

Company Number: 01337047
Charity Number: 507027

THE UNITED REFORMED CHURCH (WEST MIDLANDS) TRUST LIMITED

REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2024

THE UNITED REFORMED CHURCH (WEST MIDLANDS) TRUST LIMITED

Contents

	Page
Annual Report	1 to 15
Independent Auditor's Report	17 to 19
Statement of Financial Activities	20
Balance Sheet	21
Statement of Cash Flow	22
Notes to the Financial Statements	23 to 45

THE UNITED REFORMED CHURCH (WEST MIDLANDS) TRUST LIMITED

Annual Report

Year Ended 31 December 2024

Reference and Administrative Information

Registered Office

Digbeth-in-the-Field United Reformed Church
Moat Lane
Yardley
Birmingham B26 1TW

Directors and Trustees

Mr D.S. Black
Mr T. Dicker
Revd S.M. Faber
Revd E. Hutchinson
Mrs M.F. Marshall
Mr S.M. Powell (Treasurer)
Mr K. Thomas
Revd. D M Walton (resigned 16 March 2024)

Secretary

Mr P. Mountain

Bankers

Lloyds Bank
(Kings Heath branch)
P O Box 1000 BX1 1LT

Legal Advisors

Slater Heelis
Lloyds Bank Buildings, 16 School Road
Sale, Cheshire M33 7XP

Veale Wasbrough Vizards LLP
Second Floor, 3 Brindley Place
Birmingham B1 2JB

Auditor

MHA
The Pinnacle
150 Midsummer Boulevard
Milton Keynes MK9 1LZ

Investment Manager

Evelyn Partners
9 Colmore Row
Birmingham B3 2BJ

Synod Officers

Moderator – Revd S.M. Faber
Synod Clerk – Mrs R Wakeman
Synod Treasurer – Mr S.M. Powell
Legal and Trust Officer – Mr P Mountain
Finance Officer – Mrs K Wise (from March 2024)
Property Officer – Mr M. McDade
Mission Development Officer – Revd Andrew Willett/Revd Sally Willett (job share) (from September 2024)
Training and Development Officer/Pastoral Consultant – Revd M Smith (from November 2024)
Children's and Youth Development Officer – Mrs H Laird (from December 2024)
Safeguarding Officer – Mrs D. Gordon
Communications Officer – Mrs E Wright

THE UNITED REFORMED CHURCH (WEST MIDLANDS) TRUST LIMITED

Annual Report

Year Ended 31 December 2024

The United Reformed Church (West Midlands) Trust Limited (“The Trust”) is the corporate body that holds the assets and liabilities of the West Midlands Synod of the United Reformed Church (“Synod”). The Trust was incorporated as a limited company and registered charity on 2 November 1977 and its Memorandum and Articles of Association were revised in 2008 and 2021. The Trust’s charitable objects are:

the advancement of the Christian religion for the benefit of the public in accordance with the doctrines, principles, and usages of the United Reformed Church in particular (but without prejudice to the generality of the foregoing) by supporting the work of the West Midlands Synod of that Church.

1. The Synod: Structure, Governance and Management

1.1 Overview

The Synod is the collective body of the United Reformed Church in the West Midlands region and is constituted in accordance with the Basis of Union and the United Reformed Church Acts of 1972, 1981 and 2000 (www.urc.org.uk). Synod has oversight of the URC in the West Midlands, comprising the counties of Staffordshire, Shropshire, Herefordshire, Worcestershire, Warwickshire and Gloucestershire, and the metropolitan boroughs of Birmingham, Solihull, Coventry, Sandwell, Walsall, Dudley, and Wolverhampton. It meets twice a year and its membership, as detailed in the Structure of the United Reformed Church, Section B at urc.org.uk, includes serving ministers, representatives of each local church, and ecumenical representatives, together with youth representatives and some co-opted members. The Synod fulfils a wide range of consultative, legislative and executive functions, and is the ultimate decision-making authority in matters of a theological, pastoral or (in certain cases) an administrative nature.

The Synod acts as a bridge between the work of the local church and the General Assembly. It carries an oversight function for the local churches within the context of the General Assembly’s policies. The councils of the United Reformed Church (Church Meeting, Synod and General Assembly) have a covenantal relationship, which means that they have an awareness of and responsiveness to the needs and mission of the whole Church. This is expressed in many ways but not least in the Plan for Partnership in Ministerial Remuneration through which ministry is supported and in the resource sharing arrangements between Synods.

THE UNITED REFORMED CHURCH (WEST MIDLANDS) TRUST LIMITED

Annual Report (Continued)

Year Ended 31 December 2024

1.2 The Synod's relationship with the Trust and its committees

The Synod Trust is the trustee of the funds for the West Midlands Synod. To the extent that Synod policy decisions affect those funds, and are outside the scope of previously agreed parameters, they are subject to Trust endorsement.

Because the Synod meets only twice each year, it delegates many of its functions to its committees, which in turn work alongside the Trust: the Synod Executive; the Resources & Compliance Committee, the Ministry Development Committee and the Missional Discipleship Development Committee. The roles of these bodies are explained in more detail below. The relationship between the Synod Executive, its Committees and Trust may be summarised as follows:

Synod: One of the Councils in the Structure of the United Reformed Church, and the ultimate decision-making body of the United Reformed Church in the West Midlands region. The work of Synod is organised through committees with responsibility for specific aspects within the life of the Church.

Synod Executive: has delegated authority to make decisions and recommendations in between Synod Meetings and acts as the line of accountability for Synod Officers and Committees. Synod Executive comprises certain Synod Officers, Convenors of Synod Committees, and representatives from the seven designated Areas within Synod.

Resources & Compliance Committee: (RCC) is concerned with financial and property resources, maintaining legal compliance and good practice and has delegated authority to make decisions and recommendations on matters principally around finance, property and legal issues. The Synod Resources and Compliance Committee (RCC) comprises Synod Officers, their line managers, and other persons with appropriate skills identified and appointed by Synod Executive. The RCC's responsibilities may be summarised as follows:

- to regularly review the condition of the Synod Trust's assets and oversee their conservation, management and (where appropriate) disposal.
- to ensure that its liabilities are controlled and discharged in a timely manner; and
- to oversee the day-to-day management of Synod assets within approved policy and budgetary frameworks times.

The remit of the Resources and Compliance Committee includes delegated authority for agreeing grants, particularly for property, within criteria and budgets that are agreed by the Trust.

THE UNITED REFORMED CHURCH (WEST MIDLANDS) TRUST LIMITED

Annual Report (Continued)

Year Ended 31 December 2024

1.2 The Synod's relationship with the Trust and its committees (continued)

Ministry Development Committee: (MDC) is responsible for developing people's ministries and has delegated authority, particularly in dealing with ministerial call and service, vacancy and development. The Committee comprises a representative from each Area, plus the Moderator and key Synod Officers.

Missional Discipleship Development Committee: (MDDC) is responsible for developing discipleship across the whole people of God, leading to a deeper engagement in mission and has delegated authority particularly in areas of ministerial & lay training and children's and youth work.

Synod Trust: is the legal owner of church property (churches, manses, ancillary buildings and a small number of business assets). The Synod Trust is responsible for all decisions in relation to land, buildings and funds. A Reference Committee of the Synod Trust has authority to approve urgent transactions between meetings, provided that they meet normal qualifications and are reported to the next meeting. The Reference Committee for the Resources and Compliance Committee consists of the Moderator, Synod Clerk, Synod Treasurer and Chair. The Reference Committee for the Trust consists of the Moderator, Synod Treasurer, Chair and at least one other trustee.

1.3 The Trust

(a) Powers, duties, and responsibilities

Acting through its board of trustees, the Trust is responsible for the management of the Synod funds and for the implementation of policy as set by the Synod, subject to meeting its legal obligations.

The Trust fulfils its charitable objects by working through the Synod which provides financial, pastoral, educational and technical support to local URC congregations, and to their Ministers, Elders and lay people in their life and mission. The Trust supports the Synod in its mission purpose, defined at October Synod 2022 as:

"To equip, encourage and support United Reformed Church congregations in the West Midlands Synod, in our collective journey to be faithful in worship, witness and service, as our way of responding to the saving love of God in Christ Jesus, in the power of the Holy spirit, and inviting others to share in the life of faith and discipleship."

The Trust, through the work of the Synod, supports 93 churches in the region with 3,522 United Reformed Church members and their own charitable missions to advance the Christian religion in their own communities.

THE UNITED REFORMED CHURCH (WEST MIDLANDS) TRUST LIMITED

Annual Report (Continued)

Year Ended 31 December 2024

1.3 The Trust (continued)

(a) Powers, duties, and responsibilities (continued)

The Trust also acts as Trustee to the majority of the United Reformed Churches in the West Midlands by holding properties on trust for them in accordance with the Statutory Trusts as set out in the United Reformed Church Acts. The insured value of these properties exceeds £200 million and there are guidelines in place to minimise the risk to the Trust of actions by local churches in respect of these assets. The Trust also acts as custodian trustee for some churches and other URC related organisations, holding investments separately on their behalf. The investments have a value of approximately £1.351m and the local churches have objects similar to the Synod.

United Reformed Churches are open to all people, of all ages and walks of life, including people of no faith. Through enabling worship and faith-based, educational, and community-focused activities, the Trust aims to propagate the Christian faith and Christian values in a contemporary and compassionate manner, for the benefit of all.

Local churches within the Synod's region are separate independent charities and the Trust has no controlling interest or executive control over them. Nor are local churches deemed connected charities within the understanding of the Charities SORP.

In addition to the funds held for churches the Trust also holds funds on behalf of the URC Inter Synod Resource Sharing process which redistribute funds from wealthier Synods to those Synods in need of support. The MV funds totalling £455,228 at 31 December 2024 are held in separately identified deposit funds and investments. The funds are controlled by the General Assembly's Resource Sharing Task Group drawn from amongst the Synod Treasurers. As a body, the Trustees of the Trust play no part in directing the management of these funds.

