

UNITED REFORMED CHURCH THAMES NORTH SYNOD CHARITIES
Registered Charity no 1135477

REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2015

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Trustees' Report

Synod Executive presents its report with the financial statements of the Synod for the year ended 31 December 2015. The financial statements have been prepared in accordance with the accounting policies set out in Note 1 to the accounts and comply with the Charities Act 2011 and the revised Statement of Recommended Practice" Accounting and Reporting by Charities 2015" (FRS 102).

Reference and Administrative Information

Address

St. Paul's URC, Newton Road, London, W2 5LS

Synod Executive

The members of the Synod Executive who are the Charity Trustees for the Synod during the period 1 January 2015 to 11 June 2016 were as follows:-

Members Elected by Synod for a period of three years renewable for a second period of three years only.

| | |
|---|---|
| Mr Anthony Alderman | Revd John Danso |
| Mr Andrew Glennie (to 21 March 2015) | Mrs Carole Lindfield (to 12 March 2016) |
| Mr Vic Russell | Mr Adrian West (to 12 March 2016) |
| Revd Ann Woodhurst (from 21 March 2015) | |

Members appointed by Synod for a period of three years renewable for a second period of three years only.

| | |
|---|---|
| Mrs Augustina Ashitey | Revd Hugh Graham (re-appointed 21 March 2015) |
| Ms Yetunde Oniwinde (appointed November 2015) | |

Ex-officio members

The Treasurer and Deputy Treasurer are appointed by Synod normally for a period of three years renewable for a second period of three years only. The Moderator serves an initial term of seven years renewable for a further period of five years.

| | |
|--|--|
| Mr Michael Gould (Deputy Treasurer) | Mr Brian Hosier (Treasurer to November 2015) |
| Mr Anthony Obi-Ezekpazu (Treasurer from November 2015) | |
| Revd Dr Andrew Prasad (Moderator and Convener) | |

All trustees give their time voluntarily and receive no benefits from the Synod apart from the reimbursement of expenses as set out in note 2.

Bankers and Professional Advisers

HSBC plc, 165 Fleet Street, London, EC4A 2DY
haysmacintyre, Registered Auditors, 26 Red Lion Square, London, WC1R 4AG
Cripps Law, Wallside House, 12 Mount Ephraim Road, Tunbridge Wells, Kent, TN1 1EG
Biscoe Craig Hall, Surveyors, 5-6 Staple Inn, London, WC1V 7QU –to Nov. 2015
Rapleys, 51 Great Marlborough Street, London, W1F 7JT – from Nov. 2015

Trustees' Report *(continued)*

Structure, Governance and Management

The United Reformed Church Thames North Synod Charities is an unincorporated association acting for and on behalf of 135 churches within the Thames North Province of the United Reformed Church.

A total of six charities were registered with the Charity Commission in April 2011. This was reduced to five in 2013 when the Religious Education Fund (assets less than £5,000) was absorbed into the General Purposes Fund.

- General Purposes Fund
- General Fund
- Church Buildings Fund
- Retired Ministers Housing Charity
- Welfare Fund

These charities have been brought together under the umbrella of this one charity although they continue to be accounted for in their own funds and with their own identified assets as set out in Note 19 to the accounts.

The term "Synod" is commonly used both to encompass the constituent URC churches with Thames North Province and also to denote the representative body comprising persons appointed by the constituent churches in the Province and others in accordance with the structure of the United Reformed Church (which is published as Section B of The Manual of the United Reformed Church). "Synods" were established under the provisions of the United Reformed Church Acts 1972, 1981 and 2000 to support the work of the local churches in their outreach and mission and to share the vision of the United Reformed Church's General Assembly with the local churches. Thames North Synod met three times in 2015 to give general oversight to work done on its behalf and by the constituent churches.

The activities of the Synod are overseen by the Synod Executive, the members of which are the charity trustees of the Synod's funds. Synod Executive meets at least five times a year and has received reports from its committees and personnel involved in discrete areas of its outreach to the churches and the wider world. During the year a new committee structure was introduced (Discipleship, Nominations, Pastoral and Resources) which replace the Ecumenical, Finance, Grants, Loans & Property, Leadership Development Group, Mission Initiatives Group, Nominations and Youth & Children's Work Committees. Some of the committees exercise powers delegated by the Synod Executive with the authorisation of a Charity Commission scheme to manage and make grants from funds placed under their control.

Legal ownership of the Synod's land and buildings, investments and other assets is vested in URC Thames North Trust. Day to day oversight of the properties, investments and other assets is the responsibility of the Synod Executive. They are advised in this by the Resources (previously Finance) Committee.

Appointment of members of Synod Executive.

The Nominations Committee seeks members from the local churches who are willing to contribute to the work of the Synod Executive. Up to six members are identified this way and their appointment is confirmed by the Synod Meeting. The Nominations Committee also seeks to identify up to four members whose membership will ensure the Synod Executive fairly represents the membership of the local church congregations, these appointments are also confirmed by the Synod Meeting. The Moderator, the Treasurer and the Deputy Treasurer are ex officio members of the Executive by reason on their appointment.

There is an informal programme for the induction of Trustees and training is given at meetings to ensure they are aware of current practice and issues of charity law.

Principal risks and uncertainties

In order to gain an understanding of the risk exposure of the Synod we review each area of our operations annually and use a methodology that will assist the Synod in measuring, evaluating, documenting and monitoring its risks within all areas of its operations.

Principal risks and uncertainties (continued)

We use our risk management process to identify, monitor, evaluate and escalate risks as they emerge, enabling Officers to take appropriate action wherever possible in order to control them and also enabling the Synod Executive to keep risk management under review. The risk factors addressed below are those

which we believe to be the most material to our business model, which could adversely affect the operations, revenue, cash flow or assets of the Synod and which may prevent us from achieving the Synod's strategic objectives. Additional risks and uncertainties currently unknown to us, or which we currently believe are immaterial, may also have an adverse effect on the Synod.

| | Principal risk | Impact | Mitigation |
|-------------------------------------|--|--|---|
| Strategic & Reputational | | | |
| 1 | <ul style="list-style-type: none"> Failure of the Synod to achieve its strategic objectives | <ul style="list-style-type: none"> Poor stewardship of Synod resources; e.g. due to insufficient evaluation, Synod work does not represent value for money | <ul style="list-style-type: none"> Regular review of work undertaken by Committees and staff |
| Financial | | | |
| 2 | <ul style="list-style-type: none"> Investment performance | <ul style="list-style-type: none"> Loss of value because of poor investment performance. | <ul style="list-style-type: none"> Monitoring |
| Compliance and legal | | | |
| 3 | <ul style="list-style-type: none"> Non-compliance | <p>Failure to observe any of the relevant laws and regulations governing the work of charities and organisations, such as:</p> <ul style="list-style-type: none"> Children Act – 1989 & 2004* Health & Safety Criminal Records Bureau PAYE regulations Data Protection Employment legislation Gas Act Equal Opportunities Discrimination – Disability, sex, age, race Clash with proposed Incitement law Charity Law Planning regulations Ecclesiastical Exemption Human Rights Act 1998 Freedom of Information Act 2004 <p><i>Note: the list above is not exhaustive</i></p> | <ul style="list-style-type: none"> Monitor new legislation – ensure Synod policy complies. Need to monitor and check compliance Ensure procedures well & promptly administered The availability of good, nationally co-ordinated legal advice will greatly aid this process Good Practice guidelines issued to all churches reinforced by training courses* Clear definitions of responsibility should be agreed. |
| Operational | | | |
| 4 | <ul style="list-style-type: none"> Computer Systems | <ul style="list-style-type: none"> Crash of system or individual stations, loss of data, loss of time when equipment down Loss of all computers | <ul style="list-style-type: none"> Ensure adequate, off-site back-up including specialist data (graphic files, statistics, database). Daily back-up of network on site Spare/emergency equipment available |
| 5 | <ul style="list-style-type: none"> Staff succession, recruitment, complement and availability | <ul style="list-style-type: none"> An inability to maintain an adequate pool of suitable resource could disrupt operations and potentially undermine the Synod's ability to deliver on strategic objectives. | <ul style="list-style-type: none"> Commissioned staffing review to assist with following areas <ul style="list-style-type: none"> o Succession planning o appointments o staffing levels o staffing cover |

Objects and Activities

The objects of the Thames North Synod are to advance the Christian religion in accordance with the doctrines, principles and usages of the United Reformed Church, particularly in the Thames North area. The Synod also supports the work of the whole United Reformed Church through the Inter Synod sharing of financial resources.

During 2015 the Synod has continued to liaise with the officers and members of the central United Reformed Church and with the six areas, which cover 135 local churches and projects. It has given financial support to a great variety of projects run by these local churches alone and ecumenically.

Grant making policy

The churches and members of their congregations are encouraged to apply for grants and loans to assist with children's and youth work, lay and ministerial training, mission and outreach to the community, spiritual and building development and maintenance. The application form for grants and loans and guidance notes are available from the Synod website www.urcthamenorth.org.uk. These applications come with the support of the church meeting and Local Area Group.

The Synod Executive also acts as Charity Trustee to Island House Community Centre a separate charity (registered number 1110519) which acts to promote benefits to the inhabitants of the Isle of Dogs.

Public Benefit

In all our activities we are now mindful of the legal requirement for charities to provide public benefit, and have had regard to the guidance published in this connection by the Charity Commission.

Achievements and Performance

The Synod fulfils its objectives through offering support to the churches by providing funding, programme staff and enabling-structures as churches attempt to fulfil their Christian calling. A detailed review of the work and activities of the Synod in 2014 was reported in the Annual Committee Reports which were received at the March 2015 Synod. These Reports were not issued for 2015 because the committee structure changed in the year and the new committees are still exploring their roles.

The main work of the Synod is to support its constituent local churches and the ecumenical projects supported by the synod or local churches through the various funds at its disposal and by the mutual co-operation and support of members.

Support is given through staff appointed to assist with a variety of training of lay and ordained leadership, property matters and work with children and young adults. Others assist with our urban churches, our work in universities, at Heathrow airport and Interfaith dialogue and inter-cultural habits.

The Lay Preacher Co-ordinator coordinates and develops lay preachers in the synod. There are currently 56 Assembly Accredited lay preachers. The Training for Learning and Service ('TLS') Regional Organiser advocates and organises one to three years intensive training programme for those interested in studying Christian ministry in depth. There are currently 17 trainees. There is a full time Children & Youth Development Officer, a Children & Youth Advocate and a Regional Pilot Officer to support the churches' work among the children and youth. There is a staff team dedicated to offer conflict-mediation and pastoral care to churches and ministers when they go through a difficult period or are in transition. A synod appointee organises Synod retreat days for those who seek personal spiritual development. Synod also supports ecumenical projects and community services (Grassroots, Luton). Involvement in interfaith work is further developed through the London Inter-faith Centre where the deputy director is a URC minister. The Interfaith Centre is now registered as a independent charity.

The Church is universal. The United Reformed Church in Thames North is aware of being part of the worldwide Church. The Synod has links with the Diocese of Karnataka Central (Church of South India).

Due to a change of leadership in the Diocese, the relationship is not actively developed during 2015. Within Europe, the Evangelical Church of Czech Brethren (in Czech Republic) is linked with Thames North. The

relationship has been maintained by sharing news and information and receiving guests in 2015. Due to his busy schedule, the Moderator couldn't accept the invitation to attend their Synod but committed to

Achievements and Performance (*continued*)

attend in 2016. A long tradition of relationship with two Presbyterian denominations in Ghana has existed evidenced historically by the appointment of a Ghanaian Chaplain in London. However these arrangements have dissolved over time as the Ghanaian Christian community in London is self-sufficient and strong. Loose links continue as a good number of Ghanaian Presbyterians living in London are also members of the United Reformed Churches in the Synod. The churches support one another through prayer, mutual learning and occasional exchange visits. There were no formal activities during 2015.

Work has been carried out during 2015 to develop a new website for the Thames North Synod in the hope of improving communication and advocacy of various programme activities.

An annual "Gathering" is held for treasurers and administrators to assist with the ever increasing legislation and governance affecting churches. The ministers have opportunity to take time out for reflection through a week long Spring School (jointly organised with the Eastern Synod) in May and a Ministers' Residential in June.

The system of Church Life Reviews ("CLR") (which is a part of the wider programme, Local Mission and Ministry Review), was agreed in 2012, to give local churches an opportunity to express their mission and how best the Synod can assist in furthering it. Reviews in half of our churches have been completed. Several churches have taken up CLR during 2015 as part of the requirement of declaring the vacancies to invite the ministers. Churches are encouraged to link the review with the Vision 2020, a ten year framework exploring ten priorities for mission.

A process of 'Re-visioning the Synod's Future' initiated by the Moderator in 2014 was completed in 2015. The process encouraged 'Growing Discipleship' to be the synod's midterm goal. Its strategy included two key components: 1) local churches forming groups (Local Area Groups) and 2) streamlining the synod's central governance structure. It is envisaged that the churches will be stronger together benefitting from the mutual support that will assist them in fulfilling their obligations and achieving their missional goals more effectively. Further, streamlining the synod's central governance structures will release volunteer time to be redeployed in the local churches. The September 2015 synod meeting agreed to all re-visioning reports and proposals.

The November 2015 synod meeting recognised and celebrated the formation of three Local Area Groups which included a total of 30 churches. Other local churches are in the process of forming groups. The synod now has only five synod committees/groups: Discipleship Committee, Pastoral Committee, Resources Committee, Nomination Advisory Group and Executive Committee. The Resources Committee deals with all expenditure replacing the former structure of the various committees with their own allocated budget.

It is expected that the implementation of the new structure will take about two years. Change brings anxiety and fear of uncertainty which will be handled with great care. The synod will review, learn and make necessary adjustments to its way of working in fulfilling this new vision. The new way of working will bring about better coordination among the synod's committees and the churches, stewardship of resources and will address the declining number of ordained ministers and voluntary resources. A holistic approach requires jointed-up thinking.

The new structure will have a direct impact on the synod office and synod programmes. An external review of the synod office has been carried out and its report was submitted in Dec 2015. The Executive will study the report and address the implications in 2016.

Financial Review

The Statement of Financial Activities on page 6 discloses that there was a net deficit in resources on all funds totalling £892,000 for the year (£244,000 incoming resources in 2014). This deficit was partly budgeted for but also by an extra ordinary grant made to Adeyfield Free Church to allow them to fund a the construction of a new church building while continuing to worship in their present building.

Our total funds now stand at just under £21 million with just over £6m in Capital and Restricted Funds and more invested in fixed assets to produce income to maintain the future programme related activities.

Investment Review

The investment powers of the Synod are those generally applicable to Trustees and are now found in the Trustee Act 2000.

The policy seeks to achieve as high an income as possible, subject to protecting the capital value of the funds against inflation. Investments consist of fixed interest and equity marketable securities and property, inherited from closed churches, which are let commercially. The Synod seeks to ensure that none of its investments can be seen to support practices which are against the conscience of Christians following the Ethical Investment Guidelines approved by the URC General Assembly from time to time.

The Trustees have not made any major changes to the Investments during the year. £27,000 was added to cash held by URC Thames North Trust for investment and one Investment property was sold at a small loss. The remaining Investment properties were professionally valued adding to their notional value.

The Trustees have not formally reviewed the performance of their Investment managers during the year but were pleased with the performance of their major holding of COIF Ethical Units which out-performed a comparator by 2.8% for 2015. The Total return on the M&G Charifund investment recorded a 3.48% excess over the FTSE All Share index. The much smaller investment in Blackrock's Charinco units recorded a loss but this was to be expected since it is a fixed interest fund.

Reserves Policy

The trustees would like to retain reserves sufficient to produce enough income to meet the basic running costs of the Synod. .

The Balance Sheet on page 7 indicates the amount in the Unrestricted Fund and when adjusted for Fixed Assets, Investment properties and programme related investments it is calculated that the easily realisable reserves amount to over £7m.

The Synod does not raise funds from appeals or from member churches and therefore relies entirely on income from investments and the sale proceeds of closed church buildings to fund the work of the Synod.

The average basic costs, excluding voluntary grants, amount to £533k pa and it is calculated that reserves of £15m would be needed to produce sufficient income to pay all these costs. On that basis the Synod just holds sufficient reserves. However in addition to the basic running costs the Synod is committed to support work of local churches and from time to time major projects are considered and part funded. Smaller projects are also supported as is the work of the wider URC. Exceptional income from investment gains and sale of redundant buildings is therefore expended on an average basis over a 10 year period.

Plans for the future

The principal task of the coming year will be the development of the church growth and renewal initiative, which will continue with appropriate financial and practical support. This will include further work on "Making it Work" for churches and ministers.

The Synod, particularly the Trustees, will work towards a greater understanding of and commitment to the concept of inter-synod funding, whereby those synods with higher reserves assist the essential work of synods with limited funding.

The Trustees will also increase their focus on keeping abreast of current legislation and guidelines in order to fully support and accurately advise the churches.

Use of Volunteers

Most ministers of word and sacrament are paid directly from the United Reformed Church. The United Reformed Church Trust (acting at denominational level) is a separate charity, not under common control. The Synod office staff, Children's & Youth Development Officer, Property Development Worker, Synod Clerk and Trust Officer are paid by the Synod. Other than these, all members of Synod Committees and others supporting and enabling Synod activities are volunteers, almost all being members of their local United Reformed Church or Local Ecumenical Partnership church.

Key Personnel

The key management group within the Synod structure is made up of the Synod Moderator, the Synod Clerk and the Treasurer and his Deputy. The Moderator is remunerated by the United Reformed Church at the same rate as all stipendiary ministers of word and sacrament serving the denomination. The two treasurers are volunteers. The Synod Clerk is remunerated from Synod Funds. His salary was set in line with Level 1 Local Authority pay scales and since that date he has received the agreed annual increments made to all Synod staff.

Statement of Trustees' Responsibilities

The Synod Executive is responsible for ensuring that accounts are prepared each financial year which give a true and fair view of the state of those trusts and other funds which are administered for the benefit of the Thames North Synod of the United Reformed Church, under the overall control of the Synod, as at the end of the year and of their income and expenditure for that year. In preparing those accounts, the Synod Executive is responsible for ensuring that:

- suitable accounting policies are selected and applied consistently;
- observe the methods and principles in the Charities SORP;
- judgements and estimates made are reasonable and prudent;
- applicable accounting standards are followed; subject to any material departures being disclosed and explained in the financial statements;
- the accounts are prepared on a going concern basis unless it is inappropriate to assume that the Synod will continue its activities.

The Synod Executive is responsible for ensuring that proper accounting records are maintained which disclose with reasonable accuracy at any time the financial position of the Synod and to enable them to ensure that the accounts comply with generally accepted accounting practice. They are also responsible

for safeguarding the assets of the Synod and hence for taking steps for the prevention and detection of fraud and other irregularities.

Signed on behalf of Synod Executive
Revd Dr Andrew Prasad (Convener)
11 June 2016

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2015**

| | notes | Unrestricted Funds £'000 | Restricted funds £'000 | Capital funds £'000 | Total funds £'000 | 2014 Total Funds £'000 |
|------------------------------------|-------|--------------------------------|------------------------------|---------------------------|-------------------------|---------------------------------|
| Income and endowments from: | | | | | | |
| Donations and legacies | 3 | 0 | 0 | 0 | 0 | 683 |
| Charitable activities | 4 | 3 | 21 | 0 | 24 | 19 |
| Investment Income | 5 | 799 | 78 | 0 | 877 | 595 |
| Other | 6 | 3 | 0 | 72 | 75 | 22 |
| Total | | 805 | 99 | 72 | 976 | 1,319 |
| Expenditure on: | | | | | | |
| Raising funds | | 69 | 0 | 0 | 69 | 112 |
| Charitable activities | 9 | 2,029 | 107 | 0 | 2,136 | 1,477 |
| Other | | | | | | |
| Total | | 2,098 | 107 | 0 | 2,205 | 1,589 |
| Net gains on investments | 14 | 320 | (1) | 18 | 337 | 514 |
| Net Income | | (973) | (9) | 90 | (892) | 244 |
| Reconciliation of Funds | | | | | | |
| Total funds brought forward | | 15,836 | 2,157 | 3,839 | 21,832 | 21,588 |
| Total funds carried forward | | 14,863 | 2,148 | 3,929 | 20,940 | 21,832 |

The Statement of Financial Activities includes all gains and losses recognised in the year. All incoming Resources and resources expended are derived from continuing activities.

**BALANCE SHEET
AS AT 31 DECEMBER 2015**

| | notes | 2015 £'000 | 2014 £'000 |
|---|-------|---------------|---------------|
| FIXED ASSETS | | | |
| Tangible Assets | | 3,925 | 3,783 |
| | 13 | | |
| Long Term Investments | 14 | 15,884 | 15,658 |
| Loans and Advances | 15 | 679 | 408 |
| Total Fixed Assets | | <u>20,488</u> | <u>19,849</u> |
| Current Assets | | | |
| Debtors | 16 | 135 | 59 |
| Cash and short term deposits | 17 | 1,680 | 2,682 |
| Total current assets | | <u>1,815</u> | <u>2,741</u> |
| Liabilities: | | | |
| Amounts falling due within one year | 18 | (966) | (448) |
| Net current assets | | 849 | 2,293 |
| Amounts falling due after one year | 18 | (397) | (310) |
| | | <u>20,940</u> | <u>21,832</u> |
| Represented by: | | | |
| Endowment funds | | 3,929 | 3,839 |
| Restricted income funds | | 2,148 | 2,157 |
| Unrestricted Funds | | 14,863 | 15,836 |
| | 19 | <u>20,940</u> | <u>21,832</u> |

Approved by the Synod Executive on 11 June 2016 and signed on their behalf by:-

Revd Dr Andrew Prasad
Convener of Synod Executive

Anthony Obi-Ezekpazu
Synod Treasurer

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2015**

| | Notes | 2015 £'000 | 2014 £'000 |
|---|-------|----------------------------|----------------------------|
| Net income/expenditure for the reporting period (as per SOFA) | | (852) | 244 |
| <i>Adjustments for :</i> | | | |
| Depreciation | | 9 | 8 |
| Gains/losses on investments | | (337) | (514) |
| Dividends, interest and rents from investments | | (688) | (590) |
| Loan Interest | | (6) | (5) |
| Notional Interest on Equity Loan | | (180) | |
| Deficit /(surplus) on sale of fixed assets | | (75) | (22) |
| Deficit /(surplus) on sale of assets held for resale | | - | (677) |
| (Increase)/decrease in debtors | | 27 | 327 |
| Increase/(decrease) in creditors | | 605 | 282 |
| Net cash inflow(outflow) from operating activities | | <u>(1,497)</u> | <u>(947)</u> |
| Cash Flow from investment activities | | | |
| Dividends, interest and rents from investments | | 694 | 595 |
| Proceeds from the sale of asset held for sale | | 0 | 1,927 |
| Purchase of fixed assets | | (179) | (19) |
| