

Registered number: 02583801  
Charity number: 1010166

**Union Chapel Project**  
**(A Company Limited by Guarantee)**

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**For the Year Ended 31 March 2023**

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**UNION CHAPEL PROJECT**

**(A Company Limited by Guarantee)**

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS**  
**For the Year Ended 31 March 2023**

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<b>Directors and Trustees</b>	Philip Walker (Chair) Jean Appleyard Kathryn Dixon Vaughan Jones Thomas Linton-Smith Gordon Montgomery Fajer Qasem (appointed 1 December 2022)
<b>Registered office and Operational address</b>	Union Chapel 19b Compton Terrace London N1 2UN
<b>Company number</b>	02583801
<b>Charity number</b>	1010166
<b>Bankers</b>	Barclays Bank plc Leicester LE87 2BB
<b>Solicitors</b>	Bates, Wells & Braithwaite London LLP 10 Queen Street Place London EC4R 1BE
<b>Auditors</b>	Goodman Jones LLP 29-30 Fitzroy Square London W1T 6LQ

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### TRUSTEES' REPORT

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#### 2. Principal aims, objectives and activities

Union Chapel Project (UCP) is an independent charity founded in 1991, with objectives and purposes which are charitable according to English law and are not inconsistent with the Christian faith of the Union Chapel Church.

The main aims adopted to achieve the charitable objectives are:

**Conservation & Repairs:** To conserve and repair the Union Chapel's Grade 1 and Grade 2\* listed buildings.

**Community Engagement:** To open the Union Chapel to as many people as possible, from all walks of life.

Underpinning this, the organisation has four key aims:

***Aim 1** - To curate and support a year-round programme of popular and innovative cultural performances and activities to enrich London's diverse communities*

***Aim 2** - To strengthen relationships within and between these communities through participative and transformative projects for social change*

***Aim 3** - To repair and conserve the Grade 1 and Grade 2\* listed buildings to the highest standard for future generations to use and enjoy*

***Aim 4** - To achieve financial independence and sustainability through using our space to its greatest potential*

Activity to achieve these aims and objectives in 2022-23 included:

- **Live events, performances and live-streamed/filmed performances** – hosting a range of high calibre music and cultural performances, social justice and community events, and filmed events, with audiences from our local community to international audiences
- **The Margins Project (Margins or UCM)** – our charitable subsidiary which works to provide a range of services that relieve need and hardship and provide opportunities, training/employment and empowerment for people facing homelessness, the risk of homelessness or crisis
- **Our In Union and Re-Union arts, cultural and community programmes** – increased community creative programmes and activities, using digital and physical resources
- **Space hire to arts and community organisations** – supporting theatre productions, filming and community organisations working with local communities through subsidised space hire
- **The Organ Project** – continuing to make our organ accessible through a range of online workshops and events
- **Union Chapel Church** - Supporting the church, a separate legal entity, who host a range of activities in addition to its family church services

The organisation relies on grants, donations and income generation from its trading subsidiary Union Chapel Directions Limited (UCD), to fund its charitable activities and cover its operating costs.

#### Public Benefit

In shaping the objectives and planning activities for the year, the Trustees have considered the Charity Commission's guidance on public benefit, including the guidance on public benefit and fee charging.

In accordance with Section 17 of the Charities Act 2011, the Trustees consider how planned activities will contribute to the aims and objectives that have been set. These objectives are carried out by means of a long-term plan for the restoration of the Union Chapel so that the building can continue to be enjoyed by its many different users and visitors.

The Trustees ensure that all activities are in accordance with the equal opportunities policy of UCP and consider the accessibility of the chapel to those on low incomes by offering free and low-cost activities, onsite and remotely.

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### TRUSTEES' REPORT (CONTINUED)

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#### 3. Achievements and Performance

The Trustees review the aims, objectives and activities of the charity each year. This report looks at what the charity has achieved and the outcomes of its work within the last twelve months. The Trustees report the success of each key activity and the benefits the charity has brought, to those groups of people that it is set up to help. The report also helps the Trustees ensure the charity's aims, objectives and activities remain focused on its stated purposes.

##### Summary of achievements 2022-23

The financial year 2022-23 continued to be a hugely challenging year across all our operations and activities – from the delivery of events and community activities, to staffing, capacity, finance, fundraising and resources. Despite these challenges, Union Chapel was able to return to onsite live events, with high profile artists throughout the year; continuing our important community provision and continuing to pilot new programmes and approaches.

This work further positioned Union Chapel as a leading ethical centre for all, a pioneering arts venue supporting the local community and championing social justice issues, bringing the chapel space to more people across the globe through filmed and broadcast events, further enhancing Union Chapel's reputation as a pioneering arts venue as well as a working church.

***Activity to support Aim 1 – To curate and support a year-round programme of popular and innovative cultural performances and activities to enrich London's diverse communities***

##### Events and performances

In a year marked by unprecedented challenges, we are thrilled to share our achievements and significant milestone within the live events and performances across the chapel. Despite the impact of COVID-19, we successfully booked over 160 events and performances across the 22-23 financial year.

One of our key achievements was the successful organisation and hosting of *Wellstock's* first ever event, featuring the renowned artist, Ed Sheeran. *Wellstock* aims to unite mental health awareness, fundraising efforts, and the power of music. This exclusive event, which supported Shout's inaugural fundraising initiative, focused on providing unique and immersive experiences to assist those at the forefront of mental health services. To attend the event, individuals participated in a charity prize draw, making a voluntary donation of £10 to the For One Night Only Fund, benefiting Shout. The event received overwhelming demand, reflecting Ed Sheeran's immense popularity following his record-breaking tour, which saw him play to more than 3 million fans in Europe in 2022.

We hosted a successful fundraiser for the *Bike Project*, an organisation that restores second-hand bikes and donates them to refugees and asylum seekers within our community. This event, headlined by James Acaster, generated an impressive £37,000 after costs, further magnifying our commitment to supporting local initiatives and social causes.

Union Chapel also saw the local resident Louis Dunford premier his song, "The Angel," which was videoed, went viral and subsequently caught the attention of Arsenal Football Club, the beloved local team within our community. This remarkable collaboration resulted in the song being embraced by the fans, who now sing it as players run onto the pitch for games, solidifying its place as an anthem for the club. This is a testament to the power of music and arts in uniting communities and fostering a sense of belonging.

Our venue became a sought-after destination for album launches and intimate showcase events for internationally esteemed artists such as Jack White, Tom Odell and Korn, who chose our space as the hottest ticket in town for their album releases. These accomplishments have not only brought us financial success but also strengthened our position as a pivotal player in the arts and cultural landscape.

In addition to our achievements in live events and performances, we have expanded our offerings by venturing into the podcast industry, further diversifying our portfolio and capitalising on new market opportunities. We are excited to continue building on this emerging sector and leveraging it to enhance our event experiences at the chapel.

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#### Media Links

Behind the scenes video of Ed Sheeran's performance: <https://unionchapel.org.uk/venue/newsviews/go-behind-the-scenes-with-ed-sheeran>

Louis Dunford - <https://www.youtube.com/watch?v=pHVI1lh9z8> and <https://www.youtube.com/watch?v=2TOEvsH8Vvc>

Nick Cave - interview with Nick Cave broadcast on BBC Newsnight last night: <https://www.bbc.co.uk/iplayer/episode/p0dfc642/the-big-interviews-nick-cave>

Vogue – Emma Corrin photographed at Union Chapel for 31 Famous Stars Homage to 20s - <https://www.vogue.co.uk/arts-and-lifestyle/gallery/hollywood-portfolio-2023>

Jack White (Album Launch) <https://www.youtube.com/watch?v=5EB9nYjt4w8>

Tom Odell (Album Launch) [https://www.youtube.com/watch?v=4fcSK\\_YS7J4](https://www.youtube.com/watch?v=4fcSK_YS7J4)

#### Organ programme

After two reschedules due to the pandemic Organ Reframed festival took place on the 16-18 September 2022. This was by far the most ambitious production yet with Union Chapel being transformed into a 360-degree moving image canvas creating a truly immersive experience through sound, music and visuals for the Saturday evening show. The festival premiered five new commissions from artists at the forefront of contemporary music alongside the London Contemporary Orchestra and Choir. Friday night was completely sold out with Saturday only having a handful of tickets left.

