Pension Scheme. The United Reformed Church Trust Ltd (URCTL) had asked each Synod to make a contribution to alleviate the substantial £45 million deficit on the scheme, over a 10 year period between 2021 and 2030. In July 2021, an aspirational offer of £1.675 million was made to the URCTL from the Yorkshire Synod. This was based upon the forecast of contributions payable from the proceeds of the sale of closed church buildings and voluntary payments from churches. In order to assist with the challenge of raising funds for the pension scheme, it was agreed at the March and October Synod meetings, that proceeds of sales from church closures, church amalgamation, local ecumenical partnerships and redundant manse funds should be redirected from the Synod Mission Fund to the Closed Churches Fund until Synod makes a new policy. In December 2021 the first payment of £350,000 was made to the scheme.

The Synod Mission Fund continued to help churches establish creative and innovative missionary projects throughout the year. In 2021, the fund made 13 awards totalling £179,292. The projects receiving awards ranged from children, youth and families to audio visual and streaming.

The Vision and Opportunity Initiative also continues to offer grants to churches to develop property for mission purposes and has so far made awards totalling £279,585, with a remaining balance to distribute of £170,415. Evangelistic, training and pastoral related grants have been issued totalling £19,752, with a remaining balance to distribute of £30,248. The remaining sum of £200,000 has been allocated for collaborative mission projects but the criteria for this has not yet been decided.

## **Financial Review**

### **Results for the year**

These financial statements have been prepared in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities" (FRS 102) issued in January 2015.

The excess of income over expenditure for the year amounted to £924,517 (in 2020, the excess of expenditure over income was £300,313).

### **Reserves policy and going concern**

Reserves are unrestricted funds, which are not held as fixed assets. Reserves will normally be held to finance the work of the United Reformed Church in Yorkshire including the Yorkshire Congregational Union (YCU) together with its responsibilities to the work nationally, for a period of 12 months. The YCU is a connected charity and is explained on page 5. The average resources expended from unrestricted funds, over the three years, to 31 December 2021, was £12,818 and the level of reserves at that date was £284,807.

In 2018, the Trustees became aware of a serious incident related to one particular church, disclosure of which was made by the YCU to the Charity Commission. This matter is still ongoing, and the trustees continue to do their utmost to resolve the issue. Financial support from the Trust to the YCU would be put in place if required.

In light of the global pandemic the trustees have regularly reviewed and evaluated the financial impact on the Synod and concluded that there is no going concern uncertainty. They will continue to monitor as required.

The assets are available and adequate to fulfil the obligations of the Charity. Each fund has sufficient resources in an appropriate form to meet its obligations. All the assets of the Charity are used for the direct charitable purposes of the Charity and were acquired in accordance with powers vested in the Executive Council. The financial position at the Balance Sheet date is satisfactory and will enable the Charity to meet future obligations.

### **Investment policy and investment powers**

There has been no change to the Investment Policy Statement and the Policy Document. This document outlines the responsibilities of the various committees within the Synod and contains details of the Discretionary Management of the Investments by Brewin Dolphin Securities Ltd. The Policy Document also outlines the Requirements, Restrictions, Recording, and Reporting under which the Managers will operate.

### **Property**

All property under the control of the Charity is shown at market value as indicated in notes 9 and 11 of the Financial Statements. The valuations used were those provided by Walker Singleton as at 31 December 2020.

### **Structure, Governance and Management**

The Charity is a company limited by guarantee under the provisions of the Companies Act 2006. The governing instrument is the Memorandum & Articles of Association which is dated 19 May 1981.

The membership consists of the members for the time being of the Synod Council of the Yorkshire Synod of the United Reformed Church. At 31 December 2021 the number of members totalled 14 (2020 – 14). In the event of the Charity being wound up, every person who is a member, or who has been a member within one year, is liable to contribute to the debts and liabilities of the Charity a sum not exceeding £1.

The business of the Charity is managed by the members of the Executive Council who are Trustees of the Charity and Directors of the United Reformed Church (Yorkshire Province) Trust Limited for the purposes of company law. Members of the Executive Council are the members for the time being of the Financial Resources Committee of the Synod. The members of the Financial Resources Committee are recruited from the membership of the churches of the Yorkshire Synod, the appointments being approved by the Yorkshire Synod Council and ratified by Synod. Synod also appoints the Treasurer, Synod Moderator and the Synod Clerk who are ex-officio members of the Committee. However, following the appointment of a Synod Clerk as an employee of the Charity, on the 9 March 2019, the Synod Clerk will not be a member of the Executive Council. The Directors of the Charity are listed on page 6.

The Charity is aware of the need to enable and equip Trustees and takes steps to make available Charity Commission publications and newsletters.

The Financial Resources Committee of the Synod meets six times a year and is responsible for all financial decisions, except the decisions about Synod Mission Fund Grants which are made by the Synod Mission Fund Panel (see Grants Policy on page 2). Investments are monitored by a sub-committee on which the Treasurer serves. This sub-committee meets four times a year and implements investment strategies established by the Trustees. Currently the Investments are managed by Brewin Dolphin Securities on a discretionary basis. Minutes of the Investment Sub-Committee meetings are circulated to the Trustees.

