

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

Company Number: 134549
Charity Number: 1131254

**ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED
31 DECEMBER 2015**



THE UNITED REFORMED CHURCH (NORTHERN PROVINCE) TRUST LIMITED
DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2015

Directors:	J.A.Breslin	- Chair	
	A.Hamnett	- Secretary	
	D.Pigeon	- Treasurer	(to 14 April 2015)
	R.Dunn		(to 19 November 2015)
	J.C.G.Forrest		
	A.P.Haws		(from 1 January 2015)
	J.C.Kennedy		
	M.J.Louis		
	P.B.Matthew		
	D.Stembridge		
	S.J.Swanston		
	W.I.Buchanan		(from 1 January 2016)
	H.J.Finlayson		(from 19 March 2016)
	J.R.Tomlin		(from 19 March 2016)

Trust Officer: A.Atkinson
Finance Officer: H.E.Hogg

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

Charity number: 1131254

Company number: 134549

Bankers: Bank of Scotland plc
PO Box 1000 BX2 1LB

Virgin Money plc
Jubilee House, Gosforth, Newcastle upon Tyne NE3 4PL

Lloyds Bank plc
PO Box 1000 BX1 1LT

Legal Advisors: Bond Dickinson LLP
One Trinity, Broad Chare, Newcastle upon Tyne NE1 2HF

Investment Managers: UBS AG
2 St James' Gate, Newcastle upon Tyne NE4 7JH

Nominees: UBS AG
1 Curzon Street, London W1J 5UB

Property Consultants: Sanderson Weatherall LLP
22-24 Grey Street, Newcastle upon Tyne NE1 6AD

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

THE UNITED REFORMED CHURCH (NORTHERN PROVINCE) TRUST LIMITED DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2015

The Trustees, who are also the Directors of the Company for the purposes of the Companies Act 2006, present their report and the audited accounts for the year ended 31 December 2015.

Structure, Governance and Management

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 a private charitable company, limited by guarantee. It is governed by its Memorandum & Articles of Association, adopted in revised form on 4 August 2009, 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 Directors give their time voluntarily, and receive no benefits from the Company. Any expenses reclaimed from the Company are set out in note 13 to the financial statements.

The Directors are appointed by the United Reformed Church Northern Synod, and the officers are appointed by the Board. A balanced Board is sought, with a mixture of experience, gender, and geographic spread. Where vacancies are identified, nominations are sought either by direct approach or advertisement amongst the 68 churches of the Synod. Under the United Reformed Church Acts 1972-2000, all members and Directors must also be members of a local church or ecumenical area 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 is provided during the year on a range of relevant topics.

The Board meets five times a year and receives reports, sets policies and takes major financial decisions. Subcommittees deal with investments, staff remuneration, denominational Ministry & Mission Fund assessments, church and manse properties, and human resources. Small grant applications are considered by subcommittees, with larger ones referred to the Board. Investments are monitored regularly, with quarterly reports from the Investment Managers. Periodic condition survey reports are received from the Property Consultants on local church properties.

All decisions are taken by simple majority, with the Chair having a casting vote. 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. The Finance Officer and Trust Officer support the day to day working of the Trust Company. Their tasks are operational in nature and they work within parameters defined by their role descriptions. All financial reports and information produced by the Finance Officer are checked by the Treasurer. The Trust Officer supports the Trust with administrative and legal support with policy decisions referred to the Board.

THE UNITED REFORMED CHURCH (NORTHERN PROVINCE) TRUST LIMITED DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2015

The Trust has a remuneration policy to provide effective stewardship of resources as well as being objective and transparent so that salary levels are perceived as being fair and rational. The salaries of lay staff employed by the Trust are assessed when a new post is created. This is carried out by members of the Human Resources Sub-Group. In making a recommendation of an appropriate salary level account is taken of:

- Levels of remuneration for posts of comparable responsibility within the not for profit sector in the North East of the United Kingdom
- Salaries being paid by the URC and other denominations across the United Kingdom

The proposed salary and its rationale are then discussed with the Remuneration Committee and the outcome recommended to the Trust. Salaries of lay staff are reviewed annually to reflect changes in the level of responsibility and increases in the cost of living which have occurred in the last 12 months. In exceptional circumstances a bonus payment may be recommended by the Remuneration Committee to reflect the performance of duties well in excess of what might normally be expected of the post-holder.

Relations with other Parties

The Company carries out its activities in concert with and in support of the United Reformed Church Northern Synod, an unregistered unincorporated charitable association.

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 Trust maintains a risk register and considers external and internal risks to which the Company is exposed. The Trust undertakes a formal review of the risks to which it is exposed each year, with a mid-year review for monitoring purposes.

The Directors have considered 37 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. These cover governance, financial, property, office functionality, legal, human resources, and local church issues.

Significant risks identified include:

- Difficulties in appointing appropriate trustees or co-opted committee members to maintain the balance of the Trust
- Income from churches falls below levels needed by the Trust to sustain activities
- National financial responsibilities have to be re-funded
- Property surveys reveal extensive and costly repairs needed to many church properties
- IT systems fail including catastrophic power failure
- Failure to adhere to legal guidelines and framework in the activities of the Trust
- Advice on HR issues within local churches proving inadequate or misleading, and leading to difficulties with employees.

THE UNITED REFORMED CHURCH (NORTHERN PROVINCE) TRUST LIMITED DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2015

The Directors will continue to review and monitor these risks, and the adequacy of the systems in place to reduce them.

Objectives and Activities

The Company's objectives are to advance the Christian religion for the benefit of the public in accordance with the doctrines, principles and usages and the Basis of Union of the United Reformed Church. In pursuit of this, the Company acts as trustee, holding monies, investments and properties for these purposes and for local churches.

The Company supports the Northern Synod's vision, to enable local churches to be lively, informed and be effective in being the church in their local setting and Synod to be an expression of the Church at regional level, in the light of the five marks of mission (tell, teach, tend, transform and treasure). The Company provides financial, advisory and technical support to assist churches in the Synod to reflect the United Reformed Church's Vision 2020 programme.

The Company carries out its work under 4 headings and illustrative examples of activity in 2015 are given below.

1. *Discipleship* – supporting Christian spirituality, nurture, lay and ministerial education, development and training.

This is a cornerstone of Synod activity and the Trust assists this by funding courses, sponsoring events, and offering grants for specific developments and projects which strengthen individual or group faith experience. Examples include financial support for students undertaking the denomination's Training for Learning and Service course, a conference for church elders to develop their understanding of their role now and in the future and providing learning materials to Ministers and lay workers.

2. *Mission* – promoting evangelism, mission, church growth, outreach and racial justice.