(b) The Trustees

The Synod appoints the board of trustees and considers individuals with relevant experience who are eligible for appointment. Members of the Board must be a member of the United Reformed Church ("URC") or of a Local Ecumenical Partnership involving the URC. There is no formal programme for the induction and training of Trustees although all are encouraged to attend relevant seminars arranged by the Trust's professional advisors.

Trustees serving on the Board during the year were as follows:

Mr D.S. Black, Mr T. Dicker, Revd S.M. Faber, Revd E. Hutchinson, Mr S.M. Powell (Treasurer), Mrs M.F. Marshall and Mr K. Thomas.

THE UNITED REFORMED CHURCH (WEST MIDLANDS) TRUST LIMITED

Annual Report (Continued)

Year Ended 31 December 2024

1.3 (b) The Trustees (continued)

The Trustees are the Trust's key management personnel and directors of the company for the purpose of company law. Together they form the Trust's governing board and are responsible for overseeing the management and for decisions relating to the assets of the Synod and properties held at Synod and local church level. The funds of local churches, including the contents of those churches, are held by separate charities and are not within the control of the Trust. All director-trustees give their time voluntarily and receive no benefits from the Trust other than reimbursement of their expenses (as shown in note 5 to the financial statements). The only exception here is the Moderator whose stipend is settled and paid by the central URC.

Indemnity insurance of up to £5m is in place to cover the liability of the Trustees in relation to negligence, default, breach of duty or breach of trust.

With regard to potential conflicts of interest, clear procedures are in place to ensure that no trustee derives any private benefit from the Trust's financial operations, and that no actual or perceived bias arises when the Trust considers any application for funding support from a Church which counts a trustee among its members.

(c) The Trust's professional and technical staff

There were eleven paid staff in 2024 who enabled the Synod's day-to-day operations and who were recruited based on their professional experience and skills. They are:

- Finance Officer
- Financial Assistant
- Property Officer
- Office Manager and PA to the Moderator
- Administrative Assistant
- Legal and Trust Officer
- Communications Officer
- Safeguarding Officer
- Synod Clerk
- Mission Development Officers (job share)
- Children and Youth Development Officer (CYDO)

Levels of staff pay are decided by reference to market rates for those working for professional organisations with the relevant qualifications and experience and regard is given to published pay scales for similar roles. All rates of pay are reviewed annually and amended in the light of changes in the cost of living and other relevant factors.

In addition, the Revd Melanie Smith, a Minister of Word and Sacraments, was called to the role of Training & Development Officer / Pastoral Consultant, as a ministerial role, rather than an employed post. Stipend levels for Ministers are agreed centrally within the United Reformed Church each year, as are other terms, in accordance with the Plan for Partnership in Ministerial Remuneration. (see <https://urc.org.uk/urc-ministries/the-plan-for-partnership/>)

THE UNITED REFORMED CHURCH (WEST MIDLANDS) TRUST LIMITED

Annual Report (Continued)

Year Ended 31 December 2024

1.3 The Trust (continued)

(c) The Trust's professional and technical staff

The **Finance Officer** is responsible for the Synod's finances and assists local churches with their grant applications and other areas of church finance. The Finance Officer also plays an important role in developing policy for control of Synod finances and in supporting churches financially. The FO deals with the calculation and allocation of contributions to the Ministry and Mission Fund which funds ministers' stipends and the work of the wider church; and works with the Synod's Investment Sub Committee and its independent Investment Managers to ensure the efficient management of cash and the generation of income to run Synod. The Finance Officer along with the Finance Assistant, is also active in management of the funds for Inter Synod Resource Sharing. The Finance Assistant assists the Finance Officer in preparing the monthly and annual accounts.

The **Property Officer** provides technical support to local churches in the maintenance of their church buildings and their repair and/or redevelopment, including advising on grant support which may be available for Synod. This includes working closely with local church leadership to resolve practical and technical issues as they arise. Where churches are Listed buildings, Synod has a statutory role under Ecclesiastical Exemption, which the Property Officer discharges with the assistance of other officers of the wider United Reformed Church. The Property Officer helps churches to meet their obligations for Listed Buildings while developing their mission and vision. The Property Officer has a key role in the purchase and disposal of buildings, including liaison with appropriate professionals to secure Designated Advisor's Reports to ensure best value for the trust is obtained for those property transactions.

The **Legal and Trust Officer** is Secretary to the Board and the Synod Resources and Compliance Committee. The Trust Officer is a solicitor and provides support to local Churches and other officers in the areas of governance, charity law and transactional matters, working with external lawyers with specialist knowledge of the URC's legal structure and processes, and other independent advisers as appropriate.

The **Safeguarding Officer** works with local churches to ensure that children and adults at risk are protected as the law requires and as a matter of best practice. The Safeguarding Officer is responsible for co-ordinating safeguarding training around the Synod and ensuring that current safeguarding policies and procedures are implemented.

The **Synod Clerk** has oversight of Synod and its Committees; supports the Moderator; represents the Synod nationally and locally; and provides guidance on governance and procedures.

The **Office Manager/Moderators PA** is responsible for the day-to-day operation and management of the Trust's premises and business affairs, including HR, and provides the Moderator with all required back-office support. The Administrative Assistant supports the office and Synod Officers' work.

THE UNITED REFORMED CHURCH (WEST MIDLANDS) TRUST LIMITED

Annual Report (Continued)

Year Ended 31 December 2024

1.3 The Trust (continued)

(a) The Trust's professional and technical staff (continued)

The **Mission Development Officer**, Children & Youth Development Officer and Training & Development Officer/Pastoral Consultant roles are described in Section 2 below.

(d) Risk Assessments

The Trust has undertaken a Risk Assessment, identifying, and evaluating the risks to which the Synod and Trust are exposed, and policies are in place and actions are taken to minimise any potential exposure. The Trust's reserves and investment policies are designed in part to mitigate the risk of insufficient resources being available to provide the necessary level of support to Churches within the Synod area.

1.4 Financial support and grant making policies

The Trust makes available a range of grants and loans (i) to local churches to assist them in their mission and in the improvement and maintenance of their properties; and (ii) to local ministers to support ministerial training, development, and sabbaticals. In all cases, grant awards are made after consideration of the mission statement and financial situation of the applicant. The funding programmes comprise:

- **Synod Manse Fund:** A restatement of the Synod Manse Policy was approved at the Synod meeting in October 2024. Financial Support is available to support the purchase and/or replacement and improvement of manses to improve standards; and to ensure essential works are carried out including Gas and Safety certificates being kept up to date. £750 per year from 2023 can be claimed by local churches retrospectively per annum and can be rolled over for up to 3 years. The Synod insures the manses held for occupation by ministers. Upon the disposal of a Manse, the net proceeds are shared between the local church, with the majority going to the Synod's Manse Fund to support other investment in the Synod area. The amounts of the shared portions are to some extent negotiated in the light of the local church's needs.
- **Property Grants:** capital grants are available (i) to support large cyclical repairs to church buildings; and (ii) to bring all manses and church buildings up to improve standards of accessibility and full compliance with Equalities legislation.
- **Synod Mission Fund:** £1 million set aside in 2010 to encourage, enable and support local churches in their mission activities. The current balance on this account is £513,132 and the fund is periodically topped with instalments of funds equal to 20 per cent of the net proceeds of any church property disposal.

THE UNITED REFORMED CHURCH (WEST MIDLANDS) TRUST LIMITED

Annual Report (Continued)

Year Ended 31 December 2024

1.4 Financial support and grant making policies (continued)

- **Major Building Development Fund:** The initial funding was formed in 2021 from the entire proceeds from the disposal of two closed church buildings. The aim is to facilitate the extension, rebuilding or conversion to new purposes of church buildings and the consequent strengthening of congregations and communities. It is topped up by 80% of the net proceeds from closed churches after a small portion has been allocated to the M&M fund. The balance currently sits at £2.3m. Two applications were received in 2024.
- **Ministry Support Fund** to support local ministry and assist in creating lay posts focussed on church growth, administered by the Ministry Development Committee and Synod Executive. There was one application which was a variation to an application made in 2022.
- **Energy Efficiency Grants:** an important consequence of the Synod's 2019 decision to divest from investments in fossil fuels and to move to a zero-carbon future: a fund of £1m to support churches with the capital cost of energy efficiency improvement to church buildings with grants starting at 100% and tapering down with increasing costs. There were 17 applications in 2024 totalling £78,289.
- **Youth and Children's Work Grants** are offered to assist the participation of individual leaders connected with churches and local ecumenical partnerships (LEPs) in training and learning opportunities that are designed to enable local church mission objectives with children and youth. Grants are also offered to Churches and Groups to support, e.g., holiday clubs, and to Individual children and young people connected with churches and LEPs with projects that enable mission objectives. Each grant can be up to £500
- **Training and Discipleship Development Grants** are available to help members of churches attend training and events aimed to broadening their experience and learning and deepen their discipleship. £2000 per year is provided to the Synod by the denomination, and the Synod has the responsibility of administering grants within the criteria set out by the wider United Reformed Church. Other training grants are used for in-service training for accredited Lay Preachers and other individuals.

The Trust is active in the Inter Synod Resource Sharing system, which supports those Synods with least resources.

THE UNITED REFORMED CHURCH (WEST MIDLANDS) TRUST LIMITED

Annual Report (Continued)

Year Ended 31 December 2024

2 Pastoral and Educational support

The **Moderator** is the Revd. Steve Faber, an ordained Minister of Word and Sacraments of the United Reformed Church. His role is to provide spiritual and pastoral oversight, care, and leadership within the Synod. The Moderator is a member of all Synod Committees and works with Synod Officers to provide spiritual, strategic and pastoral leadership to churches within the Synod area; and he provides care, encouragement and engagement with ministers and churches through meetings, conferences, visits and training events. Also, as a member of the Ministry Development Committee (see 1.2 above) the Moderator is instrumental in encouraging conversations about pastorates and calling of ministers.

The **Synod Training and Development Officer (TDO) / Pastoral Consultant**, the Revd Melanie Smith, is also a Minister of Word and Sacraments, inducted to her Synod role following a call issued and accepted recognising their appropriate skills and experience. Her responsibilities include ministerial and lay training, including advocating best practice in training and discipleship development; working with the Mission Development Officers and others to encourage and develop churches in mission and discipleship; assisting the Moderator with supporting ministers and churches through pastoral difficulties and developing new pastorates and ministries; and deputising for the Moderator as required.