From the audience:

*"Claire M Singer and Chris Watson's work for Organ Reframed was a genuine, profound and spiritual moment in my life"*

*"Thank you for an absolutely unforgettable experience"*

*"I waited 2 years and flew from California to see this. It didn't disappoint!"*

*"Chris Watson and Claire M Singer's piece was truly wonderful. Life goes on at its regular pace and then there is a magical moment: a time when things seem to fall into place and their evening was one of them"*

The Organ Reframed label has continued to succeed with regular sales of the first release by Eliane Radigue with clear profit margins now achieved.

The programme also continued to support four students from St Mary Magdalene School with free individual organ lessons on a weekly basis during term time. Unfortunately the rest of the programme was paused after the festival due to our Music Director focusing on fundraising for an urgent repair to the soundboard in the Swell section of the organ, which is provisionally booked for January – May 2024.

#### **Activity to support Aim 2 - To strengthen relationships within and between these communities through participative and transformative projects for social change**

##### **The Margins Project (Margins)**

The Margins Project (Margins) was established by the Union Chapel (Church) in 1995 to help people experiencing injustices and crisis, particularly those who are experiencing homelessness or living in precarious housing conditions. The charity primarily supports people from the London Borough of Islington and surrounding boroughs although it helps people from across London.

Margins aims to support its service users to achieve the following outcomes:

- Increase quality of life through better shelter, food, hygiene and safety, access to temporary or permanent accommodation, and the prevention of eviction

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- Improve physical and/or mental health and well-being
- Improve economic circumstances through access to benefits and employment
- Improve life skills and employability skills
- Improve confidence and self-esteem

It achieves the above by providing the following services:

- A drop-in service twice a week offering food, showers, laundry and clothing, hardship support, and emergency packs. Newcomers receive an initial assessment so that we can work on each individual case
- Advice, primarily on housing and benefits, and engagement services through the week with referrals to specialist agencies including to health services, debt management advice, immigration advice and domestic violence support services
- Well-being support and mentoring
- An intensive Supported Employment Programme in the Margins Café with ancillary support such as job-search

The number of guests (service users) continued to increase during this reporting period. Attendance per drop-in service averaged 58, slightly higher than last year's 57 guests and 50 guests the year before that (2020-21). This steady increase is for several reasons, including:

- An increase in those people needing our support post pandemic
- Cost-of-living crisis
- Many people transitioning from legacy benefits onto Universal Credit
- An increase of awareness about the Margins Project which has played a major role as a community hub during the pandemic
- The recognition by Islington Council as one of the few voluntary and community sector partners in the borough
- The welcoming atmosphere we have created to help the community to engage, to contribute and to participate in the delivery of services
- Cold weather impact on our community

Key achievements 2022-23:

- a consolidation and strengthening of a fully operational and vertically integrated suite of services including community drop-in service, Supported Employment Programme, and advice and engagement
- Smooth re-establishment of the Supported Employment Programme (SEP) after nearly two years of inactivity due to the pandemic
- Closer working relationship with Union Chapel Project's events team to feature and promote Margins' services, especially the catering services, more widely among audiences and stakeholders
- Opening Margins services to a wider and more diverse groups, including refugees and asylum seekers
- Developing good relationships with local organisations and funders

#### Union Chapel Church

Union Chapel is the name of the church founded in 1799, which has played an important role in the life of Islington's religious and social life ever since. As the charitable arm of the church, Union Chapel Project ensures that its buildings are well used with respect to the dignity of the venue whose principal purpose is for public worship.

Union Chapel holds services each Sunday, with preaching relevant to our challenging context. The church takes full advantage of its organ and musical tradition. A pool of professional musicians enhance the worship with Gospel, jazz, and classical music. A weekly Bible Study is held and this year included an interfaith study with New Stoke Newington Schul. Our ever-popular Carols by Candlelight resumed after the enforced break caused by Covid. Attendance at church is slowly increasing and our services and events had an overall attendance of 3,678. Services and activities are published online. The church also officiates at weddings, including same-sex marriages and memorial services. In June we held our annual Pride service. We also commemorated Trans Day of Remembrance with an event in the Upper Hall.

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Union Chapel hosts a community choir, Union Chapel Singers which sang at our Remembrance Sunday and also at a special event in December entitled 'Blue Christmas'. Union Chapel also hosts a gospel choir called Union Chapel Voices which organised two major events namely 'Beloved' on Good Friday and 'Music of Resistance' for Black History Month".

Our social justice and community outreach activities has become an important feature in the life of Union Chapel. A significant development has been the awarding of a contract with Islington Council to provide wraparound support to asylum seekers in two hotels in the borough. This has drawn us closer to the Margins project. Our Lent Programme entitled 'Faith Under Fire' explored themes of religious persecution, human rights and solidarity. Our concern for international issues was demonstrated in a webinar we organized on the situation in Tigray viewed by over 21,000 people. Our Climate Justice programme included a series of films and presentations and a fair entitled Waste Stops Here promoting local campaigning groups.

***Activity to support Aim 3 - To repair and conserve the Grade I and Grade 2\* listed buildings to the highest standard for future generations to use and enjoy***

#### **Summary of achievements 2022-23**

During 2022-23, like the previous three years, the main focus has been to keep the expenses on conservation to the minimum and concentrate on necessary works related to maintenance and Health and Safety. Nevertheless, good progress was made with improving our Health & Safety standards, carrying out works as recommended in the latest fire risk assessment. We also carried out repair works to the Chapel North and South Aisle Roof as well as keeping up with our planned maintenance programme.

#### **Sunday School Project**



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- Following confirmation of the grant from NLHF (National Lottery Heritage Fund) in March 2021, much work has gone into the preparation of documents prior to signature of the contract with the funder. In particular, the review of the Management Agreement (MA) with the Church in order to include the freeholder of Union Chapel (UC), the Congregational Federation, as per the previous MA. Permission to start the work was granted by the NLHF in November 2022
- Grant applications for SSH (Sunday School Hall) capital works (more details in the Development Team report)
- Interviews and appointments of the capital works design team
- Progress of details of the capital works scheme, added air source heat pump and cost review
- Review of programme, cashflow forecast and fundraising pipeline following major budget increase due to high inflation, project delay and additional works included in the core project (for example: dumb waiter, bar to SSH and air source heat pump)
- Support from Islington Giving's Core Project covering project management, corporate engagement and quality assurance that helped to develop a strong structure for the SSH project, including a project plan, risk register, terms of references for steering groups, and time management for meetings. Overall a very positive and useful experience

#### Heritage programme



heritage open days



- Developed and delivered Open House/Heritage Open Day within Organ Programme with Claire Singer and The Friends of the Union Chapel (Friends)
- Delivered #Thank you day with Friends
- Participated in online heritage day
- Developed programme for 2023 Open House and Heritage Open Day in collaboration with Claire Singer
- Collaborated with Friends and Archive Group
- Delivered tower tours for Crowdfund campaign

#### The Friends of the Union Chapel

The Friends of the Union Chapel (Friends) help restore and preserve the Union Chapel and organise a variety of activities in the building.

The Infrastructure team would like to thank the Friends for their advice and support given in the preservation of our heritage and in helping keeping the building open to the community during heritage events.

#### Conservation and building works



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- Repair works to Chapel North and South aisle roof
- Cleaning trials to pulpit and pews by specialist contractors
- Applied and received Listed Building Consent for pew numbering
- Development of organ repair project for 2024 with Claire Singer
- Continued collaboration with Development Team for fundraising and marketing
- Continued collaboration with Friends for conservation tests and works and heritage program
- Reviewed environmental policy
- Reviewed archive information on works to the Sunday School in 2003 to use for current SSH project
- Redecoration of the bar stairs
- Participation to CoRe project organized by the Big Alliance to improve Project Management skills and organization resilience
- Prepared Infrastructure budget for 2023-24



#### Facilities and maintenance

- Carried out planned and reactive maintenance works
- Kept all gutters and drains unblocked and clean
- Planned and delivered maintenance week in August and December
- Pews and floor repairs
- Minor repairs to electrical layout
- Reviewed Maintenance Management Plan
- In house cleaning and refurbishment of chapel chandeliers
- Obtained all necessary consents to fix high
- security building information box for fire brigade
- Dealt with office flood from flat above
- Reviewed environmental policy and participation to The Business Climate Challenge program by the Mayor of London
- Successful recruitment of new cleaners
- Unsuccessful recruitment of Facility Manager



#### Health and safety

- Improved staff health and safety records. A member of staff attended IOSH (Institute of Occupational Safety and Health) course and obtained IOSH (Institution of Occupational Safety and Health) Managing Safely certificate
- Increased collaboration with WorkNest, our competent health and safety consultant
- Carried out planned and reactive maintenance and tests in house and with external competent contractors as required: fire alarm, emergency lights, electrical installation, lightning installation and chair lift.
- Carried out weekly fire alarm tests, water temperature tests, and maintained fire exit and routes clear from obstructions. Continuous collaboration with the Church, Union Chapel Directions (venue operation) and Margins for security and health and safety issues/policies
- Provided regular fire evacuation induction and ladder use training to new staff
- Arranged fire marshal and first aid training for all staff
- Carried out most urgent works as recommended in latest Fire Risk assessment
- Resolved issues with erratic behavior of fire alarm installation

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- Positive outcome of regular survey visit from fire brigade
- Answered out of office emergency call outs
- Reviewed Infrastructure Risk Register

**Activity to support Aim 4. To achieve financial independence and sustainability through using our space to its greatest potential**

#### Fundraising

Total income raised through fundraising in 2022-23 was £483,877 which represents a 34% decrease from the previous years total of £730,695. As expected, the effects of the 2022-23 cost-of-living crisis negatively impacted all income streams most notably individual giving and Trust and Foundations. The effects of the 2022-23 cost-of-living crisis will continue to impact charitable income for some years to come, we will continue to review our fundraising strategy and look to increase income from alternative sources such as corporate sponsorship and membership.