This is central to the Company's purposes. Specific examples include sponsoring a youth event in Northumberland, contributing to an ecumenical festival and community outreach event in Newcastle, and the Company adopting the St Cuthbert's Centre on Holy Island as a project.

3. *Partnerships* – supporting joint working with ecumenical, community and global partners.

The Company supports the Synod's partnership with the Presbyterian Church of Mozambique. In 2015 it helped to fund a visit to Mozambique to help the church strengthen its communications and ways of working. Local churches in the North East contributed and donated money towards costs of the visit.

The Company demonstrated its commitment towards ecumenical programmes by supporting a staff member to participate in the Ecumenical Accompaniment Programme in Palestine and Israel (EAPPI).

Other examples include working with a charity for housing refugees and assisting a church project in Sunderland working in partnership with Forget Me Not, (a charity working with people with dementia).

**THE UNITED REFORMED CHURCH (NORTHERN PROVINCE) TRUST LIMITED
DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2015**

4. *Property* – providing and managing housing for ministers, retired ministers and their widow(er)s or former civil partners, and supporting local churches in proper care of their properties.

Property issues are considered by the Trust's Manse and Property sub-groups. Both groups initiate a schedule of surveys to assess the condition of property and subsequent maintenance requirements. Financial support for building preservation is made available through grants.

In 2015 the Trust discussions reflected those across the Synod regarding the future of ministry and churches in acknowledgement that fewer people are seeking ordination and in some places church membership is declining.

By January 2016 it was recognised that the Synod would be adopting a new Way Forward, which involves developing new patterns of ministry, building up local congregations and supporting churches with lay appointments where appropriate.

The Company will therefore seek sustainable and responsible ways to fulfil Synod's aspirations. Using its resources to assist with developing new forms of ministry and potentially employing people to support churches in their work.

The Trust will participate in the programme planning for the Synod Way Forward and agree milestones during 2016.

The key issue presenting to the Trust is tackling how to use resources to support churches and which might involve employing more lay people, whilst maintaining its charitable duty to achieve best value for its investments.

The Trust achieved its 2015 short term objectives to review its IT providers, to maintain the programme of property surveys and support churches requesting grants and assistance.

Grant-making

Much of the Company's work is achieved through making grants (in 2015, some £186,319), which are given to churches and other bodies as well as individuals, in accordance with published policies for the following purposes:

- Repair, maintenance and improvement of church and manse buildings
- Mission, outreach and fresh expressions of church
- Lay and ministerial education and learning
- Travel to events for young people

Small welfare benevolences are also given.

Staffing and 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 responsible to the Board and who refer to Directors or Officers when major decisions are needed. Local churches contribute towards the administrative costs of those employees.

THE UNITED REFORMED CHURCH (NORTHERN PROVINCE) TRUST LIMITED DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2015

An honorarium of £1,200 was paid to the previous Treasurer, in recognition of his extra responsibilities, beyond those of simply being a Director. This was paid under a written agreement between the Treasurer and the Company.

Volunteers donated an estimated 350 hours' work in total during the year, which is hard to value in financial terms. The Board takes the view that the Company is not excessively dependent on any one individual.

Volunteers support the Trust directly through their roles as Directors, and others offer their time and help to subgroups and committees. The role of volunteers in furthering church activities is extensive and without it the churches' effectiveness will be limited. The Synod has recognised that volunteers require support and this is reflected in the Synod Way Forward as noted on page 10 below.

Achievements

Discipleship – (£68,679) Spring Retreat and Summer School were organised again this year. Summer School is attended by Ministers and as from 1 January 2015 it is paid for by the Trust to encourage more people to attend. Another conference for Elders was held following on from the success of the 2014 conference. There are two people currently studying on Training for Learning and Serving (TLS) and three grants were awarded to retired Ministers to attend various retreats. Lay Training grants were awarded to 6 of the 13 mission partnerships in the Synod although take up of grants was low.

Mission – (£74,805) 2 new partners in mission were supported during 2015, St Antony's Priory (Outreach Project) and Diocese of Newcastle (Staying Alive) were awarded grants over 3 years. 9 small mission4life grants were awarded to local churches, helping churches to benefit local communities. Various grants were awarded to assist with funding a community festival, ecumenical children's club, theological student placement and dementia project.

Partnerships – (£175,093) Costs relating to ecumenical ministries were shared as usual, and resources were also shared with poorer synods in the United Reformed Church. Contributions were also made to work of the URC Retired Ministers' Housing Society Ltd and support grants were awarded to local churches. The Board is also apprised of and involved with collaborative arrangements between other synods in Northern Britain. These are intended to provide efficiency gains and put in place supportive and constructive working partnerships.

Property – (£806,136) The Company continued to maintain the properties for which it is directly responsible, and also ensured professional advice on legal and property matters for local churches. An exceptional grant was awarded to Keld Resource Centre for redevelopment and to Barnard Castle for building repairs. 2 Manses were returned to local churches (£550,000).

Financial Review

During the year, total funds increased by £88,564 (2014: £191,524), to £8,997,949. Although expenditure was higher than income during 2015, net gains on investments of £173,729 has contributed to the increase in funds. The Directors consider that this should enable the Company to continue to engage in significant future work.

THE UNITED REFORMED CHURCH (NORTHERN PROVINCE) TRUST LIMITED
DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2015

Income

The Trust is grateful for the synod levy payments received from churches and various legacies received during the year. Investment income of £202,388 was pleasing to note, and well ahead of expectations. Included in other income (note 5) is £367,000 for church Properties handed over to the Trust for sale during 2015.

Expenditure

Charitable Expenditure includes £550,000 in property direct activities relating to two manses which have been returned to local churches.

Reserves Policy

The Company has a policy of maintaining sufficient reserves to provide the necessary income for the efficient running of the Synod's administration, and the provision of grants and donations to the church and to individuals in order to comply with the objects of the Trust. The Company's policy is to hold a level of reserves that will provide an income to meet its ongoing costs.

The Charity operates this policy taking note of the guidelines and recommendations contained in the Charity Commission document *Charity reserves: building resilience* CC19, while bearing in mind the need to raise sufficient income from its investments to meet its ongoing costs.

Reserves Needed

The charity has made an assessment of the reserves it needs using the guidance given in CC19 and the categories set out in Annex 1, *A Simple approach to developing a Reserves Policy*. A summary of the required reserves is as follows:

a) To meet unforeseen emergencies and other needs	£200,000
b) To cover unforeseen day-to-day operational costs*	£50,000
c) Sources of income such as grants and donation not eventuating	£40,000
d) Planned spending commitments (eg grants to local churches which are approved but not yet taken up)	£300,000
e) Cover against 'troughs' in the cash budget*	£250,000

Total Reserves Needed	£840,000
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NB * The estimates under b) and e) are based upon quarterly expenditure.