The **Mission Development Officer** role is salaried and currently shared by the Revd Andrew Willett and the Revd Sally Willett. The aim of the role is to work with Churches and Ministers to better enable mission and discipleship development and so stimulate and encourage growth within the churches of the Synod. As well as working with other Synod Officers, responsibilities include working with ecumenical partners in developing networks towards best practice in mission and discipleship activities. Membership of the Missional Discipleship Development Committee and Synod Executive enables them to promote a missional and discipleship mindset and action to further the ethos within the Synod

During 2024, the Revd Ashley Evans served in the Synod as temporary **Leading Your Church into Growth (LYCiG) Consultant** with a particular brief to roll out the LYCiG programme across the West Midlands, as part of extending it across the denomination following successful implementation in Yorkshire and elsewhere.

The **Children and Youth Development Officer**, Helen Laird, supports and enables the work in local churches with Youth and Children. This is a salaried post, recruitment to which is based on skills and experience. The *Equality Act 2010: Part 1, Schedule 9* applies to this post, which requires a Christian who is willing to share their own personal faith and encourage others in that faith.

THE UNITED REFORMED CHURCH (WEST MIDLANDS) TRUST LIMITED

Annual Report (Continued)

Year Ended 31 December 2024

3 Achievements and performance

The Synod Mission Fund continues to support local churches in mission activity and the achievement of mission pledges. Amended the criteria make it more accessible to smaller churches. During the year grants totalling £139,467 were awarded to support seven projects across the Synod.

Our global partnership with the Diocese of Durgapur was maintained, with continued involvement of the Trust in managing further release of the legacy which financed the Colin Choyce Hostel for children at risk or rescued from human trafficking and now contributes to running costs.

During 2024 donations of £1,643 were received and then were these were sent to India in early 2025.

The Synod engaged a small team of people from elsewhere in the denomination to carry out a review of Synod structures and processes, and their work was concluded. Amongst their recommendations was to work to improve communications between the Synod/Trust operations and local churches. As a result of this, a new post of Communications Officer was created and successfully recruited, along with three other roles, completing the Synod staff establishment for the first time in several years (see sections 1.3 and 2 above.)

At the March 2024 Synod meeting an updated environmental policy was adopted, and the Synod affirmed its commitment to improving the energy efficiency of all our Manse stock with costs being borne by the Synod Manse Fund. The updated safeguarding pack of guidance, policies and procedures, "Good Practice 6" was introduced as the standard applicable for all URC congregations (although LEPs may opt to follow the safeguarding policies of another partner denomination – typically that of the denomination responsible for the church building.

The Synod Manse Policy was updated and adopted by the October 2024 Synod Meeting, and the Synod agreed that the cost of Council Tax and Water Rates should be covered by the Synod Manse Fund from April 2025, lifting a significant financial burden from local churches.

The same Synod meeting unanimously adopted the paper "Creating a Vision for the West Midlands Synod" and agreed that it will form a framework for future policy formation

THE UNITED REFORMED CHURCH (WEST MIDLANDS) TRUST LIMITED

Annual Report (Continued)

Year Ended 31 December 2024

4. Financial review

Financial Statements

The financial statements, including the notes, have been prepared in compliance with the Statement of Recommended Practice "SORP2019 (FRS102)". The analysis of income and expenditure reflects the classification of activities, together with costs relating to administration. The Synod and Trust do not sell goods or services, nor are there any other trading activities.

A financial summary document is made available to all members of Synod, and local churches if requested. This document highlights the main features of these financial statements. The review includes a comparison between the budget and the final operating income resources and expenditure.

Statement of Financial Activities

The Statement of Financial Activities is shown on page 19, with a more detailed analysis of income and expenditure on pages 27 to 44.

Investment income was £99k higher than 2023. In addition, a surplus of £2.4m was realised from the sale of six Manses, and £179k from three church buildings. The latter proceeds were transferred to the Major Buildings Development Fund, Mission Fund, and a small portion towards the Synod M&M Support Fund in accordance with existing policy.

Operating costs increased by £260k, mainly as a result of £97k for Major Building Development grants, a £234k contribution to the national M&M Fund and £123k in Mission Fund grants. There was a reduction in training and Energy efficiency grants

We continue to invest in our buildings: Church property grants were £187k. Repairs to Manses equated to £15k.

Training expenditure in 2024 stood at £24k and was directed chiefly through the Ministry Development and Missional Discipleship Development Committees, until the appointment of our Training & Development Officer/Pastoral Consultant at the beginning of November 2024.

The Trust is fully committed to supporting training costs properly incurred by members at all levels within the Synod.

An increase in the stock market resulted in unrealised gains of £1.74m. The total increase in funds was £3.55m.

THE UNITED REFORMED CHURCH (WEST MIDLANDS) TRUST LIMITED

Annual Report (Continued)

Year Ended 31 December 2024

4. Financial review (continued)

Balance Sheet

Reference has been made above to the increase in the funds balance. An analysis of the funds movements is shown on page 35.

Programme Related Investments stood at £3.4m relating to 17 manses. These are funds invested by Synod to assist local churches to purchase or update the properties and to assist certain individuals.

Reserves policy

The Trust holds funds under a number of different terms. Any funds which are restricted or endowed may only be used as directed by the funder at the time they were granted to the Trust.

Other funds are unrestricted and can be used at the discretion of the trustees in furtherance of the Trust's objects. It is the policy of the trustees to designate certain funds for particular purposes as agreed from time to time and details of the purpose and use of those designated funds can be found in note 8 to the financial statements.

The remaining general unrestricted funds are required to cover the support costs and grants awarded. The policy of the trustees is to hold sufficient investments and deposits that the income generated, and capital appreciation will cover one full year's total net expenditure. Specific policy decisions have been made not draw down reserves in addition to this.

Investment policy

The agreed investment objectives are: -

- To maintain adequate liquidity.
- To maintain the security of any investments.
- To minimise capital loss.
- To maintain a mixed portfolio of fixed interest and equity investments whilst providing a balance between income and growth.
- To adhere to any restrictions as defined from time to time by Synod, including an ethical policy; and
- To obtain the optimum yield, subject to complying with the above criteria.

THE UNITED REFORMED CHURCH (WEST MIDLANDS) TRUST LIMITED

Annual Report (Continued)

Year Ended 31 December 2024

4. Financial review (continued)

The current restrictions defined by Synod are that investments should avoid those companies that have significant involvement in armaments, pornography, supply of alcoholic drinks, gambling, tobacco manufacture, facilitating activities in the occupied Palestinian territories and the extraction and/or supply of fossil fuels.

An investment portfolio is managed by Evelyn Partners and investment advice is sought from them as required. Individual purchases and sales are made by the investment manager in accordance with parameters provided to them, subject to consultation as necessary with the investment subcommittee which includes the treasurer, finance officer and other members with the relevant knowledge and experience.

In addition to this portfolio, funds were also invested with a Charities Official Investment Fund (COIF) managed by CCLA and a deposit fund managed by Epworth Investment Management Ltd.

Future plans

The strategic review of the Synod's activities by external consultants, to consider ways in which we can structure our work to fulfil our statement of mission purpose was continued throughout 2024 with a second phase of work. The review group examined the current effectiveness of committee operations measured against the functions and identified areas of concern or operational weakness. The group concluded its review in September 2024 and reported to Synod in October 2024. Work continues on this review in 2025 as Synod Officers examine the current grant regime and financial support to local churches, with a wide consultation on needs and proposals due to be considered at the October 2025 Synod Meeting.

Sharing

Denominational policy is such that the Synod has tended to suffer a year-on-year decline of the number of Stipendiary Ministers available to local churches. Synod Officers therefore continue to manage plans for that reduction and continue to look at ways to increase the range of lay leadership and ministries to compensate for the reduction in the number of ordained Ministers. The Ministry Support Fund described above is one way in which we intend to realise that support.

We are confident that the recruitment of our Mission Development Officers Andrew and Sally Willett in September 2024, and our new Children & Youth Development Officer Helen Laird in December 2024 will result in a strengthening of lay leadership in churches across the region.

THE UNITED REFORMED CHURCH (WEST MIDLANDS) TRUST LIMITED

Annual Report (Continued)

Year Ended 31 December 2024

4. Financial review (continued)

In addition, in 2025 the following are planned within our strategy: -

- Encouraging ministers and churches to engage with Stepwise (particularly the introductory course “Faith-filled Life” and the leadership course “Faith-fuelled leadership) and/or other opportunities to develop discipleship, including the resources available through “Holy Habits.”
- Encouraging ministers and churches to engage with the Leading Your Church into Growth (LYCiG) programme, introduced at the Synod meeting in October 2022.
- Work towards establishing five new communities of worship and discipleship through pioneering ministry.
- Work to ensure every local church has a viable mission plan and is aiming to grow its membership year-on-year
- Increase the number of Eco-Church awards amongst our local churches.
- Engaging churches and individuals to raise a minimum of £2,500 to support a children’s safe house and other anti-human trafficking work run by our partner, the Diocese of Durgapur in the Church of North India.

Trustees’ Responsibilities

Company law requires the trustees as directors to prepare financial statements for each year, which give a true and fair view of the state of affairs of the charity and the incoming resources and application of resources, including the net income or expenditure, of the charity for the year. In preparing these financial statements, the trustees are required to:-

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether the policies adopted are in accordance with applicable accounting standards, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:-

- There is no relevant audit information of which the charitable company’s auditor is 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 auditor is aware of that information.

THE UNITED REFORMED CHURCH (WEST MIDLANDS) TRUST LIMITED

Annual Report (Continued)

Year Ended 31 December 2024

Auditor

The auditor, MHA, previously traded through the legal entity MacIntyre Hudson LLP. In response to regulatory changes, MacIntyre Hudson LLP ceased to hold an audit registration with the engagement transitioning to MHA Audit Services LLP.