The Charity operates as an autonomous body but, along with twelve other Synods (or regions), is part of The United Reformed Church and this brings a share of national responsibilities. A resource sharing process is in place to enable Synods with more resources to help those less well equipped. Historically, Yorkshire has been a net contributor to this scheme but since 2010 has adopted a neutral position neither giving nor receiving from the process.

### **Connected Charities**

The United Reformed Church (Yorkshire Province) Trust Limited is connected with the YCU. The YCU holds investments as Custodian Trustee for many of the local churches of the United Reformed Church in the Yorkshire Synod, and holds property as Trustee for most of those churches. The YCU shares the United Reformed Church (Yorkshire Province) Trust Limited offices and administration, for which it pays a small charge based on its income. The Trustees of the United Reformed Church (Yorkshire Province) Trust Limited are also Trustees of the YCU, but the Chair of Trustees of the YCU is not a Trustee of the Charity.

### **Risk Management**

The Executive Council has a risk management strategy in line with the guidance published by the Charity Commission organising risk into three headings – Governance and Control, Operational Risk and Financial Risk. Control procedures are then agreed to contain, mitigate or even totally remove the risks. The Risk Management Strategy is reviewed periodically.

As with most organisations, the Covid-19 outbreak has had an impact on the Synod and its churches. The Synod responded with new ways of working and support was offered to all of its churches and this remains in place.

**Reference and Administrative Details**

<b>Company registration number:</b>	1562723
<b>Charity registration number:</b>	1068103
<b>Registered Office:</b>	Somerset House, St Paul's Street Morley, Leeds, LS27 9EP Telephone 0113 289 8490 Fax 0113 289 8491 Email <a href="mailto:office@urcyorkshire.org.uk">office@urcyorkshire.org.uk</a>
<b>Web Site:</b>	<a href="http://www.urcyorkshire.org.uk">www.urcyorkshire.org.uk</a>
<b>Trustees &amp; Directors:</b>	Mr J Charlesworth Rev S K Copley Rev A Crump Mr C Evans Mr S Gooder Rev J Kissack
<b>Secretary to Trustees &amp; Company Secretary:</b>	Mr Alastair C Forsyth
<b>Bankers:</b>	National Westminster Bank plc Leeds City Branch, PO Box 154, 8 Park Row, Leeds, LS1 1QS
<b>Solicitors:</b>	Lupton Fawcett LLP Yorkshire House, East Parade, Leeds, LS1 5BD
<b>Auditors:</b>	SMH Jolliffe Cork Audit Ltd Chartered Accountants and Statutory Auditor, 33 George Street, Wakefield, WF1 1LX
<b>Investment Managers:</b>	Brewin Dolphin Ltd 10 Wellington Place, Leeds, LS1 4AN
<b>Property Advisers:</b>	Walker Singleton Property House, Lister Lane, Halifax, HX1 5AS



### **Statement of Responsibilities of the Executive Council**

Company law requires the Executive Council to prepare financial statements for each financial year which give a true and fair view of the state of the Charity's financial activities during the year and of its financial position at the year end. In preparing those financial statements, the Executive Council should follow best practice and:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The Executive Council is responsible for keeping accounting records which disclose with reasonable accuracy the financial position of the Charity and which enable it to ascertain its financial position and to ensure that the financial statements comply with the Companies Act 2006, the Charities Act 2011 and regulations thereunder. It is also responsible for safeguarding the assets of the Charity and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as each member of the Executive Council at the date of this report is aware,

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

These financial statements comply with current statutory requirements and with the requirements of the Charity's governing document.

### **Auditors**

SMH Jolliffe Cork Audit Ltd offer themselves for reappointment as auditors in accordance with section 485 of the Companies Act 2006.

SIGNED ON BEHALF OF THE EXECUTIVE COUNCIL



Rev Simon Copley (Executive Council Member)



Rev Alan Crump (Executive Council Member)

Date: 27 April 2022

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

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**Opinion**

We have audited the financial statements of The United Reformed Church (Yorkshire Province) Trust Limited (the 'charitable company') for the year ended 31 December 2021 which comprise the statement of financial activities, balance sheet, cash flow statement and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2021, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

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

**Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that individually or collectively may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

**Other information**

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

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

We have nothing to report in this regard.

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

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**Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' report (incorporating the Directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report has been prepared in accordance with applicable legal requirements.

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

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

**Responsibilities of Trustees**

As explained more fully in the Trustees' responsibilities statement set out on page 7, the Trustees (who are also the Directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

THE UNITED REFORMED CHURCH (YORKSHIRE PROVINCE) TRUST LIMITED

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**Auditor's responsibilities for the audit of the financial statements (continued)**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

**The extent to which the audit was considered capable of detecting irregularities including fraud**

Our approach to identifying and assessing the risks of material misstatements in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charitable company through discussions with the Treasurer and other informed management which we considered may have a direct material effect on the financial statements or the operations of the charitable company and thereafter, the audit team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud and considered the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims and reviewing correspondence with the charitable company's legal advisors.