Reserves Held (using CC19 guidelines)

Unrestricted non-tangible assets	£6,254,648
Cash	£341,266
	£6,595,914
Less Designated and Programme Funds	£4,188,274
Reserves	£2,407,640

There is no certainty as to when the designated and programme funds will be called upon but all of these funds are active and can be called upon at any time. Also the section below relating to 'Sources of Income' applies to these funds.

Excess of reserves held over CC19 calculated requirements

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DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2015

Using the methods of calculation for required and actual reserves set out in the Charity Commission document CC19 there is a substantial excess of reserves held. The reason for this arose from the historic and present sources of the Charity's income.

Sources of the Charity's Income

The Charity's long standing funds come from a combination of legacies, donations and sales of redundant properties. These funds are regarded by the Charity as having some of the character and function of Endowment Funds (as defined in CC19) though they are not designated as such. In particular, the income from investments provides a substantial portion of the Charity's total income meeting the final sentence of its Reserves Policy. Without this income the Charity could have annual deficits and its reserves could diminish at an increasing rate.

Investment Policy

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. The current policy was set in 2013, with an emphasis on total return, whilst maintaining steady income across a balanced, diversified portfolio with a relatively aggressive risk exposure. An ethical screen is applied to direct UK investments, which omits companies with 5% or more exposure to armaments, consumer credit, environmental underperformance, gambling, pornography, abortifacients or tobacco.

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.

Performance is measured against a weighted benchmark of indices. Over the year, the portfolio of funds held by the Company outperformed the benchmark, with a return of 5% against an index of 2%.

The Trust has plans to fundamentally review its existing investment arrangements including updating the ethical investment policy to reflect contemporary concerns of church members during 2017.

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. In 2015 there were no significant factors of this type.

Other factors of which the Trust is cognisant include the reduction in volunteers across the synod and in churches which can cause them to close. This in turn reduces income from churches. Some remaining churches will have high maintenance costs. It can be seen that all of these issues have been considered by the Trust and Synod when developing future plans.

THE UNITED REFORMED CHURCH (NORTHERN PROVINCE) TRUST LIMITED
DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2015

Pensions

The company contributes to a staff pension scheme known as the 'Final Salary Scheme', this is a defined benefit scheme administered by The Pensions Trust, its Trustee. The United Reformed Church is the principal employer in the scheme, and eleven synods and Northern College are participating employers. There is no agreement to charge the net defined benefit cost to participating employers, who are therefore unable to identify their share of the underlying assets and liabilities – each employer pays a common contribution rate. The pension cost in the accounts represents the contributions payable by the Company to the scheme during the year.

Triennial actuarial valuations of the whole final salary scheme are performed by a qualified independent actuary. The most recent formal actuarial review of the scheme was at 30 September 2013.

Public Benefit

The Company is aware of the Charity Commission's guidance on public benefit. This requirement is met by enabling local churches to provide their services to the general public.

Plans for the Future

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

The Company has agreed in principle to support a strategic Way Forward plan for the Synod, and Trustees recognise their important role in assisting the implementation of the Synod's future strategy.

The Board reflects a broad range of professional experience within private, statutory and voluntary organisations, and of course extensive involvement with ministry and churches all of which will be drawn upon to steer the Company through the changes in the synod which lies ahead. During 2015 the Board has considered succession planning for key Board roles and will pay further attention to this issue in 2016 to ensure a smooth and sustained membership can be maintained.

The Board intends to increase the numbers of ordained Trustees during 2016/17.

Statement of Directors' Responsibilities

Company and charity law require the Directors to prepare financial statements for each financial year which give a true and fair view 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 good practice and:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis, unless it is inappropriate to 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 which enable

**THE UNITED REFORMED CHURCH (NORTHERN PROVINCE) TRUST LIMITED
DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2015**

them to ensure that the financial statements comply with the Companies Act. 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.

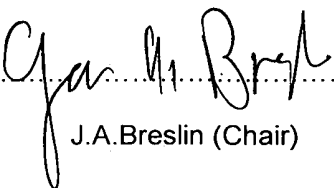
Disclosure of information to auditors

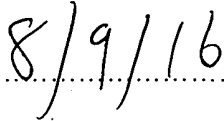
Each of the directors has confirmed that there is no information of which they are aware which is relevant to the audit, but which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and establish that the auditors are aware of such information.

Auditors

A periodic review of the appointment of auditors will be conducted in 2016, and a resolution will be proposed at the Board Meeting on 8 September 2016.

BY ORDER OF THE BOARD

.....

J.A. Breslin (Chair)

.....

Date

THE UNITED REFORMED CHURCH (NORTHERN PROVINCE) TRUST LIMITED
INDEPENDENT AUDITORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2015

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 Ltd for the year ended 31 December 2015 which comprises the Statement of Financial Activities (including Income and Expenditure Account), the Balance Sheet, Cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity'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 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 trustee and auditor

As explained more fully in the Trustees' Responsibilities Statement, the trustees (who are also the directors of the charitable company for the purposes of charity law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed the reasonableness of significant accounting estimates made by the trustees, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

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 2015 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.

**THE UNITED REFORMED CHURCH (NORTHERN PROVINCE) TRUST LIMITED
INDEPENDENT AUDITORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2015**

**TO THE MEMBERS OF THE UNITED REFORMED CHURCH (NORTHERN PROVINCE)
TRUST LIMITED**


Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where 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;
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of directors' remuneration specified by law are not made;
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small company's regime and take advantage of the small companies' exemption from the requirement to prepare a strategic report or in preparing the directors' report.


.....
Stephen Slater (Senior Statutory Auditor)
for and on behalf of
RMT Accountants & Business Advisors Ltd
Statutory Auditors
Gosforth Park Avenue
Newcastle upon Tyne
NE12 8EG

Date: 9 September 2016

THE UNITED REFORMED CHURCH (NORTHERN PROVINCE) TRUST LIMITED
STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND
EXPENDITURE ACCOUNT) FOR YEAR ENDED 31 DECEMBER 2015

	Notes	Unrestricted Funds £	Restricted Funds £	Endowed Funds £	Total 2015 £	Total 2014 £
Income						
Donations and legacies	2	183,669	30,614	-	214,283	157,117
Other trading activities	3	-	340	-	340	17,312
Income from investments	4	180,646	21,742	-	202,388	223,321
Other income	5	534,169	102,863	-	637,032	635,345
Total income		898,484	155,559	-	1,054,043	1,033,095
Expenditure						
Expenditure on raising funds						
Investment management costs	6	2,891	489	-	3,380	28,712
Fundraising expenditure	7	914	-	-	914	14,816
Expenditure on charitable activities	8	1,071,586	50,221	2,906	1,124,713	865,484
Other expenditure						
Monies paid to investors		-	10,201	-	10,201	22,251
Total expenditure		1,075,391	60,911	2,906	1,139,208	931,263
Net income/(expenditure) before gains and losses on investments		(176,907)	94,648	(2,906)	(85,165)	101,832
Net gains/(losses) on investments		150,823	22,906	-	173,729	89,692
Net income/(expenditure)		(26,084)	117,554	(2,906)	88,564	191,524
Transfers						
Transfers between funds		(8,911)	8,911	-	-	-
Net movement in funds		(34,995)	126,465	(2,906)	88,564	191,524
Total funds brought forward		7,753,362	953,117	202,906	8,909,385	8,717,861
Total funds carried forward		7,718,367	1,079,582	200,000	8,997,949	8,909,385

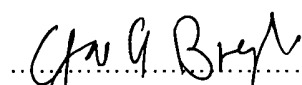
The notes on pages 17 to 33 form part of these financial statements.