On behalf of the Board

Stephen Powell

Mr S M Powell – Director and Treasurer

Date: June 19, 2025

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE UNITED REFORMED CHURCH (WEST MIDLANDS) TRUST LIMITED

Opinion

We have audited the financial statements of The United Reformed Church (West Midlands) Trust Limited (the 'Charitable Company') for the year ended 31 December 2024 which comprise Statement of Financial Activities, Balance Sheet, Cash Flow Statement and notes to the financial statements, 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 charitable company's affairs as at 31 December 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis of opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' 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 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 directors with respect to going concern are described in the relevant sections of this report.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Trustees' Annual Report, other than the financial statements and our auditor's Report thereon. 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.

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

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

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

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

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 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 intent to liquidate the Charitable Company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE UNITED REFORMED CHURCH (WEST MIDLANDS) TRUST LIMITED

Auditor's responsibilities for the audit of the financial statements

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

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:

- Obtaining and understanding of the legal and regulatory frameworks that the Charity operates in, focusing on those laws and regulations that have a direct effect on the financial statements;
- Enquiring of management and Trustees around known or suspected instances of non-compliance of laws and regulations and fraud;
- Discussing among the engagement team regarding how and where fraud might occur in the financial statements and any potential indications of fraud;
- Reviewing minutes of meetings of those charged with governance; and
- Performing audit work in relation to the risk of management override, including testing of journal entries and other adjustments for appropriateness and reviewing accounting systems for bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulations. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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. This description forms part of our Auditor's Report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Charitable Company's members those matters we are required to state to them in an Auditor's Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charitable Company and the Charitable Company's members as a body, for our audit work, for this report, or for the opinion we have formed.

Elizabeth Newell

**Elizabeth Newell BA (Hons), FCA (Senior Statutory Auditor)
For and on behalf of MHA (Statutory Auditor)**

Milton Keynes, United Kingdom

Date: June 25, 2025

MHA is a trading name of MHA Audit Services LLP, a limited liability partnership in England and Wales (registered number OC455542).

THE UNITED REFORMED CHURCH (WEST MIDLANDS) TRUST LIMITED

Statement of Financial Activities (Incorporating Income and Expenditure Account) Year Ended 31 December 2024

2023 Total Funds £	Income from:	Notes	2024 Total Funds £	Unrestricted General £	Designated £	Restricted £
	<i>Charitable activities:</i>					
18,213	Grants received	2a	25,804	24,161	-	1,643
45,913	Other income	2a	9,660	3,500	6,160	-
	<i>Investments</i>					
623,312	Investment income	2a	722,172	472,039	250,133	-
<u>9,450</u>	Rents	2a	<u>26,977</u>	-	<u>26,977</u>	-
	<i>Incoming resources from charitable activities:</i>					
696,888	Total Operating Income	2a	784,613	499,700	283,270	1,643
<u>2,178,013</u>	Income on sale of properties	2a	<u>2,406,010</u>	<u>179,448</u>	<u>2,226,562</u>	-
<u>2,874,901</u>	Total Income		<u>3,190,623</u>	<u>679,148</u>	<u>2,509,832</u>	<u>1,643</u>
	Expenditure on:					
87,088	Generating funds	2b	110,516	81,746	28,770	-
<u>1,028,726</u>	Charitable expenditure	2b	<u>1,265,461</u>	<u>835,747</u>	<u>429,714</u>	-
1,115,814	Total Operating Expenditure	2b	1,375,977	917,493	458,484	-
(1,822,533)	Net losses/(gains) on investments	7	(1,764,128)	(1,429,794)	(334,334)	-
<u>49,861</u>	Interest	2b	<u>25,429</u>	-	<u>25,429</u>	-
<u>(656,858)</u>	Total Expenditure		<u>(362,722)</u>	<u>(512,301)</u>	<u>149,579</u>	-
(418,926)	Net Expenditure on Operating account	2b	<u>(591,364)</u>	<u>(417,793)</u>	<u>(175,214)</u>	<u>1,643</u>
<u>3,531,759</u>	Net Income for the Year		<u>3,553,345</u>	<u>1,191,449</u>	<u>2,360,253</u>	<u>1,643</u>
	Other recognised Gains & Losses					
-	Transfer between reserves	8a	-	(170,537)	170,537	-
3,531,759	Net Movement in Funds for the year		3,553,345	1,020,912	2,530,790	1,643
<u>23,863,421</u>	Funds Balances brought forward		<u>27,395,180</u>	<u>9,623,021</u>	<u>17,772,159</u>	-
<u>27,395,180</u>	Fund Balances carried forward	8a	<u>30,948,525</u>	<u>10,643,933</u>	<u>20,302,949</u>	<u>1,643</u>

The Statement of Financial Activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

THE UNITED REFORMED CHURCH (WEST MIDLANDS) TRUST LIMITED
COMPANY NUMBER 01337047
Balance Sheet

As at 31 December 2024

2023		Notes	2024
£			£
	Fixed Assets		
213,034	Tangible assets	9	206,772
22,960,640	Investments	10	24,655,889
<u>3,612,170</u>	Programme related investments	11	<u>3,453,274</u>
<u>26,785,844</u>			<u>28,315,935</u>
	Current Assets		
185,908	Debtors	12	215,996
<u>1,602,162</u>	Cash and short-term deposits	13	<u>3,321,530</u>
1,788,070			3,537,526
<u>(952,160)</u>	Creditors: Amounts falling due within one year	14a	<u>(552,991)</u>
<u>835,910</u>	Net Current (Liabilities)/Assets		<u>2,984,535</u>
<u>27,621,754</u>	Total Assets less Current Liabilities		<u>31,300,470</u>
	Creditors: Amounts falling due after more than one year		
(200,038)		14b	(330,405)
<u>(26,536)</u>	Provision for charges	14c	<u>(21,540)</u>
<u>27,395,180</u>	Net Assets		<u>30,948,525</u>
	Funds:		
	<i>Restricted Funds</i>		
4,841	Other	1,643	
<u>4,144</u>	Revaluation reserve	-	
8,985			1,643
	<i>Unrestricted funds</i>		
	General		
4,776,155	- Other	4,367,273	
<u>4,846,866</u>	- Revaluation reserve	<u>6,276,660</u>	
9,623,021			10,643,933
	Designated		
18,123,161	- Other	20,400,252	
<u>(351,002)</u>	- Revaluation reserve	<u>(97,333)</u>	
<u>17,772,159</u>			<u>20,302,949</u>
<u>27,395,180</u>	Total Funds	15	<u>30,948,525</u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by the Trust Board on June 19, 2025 and signed on its behalf by

Mr S Faber
Mr S M Powell

- Director and Moderator
- Director and Treasurer

Steven M Faber

Stephen Powell

THE UNITED REFORMED CHURCH (WEST MIDLANDS) TRUST LIMITED

Statement of Cash Flows

Year ended 31 December 2024

	Notes	2024 £	2023 £
Cash flow from operating activities:			
Net cash provided/used in operating activities	A	(1,514,543)	(1,669,636)
Cash flows from investing activities:			
Interest paid		(25,429)	(49,861)
Investment income		749,149	632,762
Proceeds from programme related investments		2,406,010	2,178,013
Proceeds from sale of investments		1,744,255	3,635,387
Purchase of investments		(2,091,946)	(3,638,901)
Purchase of programme related investments		<u>158,896</u>	<u>(917,281)</u>
Net (decrease)/increase cash provided by investing activities		<u>2,940,935</u>	<u>1,840,119</u>
Net increase in cash and cash equivalents in the reporting period		1,426,392	170,483
Cash and cash equivalents at the beginning of the reporting period		<u>1,943,180</u>	<u>1,772,697</u>
Cash and cash equivalents at the end of the reporting period	B	<u>3,369,572</u>	<u>1,943,180</u>
Notes to the statement of cash flows			
A) Reconciliation of net income/expenditure to net cash flow from operating activities			
Net income for the reporting period (as per the statement of financial activities)		3,553,346	3,531,759
Adjustments for:			
(Gains) and losses on investments		(1,640,535)	(1,646,730)
Depreciation		6,262	10,732
Surplus on sale of programme related investments		(2,406,010)	(2,178,013)
Investment income and rents		(749,149)	(632,762)
(Increase) in debtors		(30,087)	(58,152)
(Decrease)/increase in creditors		(273,799)	(746,331)
Interest paid		<u>25,429</u>	<u>49,861</u>
Net cash used in operating activities		<u>(1,514,543)</u>	<u>(1,669,636)</u>
B) Analysis of cash and cash equivalents			
Cash at bank and in hand		160,508	19,542
Deposit accounts		3,161,022	1,582,620
Cash held by investment manager		<u>48,042</u>	<u>341,018</u>
		<u>3,369,572</u>	<u>1,943,180</u>

THE UNITED REFORMED CHURCH (WEST MIDLANDS) TRUST LIMITED

Notes to the Financial Statements

Year Ended 31 December 2024

1. Accounting Policies

General Information

The United Reformed Church (West Midlands) Trust Limited is a charitable company limited by guarantee and registered in England and Wales. In the event of the charity being wound up the liability in respect of the guarantee is limited to £1 per member. The registered office is shown on page 1. The nature of the charity's operations and principal activities are the advancement of the Christian religion by supporting the work of West Midlands URC Synod.

The company's functional and presentational currency is British Pound Sterling (£).

Basis of Accounting

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (SORP FRS102), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice (UK GAAP).

The financial statements are prepared under the historical cost convention, modified to include certain items at fair value.

The significant accounting policies adopted, are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Critical accounting estimates and areas of judgement

The following judgements (apart from those involving estimates) have been made in the process of applying the above accounting policies that have had the most significant effect on amounts recognised in the financial statements:

Programme related investments – a judgement made as to whether impairment is required. These judgements are based on the current property market.

The key assumptions concerning the future and other key 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 financial year include:

Contingent assets and liabilities – estimations are made based on information available at the point of approval of the financial statements as to the probability and value of the transactions.

Valuation of listed investments – valuations are subject to variations arising from external factors which can impact actual future results.

Discount rate – an estimation is made as to the applicable rate at which to reflect the time value of future payments.