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

**Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company'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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Date 10 May 2022

Claire Lawton FCA DChA (Senior Statutory Auditor)  
For and on behalf of SMH Jolliffe Cork Audit Ltd  
33 George Street  
Wakefield  
WF1 1LX



## STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	Unrestricted Funds	Restricted Funds	Endowment Funds	2021 Total Funds	Unrestricted Funds	Restricted Funds	Endowment Funds	2020 Total Funds
		£	£	£	£	£	£	£	£
<b>Income and endowments from:</b>									
Donations and legacies	2	32,070	333	-	32,403	45,883	3,353	-	49,236
Charitable activities	3	429,930	874,154	-	1,304,084	27,803	354,459	-	382,262
Investments	4	247,656	13,182	-	260,838	236,176	13,783	-	249,959
Profit on sale of tangible asset		-	22,401	-	22,401	24	10,731	-	10,755
<b>Total</b>	16	709,656	910,070	-	1,619,726	309,886	382,326	-	692,212
<b>Expenditure on:</b>									
Raising funds	5	20,881	25,160	5,001	51,042	20,777	23,099	4,574	48,450
Charitable activities	5	472,143	598,434	-	1,070,577	462,678	373,395	-	836,073
<b>Total</b>		493,024	623,594	5,001	1,121,619	483,455	396,494	4,574	884,523
<b>Gains/(losses) on investment assets</b>	11								
Realised		-	69,287	11,176	80,463	-	(181,568)	(32,212)	(213,780)
Unrealised		-	285,984	59,963	345,947	-	88,085	17,693	105,778
<b>Total</b>		-	355,271	71,139	426,410	-	(93,483)	(14,519)	(108,002)
<b>Net income/(expenditure)</b>		216,632	641,747	66,138	924,517	(173,569)	(107,651)	(19,093)	(300,313)
<b>Transfers between funds</b>	16	3,437	(3,437)	-	-	3,112	(3,112)	-	-
<b>Other recognised gains/(losses):</b>									
Gains/(losses) on revaluation of fixed assets	9	-	-	-	-	-	113,182	-	113,182
<b>Net movement in funds</b>		220,069	638,310	66,138	924,517	(170,457)	2,419	(19,093)	(187,131)
<b>Reconciliation of funds:</b>									
Total funds brought forward At 1 January 2021		64,738	8,035,811	1,113,682	9,214,231	235,195	8,033,392	1,132,775	9,401,362
<b>Total funds carried forward At 31 December 2021</b>	16 & 17	284,807	8,674,121	1,179,820	10,138,748	64,738	8,035,811	1,113,682	9,214,231

## SUMMARY INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2021


	2021 £	2020 £
Income as reported on the SOFA	1,619,726	692,212
Gains on investments	355,271	-
Gain on revaluation of fixed assets	-	113,182
	<hr/>	<hr/>
Gross income in the reporting period	1,974,997	805,394
Expenditure as reported on the SOFA	1,116,618	879,949
Losses on investments	-	93,483
	<hr/>	<hr/>
Net income / (expenditure) for the year	858,379	(168,038)
	<hr/>	<hr/>

The Summary Income and Expenditure account excludes movements on the endowment funds. It is derived from the Statement of Financial Activities which together with the notes 1 to 19 provides full information on the movements during the year on all the Charity's funds.

## BALANCE SHEET AT 31 DECEMBER 2021

	Note	2021 £	2020 £
<b>Fixed assets:</b>			
Tangible assets	9	1,035,954	1,408,921
Investments	11	7,586,108	7,182,506
<i>Total fixed assets</i>		<b>8,622,062</b>	<b>8,591,427</b>
<b>Current assets:</b>			
Debtors	12	33,021	29,514
Cash at bank and in hand		1,955,694	1,053,162
<i>Total current assets</i>		<b>1,988,715</b>	<b>1,082,676</b>
<b>Liabilities:</b>			
Creditors: amounts falling due within one year	14	(244,528)	(237,868)
<i>Net current assets</i>		<b>1,744,187</b>	<b>844,808</b>
<i>Total assets less current liabilities</i>		<b>10,366,249</b>	<b>9,436,235</b>
Creditors: amounts falling due after more than one year	15	(227,501)	(222,004)
<i>Total net assets</i>		<b>10,138,748</b>	<b>9,214,231</b>
<b>The funds of the charity:</b>	16 - 18		
Endowment funds		1,179,820	1,113,682
Revaluation reserve/(deficit)		177,034	177,034
Other restricted funds		8,497,087	7,858,777
Other unrestricted funds		284,807	64,738
<i>Total charity funds</i>		<b>10,138,748</b>	<b>9,214,231</b>

The financial statements were approved by the Executive Council on 27 April 2022.