THE UNITED REFORMED CHURCH (NORTHERN PROVINCE) TRUST LIMITED
BALANCE SHEET AS AT 31 DECEMBER 2015


Company Number: 134549

	Notes	Unrestricted Funds £	Restricted Funds £	Endowed Funds £	Total 2015 £	Total 2014 £
Fixed Assets						
Tangible assets	14	770,621	-	200,000	970,621	1,760,010
Investment properties	15	210,000	-	-	210,000	-
Investments	16	6,254,648	1,112,584	-	7,367,232	7,042,011
		<u>7,235,269</u>	<u>1,112,584</u>	<u>200,000</u>	<u>8,547,853</u>	<u>8,802,021</u>
Current Assets						
Assets held for sale	5	367,000	-	-	367,000	-
Short-term debtors	17	20,210	-	-	20,210	15,818
Long-term debtors	17	6,001	-	-	6,001	8,001
Cash at banks & in hand	18	341,266	-	-	341,266	602,192
		<u>734,477</u>	<u>-</u>	<u>-</u>	<u>734,477</u>	<u>626,011</u>
Liabilities						
Creditors: falling due within one year	19	(18,827)	(6,759)	-	(25,586)	(64,346)
Net Current Assets		<u>715,650</u>	<u>(6,759)</u>	<u>-</u>	<u>708,891</u>	<u>561,665</u>
Total Assets Less Current Liabilities		7,950,919	1,105,825	200,000	9,256,744	9,363,686
Creditors: falling due after more than one year	19	-	-	-	-	(115,658)
Provisions for liabilities and charges	20	(232,552)	(26,243)	-	(258,795)	(338,643)
Net Assets		<u>7,718,367</u>	<u>1,079,582</u>	<u>200,000</u>	<u>8,997,949</u>	<u>8,909,385</u>
Funds						
	23-25					
Unrestricted funds		7,718,367	-	-	7,718,367	7,753,362
Restricted funds		-	1,079,582	-	1,079,582	953,117
Endowed funds		-	-	200,000	200,000	202,906
		<u>7,718,367</u>	<u>1,079,582</u>	<u>200,000</u>	<u>8,997,949</u>	<u>8,909,385</u>

Approved by the board of directors and authorised for issue on 8/9/2016 and signed on its behalf by:



J A Breslin
Chair



A P Haws
Treasurer

The notes on pages 17 to 33 form part of these financial statements.

THE UNITED REFORMED CHURCH (NORTHERN PROVINCE) TRUST LIMITED
CASH FLOW STATEMENT FOR YEAR ENDED 31 DECEMBER 2015

	Notes	£	2015 £	£	2014 £
Cash (used in)/ provided by operating activities	21		(353,461)		90,391
Cash flows from investing activities					
Interest income		192,388		223,321	
Rental income		10,000		-	
Investment management fees		(3,380)		(28,712)	
Purchase of tangible fixed assets		(136,012)		(51,220)	
Purchase of investments		(2,362,992)		(3,784,727)	
Proceeds from sale of tangible fixed assets		181,031		545,797	
Proceeds from sale of investments		2,143,995		3,213,716	
Cash provided by investing activities			25,030		118,175
Cash provided by/ (used in) financing activities			-		-
(Decrease)/ increase in cash and cash equivalents in the year	22		<u>(328,431)</u>		<u>208,566</u>
Cash and cash equivalents at the beginning of the year			866,830		658,264
Total cash and cash equivalents at the end of the year			<u>538,399</u>		<u>866,830</u>

THE UNITED REFORMED CHURCH (NORTHERN PROVINCE) TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31 DECEMBER 2015

1 Accounting Policies

(a) 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 financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The United Reformed Church (Northern 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).

(b) Reconciliation with previous Generally Accepted Accounting Practice

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

(c) Preparation of accounts on a going concern basis

The trustees are of the view that sufficient reserves exist to ensure the immediate future of the charity for the foreseeable future, and on that basis the charity is a going concern.

(d) Incoming resources

Income from investments is brought into account when received. All other amounts are shown on an accruals basis. Income arising on endowed funds is treated as an addition to the endowment.

(e) Resources expended

Expenditure is accounted for on an accruals basis. 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.

(f) Fund accounting

Transfers from the General Reserve Fund to designated funds are made in accordance with the annual budget and in accordance with need. Funds are closed when the purpose for which they were created comes to an end, or it is otherwise resolved to discontinue them, and balances are usually returned to the General Reserve Fund.

Details of the nature and purpose of each fund are explained in Note 25.

Designated funds are determined by the Board.

THE UNITED REFORMED CHURCH (NORTHERN PROVINCE) TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31 DECEMBER 2015

1 Accounting Policies (continued)

(g) Tangible fixed assets and depreciation

Freehold properties have been brought into the financial statements at the value at which they had previously been included in the accounts of the Northern Synod.

Depreciation has been provided on freehold properties held by The United Reformed Church (Northern Province) Trust Limited. These freehold properties are depreciated over 50 years. No impairment reviews have been deemed necessary during the year.

Furniture and fittings are depreciated at 25% using the straight-line method.

(h) Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is measured using the fair value model and stated at its fair value as at the reporting end date. Any gains or losses arising from changes in the fair value of investment property are included in profit and loss for the period in which they arise.

(i) Fixed asset investments

Investments are stated at market value as at 31 December 2015, and have been revalued at that date.

All unrealised gains and losses on investments are recognised and included in the Statement of Financial Activities.

(j) Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include staff and governance costs which support the charity and its activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The bases on which support costs have been allocated are set out in note 9.

(k) Financial instruments

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

(l) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

(m) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

THE UNITED REFORMED CHURCH (NORTHERN PROVINCE) TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31 DECEMBER 2015

1 Accounting Policies (continued)

(n) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

(o) Transition to FRS 102

No subsequent restatement of items has been required in making transition to FRS 102. The transition date was 1 January 2014.