Summary of fundraising achievements 2022–23:

- Our strategic focus has been on building strong, longer-term relationships and developing new partnerships with Trust and Foundations. Whilst some of this contributed to new projects and activity, the majority of these funds were either core cost recovery, unrestricted, or capital works/ conservation, contributing to the survival and future of our organisations. Notable support came from the Oak Foundation, Henry Smith Foundation and the Drapers Charitable Fund
- We have continued to work strategically with our Corporate Partners, many of whom are aligned with our Margins Project and in addition to financial support have given their time and expertise through volunteering. We have been delighted to continue working with Slaughter & May, Pret Foundation and Expedia.
- The unique impact of our charitable activity continued to be recognised by the London Borough of Islington in 2022-23. We are grateful for their ongoing financial support.
- Capital fundraising for the Sunday School Project continued to be a top priority. We were successful in securing major donations from the Foyle Foundation and Garfield Weston Foundation
- We ran a successful crowdfunding campaign in winter 2022-23 with the support of the Aviva Community Fund. Over 155 supporters helped us raise over £20,000 to help fund the ongoing work of the Margins Project and contribute towards increased running costs
- Individual donations of over £30,000 despite the cost-of-living crisis

#### Union Chapel Directions Limited

Union Chapel Directions Limited (UCD) is a trading subsidiary of UCP and works to support *Aims 1 and 4*.

It operates the venue and through which curates and supports a programme of popular and innovative cultural performances and activities to enrich London's diverse communities. See *Aim 1* for details of activities for the financial year.

Through commercial hire of the venue, it also helps UCP in its aim to achieve financial independence and sustainability. The three key sources of income are the venue, the bar and the day hire of rooms. All profits from the trading subsidiary are Gift Aided to the charity, in order that it can undertake its charitable aims.

#### 4. Plans for the Future

For the immediate future, we are optimising net revenues in an effort to rebuild our balance sheet following the ravages of the lock-downs and our inability to facilitate gigs and performances for some time during the financial year. Of course, we are also gearing-up for the exciting and substantial refurbishment of the Sunday School. We will continue to develop and offer outreach into our local community. We will also prioritise sustainability in both building works and our operations.

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Margins is an integral part of the organisation and fulfils some of our charitable objectives. The gigs are also crucial to our reputation and generating most of our income. As part of its employment initiative, Margins often cooks food for concert-goers which is a wonderful addition to the experience of both patrons and trainee chefs.

Looking beyond the building works, we are committed to making Union Chapel a leading centre for the arts, culture and community in London. We are also committed to the master plan for the building which stretches ahead a further 15 years and envisages much improved access, a reception area, a lift serving all three floors. We are acutely aware of course that as we focus on the fabric of the building, we need to continue to expend energy into ensuring the building is kept alive with activity.

#### Thank-You

On behalf of the board may I thank our hard-working staff, stewards, the numerous volunteers we are delighted to work with, all sorts of stakeholders such as the Friends of the Union Chapel, the Church, Margins, our near neighbours, our many external advisers some of whom work on a pro bono basis. This community, together with our donors, some private, some public such as the National Lottery Heritage Fund and the Places of Listed Worship, all contribute to creating the wonderful Union Chapel.

Finally, may I thank my fellow directors, all of whom volunteer their time and expertise, to make this project a success. This financial year has been particularly tough but I am confident that we will survive, with more focus to be able to build on the considerable success that Union Chapel has enjoyed over the last 30 years.

## 5. Financial review

### Summary

Overall, UCP reported a consolidated deficit of £239k for the financial year compared with a surplus of £295k for 2022. Although income increased by 14.7% to £1,509k, costs have risen steeply to £1,748k. This is partly due to inflationary pressures but partly due to increased costs of delivery as detailed below under the Expenditure heading.

The deficit has been funded by retained unrestricted reserves.

Net funds at 31 March 2023 were £773k, of which £574k was unrestricted, including £354k of designated reserves. Note that opening unrestricted funds for this year reflect a prior year adjustment to correct an overstatement of restricted funds on a consolidated basis as at 31 March 2022.

### Income

Commercial income showed a significant increase to £1,024k from £585k in 2022 as we rebuild our events programme and commercial income streams back to the full capacity of pre-2020. Total non-commercial income for the year was £484k (2022: £731k).

### Expenditure

Expenditure for the year totalled £1,747k against £1,020k for 2022, a significant increase of over 70%. There are several reasons for this increase. One of the main reasons is the increased delivery of events which incurred more staff costs. In addition, the organisation was impacted by significant inflation in areas such as energy and food.

### Reserves policy

UCP's reserves policy reflects the organisation's objective of balancing the need for financial stability with providing match funding for various capital works and the ambition to expand the range of services offered. This year, as the organisation continued to rebuild its activities after the disruption caused by the pandemic and due to the impact of inflationary pressures, we had to draw down on reserves.

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General reserves at the year-end are reported as £221k, a decrease of £320k over the year. Of total unrestricted funds, £56k is set aside for fixed assets. Our current reserves policy reflects holding 3-6 months of consolidated unrestricted operating expenses. Therefore, the focus of attention for the next few years will be to restore reserves to a level to ensure sustainability whilst working to develop the new business strategy and associated funding model. Building reserves will be achieved through a combination of increasing commercial and unrestricted grant income whilst closely managing the cost base.

There is no change in designated reserves during the year, these remain at £354k. This reserve was created to meet major capital works. The Trustees will consider the appropriate level of this fund going forward based on current and future capital projects.

#### 6. Fundraising Approach

UCP's current approach to fundraising is to be transparent, clear and friendly. UCP directly employs qualified personnel as fundraising employees with clear remits, and has engaged with qualified fundraising consultants on specific campaigns (e.g. the Sunday School capital programme). Fundraising activities are for capital works and arts and community activities within the organisation's aims and objectives.

The Head of Development is responsible for the managing of donated funds and for reporting on the raising and expenditure of donated funds. The Board of Trustees reviews fundraising income, expenditure and procedures on a quarterly basis and the fundraising strategy is reviewed annually. Although important and increasing, fundraising is not currently the primary source of income for UCP.

UCP fundraises through the following methods:

- Trusts and Foundations – standard applications for relevant grants
- Specific appeals – we collect donations for specific projects such as repairing the Sunday School and repairing the organ. We advertise the appeals on our website with an online facility to donate and we collect cash donations via bucket collections and tap to donate points on site – these are voluntary cash and card collections and are held at the end of specific events. Audiences are not required to make donations, buckets are placed in accessible areas or held by stewards. Literature regarding these collections is clearly written on the buckets indicating for which project the funds are being raised e.g. the Sunday School
- Crowdfunders – online time-specific campaigns for specific projects or needs, circulated to our members, mailing lists and through our digital channels
- Specific fundraising events to raise funds – this might be through the purchasing of tickets or donations given at the event. These events are voluntary to attend and donors choose to attend because they wish to give to a specific project. Donors and audiences are not pressurised to donate
- Memberships - we advertise membership of the Union Chapel via our website and through flyers in the foyer area. The membership constitutes a donation to Union Chapel capital projects and activities and has associated non cash benefits such as an exclusive e-newsletter
- One off and spontaneous donations for specific needs or projects are suggested when purchasing tickets to events – this is an opt in option and not integral to the purchasing journey
- General donations – specific donations page on the website for one off and spontaneous donations

We have not received any complaints about our fundraising approach. We encourage unhappy donors to complain directly to our Development Team who would address the complaint in house. Failing that we notify donors that they can make an official complaint to The Fundraising Regulator. Union Chapel Project is a member of the Institute of Fundraising and registered with the Fundraising Regulator.

