

URC THAMES NORTH TRUST

(A company limited by guarantee and having no share capital)

ANNUAL REPORT AND FINANCIAL STATEMENTS

Year ended 31 December 2021

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URC Thames North Trust

REPORT OF THE DIRECTORS AND TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

The Directors have pleasure in presenting their report and the financial statements of URC Thames North Trust ("the Trust") for the year ended 31 December 2021.

The report incorporates information complying with the Charities SORP, and complies generally with statutory requirements and the Trust's Articles of Association.

Structure, governance and management

The Trust is a company limited by guarantee and has no share capital. It is registered in England under number 75432. It is registered as a charity under Charity Commission number 1022551. It is approved by the Lord Chancellor as a trust corporation.

The Trust was originally incorporated in 1902 under the name of London Congregational Union Incorporated. Its present name was adopted in 1984. The Articles of Association were completely rewritten in June 2013, to modernize the Trust's constitution and procedures and take account of changes in company and charity law.

The management of the Trust is the responsibility of the Board of Directors. The Directors are appointed by Thames North Synod of the United Reformed Church, pursuant to the Articles of Association. The Directors are the charity trustees for the purposes of the Charities Act 2011.

The Articles of Association provide for the appointment of a Secretary, Treasurer and Trust Officer. These officers undertake the day to day work of the Trust including the keeping of the financial records and preparation of the annual accounts. They report to the regular meetings of Directors and consult Directors between meetings as necessary.

Directors are kept informed of developments in charity and general law relevant to the operation of the Trust. As occasion arises consideration is given to the induction of and training for new directors.

Reference and administrative information

Directors

Mr I M Anderson
Mr I Critchley
Mr S Fairnington
Mr M J Gould (chairman)
Mr B M Hosier
Mr B W Moere
Mr A A West (to 11 September 2021)
Mrs J Wyber
Mrs K Yates

Officers

Secretary:	Mr K R Berry
Acting Treasurer	Mr K R Berry
Legal and Trust Officer:	Mrs M Levan-Harris

Bankers

National Westminster Bank Plc, Fleet Street Branch
PO Box 281, 156 Fleet Street, London, EC4A 2DX.

Solicitors

Anthony Collins Solicitors LLP,
134 Edmund Street, Birmingham, B3 2ES.

Cripps Pemberton Greenish LLP,
22 Mount Ephraim Road, Tunbridge Wells,
Kent, TN4 8AS

Independent Examiners

Adam Halsey (FCA, DCha)
Haysmacintyre LLP
10 Queen Street Place, London, EC4R 1AG.

URC Thames North Trust

Objectives and activities

The Trust's main objective is to assist the churches of the Thames North Synod of the United Reformed Church, and the Synod itself, by holding properties and investments on behalf of those bodies and by ensuring that all transactions affecting those properties and investments are carried out in ways that satisfy all the legal requirements.

In pursuance of this objective, the Trust acts:

- (a) as trustee owner of properties (mostly church buildings and manses held on the standard trusts for United Reformed Church properties) on behalf of 107 local churches within the area of Thames North Synod of the United Reformed Church;
- (b) as custodian trustee owner of properties held for Thames North Synod (mostly closed churches, housing for ministers and housing for retired ministers);
- (c) as trustee and custodian trustee of investments and deposits held on behalf of, or for the benefit of, Thames North Synod or individual United Reformed churches (73 churches) within the area of the Thames North Synod or persons associated with the Synod or those churches.

The Trust also acts as trustee of a small grant-making charity not associated exclusively with Thames North Synod or individual churches.

Public Benefit

The Directors' Meeting is aware of the Charity Commission guidance on public benefit in the "Advancement of Religion for the Public Benefit" and has regard to it in pursuing the objectives of and in the activities of the Trust.

Achievements and performance

During the year the Trust has:

- (a) dealt with the sale and lease of properties vested in the Trust on behalf of local churches and Thames North Synod;
- (b) dealt with the acquisition of properties on behalf of Thames North Synod and local churches;
- (c) negotiated and advised on a wide variety of other property related issues, including land disputes and development schemes;
- (d) carried out investment transactions on instructions from churches and Thames North Synod;
- (e) carried out banking transactions in respect of funds held on behalf of local churches, Thames North Synod and the grant-making charity.

Despite the pandemic, the volume of property work has continued at a substantial level in 2021, albeit in a slightly different form to previous years, with many more churches seeking the advice of the Trust over a wide range of property related issues. Some lease negotiations were placed on hold until the various pandemic restrictions were lifted. Inevitably, there have been less property sales and purchases during 2021 than usual, although there is a possibility we will see a significant increase in the rate of church closures and, consequently, property sales in the coming years.