2 Donations and Legacies

	Unrestricted £	Restricted £	Endowed £	2015 Total £	2014 Total £
Contributions from local churches	84,430	-	-	84,430	86,756
Legacies	90,555	-	-	90,555	53
Donations	7,614	15,046	-	22,660	5,377
M&M Contributions	-	15,568	-	15,568	63,825
Other Income	1,070	-	-	1,070	1,106
	<u>183,669</u>	<u>30,614</u>	<u>-</u>	<u>214,283</u>	<u>157,117</u>

For the year ended 31 December 2014

	<u>93,262</u>	<u>63,855</u>	<u>-</u>	<u>157,117</u>
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3 Other Trading Activities

	Unrestricted £	Restricted £	Endowed £	2015 Total £	2014 Total £
Mozambique Sponsorship	-	340	-	340	1,562
Lindisfarne DVD Gospel	-	-	-	-	15,750
	<u>-</u>	<u>340</u>	<u>-</u>	<u>340</u>	<u>17,312</u>

For the year ended 31 December 2014

	<u>15,750</u>	<u>1,562</u>	<u>-</u>	<u>17,312</u>
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THE UNITED REFORMED CHURCH (NORTHERN PROVINCE) TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31 DECEMBER 2015

4 Income from Investments

	Unrestricted £	Restricted £	Endowed £	2015 Total £	2014 Total £
Bank interest	3,677	474	-	4,151	12,473
Dividends and Interest	166,969	21,268	-	188,237	210,848
Rental Income	10,000	-	-	10,000	-
	<u>180,646</u>	<u>21,742</u>	<u>-</u>	<u>202,388</u>	<u>223,321</u>

For the year ended 31 December 2014

	<u>199,042</u>	<u>24,279</u>	<u>-</u>	<u>223,321</u>
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From 2015 rental income from investment properties is now accounted for under this heading rather than under other income.

5 Other Income

	Unrestricted £	Restricted £	Endowed £	2015 Total £	2014 Total £
Property Sales and Donations	367,000	-	-	367,000	591,204
Sundry Income	8,468	1,500	-	9,968	69
Rental Income	15,577	-	-	15,577	26,146
Minister's Pension Fund Income from	115,658	-	-	115,658	-
Monies Received from Investors	-	101,363	-	101,363	1,300
Gain on sale of assets	27,466	-	-	27,466	16,626
	<u>534,169</u>	<u>102,863</u>	<u>-</u>	<u>637,032</u>	<u>635,345</u>

For the year ended 31 December 2014

	<u>633,976</u>	<u>1,369</u>	<u>-</u>	<u>635,345</u>
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Various church properties have been handed over to the Trust for sale during 2015. These are shown under property sales and donations. The proceeds from the sale of these properties will come to the Trust. These properties have been included as current assets in assets held for sale, valued at expected sale value.

6 Costs of Generating Funds

	Unrestricted £	Restricted £	Endowed £	2015 Total £	2014 Total £
Investment manager's fees	2,891	489	-	3,380	12,940
Commissions	-	-	-	-	15,772
	<u>2,891</u>	<u>489</u>	<u>-</u>	<u>3,380</u>	<u>28,712</u>

For the year ended 31 December 2014

	<u>25,593</u>	<u>3,119</u>	<u>-</u>	<u>28,712</u>
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THE UNITED REFORMED CHURCH (NORTHERN PROVINCE) TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31 DECEMBER 2015

7 Fundraising Expenditure	Unrestricted £	Restricted £	Endowed £	2015 Total £	2014 Total £
Mozambique Expenses	-	-	-	-	(20)
Lindisfarne DVD Gospel	914	-	-	914	14,836
	<u>914</u>	<u>-</u>	<u>-</u>	<u>914</u>	<u>14,816</u>

For the year ended 31 December 2014

<u>14,836</u>	<u>(20)</u>	<u>-</u>	<u>14,816</u>
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8 Charitable Activities

	Direct Activities £	Grant- making (note 11) £	Support and governance costs (note 9) £	2015 Total £	2014 Total £
<i>Objectives</i>					
Discipleship	5,750	6,786	56,143	68,679	58,910
Mission	2,721	13,501	58,583	74,805	119,295
Partnership	80,805	44,500	49,788	175,093	311,321
Property	631,773	121,532	52,831	806,136	375,958
Total	<u>721,049</u>	<u>186,319</u>	<u>217,345</u>	<u>1,124,713</u>	<u>865,484</u>

This may be analysed as follows:

	Unrestricted £	Restricted £	Endowed £	2015 Total £	2014 Total £
Charitable Activities	1,071,586	50,221	2,906	1,124,713	865,484
	<u>1,071,586</u>	<u>50,221</u>	<u>2,906</u>	<u>1,124,713</u>	<u>865,484</u>

For the year ended 31 December 2014

<u>755,574</u>	<u>99,910</u>	<u>-</u>	<u>855,484</u>
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Property direct activities include £550,000 relating to two manses, which have been returned to local churches.

9 Allocation of support costs

	Office & Executive £	Office Staff £	Resource Staff £	Total £
Discipleship	11,945	25,894	18,304	56,143
Mission	11,945	44,974	1,664	58,583
Partnerships	11,945	24,531	13,312	49,788
Property	11,945	40,886	-	52,831
Total	<u>47,780</u>	<u>136,285</u>	<u>33,280</u>	<u>217,345</u>

THE UNITED REFORMED CHURCH (NORTHERN PROVINCE) TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31 DECEMBER 2015

9 Allocation of support costs (continued)

Basis of Allocation	Office & Executive %	Office Staff %	Resource Staff %
Discipleship	25	19	55
Mission	25	33	5
Partnerships	25	18	40
Property	25	30	-
Total	100	100	100

Support costs and governance are allocated as an approximation of average working time for staff costs, and equally between all categories for the running costs of the Synod Office and the Synod Executive Committee.