THE UNITED REFORMED CHURCH (WEST MIDLANDS) TRUST LIMITED

Notes to the Financial Statements

Year Ended 31 December 2024

1. Accounting Policies *(continued)*

Going concern basis

The financial statements have been prepared on a going concern basis. The directors have considered budgets, cash flows and the impact of subsequent events, including that of the current economic climate. The directors are satisfied that the charity has sufficient available resources, both in terms of cash and investments that can be converted to cash, such that there is no material uncertainty and the going concern basis of preparing the financial statements continues to be appropriate.

Funds Incorporated

The financial statements show the combined income, expenditure, assets and liabilities of the following funds which are administered for the benefit of the United Reformed Church within the West Midlands Synod :-

General Purposes Fund
Church Buildings Fund
Manse Fund
Retired Ministers Housing Fund
Mission Fund
Choyce Legacy
Ministry Support Fund
Major Buildings Development Fund
Energy Efficiency Fund
Ministers Pension Support Fund
M & M Support Fund

Funds administered on behalf of local churches are not included.

Description and Use of Funds

Restricted income funds are funds whose use is restricted to specific purposes according to the terms on which the funds were received.

Unrestricted income funds may be spent generally for furthering the Christian and charitable work of the United Reformed Church in the West Midlands. The main fund in this category is the General Purposes Fund. Certain funds have been allocated for Church Buildings or Manses, although the committee retains authority to re-allocate such funds and so they are treated as Designated Funds within Unrestricted Income Funds.

Contribution to Pension Funds

The charity operates a defined contribution pension scheme. Contributions are charged as expenditure as they become payable in accordance with the rules of the scheme.

THE UNITED REFORMED CHURCH (WEST MIDLANDS) TRUST LIMITED

Notes to the Financial Statements

Year Ended 31 December 2024

1. Accounting Policies *(continued)*

Income Recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Fixed asset gifts in kind are recognised when receivable and are included at fair value. They are not deferred over the life of the asset.

The charity receives grants which are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

Investment income is earned through holding assets for investment purposes such as shares and property. It includes dividends, interest and rent. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend and rent income is recognised as the charity's right to receive payment is established.

Resources Expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Costs of raising funds includes costs of managing investments and programme related investments;
- Expenditure on charitable activities includes costs of ministry, mission, training and property grants; and
- Other expenditure represents those items not falling into the categories above.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose. Grants payable to local churches, organisations and individuals are within the charitable objectives. Where unconditional grants are offered, this is accrued as soon as the recipient is notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive the grants. Where grants are conditional relating to performance then the grant is only accrued when any unfulfilled conditions are outside of the control of the charity.

THE UNITED REFORMED CHURCH (WEST MIDLANDS) TRUST LIMITED

Notes to the Financial Statements

Year Ended 31 December 2024

1. Accounting Policies *(continued)*

Individual Church Property, including Manses

The Trust is sole trustee of the land and buildings of most local URCs but they are not the property of the Synod and are not shown in the financial statements. Sale proceeds from redundant properties or from part thereof which come into Synod funds are treated as unrestricted income from general funds. The income is recognised when the amount can be measured reliably and it is probable that the income will be received.

In certain circumstances a local URC may be permitted to apply for a grant from these funds and where this arises, a time-limited designated fund is created.

Support Costs Allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include premises costs, office costs, governance costs, and salary costs. They are incurred directly in support of expenditure on the objects of the charity. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

Depreciation

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost on a straight line basis over their estimated useful economic lives as follows:-

Property	- over fifty years
Integral features of property	- over fifteen years
Office equipment	- over four years

No amounts under £2,500 are capitalised.

Investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains/(losses) on investments' in the SoFA if the shares are publicly traded or their fair value can otherwise be measured reliably.

Programme related investments are those held to further our charitable purposes. Programme related investments include investment in a percentage share of properties and bridging or other loans.

Investments in properties are stated at cost subject to any adjustment arising from impairment which is considered on an annual basis. Gains on disposal of these investments are shown as other income in the SoFA. Investments by way of loans are stated at cost. Interest is charged on the loans at the rate to reflect the investment income the Trust would otherwise have earned.

THE UNITED REFORMED CHURCH (WEST MIDLANDS) TRUST LIMITED

Notes to the Financial Statements

Year Ended 31 December 2024

1. Accounting Policies *(continued)*

Debtors and creditors receivable/payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Financial instruments

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

Provisions

Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt. Where the effect of the time value of money is material, the liability is based on the present value of those amounts, discounted at the discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

THE UNITED REFORMED CHURCH (WEST MIDLANDS) TRUST LIMITED

Notes to the Financial Statements

Year Ended 31 December 2024

2. Income and Expenditure

a) Analysis of Total Incoming Resources

2023 Total Funds £		2024 Total Funds £	Unrestricted £	Designated £	Restricted £
	Income from Investments				
571,340	Listed Investments	606,842	356,709	250,133	-
<u>51,972</u>	Interest	<u>115,330</u>	<u>115,330</u>	-	-
623,312		722,172	472,039	250,133	-
<u>9,450</u>	Rents	<u>26,977</u>	-	<u>26,977</u>	-
<u>632,762</u>		<u>749,149</u>	<u>472,039</u>	<u>277,110</u>	-
	Income from Charitable Activities:				
7,225	Grants – Ministry & Mission	7,225	7,225	-	-
8,336	- Training	5,337	5,337	-	-
<u>2,652</u>	- Donations	<u>13,242</u>	<u>11,599</u>	-	<u>1,643</u>
<u>18,213</u>		<u>25,804</u>	<u>24,161</u>	-	<u>1,643</u>
	Other income				
2,000	Investment charge – The Redditch & Joseph Scott Trust	3,500	3,500	-	-
<u>43,913</u>	Transfer of funds from Local Church Trusts	<u>6,160</u>	-	<u>6,160</u>	-
<u>45,913</u>		<u>9,660</u>	<u>3,500</u>	<u>6,160</u>	-
<u>696,888</u>	Total Operating Income	<u>784,613</u>	<u>499,700</u>	<u>283,270</u>	<u>1,643</u>
	Income from sale of properties				
848,432	Of closed Churches	179,448	179,448	-	-
<u>1,329,581</u>	On disposal of manses	<u>2,226,562</u>	-	<u>2,226,562</u>	-
<u>2,874,901</u>	Total Incoming Resources	<u>3,190,623</u>	<u>679,148</u>	<u>2,509,832</u>	<u>1,643</u>

THE UNITED REFORMED CHURCH (WEST MIDLANDS) TRUST LIMITED
Notes to the Financial Statements
Year Ended 31 December 2024

2. Income and Expenditure (Continued)

b) Analysis of Total Operating Resources Expended

2023		2024			
Total		Total	Unrestricted	Designated	Restricted
Funds		Funds	£	£	£
£		£	£	£	£
	Costs of Generated Funds				
64,048	Investment Management Fees	68,879	56,591	12,288	-
-	Other property costs	16,482	-	16,482	-
<u>23,040</u>	Shared Indirect costs (Note 3)	<u>25,155</u>	<u>25,155</u>	-	-
<u>87,088</u>	Total Cost of Generating Funds	<u>110,516</u>	<u>81,746</u>	<u>28,770</u>	-
	Charitable Activities				
	Ministry & Mission:-				
124,952	Grants (Note 4)	492,697	337,070	155,627	-
9,265	Residential Synod	-	-	-	-
17,655	Support Costs	32,210	32,210	-	-
25,000	Resource sharing (Note 4)	35,000	35,000	-	-
<u>168,956</u>	Shared Indirect Costs (Note 3)	<u>164,996</u>	<u>164,996</u>	-	-
<u>345,828</u>		<u>724,903</u>	<u>569,276</u>	<u>155,627</u>	-
	Training:-				
11,292	Ministers (Note 4)	4,927	4,927	-	-
1,430	Students (Note 4)	1,313	1,313	-	-
2,710	Members (Note 4)	6,346	6,346	-	-
1,180	Church Treasurers and staff	324	324	-	-
40,773	Training – staff costs	5,956	5,956	-	-
-	Support Costs	21	21	-	-
<u>26,046</u>	Shared Indirect Costs (Note 3)	<u>5,565</u>	<u>5,565</u>	-	-
<u>83,431</u>		<u>24,452</u>	<u>24,452</u>	-	-
	Property:-				
94,372	Church Repairs (Note 4)	89,997	89,997	-	-
-	Church Repairs Designated (note 4)	96,955	-	96,955	-
-	Church Repairs Designated (note 4)	28,169	-	28,169	-
340,752	Energy efficiency	78,289	-	78,289	-
1,900	Manse Repairs (Note 4)	14,609	-	14,609	-
28,335	Manse allowance and insurance	14,211	-	14,211	-
8,516	Manse Expenses	24,300	-	24,300	-
16,334	Church surveys (Note 4)	12,534	12,534	-	-
37,970	Staff costs	35,078	17,539	17,539	-
16,025	Legal and Support Costs	4,492	4,477	15	-
<u>55,262</u>	Shared Indirect Costs (Note 3)	<u>117,472</u>	<u>117,472</u>	-	-
<u>599,466</u>		<u>516,106</u>	<u>242,019</u>	<u>274,087</u>	-
<u>1,028,726</u>	Total Charitable Expenditure	<u>1,265,461</u>	<u>835,747</u>	<u>429,714</u>	-
<u>49,861</u>	Interest	<u>25,429</u>	-	<u>25,429</u>	-
<u>1,165,675</u>	Total Operating Resources Expended	<u>1,401,406</u>	<u>917,493</u>	<u>483,913</u>	-
<u>(418,926)</u>	Net (Expenditure)/income on operating account	<u>(591,364)</u>	<u>(417,793)</u>	<u>(175,214)</u>	<u>1,643</u>