UCP has not failed to comply with a scheme or standard cited in the fundraising code of practice.

UCP does not consider its fundraising methods as intrusive into person's privacy and does not carry out unreasonably persistent approaches or create undue pressure to give. However, to ensure that vulnerable people are protected the organisation has adopted the guidance from the Institute of Fundraising's Treating Donors Fairly – Fundraising with people in vulnerable circumstances guide.

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## 7. Structure, governance and management

### Constitution

UCP is a registered charity and a company limited by guarantee. It is governed by its Memorandum and Articles of Association dated 1991. The company has one charitable subsidiary, The Margins Project (Charity no 1153070), and one trading subsidiary Union Chapel Directions Ltd (Company no. 03047257).

UCP has been appointed to manage and control the whole of the fabric operations of the Union Chapel property with a view to its conservation, maintenance and wider uses for the benefit of the local community, in accordance with a management agreement between UCP and the Congregational Federation Limited.

The members of the Company shall be those of the minister and the members of the Church. Each agree to contribute £1 in the event of the charity winding up.

### Organisation

The business of the charity is supervised by the Board of Trustees which meets four times each year, or more frequently if required. A Finance and Remuneration Sub-Committee also meets four times a year.

The Trustees are responsible for the strategic objectives of the organisation and to review and approve the Charity's annual budget and operational plan. The board is supported by a Leadership Team comprising managers representing each department.

- Finance and Operations
- Union Chapel Directions
- The Margins Project
- Conservation and Repairs
- Fundraising and Development

The Leadership Team now meets on a weekly and is responsible for meeting operational plans and budgets and focusing on procedures and improvements across the organisation. In May 2023, our CEO of almost four years stepped down to take up a new opportunity. The board made the decision to pause the recruitment of a replacement until the 2024-25 financial year in order to conserve resources, having full confidence in the leadership team to manage operational delivery in the meantime.

The charitable subsidiary The Margins Project is supervised by a separate Board of Trustees and the trading subsidiary Union Chapel Directions Limited is managed by a Board of Directors. Both boards include UCP Trustees.

### Employees

Day to day management and operations of the Charity is delivered by its paid staff with specific responsibility for activities within the building. The permanent complement of staff for the year was 7 full-time and 10 part time (excluding casual staff). The organisation was supported by a team of approximately 25 volunteers.

### Structural review

During 2020-21 and 2021-22 a substantial review of the organisational structure and associated governance arrangements was undertaken. It was agreed that the current and planned future community and social justice programme for delivery by UCP and Margins would be consolidated over the coming years for delivery by a single entity. Further work to develop and implement this objective is ongoing.

### Diversity and Representation

UCP strives to be an equal opportunities employer and applies objective criteria to assess merit. It aims to ensure that no job applicant or employee receives less than favourable treatment on the grounds of age, race, colour, nationality, religion, ethnic or national origin, gender, marital status, sexual orientation or disability.

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## UNION CHAPEL PROJECT

(A Company Limited by Guarantee)

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### TRUSTEES' REPORT (CONTINUED)

For the year ended 31 March 2023

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Selection criteria and procedures are reviewed to ensure that individuals are selected, promoted and treated on the basis of their relevant merits and abilities. Equal opportunities data is collected to review and ensure recruitment processes are engaging with diverse applicants, and particularly applicants with protected characteristics or underrepresented in the organisation or sector, and to inform the shortlisting process to ensure applicants at interview stage represent the diversity of applicants received. Diversity reviews are undertaken to ensure the Union Chapel is improving representation of our local communities across the organisation; retaining staff, casuals, volunteers and trustees/directors from diverse backgrounds; and always improving our procedures, culture, engagement, development and approach around diversity, equality and representation.

Salaries are reviewed on an annual basis by the Finance and Remuneration Sub-Committee. All employees are given equal opportunity and, where appropriate and possible, special training to enable them to progress both within and outside the organisation.

#### **Appointment and retirement of trustees**

As stated in the Articles of Association there should currently be five (minimum) or seven (maximum) Trustees. One of these Trustees should be the Minister or, if they are unable or unwilling, a person elected by the Church. There should be a further two (minimum) or three (maximum) Church Members. One Trustee should be appointed by the Friends of Union Chapel and the final two Trustees should not be Church Members, at the date of their election. Trustees can be elected to the Board at any time, but must be formally elected to the Company at the subsequent annual general meeting (AGM).

One of the two non-Church Trustees and one of the three Church-elected Trustees should retire by rotation at each AGM in accordance with who has been longest in office.

When considering appointing new Trustees, the Board has regard both to the organisation's need for any specialist skills and to the diversity of the Board's membership.

In 2021-22, the UCP board adopted a revised Terms of Reference, which clarified roles and responsibilities between UCP Trustees and Leadership Team staff and specified lengths of terms of office for Trustees. Each Trustee shall retire from office at the third AGM following the commencement of his or her term of office, with a limit of three terms of office of three years.

All trustees give their time voluntarily and receive no benefits from the charity.

#### **Trustee Induction and Training**

New trustees undergo an orientation process to meet key staff and other trustees. An information pack is provided that includes the Charity's Memorandum and Article of Association, most recent audited accounts, latest management accounts, the business plan and organisational chart, along with signposting to Charity Commission guidance on the role and responsibilities of trustees.

Trustees are encouraged to attend appropriate external training events, where these will facilitate their own development and undertaking of their role.

#### **Risk Management**

The Trustees are responsible for overseeing the risk management strategy for the organisation and its subsidiaries. A review of risks and opportunities is carried out annually by the Trustees, whilst the subsidiary boards and working groups are responsible for overseeing and mitigating risks throughout the year.

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## UNION CHAPEL PROJECT

(A Company Limited by Guarantee)

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### TRUSTEES' REPORT (CONTINUED)

For the year ended 31 March 2023

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The key risks currently facing the organisation are: ensuring ongoing financial stability; funding to support our planned capital works programme; ensuring the health and safety of the building; ensuring sufficient/trained staff and an effective infrastructure to deliver our activities; and, consideration of our location in the middle of a residential neighbourhood. Some of the measures taken to mitigate these risks are the following:

- Leadership Team and boards to keep onsite procedures, activities and income generating plans under regular review to manage external financial and social circumstances as best as possible, and in line with sector best practice
- Leadership Team and boards to follow internal policies on recruitment, retention and development to ensure an effective, well-trained and motivated team of staff and casual workers are in place
- Development Team are developing a new Fundraising Strategy to support our capital works programme and key core activity, whilst continuing to identify and secure funding through grants and donations and other sources
- Ongoing focus on the fabric of the building and its restoration and refurbishment. Health and Safety remains a major factor in such an historic building and this monitored continually. Quinquennial inspections and the recent appointment of a health and safety consultancy in conjunction with our insurance company, ensure that issues are identified and can be acted on
- The events team and building/facilities staff continue to work closely with our neighbours to ensure minimal disruption during events including a self-imposed curfew and noise restrictions for performers, working with Islington Council to manage crowd control, and the management of other potential/actual disruptions
- The Finance and Remuneration Sub-Committee reviews our financial position to ensure we have adequate funds to ensure sustainability and to meet our charitable objectives

Therefore, the Trustees are satisfied that systems are in place to mitigate the risks identified.

#### Auditors

In accordance with company law, as directors of the charitable company, we certify that so far as we are aware:

- There is no relevant audit information of which the charitable company's auditors are unaware; and
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Approved by the Trustees and signed on their behalf by:



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P Walker  
Chair of the Board of Trustees

Date 27th March 2024

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**UNION CHAPEL PROJECT**

(A Company Limited by Guarantee)

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**STATEMENT OF TRUSTEES' RESPONSIBILITIES**  
For the Year Ended 31 March 2023

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The Trustees (who are also the directors of the Charity for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Charity and of their incoming resources and application of resources, including their income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Group and the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

 P. WALKER

Date:

27th March 2024

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## UNION CHAPEL PROJECT

(A Company Limited by Guarantee)

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### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF UNION CHAPEL PROJECT

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#### Opinion

We have audited the financial statements of (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2023 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Charity Balance Sheet, the Consolidated Statement of Cash Flows and the related notes, including a summary of 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 Group's and of the parent charitable company's affairs as at 31 March 2023 and of the Group's 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 Charities Act 2011.

#### 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 Group's or the parent charitable company's ability to continue as a going concern for a period of at least twelve 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.