10 Governance Costs

	Unrestricted £	Restricted £	Endowed £	2015 Total £	2014 Total £
Audit fees	6,000	-	-	6,000	6,000
Sundry expenses	73	-	-	73	(17)
Total	6,073	-	-	6,073	5,983

11 Grants Given

	Grants to Individuals £	Grants to Institutions £	2015 Total £	2014 Total £
Discipleship	5,421	1,365	6,786	10,172
Mission	-	13,501	13,501	40,092
Partnership	399	44,101	44,500	13,415
Property	-	121,532	121,532	222,449
	5,820	180,499	186,319	286,128

THE UNITED REFORMED CHURCH (NORTHERN PROVINCE) TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31 DECEMBER 2015

11 Grants Given (continued)

Major grants to institutions in the year (included above) were:

<u>Organisation</u>	<u>Type</u>	<u>£</u>
Diocese of Newcastle	Mission	6,000
St Antony's Priory, Durham	Mission	21,000
Crookham URC	Partner	10,200
Chatton URC	Partner	9,000
Falstone and Kielder Church	Partner	7,500
Wark URC	Partner	6,000
Bellingham URC	Partner	5,867
Keld Resource Centre	Property	40,000
Barnard Castle URC	Property	15,403
Northgate URC	Property	8,966
Erskine and St Cuthbert's URC	Property	8,710
St James's URC, Alnwick	Property	6,244
St Cuthbert's Centre	Property	6,000
West Denton URC	Property	5,000
Newcastle Central & East Methodist Circuit	Property	10,000
Total of major grants awarded to institutions		165,890
Less grants reversed		(18,000)
Minor institutional grants		32,609
		<u>180,499</u>

12 Trustee Expenses/Remuneration

None of the Trustees received any remuneration for their services to the Synod. During the year Trustees were reimbursed for the following expenses incurred in connection with their duties.

	<u>£</u>
Travelling and Photocopying Expenses (5 Trustees)	<u>445</u>

13 Salaries and wages

	Office Staff £	Resource Staff £	2015 Total £	2014 Total £
Gross Salaries	95,161	23,442	118,603	99,162
Fixed Car Allowance	-	200	200	375
Employer's National Insurance	8,503	1,217	9,720	8,198
Employer's Pension Contribution	26,293	5,839	32,132	25,315
Housing Allowance	-	-	-	291
	<u>129,957</u>	<u>30,698</u>	<u>160,655</u>	<u>133,341</u>

During the year there were an average of 5 (2014: 4) full-time equivalent employees and the average head count was 7 (2014: 6). No employee received emoluments above £60,000.

Key management are considered to be the Directors of the Trust, none of whom received any remuneration.

THE UNITED REFORMED CHURCH (NORTHERN PROVINCE) TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31 DECEMBER 2015

14 Tangible Fixed Assets	Freehold	Loans	Fixtures	Total
	£	£	£	£
Cost or valuation				
At 1 January 2015	1,338,566	433,598	31,254	1,803,418
Additions	134,950	-	1,063	136,013
Disposals	(703,566)	-	-	(703,566)
Reclassification	(210,000)	-	-	(210,000)
At 31 December 2015	<u>559,950</u>	<u>433,598</u>	<u>32,317</u>	<u>1,025,865</u>
Depreciation				
At 1 January 2015	14,000	-	29,408	43,408
Charge for year	10,799	-	1,037	11,836
At 31 December 2015	<u>24,799</u>	<u>-</u>	<u>30,445</u>	<u>55,244</u>
Net book value				
At 31 December 2015	<u>535,151</u>	<u>433,598</u>	<u>1,872</u>	<u>970,621</u>
At 31 December 2014	<u>1,324,566</u>	<u>433,598</u>	<u>1,846</u>	<u>1,760,010</u>

The properties comprised in the total above are managed by the United Reformed Church Northern Synod for the purpose of providing houses for some ministers, retired ministers and their spouses. The Northern Synod has purchased a number of properties and had others transferred to it by Synod resolution. All properties are vested in the United Reformed Church (Northern Province) Trust Limited as Trustee.

15 Investment properties

	£
Fair value	
At 1 January 2015	-
Reclassification	210,000
At 31 December 2015	<u>210,000</u>
Net book value	
At 31 December 2015	<u>210,000</u>
At 31 December 2014	<u>-</u>

The above property, Blyth URC, was obtained in 2009 and included at a valuation derived from the market value as calculated by an independant valuer. The trustees consider that no material variation in the fair value of the property has occurred since this valuation, as such no change in value has been recognised.

THE UNITED REFORMED CHURCH (NORTHERN PROVINCE) TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31 DECEMBER 2015

16 Fixed Asset Investments

	UK Listed Investments £	Ex-UK Listed Investments £	2015 £	2014 £
Market Value brought Forward	4,863,109	1,912,758	6,775,867	6,115,164
Additions (at cost)	1,830,351	532,642	2,362,993	3,784,727
	6,693,460	2,445,400	9,138,860	9,899,891
Disposals (at carrying value)	(1,594,370)	(549,627)	(2,143,997)	(3,213,716)
Net gain/(loss) on revaluation	76,337	97,392	173,729	89,692
Market value carried forward	5,175,427	1,993,165	7,168,592	6,775,867
Cash balance			197,134	264,638
Traidcraft investments			1,506	1,506
			<u>7,367,232</u>	<u>7,042,011</u>
Historical Cost				
31 December 2015	<u>4,929,541</u>	<u>1,528,465</u>	<u>6,458,006</u>	
31 December 2014	<u>4,612,781</u>	<u>1,652,123</u>	<u>6,264,904</u>	

All investments are held in a diversified pool, comprising a variety of gilts, bonds, stocks, shares, unit trusts, mutual funds and cash. Investments are mainly in the UK Government and UK companies, with overseas exposure achieved through collective funds. No individual holding is in excess of 6% of the portfolio.

Investments are included at market value, but shares in Traidcraft plc are recorded at cost. The Traidcraft shares represent a programme-related equity investment, in pursuit of the Synod's aims to make a difference in the wider world and link with global issues.

Investment management fees are paid by the company as a deduction from income, before allocation to each fund in the pool.

THE UNITED REFORMED CHURCH (NORTHERN PROVINCE) TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31 DECEMBER 2015

17 Debtors	2015	2014
	£	£
Loans to churches	7,001	8,001
Prepaid expenses	5,787	5,756
Other debtors	13,423	10,062
	<u>26,211</u>	<u>23,819</u>
Included in the above are loans falling due after more than one year of:	<u>6,001</u>	<u>8,001</u>

18 Cash at Bank and in Hand

	Unrestricted	Restricted	Endowed	2015 Total	2014 Total
	£	£	£	£	£
Deposit	209,683	-	-	209,683	443,241
Banks	131,434	-	-	131,434	158,892
Cash	149	-	-	149	59
	<u>341,266</u>	<u>-</u>	<u>-</u>	<u>341,266</u>	<u>602,192</u>

19 Creditors	2015	2014
	£	£
Amounts falling due within one year		
Accruals and deferred income	25,586	64,346
	<u>25,586</u>	<u>64,346</u>
Amounts falling due after more than one year		
	-	115,658
	<u>-</u>	<u>115,658</u>
Total Creditors	<u>25,586</u>	<u>180,004</u>

THE UNITED REFORMED CHURCH (NORTHERN PROVINCE) TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31 DECEMBER 2015

20 Provisions for Liabilities and Charges

Grant provisions

	Opening provision £	Grants awarded £	Grants paid £	Grants reversed £	Closing provision £
Discipleship	-	6,786	(6,786)	-	-
Mission	151,322	32,750	(45,823)	(19,250)	118,999
Partnership	32,621	51,638	(18,516)	(18,000)	47,743
Property	154,700	123,036	(184,180)	(1,503)	92,053
	<u>338,643</u>	<u>214,210</u>	<u>(255,305)</u>	<u>(38,753)</u>	<u>258,795</u>

Included in the above are grants which are expected to be paid after more than 1 year 87,755

Grants are normally awarded with a maximum contribution towards costs and a time frame to be claimed. If the grant is underspent or not claimed within the allotted time frame, the unclaimed grant provision is reversed.

Discipleship grants are awarded for specific developments and projects which strengthen individual or group faith experience.

Mission grants are awarded to fund events and projects central to the company's purpose including promoting evangelism and church growth.

Partnership grants are awarded to support joint working with ecumenical, community and global partners.

Property grants are awarded to support local churches in funding proper care of their properties.

A full list of the individuals and institutions to which the grants have been committed is available on request from the Synod office. Grants to institutions are detailed in note 11.

21 Reconciliation of net movement in funds to net cash flow from operating activities

	2015 £	2014 £
Net movement in funds for the year	88,564	191,524
Investment income	(202,388)	(223,321)
Investment expenditure	3,380	28,712
Depreciation of tangible fixed assets	11,836	2,421
Loss/ (profit) on disposal of tangible fixed assets	522,534	(16,626)
Gain on investments	(173,729)	(89,692)
(Increase)/ decrease in debtors	(369,392)	10,676
(Decrease)/ increase in creditors	(234,266)	186,697
	<u>(353,461)</u>	<u>90,391</u>

THE UNITED REFORMED CHURCH (NORTHERN PROVINCE) TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31 DECEMBER 2015

22 Analysis of net cash balances

	At 1 January 2015	Cash flow	Non-cash changes	At 31 December 2015
	£	£	£	£
Cash at bank and in hand	866,830	(328,431)	-	538,399
	<u>866,830</u>	<u>(328,431)</u>	<u>-</u>	<u>538,399</u>

23 Movement in Funds

	Opening Balance £	Incoming Resources £	Outgoing Resources £	Revaluations/ Transfers £	Closing Balance £
General Fund	452,933	356,800	(291,733)	2,570	520,570
General Reserve Fund	1,836,968	-	(40,850)	41,980	1,838,098
Property Valuations Fund	1,560,778	348,385	(560,799)	-	1,348,364
Manse Fund	2,613,985	56,548	(28,563)	(6,818)	2,635,152
Property Fund	276,183	14,270	(110,749)	6,023	185,727
Mission Fund	1,001,696	5,737	(15,219)	53,644	1,045,858
RMH 15% Manse Sales Fund	-	-	(26,559)	26,559	-
Ministers' Pension Fund	-	115,658	-	17,705	133,363
Dr Brand Legacy Fund	9,905	1,070	(5)	249	11,219
Lindisfarne Gospel Fund	914	-	(914)	-	-
Revenue Fund	-	16	-	-	16
Total Unrestricted	<u>7,753,362</u>	<u>898,484</u>	<u>(1,075,391)</u>	<u>141,912</u>	<u>7,718,367</u>
Church Extension Fund	13,658	-	(6)	323	13,975
Dales Fund	30,512	-	(14)	722	31,220
Ministry & Mission Fund	109,253	15,566	(31,543)	2,778	96,054
Moderator's Benevolent Fund	10,040	100	(399)	-	9,741
Mozambique Partnership Fund	8,774	4,338	(5,033)	1,706	9,785
Mozambique Project Fund	4,895	1,047	(3,817)	32	2,157
Students Fund	7,348	-	(3)	174	7,519
Pulpit Supply Fund	(1,008)	1	(1,235)	-	(2,242)
Olga Hawkins Fund	-	10,000	-	-	10,000
Refugee Fund	-	1,688	-	-	1,688
Trust Capital Funds	332,678	8,843	(8,293)	15,771	348,999
Church Funds	436,967	113,976	(10,568)	10,311	550,686
Total Restricted	<u>953,117</u>	<u>155,559</u>	<u>(60,911)</u>	<u>31,817</u>	<u>1,079,582</u>
RMH Endowed Fund	202,906	-	(2,906)	-	200,000
Total Endowed	<u>202,906</u>	<u>-</u>	<u>(2,906)</u>	<u>-</u>	<u>200,000</u>
Total Funds	<u>8,909,385</u>	<u>1,054,043</u>	<u>(1,139,208)</u>	<u>173,729</u>	<u>8,997,949</u>

THE UNITED REFORMED CHURCH (NORTHERN PROVINCE) TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31 DECEMBER 2015

24 Analysis of Net Assets Between Funds

	Tangible Assets £	Investments £	Current Assets £	Creditors £	Total £
General Fund	1,871	456,966	96,173	(34,440)	520,570
General Reserve Fund	-	1,856,315	21,783	(40,000)	1,838,098
Property Valuations Fund	768,750	210,000	369,614	-	1,348,364
Manse Fund	-	2,643,649	14,183	(22,680)	2,635,152
Property Fund	-	219,884	-	(34,157)	185,727
Mission Fund	-	1,015,619	150,341	(120,102)	1,045,858
Ministers' Pension Fund	-	52,191	81,172	-	133,363
Dr James Brand Legacy Fund	-	10,024	1,195	-	11,219
Revenue Fund	-	-	16	-	16
Total Unrestricted	770,621	6,464,648	734,477	(251,379)	7,718,367
Church Extension Fund	-	13,975	-	-	13,975
Dales Fund	-	31,220	-	-	31,220
Ministry & Mission Fund	-	127,854	-	(31,800)	96,054
Moderator's Benevolent Fund	-	9,760	-	(19)	9,741
Mozambique Partnership Fund	-	9,785	-	-	9,785
Mozambique Project Fund	-	2,157	-	-	2,157
Students Fund	-	7,519	-	-	7,519
Pulpit Supply Fund	-	(1,059)	-	(1,183)	(2,242)
Trust Capital Funds	-	348,999	-	-	348,999
Church Funds	-	550,686	-	-	550,686
Olga Hawkins Fund	-	10,000	-	-	10,000
Refugee Fund	-	1,688	-	-	1,688
Total Restricted	-	1,112,584	-	(33,002)	1,079,582
RMH Endowed Fund	200,000	-	-	-	200,000
Total Endowed	200,000	-	-	-	200,000
Total Funds	970,621	7,577,232	734,477	(284,381)	8,997,949

THE UNITED REFORMED CHURCH (NORTHERN PROVINCE) TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31 DECEMBER 2015

25 Nature and Purpose of Funds

The assets represented by these funds are comprised of separately identified cash and property, and pooled cash and investments held by the company, as discussed below. These funds had previously been established in The United Reformed Church Northern Synod and were transferred to the company at the beginning of 2010.