Plans for future periods

The possibility of digitalizing all deeds and relevant historical documents, such as Declarations of Trusts and Sharing Agreements, so they can be accessed electronically, will continue to be assessed. This measure will assist with responding to some enquiries from local churches where reference to deeds or historical documents is necessary.

URC Thames North Trust

Financial Review

The results for the year are set out on page 8 in the form of a Statement of Financial Activities complying with the accounting requirements for charities. There was a deficit for the year of £ 6,472 (2020: £9,918).

The Trust applies a range of charges for specific services provided to the charities of which it is trustee. However, it is impracticable to set these at a level which would meet the full costs of the Trust. Thames North Synod has therefore been meeting some of the staffing costs.

The directors decided in 2011 to exercise the right within company law to dispense with an audit of the accounts and instead to opt for an independent examination of the accounts.

Charities' accounts and reports

Having regard to the Charities SORP and the Charities (Accounts and Reports) Regulations 2008, the Trust's report and accounts distinguish between assets and liabilities of the Trust as provider of trustee services, and assets and liabilities of charities for which the Trust acts as charity trustee or custodian trustee.

The Balance Sheet on page 9 and the Statement of Financial Activities on page 8 deal with the Trust's own activities in providing trustee services.

Information about assets held by the Trust as trustee for other charities is given in a separate statement on pages 11-13. Information about investments held for charities of which the Trust is trustee is provided to these charities annually and as transactions are carried out. Statements about transactions on current and deposit accounts are also supplied annually and when income is remitted and on request from churches.

Reserves Policy

The Trust had reserves of £69,187 at the end of 2021 (2020: £75,659). This represents approximately 12 months of expenditure and is considered adequate for the Trust to maintain a positive cash flow throughout the year. A general assurance has been given on behalf of Synod that, if the Trust's resources become insufficient to meet its costs, any shortfall will be met from Synod's funds.

Transactions

The Trust has few assets of its own. The costs of providing its services are analysed in the Statement of Financial Activities on page 8. These costs are met from interest on bank balances and charges to the charities for which services are provided.

All banking transactions on behalf of individual charities are carried on through the bank account of the Trust, with appropriate identification in the accounting records.

Professional fees incurred in property and other transactions are met out of the capital received or paid direct by the local church or Thames North Synod as the case may be. The costs of general legal advice are borne by the Trust.

Investments are made and realised for individual charities in response to instructions from the local church or Thames North Synod where applicable. Investments are recorded with individual designations for ease of identification.

Investment income received for individual charities is mostly remitted to those entitled to it or responsible for its subsequent distribution according to the relevant trusts. Retained income is held for the relevant charities and remitted to them when required.

Uninvested balances for individual charities are mostly placed in interest bearing deposit accounts open to charities.

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Funds held on behalf of others

Investments are registered in the name of the Trust with a designation identifying the particular charity with the beneficial interest.

Information about the Trust's holdings as trustee for others is given on pages 11-13.

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to accord with the accounting records of the Trust and to show the surplus or deficit for the period concerned. In preparing these financial statements the Directors are required to:

- select suitable accounting policies and apply them consistently
- observe methods and principles in the Charities SORP
- make judgements and estimates that are reasonable and prudent
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the Trust will continue in operation.

The Directors are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Trust 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 Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the directors are aware:

- there is no relevant information needed for the accounts examination of which the charitable company's independent examiner is unaware; and
- the Directors are responsible for taking all steps necessary to ensure that they are aware of all relevant information needed for the Trust's independent examiners examination of the accounts, and they have ensured that the independent examiners are aware of all such information.

Independent Examiners

The reappointment of Haysmacintyre, who have indicated their willingness to act as Independent Examiners, will be the subject of resolutions at the next meeting of the Directors.

Special Exemption and Approval

This report has been prepared in accordance with the special provisions for smaller companies under Part 15 of the Companies Act 2006. The Annual Report and Accounts were circulated to the Directors, by email and approved by them in September 2022 and the Chairman was authorised to sign the report.

It is signed on behalf of the Directors by

M J Gould *Michael Gould*
Director

Date: 26 September 2022

INDEPENDENT EXAMINER'S REPORT TO THE MEMBERS OF URC THAMES NORTH TRUST

I report on the accounts of the company for the year ended 31 December 2021 which are set out on pages 8 to 13.