  
Rev Simon Copley

Executive Council Member

  
Rev Alan Crump

Executive Council Member

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2021

	2021 Total Funds £	2020 Total Funds £
<b>Cash flows from operating activities:</b>		
<i>Net cash used in operating activities</i>	<b>252,971</b>	(232,936)
<b>Cash flows from investing activities:</b>		
Dividends, interest and rents from investments	<b>260,838</b>	249,959
Net proceeds/(costs) associated with the sale of tangible fixed assets	<b>370,651</b>	11,130
Purchase of tangible fixed assets	<b>(4,736)</b>	(96,554)
Proceeds from the sale of investments	<b>2,306,655</b>	1,466,547
Cash (added to) /withdrawn from investments	-	-
Purchase of investments	<b>(2,283,847)</b>	(1,430,904)
<i>Net cash provided by (used in) investing activities</i>	<b>649,561</b>	200,178
<i>Change in cash and cash equivalents in the reporting period</i>	<b>902,532</b>	(32,758)
<b>Cash and cash equivalents at the beginning of the reporting period</b>	<b>1,053,162</b>	1,085,920
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>1,955,694</b>	1,053,162
<b>Reconciliation of net (expenditure)/income to net cash flow from operating activities</b>		
	2021 Total Funds £	2020 Total Funds £
<i>Net income/(expenditure) for the reporting period (as per the statement of financial activities)</i>	<b>924,517</b>	(300,313)
<b>Adjustments for:</b>		
Depreciation charges	<b>29,453</b>	34,822
(Gains)/Losses on investments	<b>(426,410)</b>	108,002
Dividends, interest and rents from investments	<b>(260,838)</b>	(249,959)
(Profit)/loss on the sale of tangible fixed assets	<b>(22,401)</b>	(10,755)
Decrease /(Increase) in debtors	<b>(3,507)</b>	136,055
(Decrease) /Increase in creditors	<b>12,157</b>	49,212
<i>Net cash used in operating activities</i>	<b>252,971</b>	(232,936)
<b>Analysis of cash and cash equivalents</b>		
	2021 Total Funds £	2020 Total Funds £
Cash at bank and in hand	<b>1,955,694</b>	1,053,162
<b>Total cash and cash equivalents</b>	<b>1,955,694</b>	1,053,162



## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

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**1 Principal accounting policies****Basis of preparation**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

**Incoming resources**

Donations are included when they are received. Legacies are included when it is probable that they will be received. Investment income is included when it is receivable, and includes any recoverable income tax. Property rents and interest on loans are included when they fall due. Investments and other assets from churches which have closed are accounted for when the amount receivable can reasonably be ascertained.

**Recognition and valuation of donated services**

The services of the Synod's Development Officer (to 31 October 2020) and Evangelist, who are Ministers of Word and Sacrament in the URC, are provided by the URC under its Plan for Partnership in Ministerial Remuneration at no charge to the charity. These donations have been valued at the usual employment cost of a URC minister, reduced for the Synod Evangelist, which is not a full-time appointment. The cost is included in expenditure on charitable activities.

The Charity's activities are dependent on volunteer members of committees. Travel expenses are reimbursed but there is no recognition in these accounts of the time donated by volunteers.

**Basis of allocation of costs**

Grants payable are voluntary payments to individuals, local URC churches or URC organisations in accordance with the purpose of the relevant fund. They are accounted for when they have been approved by the Synod Council or Financial Resources Committee, the recipient has been told of that approval, and if applicable has accepted the terms related to the grant. Grants to URC churches are usually multi-year grants. A creditor is included for the full amount of the grant offered. Payment of the second or later year's instalment is dependent on receipt of a report on the previous year, showing the progress made on the project. Occasionally Synod Council will require repayment of grants which have not been spent.

Support costs incurred in maintaining the office and employing the office staff have been allocated to raising income, charitable activities and governance in proportion to the time spent by office staff on each activity.

**Tangible fixed assets and depreciation**

Freehold and leasehold properties held for continuing use by the Charity are revalued by professional valuers every 5 years and are depreciated over 50 years. Long leasehold properties are defined as those properties with an unexpired lease term of more than 50 years. Properties acquired between valuations are included at cost and depreciated over 50 years. Properties sometimes pass to the Charity from United Reformed Churches in Yorkshire which have closed. If they are to be retained they are valued on acquisition. If the property is to be sold it is not revalued.

Office equipment is capitalised where a purchase or project costs over £500, and is included at cost less a provision for depreciation. This is calculated to write down the cost of tangible fixed assets by equal annual instalments over their expected useful lives, which are between 3 and 10 years.

## NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 DECEMBER 2021 (continued)

**1 Principal accounting policies (continued)****Investment assets**

Investments listed or traded on a recognised stock exchange are included at market value at the balance sheet date. Investment properties are valued professionally every five years. In between the valuations the Trustees' best estimate of market value is used. In accordance with standard accounting practice, no depreciation is charged on investment properties. Concessionary loans to URC churches are valued at the amount paid less repayments received.

**Current asset measurement**

Debtors are included at their recoverable amount.

Current asset investments comprise working capital held on short-term deposit.

Cash at bank and in hand comprises the balance in the bank current account and the petty cash float.

Creditors: amounts falling due within one year are valued at settlement amount.

<b>2 Income from donations and legacies</b>	<b>2021</b>	<b>2020</b>
<b>Donations</b>	<b>£</b>	<b>£</b>
Synod Levy	14,920	40
Notional Grant for Synod Development Officer (in 2020) and Evangelist	17,150	45,543
Gifts	333	3,653
	<b>32,403</b>	<b>49,236</b>

The Synod Levy, which was calculated at £7.50 per member per year, was charged on a voluntary basis in 2021.

<b>3 Income from charitable activities</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Net proceeds of redundant manse funds and sale of redundant churches	-	255,069
Income from church closed in the year	1,280,688	106,472
Contribution from Northern Province to safeguarding costs	23,396	15,445
Interest on loans to churches & ministers	-	8
Management charge (see note 13)	-	5,268
	<b>1,304,084</b>	<b>382,262</b>

When United Reformed Churches in Yorkshire close, the net assets and building pass to the Charity. The building is not included in fixed assets if it is sold within a year of closure. There can be significant variances in this income from one year to another.