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**UNION CHAPEL PROJECT**

(A Company Limited by Guarantee)

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF UNION CHAPEL PROJECT (CONTINUED)**

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**Other information**

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' 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 or 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.

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

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' Report is inconsistent in any material respect with the financial statements; or
- the parent charitable company has not kept sufficient accounting records; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of trustees**

As explained more fully in the Trustees' Responsibilities Statement, 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 Group's and the parent 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 Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

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## UNION CHAPEL PROJECT

(A Company Limited by Guarantee)

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### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF UNION CHAPEL PROJECT (CONTINUED)

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#### Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 Auditors' 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.

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:

Based on our understanding of the group and sector, we identified that the principal risks of non-compliance with laws and regulations related to sector regulations and unethical and prohibited business practices, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, Charities Act 2011, Charity Commission and UK Tax Legislation. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls). Appropriate audit procedures in response to these risks were carried out. These procedures included:

- Discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Reading minutes of meetings of those charged with governance;
- Obtaining and reading correspondence from legal and regulatory bodies including HMRC;
- Identifying and testing journal entries;
- Challenging assumptions and judgements made by management in their significant accounting estimates.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members; and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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 Auditors' Report.

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**UNION CHAPEL PROJECT**

(A Company Limited by Guarantee)

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF UNION CHAPEL PROJECT (CONTINUED)**

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**Use of our report**

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an Auditors' 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.



**Goodman Jones LLP**  
Chartered Accountants  
Statutory Auditor  
29/30 Fizeoy Square  
London  
W1T 6LQ

Date: 28/3/2024

Goodman Jones LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

**UNION CHAPEL PROJECT**

(A Company Limited by Guarantee)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)**  
For the Year Ended 31 March 2023

	Note	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £	Total funds as restated 2022 £
<b>Income from:</b>					
Donations and legacies	4	302,509	89,336	391,845	97,266
Charitable activities	5	-	92,032	92,032	633,429
Other trading activities	6	-	1,024,148	1,024,148	584,853
Investments	7	-	1,228	1,228	167
<b>Total income</b>		<b>302,509</b>	<b>1,206,744</b>	<b>1,509,253</b>	<b>1,315,715</b>
<b>Expenditure on:</b>					
Raising funds		-	19,904	19,904	183,068
Charitable activities	8	346,248	800,982	1,147,230	837,317
Other trading expenditure	9	-	580,859	580,859	-
<b>Total expenditure</b>		<b>346,248</b>	<b>1,401,745</b>	<b>1,747,993</b>	<b>1,020,385</b>
<b>Net (expenditure)/income</b>		<b>(43,739)</b>	<b>(195,001)</b>	<b>(238,740)</b>	<b>295,330</b>
Transfers between funds	20	125,251	(125,251)	-	-
<b>Net movement in funds</b>		<b>81,512</b>	<b>(320,252)</b>	<b>(238,740)</b>	<b>295,330</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward as restated		116,880	894,916	1,011,795	716,465
Net movement in funds		81,512	(320,252)	(238,740)	295,330
<b>Total funds carried forward</b>		<b>198,392</b>	<b>574,664</b>	<b>773,056</b>	<b>1,011,795</b>

**UNION CHAPEL PROJECT**

(A Company Limited by Guarantee)

**CONSOLIDATED BALANCE SHEET**

As at 31 March 2023

	Note	2023 £	As restated 2022 £
<b>Fixed assets</b>			
Tangible assets	15	56,907	78,210
		<u>56,907</u>	<u>78,210</u>
<b>Current assets</b>			
Stocks	17	3,108	3,108
Debtors	18	487,561	417,113
Cash at bank and in hand		930,232	1,195,832
		<u>1,421,066</u>	<u>1,616,053</u>
Creditors: amounts falling due within one year	19	(704,917)	(682,468)
<b>Net current assets</b>		<u>716,149</u>	<u>933,585</u>
<b>Total assets less current liabilities</b>		<u>773,056</u>	<u>1,011,795</u>
<b>Total net assets</b>		<u>773,056</u>	<u>1,011,795</u>
<b>Charity funds</b>			
Restricted funds	20	198,392	116,880
Unrestricted funds			
Designated funds	20	354,147	354,147
General funds	20	220,517	540,868
Total unrestricted funds	20	<u>574,664</u>	<u>895,015</u>
<b>Total funds</b>		<u>773,056</u>	<u>1,011,795</u>

The Charity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 151 of the Charities Act 2011.

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**UNION CHAPEL PROJECT**

(A Company Limited by Guarantee)

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**CONSOLIDATED BALANCE SHEET (CONTINUED)**

As at 31 March 2023

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The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees on 27th March 2024 and signed on their behalf by:

*P. Walker* P. WALKER.

The notes on pages 26 to 48 form part of these financial statements.

**UNION CHAPEL PROJECT**  
(A Company Limited by Guarantee)

**CHARITY BALANCE SHEET**  
As at 31 March 2023

	Note	2023 £	As restated 2022 £
<b>Fixed assets</b>			
Tangible assets	15	51,318	68,430
Investments	16	6	6
		<u>51,324</u>	<u>68,436</u>
<b>Current assets</b>			
Debtors	18	660,638	730,981
Cash at bank and in hand		75,805	195,882
		<u>736,443</u>	<u>926,863</u>
Creditors: amounts falling due within one year	19	(91,469)	(45,386)
<b>Net current assets</b>		<u>644,974</u>	<u>881,447</u>
<b>Total assets less current liabilities</b>		<u>696,298</u>	<u>949,913</u>
<b>Total net assets</b>		<u><u>696,298</u></u>	<u><u>949,913</u></u>
<b>Charity funds</b>			
Restricted funds		198,392	116,880
Unrestricted funds		497,906	833,033
<b>Total funds</b>		<u><u>696,298</u></u>	<u><u>949,913</u></u>

The Charity's net deficit for the year was £253,615 (2022 - £220,378).

The Charity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 151 of the Charities Act 2011.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

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**UNION CHAPEL PROJECT**

(A Company Limited by Guarantee)

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**CHARITY BALANCE SHEET (CONTINUED)**  
As at 31 March 2023

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The financial statements were approved and authorised for issue by the Trustees on 27th March 2024  
and signed on their behalf by:

*P. Walker* P. WALKER

The notes on pages 26 to 48 form part of these financial statements.

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**UNION CHAPEL PROJECT****(A Company Limited by Guarantee)**

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**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**For the Year Ended 31 March 2023**

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	<i>Note</i>	<b>2023</b>	<b>2022</b>
		£	£
<b>Cashflows from operating activities:</b>			
Net cash used in operating activities	<b>23</b>	<b>(263,806)</b>	<b>319,453</b>
<b>Cashflows from financing activities:</b>			
Interest, rent and dividends from investments		<b>1,228</b>	<b>167</b>
Changes in fixed assets (additions)		<b>(3,021)</b>	<b>(5,415)</b>
Net cash used in investing		<b>(1,793)</b>	<b>(5,248)</b>
<b>Change in cash and cash equivalents in the year</b>		<b>(265,599)</b>	<b>314,205</b>
<b>Opening bank balance</b>		<b>1,195,832</b>	<b>881,627</b>
<b>Movement</b>		<b>(265,599)</b>	<b>314,205</b>
<b>Cash and cash equivalents at the end of the year</b>		<b>930,233</b>	<b>1,195,832</b>

The notes on pages 26 to 48 form part of these financial statements

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## UNION CHAPEL PROJECT

(A Company Limited by Guarantee)

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### NOTES TO THE FINANCIAL STATEMENTS For the Year Ended 31 March 2023

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#### 1. General information

The charitable company is a company limited by guarantee registered in England and Wales. Its principal place of business is 19b Compton Terrace, London, N12UN. The members of the company are the minister and Church members. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the charitable company.

#### 2. Accounting policies

##### 2.1 Basis of preparation of financial statements

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

The Consolidated Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidate the financial statements of the Charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities in these financial statements.

##### 2.2 Going concern

The trustees consider that there are no material uncertainties about the group's ability to continue as a going concern. The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

##### 2.3 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Consolidated Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

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## UNION CHAPEL PROJECT

(A Company Limited by Guarantee)

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### NOTES TO THE FINANCIAL STATEMENTS For the Year Ended 31 March 2023

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#### 2. Accounting policies (continued)

##### 2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Group to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

##### 2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

##### 2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Staging and equipment	-	25%
Fixtures and fittings	-	25%
Fire protection	-	10%
Equipment - hire purchase	-	25%

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## UNION CHAPEL PROJECT

(A Company Limited by Guarantee)

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### NOTES TO THE FINANCIAL STATEMENTS For the Year Ended 31 March 2023

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#### 2. Accounting policies (continued)

##### 2.7 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated Statement of Financial Activities.

Investments in subsidiaries are valued at cost less provision for impairment.

##### 2.8 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

##### 2.9 Debtors

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

##### 2.10 Cash at bank and in hand

Cash at bank and 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.

##### 2.11 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated Statement of Financial Activities as a finance cost.

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## UNION CHAPEL PROJECT

(A Company Limited by Guarantee)

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### NOTES TO THE FINANCIAL STATEMENTS For the Year Ended 31 March 2023

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#### 2. Accounting policies (continued)

##### 2.12 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

#### 3. Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below

Income recognition - the Charity, and the Group, receives income from contracts and performance grants. These agreements include various quantitative and qualitative milestones and performance conditions to be met in order for the Charity to have entitlement to the funds. The Charity makes various assumptions in determining the stage of completion of these contracts and performance grants.

## UNION CHAPEL PROJECT

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### NOTES TO THE FINANCIAL STATEMENTS For the Year Ended 31 March 2023

#### 4. Income from donations and legacies

	Restricted 2023 £	Unrestricted 2023 £	Total 2023 £
<b>Sunday School</b>			
The Foyle Foundation- Sunday School	50,000	-	50,000
Garfield Weston - Sunday school	75,000	-	75,000
<b>Total</b>	<b>125,000</b>	<b>-</b>	<b>125,000</b>
<b>Organ Reframed</b>			
Organ reframed donations	-	8,693	8,693
Touch - Incunabula Limited	-	3,116	3,116
Arts Council National Lottery - Arts Council	-	4,200	4,200
Friends of Union Chapel	1,500	-	1,500
Anglo American Charitable Trust	-	5,000	5,000
Spektrix Donations	-	276	276
<b>Total</b>	<b>1,500</b>	<b>21,285</b>	<b>22,785</b>
<b>Core</b>			
February Foundation	3,000	-	3,000
Henry Smith Charitable Trust	12,500	-	12,500
Waitrose	-	166	166
St Luke	-	500	500
Charitable Aids Foundation (CAF)	-	20,000	20,000
Fishmonger Company	-	1,500	1,500
The Morris Charity	-	3,720	3,720
Slaughter and May	-	5,000	5,000
St Mary Islington	-	1,400	1,400
Richard Cloudsley Charitable Trust	-	1,991	1,991
UCM Donations	-	924	924
<b>Total</b>	<b>15,500</b>	<b>32,501</b>	<b>48,001</b>
<b>Crisis Services</b>			
Inner London Magistrates Court's Poor Box Charity	5,000	-	5,000
Drapers Charitable Trust Foundation	12,000	-	12,000
The 29th May 1961 Charitable Trust	3,000	-	3,000
Henry Smith Charitable Trust	6,250	-	6,250
Richard Cloudsley Charitable Trust	4,375	-	4,375
Lindbury Trust	5,000	-	5,000
Slaughter and May	9,500	-	9,500
<b>Total</b>	<b>42,125</b>	<b>-</b>	<b>42,125</b>
<b>Margins Manager</b>			
LB of islington	15,000	-	15,000
<b>Total</b>	<b>15,000</b>	<b>-</b>	<b>15,000</b>
<b>Supported Employment Services</b>			
The 29th May 1961 Charitable Trust	3,000	-	3,000
London Housing Foundation	7,500	-	7,500
Henry Smith Charitable Trust	6,250	-	6,250
Pret Foundation	10,000	-	10,000
Richard Cloudsley Charitable Trust	13,125	-	13,125
Lindbury Trust	5,000	-	5,000
Slaughter and May	7,000	-	7,000
<b>Total</b>	<b>51,875</b>	<b>-</b>	<b>51,875</b>

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**UNION CHAPEL PROJECT****(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Year Ended 31 March 2023**

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**4. Income from donations and legacies continued.....**

	<b>Restricted</b>	<b>Unrestricted</b>	<b>Total</b>
	<b>2023</b>	<b>2023</b>	<b>2023</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Other Grants</b>			
Oak Foundation			
D'oye	44,309	-	44,309
Friends of UC	3,000	-	3,000
Chapman Charitable Trust	200	-	200
<b>Total</b>	<b>1,000</b>	<b>-</b>	<b>1,000</b>
	<b>48,509</b>	<b>-</b>	<b>48,509</b>
<b>Other Donations</b>			
Charities Aid Foundation	-	-	-
Crowdfunding- Union Chapel Cost of Living Appeal	-	2,631	2,631
Gigantic Donations	-	10,479	10,479
Spektrix Donations	-	2,394	2,394
Anonymous donations	-	5,663	5,663
Various other donations	-	1,290	1,290
<b>Total</b>	<b>-</b>	<b>10,392</b>	<b>10,392</b>
	<b>-</b>	<b>32,850</b>	<b>32,850</b>
<b>Total income from donations and legacies</b>	<b>302,509</b>	<b>89,336</b>	<b>391,845</b>
	<b>Restricted</b>	<b>Unrestricted</b>	<b>Total</b>
	<b>2022</b>	<b>2022</b>	<b>2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Grants and Donations</b>	<b>6,448</b>	<b>90,818</b>	<b>97,266</b>

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**UNION CHAPEL PROJECT****(A Company Limited by Guarantee)**

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**For the Year Ended 31 March 2023**

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**5. Income from charitable activities**

	<b>Unrestricted funds 2023 £</b>	<b>Total funds 2023 £</b>
Membership income	7,585	7,585
Rental income	34,500	34,500
Supported employment income	49,947	49,947
<b>Total income from charitable activities</b>	<b>92,032</b>	<b>92,032</b>

	<i>Restricted funds 2022 £</i>	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Income from charitable activities	554,344	79,085	633,429

**6. Income from non charitable trading activities**

	<b>Unrestricted funds 2023 £</b>	<b>Total funds 2023 £</b>
Other trading activities	1,024,148	1,024,148

	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Other trading activities	584,853	584,853

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UNION CHAPEL PROJECT

(A Company Limited by Guarantee)

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**NOTES TO THE FINANCIAL STATEMENTS**  
For the Year Ended 31 March 2023

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**7. Investment income**

	<b>Unrestricted funds 2023 £</b>	<b>Total funds 2023 £</b>
Investment income	1,228	1,228
	<u>1,228</u>	<u>1,228</u>

  

	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Investment income	167	167
	<u>167</u>	<u>167</u>

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**UNION CHAPEL PROJECT****(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Year Ended 31 March 2023**

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**8. Analysis of charity expenditure by activities**

	<b>Activities undertaken directly 2023 £</b>	<b>Support costs 2023 £</b>	<b>Total funds 2023 £</b>
Core	16,193	709,050	<b>725,243</b>
Infrastructure	15,336	-	<b>15,336</b>
Organ	2,573	8,259	<b>11,102</b>
Crisis service	59,740	42,053	<b>101,793</b>
Organ reframed	89,148	2,467	<b>91,615</b>
Margins manager	-	49,029	<b>49,029</b>
Sunday school	-	57,968	<b>57,968</b>
Supported employment programme	82,896	12,249	<b>95,145</b>
	<b>265,886</b>	<b>881,334</b>	<b>1,147,230</b>

  

	<b>Activities undertaken Directly 2022 £</b>	<b>Support costs 2022 £</b>	<b>Total funds 2022 £</b>
Total expenditure 2022	<b>427,509</b>	<b>409,808</b>	<b>837,317</b>
	<b>427,509</b>	<b>409,808</b>	<b>837,317</b>

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**UNION CHAPEL PROJECT**

**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Year Ended 31 March 2023**

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**9. Other trading expenditure**

**Analysis of other trading expenditure**

	<b>Unrestricted funds 2023</b>	<b>Unrestricted funds 2022</b>
Direct salaries	256,816	-
Other direct costs	123,612	-
Administrative salaries	111,120	-
Other administrative costs	89,311	-
<b>Total other trading costs</b>	<b>580,859</b>	<b>-</b>

**UNION CHAPEL PROJECT**

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**NOTES TO THE FINANCIAL STATEMENTS**  
For the Year Ended 31 March 2023