General Fund

This fund is unrestricted, and was set up by Trust resolution in 2009, and designated for the day-to-day running of the Northern Synod. It was originally formed by combining various designated funds, and is now funded from contributions from local churches, investment income and property sales. This asset is represented by pooled investments and cash and office furniture and fittings.

General Reserve Fund

This fund is unrestricted, and consists of all the undesignated monies of the Synod. This asset is represented by pooled investments and cash.

Property Valuations Fund

This fund is unrestricted, and was set up in 2009. This asset is represented solely by property.

Manse Fund

This fund is unrestricted, and was set up in 2006, and is funded from the sale of manses and retired ministers' houses. This asset is represented by pooled investments and cash.

Property Fund

This fund is unrestricted, and was set up by Trust resolution in 2009 and is designated for making grants to churches and expenses incurred by the Trust in respect of property matters. It is funded from the sale of churches and halls and is represented by pooled investments and cash.

Mission Fund

This fund is unrestricted, and was set up by Trust resolution in 2009. This fund is designated for the provision of grants for small church/community projects and longer term Partners in Mission projects which will require more substantial funding. The fund is a combination of the Development Fund and a legacy received, and is now funded from the sales of properties and donations from local churches. This asset is represented by pooled investments and cash.

RMH Manse Sales Fund

This fund is unrestricted and is designated for retired ministers' housing purposes. It arises from 15% of manse sales and is represented by pooled investments and cash.

Ministers' Pension Fund

This fund is unrestricted and is designated for contributing to the deficit on the URC ministers' pension fund. It arises from the sale of churches and is represented by pooled investments and cash.

Revenue Fund

This fund is unrestricted and all income and gains and losses are posted through this fund before being allocated to other funds. This asset is represented by pooled investments and cash.

THE UNITED REFORMED CHURCH (NORTHERN PROVINCE) TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31 DECEMBER 2015

25 Nature and Purpose of Funds (continued)

Dr Brand Legacy Fund

This fund is unrestricted and arises from legacy income and is represented by pooled investments and cash.

Lindisfarne Gospel Fund

This fund is unrestricted and is designated for an ecumenical project which produced a dvd. It was funded from contributions from regional church bodies and is represented by pooled investments and cash.

Church Extension Fund

This fund is restricted, and was apportioned under Charity Commission schemes, and may only be used for the upkeep, repair, improvement, extension, provision and erection of URC buildings and manses. This asset is represented by pooled investments and cash.

Dales Fund

The Dales Fund is restricted and is used to support rural ministry and properties in Swaledale. It is represented by pooled investments and cash.

Ministry and Mission Fund

This fund is restricted, and was set up in 1992, for the sole purpose of meeting ministry and mission commitments as necessary. It arises from accumulated surpluses and transfers from the Lancashire Congregational Union and North Tyne fund. Contributions from and to ecumenical partners are posted through this fund. This asset is represented by pooled investments and cash.

Moderator's Benevolent Fund

This fund is restricted, and was set up in 1996 for the sole purpose of making discretionary grants to individuals. It arises from donations received by the Moderator. This asset is represented by one designated bank account and pooled investments and cash.

Mozambique Partnership Fund

This fund is restricted and was created in 2010 to sustain the partnership between Northern Synod and the Igreja Presbiteriana de Moçambique. The fund is supported by general donations from individuals and the General Reserve Fund. The asset is represented by pooled investments and cash.

Mozambique Project Fund

This fund was established in 2010 and is restricted. The fund was set up to collect donations from individuals, to support specific projects relating to the Partnership in Mozambique. The asset is represented by pooled investments and cash.

Students' Fund

The Students' Fund was transferred from Newcastle Presbytery and is restricted to provide book grants to ministerial students. The asset is represented by pooled investments and cash.

Pulpit Supply Fund

This fund is restricted and was set up in 2011 to collect contributions from local churches and pay preaching fees and expenses in Northumberland. This asset is represented by pooled investments and cash.

THE UNITED REFORMED CHURCH (NORTHERN PROVINCE) TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31 DECEMBER 2015

25 Nature and Purpose of Funds (continued)

Olga Hawkins Fund

This fund is restricted and arises from a legacy received from Olga Zena Hawkins. The legacy is for the benefit of the United Reformed Churches of Sunderland for general purposes.

Refugee Fund

This fund is restricted and was set up as part of a Synod-wide appeal. Monies will be held ready for use for local needs among refugees, when settling in the region.

Trust Capital Funds

These funds are restricted and arose from the sale of properties, and have been designated by Synod resolution for specific churches. These assets are represented by pooled investments and cash.

Church Funds

These funds are restricted and are held on behalf of local churches. These assets are represented by pooled investments and cash.

Retired Ministers' Housing (Endowed) Fund

This fund is endowed and was set up in 2001 by transfer of funds, originally arising from donations and legacies. This asset is represented by pooled investments and cash.

26 Pension Costs

Final Salary (defined benefit) pension scheme

The Trust contributes for office staff into a United Reformed Church lay staff pension scheme known as the 'Final Salary' scheme, which is administered by The Pensions Trust. This is operated as a defined benefit scheme but the Trust is not the only participating employer in the scheme and is unable to identify its share of the underlying assets and liabilities - each employer in that scheme pays a common contribution rate.

During 2015 the Trust contributed 28.2% (2014: 26%) of basic salary in respect of members of the Final Salary scheme, amounting to £32,131 (2014: £25,315). Members contributed at the rate of 6% (2014: 6%) 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 review of the scheme was at 30 September 2013 when the scheme had a deficit of £2,725k. The assumptions underlying that valuation include:

Discount Rate:	pre retirement 6.6%, post retirement 3.7%
Pensionable earnings growth:	2.5% for three years, 4% thereafter
Future pension increases:	2.5%
Retirement age:	60, with commutation

As a result of the actuary's recommendations, contributions by participating employers have increased to 28.2% of basic salary from 1st January 2015. The next triennial actuarial valuation is due 30 September 2016.

THE UNITED REFORMED CHURCH (NORTHERN PROVINCE) TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31 DECEMBER 2015

27 Properties Vested in the Company as Custodian Trustee

A comprehensive list of properties vested in the company is available on request to the URC Northern Synod Office.

28 Legal status of the Trust

The Trust is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity.

29 Related party transactions

During the year there have been no transactions with related parties which require disclosure.