From March 2018, the net proceeds from the sale of Closed Church property are to be divided 20% to the United Reformed Church Ministers' Pension Fund; 40% to the Synod Mission Fund and 40% to the Closed Churches Fund.

From March 2010 amalgamated churches, and those in local ecumenical partnerships, are required to transfer to the Charity 50% of the net proceeds of any United Reformed Church property sale, for use by the Synod Mission Fund.

From October 2011, any manse fund declared redundant is divided 75% to the local church and 25% to the Synod Mission Fund.

At the 2021 Synod meetings, it was agreed that proceeds of sales from church closures, church amalgamation, local ecumenical partnerships and redundant manse funds should be redirected from the Synod Mission Fund to the Closed Churches Fund until Synod makes a new policy.

<b>4 Income from Investments</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Income from quoted investments	237,850	224,980
Investment property rents	22,756	22,756
Interest on bank balances	232	2,223
	<b>260,838</b>	<b>249,959</b>

## NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 DECEMBER 2021 (continued)

**5 Expenditure on raising funds and charitable activities****Expenditure on raising funds**

	Direct costs £	Grant funding £	Support costs £	2021 £	2020 £
<i>Managing investments</i>					
Investment management fees	30,161	-	-	30,161	27,673
Support costs	-	-	20,881	20,881	20,777
	30,161	-	20,881	51,042	48,450

**Expenditure on charitable activities***Grant making*

	Direct costs £	Grant funding £	Support costs £	Total 2021 £	Total 2020 £
Grants to individuals					
Retired ministers and widows (7 grants)		5,600		5,600	5,000
Grants to URC institutions					
To churches for mission activities (13 grants)		162,395		162,395	221,381
To churches for property surveys (10 grants)		1,994		1,994	2,385
Vision & Opportunity to churches (8 grants)		62,614		62,614	125,076
Ministers pension Fund (1 grant)		350,000		350,000	-
Support costs			5,220	5,220	5,194
	-	582,603	5,220	587,823	359,036

*Other charitable activities*

Training ministers and lay members	1,520		2,610	4,130	36,519
Youth, children and safeguarding	113,131		2,610	115,741	115,141
Administering churches' property and investments	1,279		62,642	63,921	63,377
Supporting committees and Synod	24,744		36,541	61,285	46,799
Pastoral work	364		20,881	21,245	21,960
Supporting and encouraging URC churches, districts and centrally	22,994		70,472	93,466	97,617
Chaplaincies, industrial mission and ecumenical relations	3,149		5,220	8,369	7,410
Management & maintenance of Synod properties	63,045		13,050	76,095	53,746
Sundry and contingencies	7,160		-	7,160	1,986
	237,386	-	214,026	451,412	444,555

*Governance costs*

External audit fee	5,400		-	5,400	5,526
Internal audit and accountancy	1,600		-	1,600	1,596
Legal and professional fees	3,460		-	3,460	2,803
Recruitment fees	-		-	-	(20)
Revaluation fees	-		-	-	1,800
Support costs	-		20,882	20,882	20,777
	10,460	-	20,882	31,342	32,482

**Total expenditure on charitable activities**

<b>247,846</b>	<b>582,603</b>	<b>240,128</b>	<b>1,070,577</b>	<b>836,073</b>
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## NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 DECEMBER 2021 (continued)

**6 Expenditure on raising funds and charitable activities - previous year**

<b>Expenditure on raising funds - previous year</b>	<b>Direct costs</b>	<b>Grant funding</b>	<b>Support costs</b>	<b>2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<i>Managing investments</i>				
Investment management fees	27,673	-	-	27,673
Support costs	-	-	20,777	20,777
	27,673	-	20,777	48,450
<b>Expenditure on charitable activities - previous year</b>				
	<b>Direct costs</b>	<b>Grant funding</b>	<b>Support costs</b>	<b>Total 2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<i>Grant making</i>				
Grants to individuals				
Retired ministers and widows (6 grants)		5,000		5,000
Grants to URC institutions				
To churches for mission activities (19 grants)		221,381		221,381
To churches for property surveys (7 grants)		2,385		2,385
Vision & Opportunity to churches (15 grants)		125,076		125,076
Support costs			5,194	5,194
	-	353,842	5,194	359,036
<i>Other charitable activities</i>				
Training ministers and lay members	33,922		2,597	36,519
Youth, children and safeguarding	112,543		2,598	115,141
Administering churches' property and investments	1,046		62,331	63,377
Supporting committees and Synod	10,439		36,360	46,799
Pastoral work	1,183		20,777	21,960
Supporting and encouraging URC churches, districts and centrally	27,494		70,123	97,617
Chaplaincies, industrial mission and ecumenical relations	2,216		5,194	7,410
Management & maintenance of Synod properties	40,760		12,986	53,746
Sundry and contingencies	1,986		-	1,986
	231,589	-	212,966	444,555
<i>Governance costs</i>				
External audit fee	5,526		-	5,526
Internal audit and accountancy	1,596		-	1,596
Legal and professional fees	2,803		-	2,803
Recruitment fees	(20)		-	(20)
Revaluation fees	1,800		-	1,800
Support costs	-		20,777	20,777
	11,705	-	20,777	32,482
<b>Total expenditure on charitable activities</b>	<b>243,294</b>	<b>353,842</b>	<b>238,937</b>	<b>836,073</b>

## NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 DECEMBER 2021 (continued)

## 7 Analysis of support costs

	Raising funds £	Grant- making £	Other charitable activities £	Governance £	Total £
Office staff costs	18,266	4,567	187,229	18,267	228,329
Office rates and maintenance	1,161	290	11,899	1,161	14,511
Office expenses and equipment	919	230	9,418	919	11,486
Depreciation	535	133	5,480	535	6,683
	20,881	5,220	214,026	20,882	261,009

## Analysis of support costs - previous year

	Raising funds £	Grant- making £	Other charitable activities £	Governance £	Total £
Office staff costs	17,939	4,484	183,872	17,939	224,234
Office rates and maintenance	1,059	265	10,857	1,059	13,240
Office expenses and equipment	1,096	274	11,234	1,096	13,700
Depreciation	683	171	7,003	683	8,540
	20,777	5,194	212,966	20,777	259,714

Support costs are allocated in proportion to the time spent by office staff on the activities shown.

It has been accepted that the Synod Development Officer (to 31 October 2020) and Synod Evangelist are Ministers of Word and Sacraments under the terms of the United Reformed Church Plan for Partnership in Ministerial Remuneration and should not be classified as employees.

## 8 Analysis of staff costs, trustee remuneration and expenses and the cost of key management personnel

	2021 £	2020 £
Salaries and wages	249,479	245,295
Employer's National Insurance	21,441	20,381
Pension contributions to defined benefit schemes	61,278	60,681
	332,198	326,357

No employee received remuneration of more than £60,000 per annum, and there were no other employee benefits other than those disclosed above.

The average number of employees during the year was 11 (2020 - 11).

The key management personnel of the Charity are the Trustees, who include the Synod Treasurer, and key employees of the charity, who are the Trust Secretary, the Property Secretary, the Synod Clerk and the Finance Manager. The employee benefits of the key personnel total £148,867 (2020 £146,583).

## Trustees' expenses

Members of the Executive Council are entitled to claim travel expenses for attending its meetings. The Treasurer may claim other expenses (travel, telephone, stationery etc.) incurred in their capacity as trustee. No trustee nor anyone connected with the trustees received any remuneration in 2021 or 2020 except as noted below.

## NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 DECEMBER 2021 (continued)

**8 Analysis of staff costs, Trustee remuneration and expenses and the cost of key management personnel**

	2021	2020
The total of expenses claimed, by 1 (2020 4) Trustees, for the year was:	£ 1,566	£2,943

**9 Tangible assets**

	Freehold Property £	Leasehold Property £	Office equipment £	Total £
<b>Cost or valuation</b>				
At 1 January 2021	1,162,500	238,500	69,613	1,470,613
Additions	3,638	-	1,098	4,736
Disposals	(350,000)	-	(1,680)	(351,680)
At 31 December 2021	816,138	238,500	69,031	1,123,669
<b>Depreciation</b>				
At 1 January 2021	-	-	61,692	61,692
Charge for the period	18,000	4,770	6,683	29,453
Disposals	(1,750)	-	(1,680)	(3,430)
At 31 December 2021	16,250	4,770	66,695	87,715
<b>Net book value</b>				
At 1 January 2021	1,162,500	238,500	7,921	1,408,921
At 31 December 2021	799,888	233,730	2,336	1,035,954
Net carrying value of revalued assets on historical cost basis	768,349	225,045	-	993,394

**Property****Net book amount**

The property is used for the direct charitable purposes of the Charity and comprises:

	£
Housing for ministers of local churches or in Synod posts (a part share in 3 properties)	794,780
Synod office building	238,838
	1,033,618

The housing was revalued as at 31 December 2020 by Walker Singleton, external Chartered Surveyors, at market value with vacant possession, in accordance with the Royal Institute of Chartered Surveyors Valuation Standards. The Synod office building was similarly revalued as at 31 December 2020 at existing use value.

**10 Taxation**

The company is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

## NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 DECEMBER 2021 (continued)

11 Fixed asset investments	Investment properties	Listed investments	Balances at stockbroker	Concessionary loans	Total
Market value	£	£	£	£	£
At 1 January 2021	477,626	6,678,949	13,781	12,150	7,182,506
Less:					
Disposals at opening book value	-	(2,217,972)	-		(2,217,972)
Deposits realised/(reinvested)	-	-	28,087		28,087
Investment management fees	-	-	(30,161)		(30,161)
Loan repayments	-	-	-	(8,220)	(8,220)
Add:					
Deposited for investment	-	-	-	-	-
Acquisitions at cost	-	2,270,346	-	15,575	2,285,921
Revaluation	-	345,947	-		345,947
<b>At 31 December 2021</b>	<b>477,626</b>	<b>7,077,270</b>	<b>11,707</b>	<b>19,505</b>	<b>7,586,108</b>
<b>Historical cost</b>					
At 31 December 2021	-	6,059,805	11,707	19,505	6,071,512
Disposals:					
Proceeds	-	2,298,435	-	-	2,298,435
Book value at 1 Jan 2021		(2,217,972)	-	-	(2,217,972)
Realised gain	-	80,463	-	-	80,463

The investment property is 83.794% of the freehold at Aberdeen Walk, Scarborough, and was revalued as at 31 December 2020 by Walker Singleton, external Chartered Surveyors, at market value, in accordance with the Royal Institute of Chartered Surveyors Valuation Standards.

All fixed asset investments are in held in the UK, in Nominee Accounts at the brokers. Details of the portfolio of listed investments are as follows:

	2021 £	2020 £
Equity investments	1,720,498	1,903,728
Gilt-edged and fixed interest stocks	246,395	404,089
Investment and unit trusts	5,110,377	4,371,131
	<b>7,077,270</b>	<b>6,678,948</b>
Material investments (over 5% by value) at the end of the year:	£	£
Baillie Gifford American W1 Dis	375,823	453,446
Fidelity US Quality Income UCITS ETF	391,519	0

All concessionary loans are to churches within the URC Yorkshire province. The maximum repayment period is 5 years and simple interest is charged at 0%. Repayments of capital are made quarterly or monthly. No security is provided on any loan. The maximum capital outstanding on any loan at 31 December 2021 was £10,075 (31 December 2020: £3,108).

	£	£
Concessionary loans falling due within one year	2,621	7,861
Concessionary loans falling due after more than one year	16,884	4,289
	<b>19,505</b>	<b>12,150</b>

## NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 DECEMBER 2021 (continued)

<b>12 Debtors</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Amounts owed by group and associated undertakings:		
Yorkshire Congregational Union (Incorporated)	<b>0</b>	5,268
Cash in transit from YCU (Inc)	<b>403</b>	416
Prepayments and accrued income	<b>32,618</b>	23,830
	<b>33,021</b>	29,514

**13 Related Parties**

The Yorkshire Congregational Union (Incorporated) is a Charity administered by the same Trustees as the United Reformed Church (Yorkshire Province) Trust Limited, from the same office. It acts as Trustee for many of the United Reformed Churches in the Yorkshire Synod. The Yorkshire Congregational Union (Incorporated) has no employees; its administrative work is performed by employees of the United Reformed Church (Yorkshire Province) Trust Ltd, for which a management charge is made. The charge for 2021 was £nil (2020: £5,268). In addition, one of the churches for which the YCU acts as custodian trustee owed the Trust £284 (2020: £416) at the year end.; the YCU owed the Trust £403 (2020: £5,268).

Trustees or people connected with the Trustees may also be Trustees of a church in receipt of a grant or concessionary loan from the Trust. Grants are awarded by a separate group from the Trustees, and members of that group will not take part in the decision if they have a conflict of interest.

Rev'd A Crump who is a minister at Knaresborough and Bilton Grange URCs and is also a Trustee, occupies a manse which is part owned by the Trust and part owned by a local church.

<b>14 Creditors: amounts falling due within one year</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Accruals for grants payable	<b>210,240</b>	210,275
Accruals and deferred income	<b>31,707</b>	20,383
Other creditors	<b>2,581</b>	7,210
	<b>244,528</b>	237,868

<b>15 Creditors: amounts falling due after more than one year</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Accruals for grants payable	<b>227,501</b>	222,004



## NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 DECEMBER 2021 (continued)

## 16 Movement in funds during the year

	Balance 1 January 2021 £	Incoming resources £	Outgoing resources £	Transfers between funds £	Revaluation gains/losses £	Balance 31 December 2021 £
<b>Permanent endowments</b>						
General Purposes	747,127	-	(3,347)	-	47,556	791,336
Church Extension	253,163	-	(1,142)	-	16,288	268,309
Maintenance of Ministry	17,845	-	(81)	-	1,148	18,912
Welfare of Ministry	76,481	-	(345)	-	4,920	81,056
Home Churches	19,066	-	(86)	-	1,227	20,207
	1,113,682	-	(5,001)	-	71,139	1,179,820
<b>Restricted funds</b>						
Closed Churches capital	6,910,607	896,555	(460,544)	-	355,271	7,701,889
Closed Churches revaluation reserve	177,034				-	177,034
Synod Mission capital and income	547,641	220	(162,395)	-	-	385,466
<b>Income funds</b>						
Church Extension	389,280	9,078	-	-	-	398,358
Maintenance of Ministry	-	637	-	(637)	-	-
Welfare	10,044	2,899	-	(2,800)	-	10,143
Home Churches	1,205	681	(655)	-	-	1,231
	8,035,811	910,070	(623,594)	(3,437)	355,271	8,674,121
<b>Unrestricted Funds</b>						
General income	64,738	82,077	(450,755)	588,747	-	284,807
Closed Churches income	-	627,579	(42,269)	(585,310)	-	-
	64,738	709,656	(493,024)	3,437	-	284,807
<b>Total Funds</b>	9,214,231	1,619,726	(1,121,619)	-	426,410	10,138,748

The Charity is Trustee of all the funds, which are to be used by the United Reformed Church in its Yorkshire Synod.

**Permanent Endowment funds** represent those assets which must be held permanently by the Charity, principally investments. Any capital gains or losses arising on the investments form part of the fund. Investment management charges are charged against the fund. Income arising on the endowment funds is either restricted or unrestricted depending on the fund.

**The endowment investments** are pooled and held within the Common Investment Fund. All gains and income are credited to the constituent endowment and income funds in the proportion of the assets originally pooled, which were general (66.93%), church extension (22.84%), maintenance of the ministry (1.61%), welfare (6.90%) and home churches (1.72%).

## NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 DECEMBER 2021 (continued)

**16 Movement in funds during the year (continued)**

**Restricted funds** are funds which have been given for particular purposes.

**Unrestricted funds** comprise those funds which the Trustees are free to use in accordance with the charitable objects.

**Designated funds** are amounts of money within unrestricted funds which have been set aside for a specific purpose which will be achieved within less than three years.

**General purposes fund** - use of the income is unrestricted for the furtherance of religious and other charitable work of the United Reformed Church within its Yorkshire Synod.

**Church extension fund** - makes loans to local United Reformed Churches for the upkeep and repair of their buildings.

**Maintenance of the ministry fund** - provides a small income which is transferred to the general purposes fund where it is deemed to assist in the maintenance of the ministry of the Synod Moderator.

**Welfare of the ministry fund** - provides income which forms 50% of the grants made in cases of need to ministers, retired ministers and their dependants.

**Home churches fund** - represents a small amount of capital, the income from which forms part of the Synod's mission and ministry fund contributions to the United Reformed Church.

**Closed churches fund** - holds funds from churches closed after 1972, under the terms of the URC Trusts set out in the 1972 URC Act, as modified by the 1981 Act. The capital is available for use in accordance with the URC Act 1981, Schedule 2, parts I and II. Income from the investment of the capital is directed to the general purposes fund and is used to fund the work of the Synod.

**Synod mission fund** was set up in 2010 and incorporates the former Amalgamation fund. It receives funds primarily from property sales that arise as part of the closure or amalgamation of local churches, or the creation of Local Ecumenical Projects. Both capital and income are available for grants to local churches for any project that can be shown to promote the missionary work of the United Reformed Churches in Yorkshire.

**Transfers between funds**

The net income on the Closed churches fund is unrestricted and transferred to the General fund each year. The General fund also receives the income from the maintenance of the ministry and welfare funds, in line with the above descriptions.

**17 Analysis of net assets between funds at the year end**

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds £
<b>Fund balances at the year end are represented by:</b>				
Tangible fixed assets	2,336	1,033,618	-	1,035,954
Investments	-	6,406,551	1,179,557	7,586,108
Net current assets	282,471	1,461,453	263	1,744,187
Long term liabilities	-	(227,501)	-	(227,501)
<b>Total net assets</b>	<b>284,807</b>	<b>8,674,121</b>	<b>1,179,820</b>	<b>10,138,748</b>

## NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 DECEMBER 2021 (continued)

**18 Pension costs****Lay Staff Pension Scheme**

The Charity contributes to The United Reformed Church Final Salary Scheme, a pension scheme principally for lay staff, which is administered by TPT Retirement Solutions Trust (formerly The Pensions Trust). The scheme is a defined benefit scheme but the Charity is unable to identify its share of the underlying assets and liabilities - each employer in that scheme pays a common contribution rate.

During 2021 the Charity contributed 23.2% (2020: 25.1%) of basic salary in respect of members of the Final Salary. Members contributed at the rate of 7.5% (2020: 7.5%) of pensionable salary throughout the accounting period.

Triennial actuarial valuations of the Final Salary scheme are performed by a professionally qualified actuary. The most recent formal actuarial review of the scheme was at 30 September 2020, when the scheme had a surplus of £2,689,000. The assumptions underlying that valuation include:

Discount rate:	1.4% p.a.
Pensionable earnings growth:	2.5% for three years, 2.75% thereafter
Price inflation and pension increases:	2.55%
Retirement age:	65, with maximum commutation

**Ministers' Pension Scheme**

It is estimated that the Ministers' Pension Fund (MPF), which is the responsibility of the United Reformed Church Trust Ltd (URCTL), will be £45 million in deficit over 10 years from 2021 to 2022.

Each of the 13 Synods of the United Reformed Church has been asked by URCTL to make contributions over that 10 year period to help reduce this underfunding.

In July 2021, the Trustees of the United Reformed Church (Yorkshire Province) Trust Limited made an aspirational offer of £1.675 million to the URCTL as a contribution towards the obligation that URCTL has to the MPF. This was approved at the October 2021 meeting of the Synod. This offer will be funded from the proceeds of sale of buildings of closed churches and any voluntary contributions from churches. In December 2021, a payment of £350,000 was made by the Yorkshire Synod to the MPF. This was the first of several payments to be made to assist with the anticipated deficit.

**19 Post Balance Sheet Events**

Since the latter end of 2021 the future of Saltaire URC has been under discussion. The church is still in being but has very limited capacity to carry out some of their normal functions. There is, also, considerable work to be carried out on the church building as a result of storm damage and ongoing issues identified in the latest quinquennial survey.

Synod has, therefore, set up a working group to assist the Church in their current challenges and this is occupying considerable time of Synod staff and Officers. The church is likely to require the help of the Synod to finance the work. Since the year end, Saltaire have taken a further loan from the Synod of £23,783.

At the year end, the property of 6 churches are held on Statutory Trusts in accordance with the United Reformed Church Acts of 1972, 1981 and 2000 by the Company following church closures. The proceeds of sale will revert to the Trust on sale in accordance with the Statutory Trusts on which the properties are held.