**10. Analysis of expenditure by type**

**Direct costs**

	<b>2023</b>	<b>2023</b>	<b>2023</b>	<b>2023</b>	<b>2023</b>	<b>2023</b>	<b>2023</b>	<b>2023</b>	<b>2023</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
	<b>Crisis Services</b>	<b>Supported employment programme</b>	<b>Infrastructure works</b>	<b>Organ Programme</b>	<b>Organ Reframed</b>	<b>Core</b>	<b>Total funds</b>		
Employment costs	27,027	60,153				16,193	103,373		
Cost of sales	31,880	22,743					54,623		
Computer costs	833						833		
Works			15,336				15,336		
Organ programme				2,573			2,573		
Organ reframed					89,148		89,148		
<b>Total</b>	<b>59,740</b>	<b>82,896</b>	<b>15,336</b>	<b>2,573</b>	<b>89,148</b>	<b>16,193</b>	<b>265,886</b>		

**UNION CHAPEL PROJECT**

(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
For the Year Ended 31 March 2023

**11. Analysis of expenditure by type**

Support costs	Crisis 2023 £	Supported Employment 2023 £	Margin manager 2023 £	Core 2023 £	Organ 2023 £	Organ reframed 2023 £	Sunday school 2023 £	Total Costs 2023 £
Employment costs	24,834	7,438	49,029	417,975	-	-	-	499,276
Consultancy	1,494	255	-	20,159	-	-	57,922	79,830
Travel	236	67	-	555	-	-	-	858
Insurance	1,863	532	-	45,594	-	-	-	47,989
General	652	186	-	1,505	-	-	-	2,343
Postage	164	58	-	225	-	-	-	447
Depreciation	2,033	581	-	17,112	-	-	-	19,726
Cleaning	1,015	290	-	13,644	-	-	-	14,949
Bank fees	649	185	-	364	-	-	-	1,198
Accountancy fees	2,750	786	-	18,238	-	-	-	21,774
Advertising	922	263	-	22,559	-	-	46	23,790

UNION CHAPEL PROJECT

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NOTES TO THE FINANCIAL STATEMENTS  
For the Year Ended 31 March 2023

11. Analysis of expenditure by type continued....

Telephone	748	214	-	2,545	-	-	-	3,507
Subscriptions	279	80	-	5,488	-	-	-	5,847
Repairs and renewals	1,459	417	-	35,710	8,529	-	-	46,115
Rent and rates	525	150	-	14,135	-	-	-	14,810
Donations	-	-	-	135	-	-	-	135
Computer costs	963	275	-	21,875	-	-	-	23,113
Light and heat	1,508	431	-	36,917	-	-	-	38,856
Organ reframed label	-	-	-	-	-	2,467	-	2,467
Entertaining	-	-	-	223	-	-	-	223
Interest	-	-	-	29	-	-	-	29
Legal expenses	-	-	-	756	-	-	-	756
Stationary	-	-	-	4,561	-	-	-	4,561
Recruitment costs	-	-	-	20,015	-	-	-	20,015
Staff training and welfare	-	-	-	8,720	-	-	-	8,720
	<b>£42,094</b>	<b>£12,208</b>	<b>£49,029</b>	<b>£709,352.63</b>	<b>£8,529</b>	<b>£2,467</b>	<b>£57,968</b>	<b>£881,344</b>

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(A Company Limited by Guarantee)

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**NOTES TO THE FINANCIAL STATEMENTS**  
For the Year Ended 31 March 2023

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**12. Staff costs**

	<b>Group 2023</b>	<i>Group 2022</i>
	£	£
Wages and salaries	917,109	491,663
Social security costs	51,256	35,399
Contribution to defined contribution pension schemes	19,484	9,708
	<u>987,850</u>	<u>536,770</u>

The average number of persons employed by the Charity during the year was as follows:

	<b>Group 2023</b>	<i>Group 2022</i>
	No.	No.
Charitable activities	11	7
Raising Funds	22	30
Support	5	2
Governance	2	2
	<u>40</u>	<u>41</u>

The number of employees whose employee benefits exceeded £60,000 was nil (2022: nil)

The total employee benefits including pension contributions of the key management personnel were £261,069 (2022: £156,698).

**13. Trustees' remuneration and expenses**

During the year, no Trustees received any remuneration or other benefits (2022: £nil).

During the year ended 31 March 2023, £230 of Trustee expenses (2022: £nil) were reimbursed to one Trustee (2022: nil) which related to travel.

**14. Auditors' remuneration**

The auditors' remuneration amounts to an auditor fee of £10,500 and other fees of £3,850 (2022 - £17,550)

UNION CHAPEL PROJECT

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NOTES TO THE FINANCIAL STATEMENTS  
For the Year Ended 31 March 2023

15. Tangible fixed assets

Group

	Staging and equipment £	Fixtures and fittings £	Fire Protection £	Equipment held under hire purchase contract £	Total £
<b>Cost or valuation</b>					
At 1 April 2022	222,177	176,749	69,813	65,390	534,129
Additions	2,291	730	-	-	3,021
At 31 March 2023	<u>224,468</u>	<u>177,479</u>	<u>69,813</u>	<u>65,390</u>	<u>537,150</u>
<b>Depreciation</b>					
At 1 April 2022	219,934	147,583	23,012	65,390	455,918
Charge for the year	1,533	14,997	7,794	-	24,324
At 31 March 2023	<u>221,467</u>	<u>162,580</u>	<u>30,806</u>	<u>65,390</u>	<u>480,243</u>
<b>Net book value</b>					
At 31 March 2023	<u>3,001</u>	<u>14,899</u>	<u>39,007</u>	-	<u>56,907</u>
At 31 March 2022	<u>2,243</u>	<u>29,166</u>	<u>46,801</u>	-	<u>78,210</u>
<b>Charity</b>					
		Fixtures and fittings £	Fire Protection £		Total £
Cost or valuation					
At 1 April 2022		113,880	69,813		183,693
At 31 March 2023		<u>113,880</u>	<u>69,813</u>		<u>183,693</u>

UNION CHAPEL PROJECT

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS  
For the Year Ended 31 March 2023

15. Tangible fixed assets (continued)

Charity (continued)

	Fixtures and fittings £	Fire Protection £	Total £
<b>Depreciation</b>			
At 1 April 2022	92,251	23,012	115,263
Charge for the year	9,318	7,794	17,112
At 31 March 2023	<u>101,569</u>	<u>30,806</u>	<u>132,375</u>
<b>Net book value</b>			
At 31 March 2023	<u>12,311</u>	<u>39,007</u>	<u>51,318</u>
At 31 March 2022	<u>21,629</u>	<u>46,801</u>	<u>68,430</u>

16. Fixed asset investments

	Investments in subsidiary companies £
<b>Charity</b>	
<b>Cost or valuation</b>	
At 1 April 2022	6
At 31 March 2023	<u>6</u>
<b>Net book value</b>	
At 31 March 2023	<u>6</u>
At 31 March 2022	<u>6</u>

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## UNION CHAPEL PROJECT

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### NOTES TO THE FINANCIAL STATEMENTS For the Year Ended 31 March 2023

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#### 16. Fixed asset investments (continued)

##### Principal subsidiaries

The following were subsidiary undertakings of the Charity

##### Union Chapel Directions Ltd

At 31 March 2023 Union Chapel Project owned the entire called up share capital of 6 ordinary £1 shares in Union Chapel Directions Limited, a company incorporated in the United Kingdom.

Union Chapel Directions Limited (UCD) operates a bar and provides hall hire for events held by Union Chapel Project. The subsidiary company donates its taxable profit to Union Chapel Project by Gift Aid. A summary of the subsidiary company's trading results is shown below. Accounts will be filed with the Registrar of Companies

	2023	2022
	£	£
Gross income:	1,024,496	532,161
Expenditure:	<u>(561,061)</u>	<u>(281,422)</u>
Net Surplus (Deficit)	463,435	250,739
<b>Net Funds</b>	<u><b>73,159</b></u>	<u><b>15</b></u>

##### The Margins Project

On 25 July 2013 the semi-autonomous Homelessness project "Margins", that had previously been a project within Union Chapel Project, became a Charitable Incorporated Organisation (CIO) and subsidiary charity of Union Chapel Project.

The Margins Project operates within the Chapel building and provides support services for homeless people that include a Crisis Services, a Cafe Training Programme and Support Services. Independently examined accounts will be filed with the Charity Commission.