THE UNITED REFORMED CHURCH (WEST MIDLANDS) TRUST LIMITED

Notes to the Financial Statements

Year Ended 31 December 2024

2023 Comparative figures

a) Analysis of Total Incoming Resources

	2023 Total Funds £	Unrestricted £	Designated £	Restricted £
Income from Investments				
Listed Investments	571,340	379,163	192,177	-
Interest	<u>51,972</u>	<u>51,972</u>	-	-
	623,312	431,135	192,177	-
Rents	<u>9,450</u>	-	<u>9,450</u>	-
	<u>632,762</u>	<u>431,135</u>	<u>201,627</u>	<u>-</u>
Income from Charitable Activities:				
Grants – Ministry & Mission	7,225	7,225	-	-
- Training	8,336	8,336	-	-
- Donations	<u>2,652</u>	<u>2,014</u>	-	638
	<u>18,213</u>	<u>17,575</u>	<u>-</u>	<u>638</u>
Other income				
Investment charge – The Redditch Trust	2,000	2,000	-	-
Transfer of funds from Local Church Trusts	<u>43,913</u>	-	<u>43,913</u>	-
	<u>45,913</u>	<u>2,000</u>	<u>43,913</u>	<u>-</u>
Total Operating Income	<u>696,888</u>	<u>450,710</u>	<u>245,540</u>	<u>638</u>
Income from sale of properties				
Of closed Churches	848,432	848,432	-	-
On disposal of manses	<u>1,329,581</u>	-	<u>1,329,581</u>	-
	<u>2,178,013</u>	<u>848,432</u>	<u>1,329,581</u>	<u>-</u>
Total Incoming Resources	<u>2,874,901</u>	<u>1,299,142</u>	<u>1,575,121</u>	<u>638</u>

THE UNITED REFORMED CHURCH (WEST MIDLANDS) TRUST LIMITED

Notes to the Financial Statements

Year Ended 31 December 2024

2. Income and Expenditure (Continued)

b) Analysis of Total Operating Resources Expended

	2023 Total Funds £	Unrestricted £	Designated £	Restricted £
Costs of Generated Funds				
Investment Management Fees	64,048	(28,332)	92,380	-
Other property costs	-	-	-	-
Shared Indirect costs (Note 3)	<u>23,040</u>	<u>23,040</u>	-	-
Total Cost of Generating Funds	<u>87,088</u>	<u>(5,292)</u>	<u>92,380</u>	<u>-</u>
Charitable Activities				
Ministry & Mission:-				
Grants (Note 4)	124,952	98,870	15,882	10,200
Residential Synod	9,265	9,265	-	-
Support Costs	17,655	17,655	-	-
Resource sharing (Note 4)	25,000	25,000	-	-
Shared Indirect Costs (Note 3)	<u>168,956</u>	<u>168,956</u>	-	-
	<u>345,828</u>	<u>319,746</u>	<u>15,882</u>	<u>10,200</u>
Training:-				
Ministers (Note 4)	11,292	11,292	-	-
Students (Note 4)	1,430	1,430	-	-
Members (Note 4)	2,710	2,710	-	-
Church Treasurers and staff	1,180	1,180	-	-
Training – staff costs	40,773	40,773	-	-
Support Costs	-	-	-	-
Shared Indirect Costs (Note 3)	<u>26,046</u>	<u>26,046</u>	-	-
	<u>83,431</u>	<u>83,431</u>	-	-
Property:-				
Church Repairs (Note 4)	94,372	94,372	-	-
Energy efficiency	340,752	-	340,752	-
Manse Repairs (Note 4)	1,900	-	1,900	-
Manse allowance and insurance	28,335	-	28,335	-
Manse Expenses	8,516	-	8,516	-
Church surveys (Note 4)	16,334	16,334	-	-
Staff costs	37,970	37,970	-	-
Legal and Support Costs	16,025	-	16,025	-
Shared Indirect Costs (Note 3)	<u>55,262</u>	<u>55,262</u>	-	-
	<u>599,466</u>	<u>203,938</u>	<u>395,528</u>	<u>-</u>
Total Charitable Expenditure	<u>1,028,726</u>	<u>607,115</u>	<u>411,410</u>	<u>10,200</u>
Interest	<u>49,861</u>	<u>-</u>	<u>49,861</u>	<u>-</u>
Total Operating Resources Expended	<u>1,165,675</u>	<u>601,823</u>	<u>553,651</u>	<u>10,200</u>
Net (Expenditure)/income on operating account	<u>(418,926)</u>	<u>(151,115)</u>	<u>(258,249)</u>	<u>(9,562)</u>

THE UNITED REFORMED CHURCH (WEST MIDLANDS) TRUST LIMITED

Notes to the Financial Statements

Year Ended 31 December 2024

2023 Comparative figures

3. Indirect Costs	2023			
	Total Funds	Unrestricted	Designated	Restricted
	£	£	£	£
Governance Costs				
Synod Expenses	1,482	1,482	-	-
Synod Council	1,681	1,681	-	-
Synod Review	2,671	2,671	-	-
Staff Costs:-				
Trust Employment Costs	189,817	189,817	-	-
Officers Expenses	2,555	2,555	-	-
Audit	22,070	22,070	-	-
Bank Charges	353	353	-	-
Committee Support Costs	<u>1,928</u>	<u>1,928</u>	-	-
Total Governance Costs	<u>222,557</u>	<u>222,557</u>	-	-
Premises Costs:-				
Rent	1,600	1,600	-	-
Insurance	4,432	4,432	-	-
Electricity	3,268	3,268	-	-
Depreciation of Synod Office	10,732	10,732	-	-
Repairs and Cleaning	<u>5,713</u>	<u>5,713</u>	-	-
	<u>25,745</u>	<u>25,745</u>	-	-
Office Costs:-				
Telephone	3,121	3,121	-	-
Printing, Stationery and Postage	4,135	4,135	-	-
Computers	8,909	8,909	-	-
Advertising	6,849	6,849	-	-
Sundry costs	<u>1,986</u>	<u>1,986</u>	-	-
	<u>25,000</u>	<u>25,000</u>	-	-
Total Indirect Costs	<u>273,302</u>	<u>273,302</u>	-	-

	Charitable Activities				
	2023 Total	Raising Funds	Ministry and Mission	Training	Property
	£	£	£	£	£
Governance costs	222,557	18,762	137,585	21,210	45,001
Premises costs	25,745	2,170	15,915	2,453	5,206
Office costs	<u>25,000</u>	<u>2,108</u>	<u>15,455</u>	<u>2,383</u>	<u>5,055</u>
Total Indirect Costs	<u>273,302</u>	<u>23,040</u>	<u>168,955</u>	<u>26,046</u>	<u>55,262</u>
% of Direct costs	100%	8.4%	61.9%	9.5%	20.2%

THE UNITED REFORMED CHURCH (WEST MIDLANDS) TRUST LIMITED**Notes to the Financial Statements****Year Ended 31 December 2024****4. Grants**

The following grants have been charged in furtherance of the charitable objects during the year:-

	2024		2023	
Institutional Grants	Number	Amount £	Number	Amount £
Ministry and Mission:				
Carbon Offset	1	1,500	1	1,006
M & M Fund	1	284,802	1	50,000
Pulpit Supply	35	9,790	17	3,973
Inter-Synod Resource Sharing	1	35,000	1	25,000
Educational Chaplaincy	3	26,450	2	20,200
Ecumenical Situations	6	12,807	7	17,695
Release of legacy - Overseas Mission	-	-	1	10,200
Release of Legacy – Local Missions	-	-	-	-
Ministry Support Fund	1	16,161	-	-
Local Church Missions	7	139,466	7	15,882
Youth and Childrens Work	<u>5</u>	<u>1,742</u>	<u>8</u>	<u>5,996</u>
	<u>60</u>	<u>527,718</u>	<u>45</u>	<u>149,952</u>
Property:				
Church repairs	9	90,197	9	94,372
Church repairs – designated	4	125,124		
Manse repairs	1	14,609	1	1,900
Manse allowance and insurance	-	14,211		28,335
Church surveys	<u>11</u>	<u>12,534</u>	<u>11</u>	<u>16,334</u>
	<u>25</u>	<u>256,675</u>	<u>21</u>	<u>140,941</u>
Total Institutional Grants	<u>85</u>	<u>784,393</u>	<u>66</u>	<u>290,893</u>
Individual Grants				
Training:				
Ministers	15	4,927	20	11,292
Members	28	6,345	10	2,710
Students	<u>8</u>	<u>1,313</u>	<u>2</u>	<u>1,430</u>
Total Individual Grants	<u>51</u>	<u>12,585</u>	<u>32</u>	<u>15,432</u>
Total Grants Charged	<u>136</u>	<u>796,978</u>	<u>98</u>	<u>306,325</u>

THE UNITED REFORMED CHURCH (WEST MIDLANDS) TRUST LIMITED**Notes to the Financial Statements****Year Ended 31 December 2024**

5. Trustees' Expenses

There were no Honoraria paid in the year.

Reimbursed expenses were paid to Trustees of the Board in aggregate of £48 (2023: £448). This figure includes expenses reimbursed for duties including, but not restricted to, Board meetings and travel.

6. Employment Emoluments	2024	2023
	£	£
Wages and salaries	236,418	188,210
Employers national insurance	19,608	16,889
Pension costs	<u>25,229</u>	<u>19,423</u>
	<u>281,255</u>	<u>224,522</u>
The average number of employees was	<u>9</u>	<u>10</u>

No employee received £60,000 per annum or more in the current or prior year. All staff are employed by the company.

The Company operates a defined contribution pension scheme and contributions are charged as expenditure as they become payable.

Key management personnel are the Trustees as directors. Revd S M Faber (Moderator) receives a stipend from the United Reformed Church for his role with the charity.