• **RESPECTIVE RESPONSIBILITIES OF TRUSTEE AND EXAMINER**

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

• **BASIS OF INDEPENDENT EXAMINER'S REPORT**

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

• **INDEPENDENT EXAMINER'S STATEMENT**

In connection with my examination, no matter has come to my attention:

- 1) which gives me reasonable cause to believe that, in any material respect, the requirements:
 - to keep accounting records in accordance with section 386 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of the Companies Act 2006 and which are consistent with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities.have not been met; or
- 2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Adam Halsey
Haysmacintyre LLP
Chartered Accountants
10 Queen Street Place
London
EC4R 1AG

Date: 27 September 2022

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**STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2021**

	2021		2020	
	£	£	£	£
Income				
Property and in-house legal fees	15,103		21,949	
Administration charges - Finance	10,628		10,215	
	_____		_____	
Total Charitable activities		25,731		32,164
Investment Income				
CCLA Investment rebate	38,560		33,113	
Bank and other deposit income	59		761	
	_____		_____	
		38,619		33,874
		_____		_____
Total Income		64,350		66,038
Expenditure on:				
Charitable activities				
Contribution to office costs/salary costs	31,000		41,000	
Directors' Expenses	0		0	
Officers' Fees and Expenses	28,101		22,649	
Professional fees relating to casework	219		156	
Insurance	1,090		1,089	
Computer and Software support	2,905		4,329	
Telephone/Postage/Stationery	1,080		849	
Courier	23		130	
Independent Examination fees	3,312		3,120	
Professional Subscriptions and Training	2,035		1,733	
Companies House/ICO	48		48	
Bank charges	664		853	
Sundries	345		-	
	_____		_____	
Total Expenditure		70,822		75,956
Deficit/surplus for the year		(6,472)		(9,918)
Reserves brought forward at 1 January 2021		75,659		85,577
		_____		_____
Reserves carried forward 31 December 2021		69,187		75,659
		_____		_____

The Trust had no realised or unrealised gains or losses other than the surplus or deficit shown above for the two years ended 31 December 2021.

There were no discontinued activities or acquisitions in the year.

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BALANCE SHEET AS AT 31 DECEMBER 2021

	Note	2021 £	2020 £
Fixed assets	1	-	-
Current Assets			
Debtors		24,691	14,791
Prepayments		1,081	1,089
Cash on short term deposit	1	46,775	62,899
		<u>72,547</u>	<u>78,779</u>
Creditors: Amounts falling due within one year			
Accruals		(3,360)	(3,120)
		<u>69,187</u>	<u>75,659</u>
Net current assets		69,187	75,659
Net assets		<u>69,187</u>	<u>75,659</u>
Reserves			
General funds		<u>69,187</u>	<u>75,659</u>

The directors consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the company to obtain an audit for the period in question in accordance with section 476 of the Act.

The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 386 of the Act and for preparing financial statements which accord with the accounting records of the company as at 31 December 2021 and of its profit or loss for the period then ended in accordance with the requirements of sections 394 and 395 of the Act and which otherwise comply with the requirements of the Companies Act 2006 relating to the financial statements so far as applicable to the company.

The financial statements are prepared in accordance with the special provisions relating to small entities within Part 15 of the Companies Act 2006 and with FRS 102 Section 1A – small entities. The accounts were approved by the Directors, by email in September 2022. The Chairman was authorised to sign and issue the accounts. They are signed on behalf of the directors by

Michael Gould

M J Gould
Director

Date: 26 September 2022

Company No 75432

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

ACCOUNTING POLICIES

1 Convention

The financial statements have been prepared in accordance with the Charities (Accounts and Reports) Regulations, the Statement of Recommended Practice for Charities (SORP 2019), Companies Act 2006 and Financial Reporting Standards applicable in the UK and Republic of Ireland. The accounts have also been prepared in accordance with the FRS102 Section 1A – small entities. They are prepared on the historical cost basis. Figures are presented in sterling and rounded to the nearest pound.

URC Thames North Trust meets the definition of a public benefit entity under FRS102.

The particular accounting policies adopted in the preparation of the financial statements are as follows:-

General information

The Trust is a company limited by guarantee, incorporated in England and Wales (company number: 75432) and a charity registered in England and Wales (charity number: 1022551). The registered office is St Paul's URC, Newton Road, London, W2 5LS.

Preparation of the accounts on a going concern basis.

The directors consider that there are no material uncertainties which would cast doubt on the Trust's ability to continue as a going concern.

Fund Accounting

General funds are unrestricted funds which are available for use at the discretion of the directors in furtherance of the general objectives of the Trust and which have not been designated for other purposes. The Trust has no restricted or designated funds.

Income

All incoming resources are included in the Statement of Financial Activities when the Trust is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of the resources.

Properties and investments held on behalf of others

The Trust has no property or investments in which it has the beneficial interest. The properties and investments which stand in its name are held for the benefit of other charities of which it is trustee or custodian trustee. Such properties and investments are not assets of the Trust and are not included in these accounts.

Cash in hand

All banking transactions on behalf of charities of which the Trust is trustee or custodian trustee pass through the Trust's bank account. The balance in hand held on behalf of others is shown on page 12.

Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2 Directors' emoluments

The Trust does not have power to remunerate its directors. No expenses were paid to directors in 2021. (2020 - £0)

3 Limitation of guarantee

In the event of the Trust being wound up, each member has undertaken to contribute to the assets of the Trust such amounts as required not exceeding £1.

The Trust has no power to pay dividends etc to its members, and in the event of its dissolution its property is to be paid to another appropriate charitable body and not to its members.

ASSETS HELD AS TRUSTEE OR CUSTODIAN TRUSTEE AS AT 31 DECEMBER 2021

The information given on this and the two following pages is reviewed by the Trust's independent examiner and covered by the report on page 7.

Properties

Freehold and leasehold properties are vested in the Trust as trustee on behalf of United Reformed Churches or on behalf of Thames North Synod of the United Reformed Church. The cost or value of most of these properties at the date of original purchase or transfer to the Trust is not known. They are not therefore included in the Statement of Assets Held as Trustee on page 12.

Investments

Investments are held on behalf of 54 churches, Thames North Synod and other trusts associated with the United Reformed Church in Thames North Synod. They are shown at market value in the Statement of Assets Held as Trustee on page 12. The analysis in Note B on page 13 shows these investments at cost or, in the case of some investments transferred to the Trust where the original cost is not known, at market value on the date of transfer.

Cash on short term deposit and at bank

Some moneys held on behalf of churches, trusts and Thames North Synod are held in interest bearing deposit accounts maintained by the Trust with individual designations. The Trust's bank balance includes amounts held on behalf of churches, trusts and Thames North Synod, in both current and interest bearing accounts. These holdings are summarised in Note A on page 12.

Income from investments and cash deposits

Investment income received for individual charities is mostly remitted to those entitled to it or responsible for its subsequent distribution according to the relevant trusts. Retained income is held for the relevant charity and remitted to them when required.

Information for charity trustees

The Trust provides annual financial information about investments held for the charities of which it is trustee or custodian trustee. Interim information is provided as required. The Trust also provides statements about transactions on current and deposit accounts annually and when income is remitted.

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STATEMENT OF ASSETS HELD AS TRUSTEE OR CUSTODIAN TRUSTEE AS AT 31 DECEMBER 2021

	Note	2021 £	2020 £
Fixed assets			
Investments at market value	B	32,190,889	29,281,972
Current assets			
Cash on short term deposit	A	10,578,534	12,251,141
Cash at bank	A	440,527	183,763
		<u>11,019,061</u>	<u>12,434,904</u>
Total assets		<u>43,209,950</u>	<u>41,716,876</u>

NOTES TO THE STATEMENT OF ASSETS HELD AS TRUSTEE OR CUSTODIAN TRUSTEE

A. CASH ON SHORT TERM DEPOSIT OR AT BANK

	2021 £	2020 £
Short term deposits held on behalf of:-		
Thames North Synod	157,335	1,880,360
Others	10,421,199	10,370,781
	<u>10,578,534</u>	<u>12,251,141</u>
Cash at bank held on behalf of:-		
Thames North Synod	113,779	(34,984)
Others	326,748	218,747
	<u>440,527</u>	<u>183,763</u>

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B. INVESTMENTS

Summary by Beneficiary	Thames North Synod £	Churches £	Others £	Total £
At cost				
At 31 December 2020	10,720,616	7,414,639	428,771	18,564,026
Transfer	-	-	-	-
Additions:-				
New funds	-	406,775	-	406,775
Reinvestment	-	1,426,761	117,229	1,543,990
Disposals`	(1,007,634)	(561,635)	(105,090)	(1,674,359)
At 31 December 2021	<u>9,712,982</u>	<u>8,686,540</u>	<u>440,910</u>	<u>18,840,432</u>
At market value				
At 31 December 2020	<u>15,661,100</u>	<u>12,898,278</u>	<u>722,594</u>	<u>29,281,972</u>
At 31 December 2021	<u>16,585,210</u>	<u>14,843,607</u>	<u>762,072</u>	<u>32,190,889</u>

Summary by Type	Unit Trusts, Common Investment Funds £	Government Stocks £	Listed Investments £	Total £
At cost				
At 31 December 2020	18,560,544	-	3,482	18,564.026
Additions:-				
New funds	406,775	-	-	406,775
Reinvestment	1,543,990	-	-	1,543,990
Disposals	(1,674,359)	(-)	(-)	(1,674,359)
At 31 December 2021	<u>18,883,949</u>	<u>-</u>	<u>3,482</u>	<u>18,840,432</u>
At market value				
At 31 December 2020	<u>29,240,811</u>	<u>-</u>	<u>41,161</u>	<u>29,281,972</u>
At 31 December 2021	<u>32,142,119</u>	<u>-</u>	<u>48,770</u>	<u>32,190,889</u>