	2023	2022
	£	£
Gross income:	223,123	185,938
Expenditure:	<u>(281,370)</u>	<u>(234,639)</u>
Net Surplus (Deficit)	(58,247)	(48,701)
<b>Net Funds</b>	<u><b>3,014</b></u>	<u><b>61,261</b></u>

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**UNION CHAPEL PROJECT****(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Year Ended 31 March 2023**

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**17. Stocks**

	<b>Group 2023 £</b>	<i>Group 2022 £</i>
Raw materials and consumables	<b>3,108</b>	<i>3,108</i>

**18. Debtors**

	<b>Group 2023 £</b>	<i>Group 2022 £</i>	<b>Charity 2023 £</b>	<i>Charity 2022 £</i>
<b>Due within one year</b>				
Trade debtors	<b>432,946</b>	<i>261,516</i>	<b>50,624</b>	<i>-</i>
Amounts owed by group undertakings	<b>-</b>	<i>-</i>	<b>565,535</b>	<i>469,687</i>
Other debtors	<b>31,836</b>	<i>5,672</i>	<b>29,274</b>	<i>160,876</i>
Prepayments and accrued income	<b>22,780</b>	<i>149,925</i>	<b>15,287</b>	<i>147,224</i>
	<b>487,561</b>	<i>417,113</i>	<b>660,638</b>	<i>730,981</i>

**19. Creditors: Amounts falling due within one year**

	<b>Group 2023 £</b>	<i>Group 2022 £</i>	<b>Charity 2023 £</b>	<i>Charity 2022 £</i>
Trade creditors	<b>220,567</b>	<i>-</i>	<b>58,626</b>	<i>-</i>
Corporation tax	<b>-</b>	<i>1,552</i>	<b>-</b>	<i>-</i>
Other taxation and social security	<b>159,844</b>	<i>26,527</i>	<b>12,855</b>	<i>20,510</i>
Other creditors	<b>135,921</b>	<i>-</i>	<b>580</b>	<i>-</i>
Accruals and deferred income	<b>188,585</b>	<i>654,389</i>	<b>19,408</b>	<i>24,876</i>
	<b>704,917</b>	<i>682,468</i>	<b>91,469</b>	<i>45,386</i>

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**NOTES TO THE FINANCIAL STATEMENTS**  
For the Year Ended 31 March 2023

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**20. Statement of funds****Statement of funds - current year**

	Balance at 1 March 2022 As restated £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2023 £
<b>Unrestricted funds</b>					
<b>Designated funds</b>					
Designated Funds	354,147	-	-	-	354,147
<b>General funds</b>					
General Funds	540,769	1,206,744	(1,401,745)	(125,251)	220,517
<b>Total Unrestricted Funds</b>	<b>894,916</b>	<b>1,206,744</b>	<b>(1,401,745)</b>	<b>(125,251)</b>	<b>574,664</b>
<b>Restricted funds</b>					
Margins Manager	-	15,000	(49,029)	34,029	-
Supported employment services	-	51,875	(60,575)	8,700	-
Community engagement	10,166	1,500	(94,188)	82,522	-
Conservations & repairs	43,764	4,200	(23,863)	-	24,101
Crisis	-	45,125	(45,125)	-	-
Core	-	59,809	(15,500)	-	44,309
Sunday school project	62,950	125,000	(57,968)	-	129,982
	116,880	302,509	(346,248)	125,251	198,392
<b>Total of funds</b>	<b>1,011,795</b>	<b>1,509,253</b>	<b>(1,747,993)</b>	<b>-</b>	<b>773,056</b>

The trustees have set aside £354,147 (2022: £354,147) as Designated Funds for future activities associated with future capital works.

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**UNION CHAPEL PROJECT**

(A Company Limited by Guarantee)

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**NOTES TO THE FINANCIAL STATEMENTS**  
For the Year Ended 31 March 2023

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**20. Statement of funds continued....****Statement of funds – prior year**

	Balance at 1 March 2021 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2022 £
<b>Total Unrestricted Funds</b>	<b>489,236</b>	<b>745,766</b>	<b>(757,990)</b>	<b>(21,674)</b>	<b>455,338</b>
<b>Restricted funds</b>					
Homeless project	100,645	450,197	(152,323)	-	398,519
Community engagement	63,634	-	(12,411)	-	51,223
Conservations & repairs	-	104,147	(60,383)	-	43,764
Raising funds	-	15,605	(37,278)	21,674	-
Sunday school project	62,950	-	-	-	62,950
	<b>227,229</b>	<b>569,949</b>	<b>(262,395)</b>	<b>21,674</b>	<b>556,457</b>
<b>Total of funds</b>	<b>716,465</b>	<b>1,415,715</b>	<b>(1,020,385)</b>	<b>-</b>	<b>1,011,795</b>

**Purposes of restricted funds****Margins Manager**

Management of the Margins Project activities

**Supported employment services**

Grants received towards the running costs of the supported employment programme (see Trustees Report for more details)

**Community Engagement**

Grants, donations and fundraising activities used towards the running cost of organ outreach activities and other community engagements.

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## UNION CHAPEL PROJECT

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### NOTES TO THE FINANCIAL STATEMENTS For the Year Ended 31 March 2023

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#### Building conservation and Repairs

Grants, donations and fundraising activities used towards the costs of conservation and repair projects and professional fees

#### Crisis

A twice-weekly drop in service that provides meals, showers, clothing etc and an advice service with referrals to specialist services.

#### Core

Grants, donations and fundraising activities to meet core infrastructure costs that support the delivery of charitable activities.

#### Sunday School project

A major project supported by a grant from the National Lottery Heritage Fund to redevelop the historic school hall.

#### 22. Prior year adjustment

A prior year adjustment of £439,676 was made between the restricted and unrestricted funds balance on consolidation. These amounts related to the "Homelessness project "Margins" and "Community Engagement" which have both been recognised as restricted funds on consolidation.

#### 23. Analysis of net assets between funds

##### Analysis of net assets between funds - current year

	Restricted funds 2023 £	Unrestricted funds 2023 £	Designated funds 2023 £	Total funds 2023 £
Tangible fixed assets	-	56,907	-	56,907
Net Current assets	198,392	163,610	354,147	716,149
<b>Total</b>	<b>198,392</b>	<b>200,517</b>	<b>354,147</b>	<b>773,056</b>

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**UNION CHAPEL PROJECT**

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**NOTES TO THE FINANCIAL STATEMENTS**  
For the Year Ended 31 March 2023

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**Analysis of net assets between funds -  
prior year**

	<i>As restated Restricted funds 2022 £</i>	<i>As restated Unrestricted funds 2022 £</i>	<i>Designated funds £</i>	<i>Total funds 2022 £</i>
Tangible fixed assets	-	78,210		78,210
Net Current assets	116,880	462,658	354,147	933,585
<b>Total</b>	<b>116,880</b>	<b>540,868</b>	<b>354,147</b>	<b>1,011,795</b>

**24. Reconciliation of net movement in funds to net cash flow from operating activities**

	<b>Group 2023 £</b>	<b>Group 2022 £</b>
Net income/expenditure for the year (as per Statement of Financial Activities)		
	<b>(238,740)</b>	<b>295,330</b>
<b>Adjustments for:</b>		
Depreciation	<b>24,325</b>	<b>38,951</b>
Interest	<b>(1,228)</b>	<b>(167)</b>
Changes in debtors	<b>(71,035)</b>	<b>(330,068)</b>
Changes in creditors	<b>22,872</b>	<b>315,407</b>
<b>Net cash provided by/(used in) operating activities</b>	<b>(263,806)</b>	<b>319,453</b>

**25. Analysis of cash and cash equivalents**

	<b>Group 2023 £</b>	<b>Group 2022 £</b>
Cash in hand	<b>930,232</b>	<b>1,195,832</b>
<b>Total cash and cash equivalents</b>	<b>930,232</b>	<b>1,195,832</b>

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## UNION CHAPEL PROJECT

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### NOTES TO THE FINANCIAL STATEMENTS For the Year Ended 31 March 2023

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#### 26. Related party transactions

During the year, Union Chapel Project paid rent of £16,000 to Union Chapel for use of office space. Union Chapel made an unrelated unrestricted donation of £16,000 and Friends of Union Chapel made a restricted donation of £1,700.

The Charity received £390,292 in gift aid donations from Union Chapel Directions Ltd.

Expenses of £102,252 were recharged to The Margins Project and £151,161 were recharged to Union Chapel Directions Ltd during the year.

#### 27. Operating lease commitments

At 31 March 2023 the Group and the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	<b>Group 2023 £</b>	<i>Group 2022 £</i>	<b>Charity 2023 £</b>	<i>Charity 2022 £</i>
Not later than 1 year	<b>16,000</b>	<i>16,000</i>	<b>16,000</b>	<i>16,000</i>
Later than 1 year and not later than 5 years	<b>48,000</b>	<i>48,000</i>	<b>48,000</b>	<i>48,000</i>
	<b>64,000</b>	<i>64,000</i>	<b>64,000</b>	<i>64,000</i>