7. Gains on Investments	2024	2023
	£	£
Realised (loss)/gain on investments sold	(42,928)	1,154,784
Gains previously recognised in Trust accounts	<u>146,940</u>	<u>979,408</u>
Net gains/(losses) in the year on investments sold	104,012	175,376
Unrealised gains/(losses) on investments for the year	1,640,535	1,647,157
Other gains	<u>19,581</u>	<u>-</u>
Net Gain on Investments for the Year	<u>1,764,128</u>	<u>1,822,533</u>

THE UNITED REFORMED CHURCH (WEST MIDLANDS) TRUST LIMITED

Notes to the Financial Statements

Year Ended 31 December 2024

8. Movement on Funds

a) Fund	Balance 1 January 2024	Income £	Expenditure £	Other Movements £	Balance 31 December 2024 £
Unrestricted Designated Funds					
Church Buildings	-	8,911	-	(8,911)	-
Major Buildings Development Fund	2,271,634	-	(96,955)	136,148	2,310,827
Energy Efficiency Fund	659,248	-	(78,289)	-	580,959
Manse - General	7,851,192	2,388,534	(99,444)	271,615	10,411,897
- Churches	586,736	22,181	-	36,306	645,223
Church Property	2,899,975	90,206	(28,168)	26,412	2,988,425
Mission Fund	618,562	-	(139,467)	34,037	513,132
Ministry Support Fund	281,640	-	(16,161)	-	265,479
Ministers Pension Support Fund	2,423,429	-	(25,429)	(2,398,000)	-
Denominational Project Fund	-	-	-	2,398,000	2,398,000
M & M Support Fund	179,743	-	-	9,264	189,007
	<u>17,772,159</u>	<u>2,509,832</u>	<u>(483,913)</u>	<u>504,871</u>	<u>20,302,949</u>
Unrestricted General Funds					
General Purposes	9,623,021	679,148	(917,493)	1,259,257	10,643,933
Restricted Funds					
Choyce legacy	-	1,643	-	-	1,643
Total Funds	<u>27,395,180</u>	<u>3,190,623</u>	<u>(1,401,406)</u>	<u>1,764,128</u>	<u>30,948,525</u>

2023 Comparative figures

a) Fund	Balance 1 January 2023	Income £	Expenditure £	Other Movements £	Balance 31 December 2023 £
Unrestricted Designated Funds					
Church Buildings	-	8,749	-	(8,749)	-
Major Buildings Development Fund	1,629,907	-	-	641,727	2,271,634
Energy Efficiency Fund	1,000,000	-	(340,752)	-	659,248
Manse - General	6,135,266	1,484,420	(65,202)	296,708	7,851,192
- Churches	577,714	9,022	-	-	586,736
Church Property	2,874,267	72,930	(81,953)	34,731	2,899,975
Mission Fund	474,012	-	(15,882)	160,432	618,562
Ministry Support Fund	281,640	-	-	-	281,640
Ministers Pension Support Fund	2,473,290	-	(49,861)	-	2,423,429
M & M Support Fund	149,941	-	-	29,802	179,743
	<u>15,596,037</u>	<u>1,575,121</u>	<u>(553,650)</u>	<u>1,154,651</u>	<u>17,772,159</u>
Unrestricted General Funds					
General Purposes	8,258,399	1,299,142	(601,825)	667,305	9,623,021
Restricted Funds					
Choyce legacy	8,985	638	(10,200)	577	-
Total Funds	<u>23,863,421</u>	<u>2,874,901</u>	<u>(1,165,675)</u>	<u>1,822,533</u>	<u>27,395,180</u>

THE UNITED REFORMED CHURCH (WEST MIDLANDS) TRUST LIMITED

Notes to the Financial Statements

Year Ended 31 December 2024

8. Movement on Funds *(continued)*

Transfers between reserves

Included within Other Movements above are transfers between funds as follows:-

	General purposes Unrestricted £	Energy Efficiency Fund Designated £	Church Building Fund Designated £	Mission Fund Designated £	Major Buildings Development Designated £	Manse Fund Designated £	M&M Support Fund Designated £
Transfer to funds from Church sets	(179,448)	-	-	34,037	136,148	-	9,264
Transfer deficit on Church Buildings Fund	8,911	-	(8,911)	-	-	-	-
Transfer from Manse Fund to Church Fund	-	-	<u>36,306</u>	-	-	(36,306)	-
	<u>(170,537)</u>	<u>-</u>	<u>27,395</u>	<u>34,037</u>	<u>136,148</u>	<u>(36,306)</u>	<u>9,264</u>

Summary	Balance 1 January 2024 £	Income £	Expenditure £	Other Movement £	Balance 31 December 2024 £
Restricted	-	1,643	-	-	1,643
Designated	15,168,986	2,509,832	(483,912)	504,871	20,302,949
Unrestricted	<u>9,623,021</u>	<u>679,148</u>	<u>(950,555)</u>	<u>1,292,319</u>	<u>10,643,933</u>
Total funds	<u>24,792,007</u>	<u>3,190,623</u>	<u>(1,434,467)</u>	<u>1,797,190</u>	<u>30,948,525</u>

b) Purpose of Funds

During the year, to establish more transparency in accounting for the balances relating to the funds of closed churches and pulpit supply cost reimbursement from the URC nationally, the Trustees have changed the recognition policy to move the balances received out of creditors and into designated funds. This has meant recognising the income in the SOFA, and the movement this year reflects the adjustment relating to a number of years.

General Purposes Fund - Unrestricted

Unrestricted funds are needed to cover the support costs and grants for the above objects and the administration costs without which the Synod could not function.

Church Buildings Fund - Designated

To provide funds which could supplement those already available within local churches for the improvement and maintenance of their properties. Support may be in the form of grants or loans.

Retired Ministers Housing Fund - Designated

To provide the capital for long term loans to supplement the purchase of accommodation for retired ministers or their partners, together with Synod's share of the maintenance costs for those properties.

THE UNITED REFORMED CHURCH (WEST MIDLANDS) TRUST LIMITED

Notes to the Financial Statements

Year Ended 31 December 2024

8. Movement on Funds *(continued)*

Manse General - Designated

Mainly accumulated from the proceeds of manse sales when a replacement manse is not required, this fund provides long term loans to local churches in order for them to purchase a manse at a time when they do not have sufficient funds, and to supplement funds already available within local churches for the improvement and maintenance of their properties.

Manse Churches - Designated

To hold the proceeds of manse sales when the church concerned is expecting to purchase a replacement. A separate fund for each church consists of the proceeds of sale together with interest thereon, which provides growth to the capital value. The total is available towards the cost of purchasing a new manse.

Mission Fund - Designated

Funds to support local churches in their mission activity.

Choyce Legacy - Restricted

To be shared between the Church of North India Children's Development Unit, the Mission Fund of the Synod and Hatherton Church in accordance with the Will of Colin Choyce.

Church property – Designated

Funds from the disposal of the properties or land at Stoke Chapel, Hall Green URC, Hollymount URC, Olton URC, Hobs Moat URC, Foleshill URC, Worcester URC, St John's Stone URC and Baxter URC pending a decision on future their use.

Ministry Support Fund

Funded by a transfer in previous years of £500,000 from general funds to meet the costs of staff to supplement deployed ministry.

Ministers Pension Support Fund – Designated

During the previous year a formal resolution was passed making a commitment to support the United Reformed Church Ministers Pension Fund financially if required.

Major Buildings Development Fund - Designated

The Major Buildings Development Fund was established to receive the net proceeds of sale of closed churches. The fund is intended to facilitate the extension, rebuilding or conversion to new purposes of church buildings.

Energy Efficiency Grants - Designated

In response to a rapid rise in energy costs and an extension of our commitment to help churches move to a low or zero carbon future it was recognised that there was a need to support churches in improving their energy efficiency. The fund was established by a transfer between reserves and whilst application were received during 2022, the first grants were not approved until January 2023.

THE UNITED REFORMED CHURCH (WEST MIDLANDS) TRUST LIMITED

Notes to the Financial Statements

Year Ended 31 December 2024

9. Tangible Fixed Assets		Property £	Office Equipment £	Total £
Cost				
At 1 January 2024 and 31 December 2024	<u>379,684</u>	<u>10,968</u>	<u>390,652</u>	
Depreciation				
At 1 January 2024	166,650	10,968	177,618	
Charge for the year	<u>6,262</u>	<u>-</u>	<u>6,262</u>	
At 31 December 2024	<u>172,912</u>	<u>10,968</u>	<u>183,880</u>	
Net Book Value				
At 31 December 2024	<u>206,772</u>	<u>-</u>	<u>206,772</u>	
At 31 December 2023	<u>213,034</u>	<u>-</u>	<u>213,034</u>	

All assets are used for charitable purposes.

10. Fixed Asset Investments		Listed Investments			
		Fixed Interest £	Equities £	Cash £	Total £
Market value at 1 January 2024	1,691,758	20,927,864	341,018	22,960,640	
Additions	764,112	1,327,834	-	2,091,946	
Sales and redemption	-	(1,744,256)	(292,976)	(2,037,232)	
Net investment gains	<u>(1,288)</u>	<u>1,641,823</u>	<u>-</u>	<u>1,640,535</u>	
Market Value at 31 December 2024	<u>2,454,582</u>	<u>22,153,265</u>	<u>48,042</u>	<u>24,655,889</u>	
Cost at 31 December 2024	<u>2,349,023</u>	<u>16,079,497</u>	<u>48,042</u>	<u>18,476,562</u>	
11. Programme Related Investments		2024 £	2023 £		
Cost at 1 January 2024		3,612,170	2,694,889		
Manse purchased		1,000	917,281		
Manse sale/repayment on investments		<u>(159,896)</u>	<u>-</u>		
Cost at 31 December 2024		<u>3,453,274</u>	<u>3,612,170</u>		
These investments relate to:-		2024 £	2023 £		
- Manses		3,447,250	3,606,146		
- Retired Ministers Housing		<u>6,024</u>	<u>6,024</u>		
		<u>3,453,274</u>	<u>3,612,170</u>		

THE UNITED REFORMED CHURCH (WEST MIDLANDS) TRUST LIMITED

Notes to the Financial Statements

Year Ended 31 December 2024

No interest is charged on the initial value of the investment, but benefits should arise when the properties are sold and the company recovers a proportion of the proceeds relating to the investment proportion of the total original cost. Retired Ministers Housing shows return of a legal charge when a property was sold.

12. Debtors	2024	2023
	£	£
Loans due from United Reformed Churches and Ministers	5,116	6,139
Other debtors	202,177	164,897
Prepayments	<u>8,703</u>	<u>14,872</u>
	<u>215,996</u>	<u>185,908</u>

13. Cash and Short Term Deposits

	Bank Current Account £	Charities Official Investment Fund £	Epworth Deposit Fund £	Total £
General purposes	174,454	949	2,539,341	2,714,744
Designated accounts	(15,589)	620,732	-	605,143
Restricted funds	<u>1,643</u>	<u>-</u>	<u>-</u>	<u>1,643</u>
Balances as at 31 December 2024	<u>160,508</u>	<u>621,681</u>	<u>2,539,341</u>	<u>3,321,530</u>

14. Creditors

a) Amounts falling due within one year	2024	2023
	£	£
Amounts due to United Reformed Church and related Bodies	43,173	71,113
Other creditors – support for Ministers' Pension Fund	-	508,571
Accruals	65,260	73,058
Mission grants approved	84,649	172,588
Ministry support fund approved	20,261	-
Building grants approved	166,321	126,830
Other creditors	<u>173,327</u>	<u>-</u>
	<u>552,991</u>	<u>952,160</u>

Included within amounts due to churches is £Nil (2023: £Nil) arising from property disposal proceeds being held pending applications from those churches within an agreed timescale for use of the proceeds.

THE UNITED REFORMED CHURCH (WEST MIDLANDS) TRUST LIMITED

Notes to the Financial Statements

Year Ended 31 December 2024

b)	Amounts falling due after more than one year	2024	2023
		£	£
	Amounts due to United Reformed Churches	31,227	65,846
	Amounts due to Rodborough Tabernacle	125,222	134,192
	Mission fund	173,956	-
		<u>330,405</u>	<u>200,038</u>

c)	Provisions	2024	2023
		£	£
	Provision relates to Manse repair allowance of £750 per manse which can be carried forward for up to two years. The commitment is non contractual. The balance is the total provision less sum of claims made.		
	Provision for charges	21,540	26,536

15. Disposition of Funds as at 31 December 2024

Fund	Fixed Assets	Investments	Programme Related Investments	Debtors/ Creditors	Cash and Deposits	Total
	£	£	£	£	£	£
Designated Funds						
Retired Ministers Housing	-	-	6,024	(6,024)	-	-
Manse- General	-	6,943,108	3,447,250	21,539	-	10,411,897
- Churches	-	645,223	-	-	-	645,223
Ministers Pension Fund	-	2,423,429	-	(25,429)	(2,398,000)	-
Denominated Project Fund	-	-	-	-	2,398,000	2,398,000
Church Property	-	2,988,425	-	-	-	2,988,425
Major Buildings Development	-	2,310,827	-	-	-	2,310,827
Energy Efficiency Fund	-	557,777	-	23,182	-	580,959
M & M Support Fund	-	139,007	-	-	50,000	189,007
Mission Fund	-	567,615	-	(131,725)	77,242	513,132
Ministry Support Fund	-	281,640	-	(16,161)	-	265,479
Restricted Fund						
Choyce Legacy	-	-	-	-	1,643	1,643
Unrestricted Funds						
General Purposes	<u>206,772</u>	<u>7,798,838</u>	<u>-</u>	<u>(554,322)</u>	<u>3,192,645</u>	<u>10,643,933</u>
Total Funds	<u>206,772</u>	<u>24,655,889</u>	<u>3,453,274</u>	<u>(688,940)</u>	<u>3,321,530</u>	<u>30,948,525</u>

THE UNITED REFORMED CHURCH (WEST MIDLANDS) TRUST LIMITED

Notes to the Financial Statements

Year Ended 31 December 2024

2023 Comparative figures

Fund	Fixed Assets £	Investments £	Programme Related Investments £	Debtors/ Creditors £	Cash and Deposits £	Total £
Designated Funds						
<i>Retired Ministers Housing</i>	-	-	6,024	(6,024)	-	-
<i>Manse- General</i>	-	3,307,480	3,606,146	27,566	910,000	7,851,192
<i>- Churches</i>	-	586,736	-	-	-	586,736
<i>Ministers Pension Fund</i>	-	2,114,000	-	(508,571)	818,000	2,423,429
<i>Church Property</i>	-	2,899,975	-	-	-	2,899,975
<i>Major Buildings Development</i>	-	2,271,634	-	-	-	2,271,634
<i>Energy Efficiency Fund</i>	-	558,481	-	100,767	-	659,248
<i>M & M Support Fund</i>	-	129,743	-	-	50,000	179,743
<i>Mission Fund</i>	-	673,045	-	(131,725)	77,242	618,562
<i>Ministry Support Fund</i>	-	455,963	-	(218,360)	44,037	281,640
Unrestricted Funds						
<i>General Purposes</i>	<u>213,034</u>	<u>9,963,583</u>	<u>-</u>	<u>(256,479)</u>	<u>(297,117)</u>	<u>9,623,021</u>
Total Funds	<u>213,034</u>	<u>22,960,640</u>	<u>3,612,170</u>	<u>(992,826)</u>	<u>1,602,162</u>	<u>27,395,180</u>

THE UNITED REFORMED CHURCH (WEST MIDLANDS) TRUST LIMITED

Notes to the Financial Statements

Year Ended 31 December 2024

16. Commitments

Property

The office is situated on land that is registered in the name of the United Reformed Church (West Midlands) Trust Limited and held on statutory trusts in favour of Digbeth-in-the-Field United Reformed Church. Under an informal agreement, the Trust company pays a nominal sum to the local church for the use of the land.

Guarantees

The United Reformed Church (West Midlands) Trust Limited has acted as guarantor on behalf of a number of churches who have sought external grant funding. The various terms and conditions of these grants may require repayment in the event of church closure within a specified period. At the year end the Trustees had no reason to believe that the likelihood of repayment was anything other than remote and therefore no additional disclosure or provision has been made.

17. Contingent Assets

At the year end, the vacant properties of three churches, seven manses and two other properties were held on Statutory Trusts in accordance with the United Reformed Church Acts of 1972, 1981 and 2000 by the company. The full proceeds of two churches, the seven manses and one other property will revert to Synod on sale in accordance with the Statutory Trusts on which the properties are held.

The Charity contributed to the URC Ministers Pension Fund deficit during the year. However, following an actuarial valuation there are now sufficient funds in the pension scheme and no more contributions are required. There was an overpayment made by the Charity given the latest valuation. However, there is a significant level of uncertainty on further costs to be incurred by the pension fund trustees and the Trustees do not expect to receive a refund at the point of signing the financial statements and are unable to quantify its value.

THE UNITED REFORMED CHURCH (WEST MIDLANDS) TRUST LIMITED

Notes to the Financial Statements

Year Ended 31 December 2024

18. Funds Held as Trustee

Local Churches

The United Reformed Church (West Midlands) Trust Limited (“the Trust”) acts as Trustee of local church assets. A local church has no legal identity of its own and, therefore, cannot hold property in its own name. The title to its assets must be held on Trust by a group of trustees and this can be achieved either by private Trustees (individuals) or by a Trust Company. All of the local churches’ properties in the West Midlands Synod (save 2) are held by the Trust.

The deeds to church property are vested in the name of the Trust. A Declaration of Trust records which local churches hold properties and, if jointly owned, the shares held by each. The Trust has a share in a few properties and that share is recorded in the Declaration of Trust because the deeds are in the name of the Trust, any legal documents are signed by the Trust, but they are entering into those documents on behalf of the local church.

Similarly, most of the investments and cash deposits owned by local churches in the Synod are held by the Trust as Trustee.

In relation to local church buildings, the Trust is the Charity Trustee. In relation to local church cash, investments and other assets, the Trust is the custodian Trustee and the local Elders are the managing Trustees. The role of the Trust is to carry out the wishes of the local church expressed in Church Meeting resolutions. Providing the Trustees of the Trust have no objections to what they are being asked to do and the appropriate approvals have been obtained, they will act according to the instructions which come from the Elders/local Church.

Inter-Synod Resources Sharing

In addition to the funds held for churches the Trust also holds funds on behalf of the URC Inter Synod Resource Sharing process which redistribute funds from wealthier Synods to those Synods in need of support. The funds totalling £455,228 at 31 December 2024 are held in separately identified deposit funds and investments. The funds are controlled by Resource Sharing Task Group drawn from amongst the Synod Treasurers. As a body the Trustees of the Trust play no part in directing the management of these funds.

THE UNITED REFORMED CHURCH (WEST MIDLANDS) TRUST LIMITED

Notes to the Financial Statements

Year Ended 31 December 2024

19. Related Party Transaction

The Trust is the corporate Trustee of The James and Freeman Charity. During the year a charge of £2,000 (2023: £2,000) was made to The James and Freeman Charity for the administrative services provided by the Synod.

The Trust is the corporate Trustee of The Joseph Scott Fund. During the year a charge of £1,500 (2023: £Nil) was made to The Joseph Scott Fund for the administrative services provided by the Synod.

Owing to the nature of the charity's operations and the composition of the Board of Trustees being drawn from the local United Reformed Churches, grant awards may take place with churches from within the Trust's oversight. All discussions about grant awards or other transactions are undertaken without the presence of the conflicted Trustee. Following a change in the Manse Policy, all major repairs to manses are paid for by the Trust, for transparency all such repairs are recorded as grants to churches and noted below where they relate to a church where a Trustee or officer would have otherwise been considered to have a conflict.

The following transactions arose in the year:-

Beneficiary	Purpose	Committee	Value £	Related Party	Relationship
Knowle URC	Building Grant	RCC	1,150	Terence Dicker	Trustee
St Andrews Cheltenham	Building Grant	RCC	30,000	David Black	Trustee
St Andrews Cheltenham	Energy Efficiency	Energy Efficiency	17,129	David Black	Trustee
Sherbourne Community Church	Energy Efficiency	Energy Efficiency	15,759	Steve Powell	Trustee
Knowle URC	Joseph Scott Chapel Charity	RCC	3,450	Terence Dicker	Trustee
Sherbourne Community Church	Joseph Scott Chapel Charity	RCC	5,000	Steve Powell	Trustee

Birmingham City Council holds a legal charge over a property held in Trust by the charity on Chester Road. Bournville Village Trust holds a legal charge over a property held in Trust by the charity on Weoley Hill.

20. Financial Instruments

Financial assets measured at fair value through net income comprise fixed asset investments with a value of £24,607,847 (2023: £22,619,622).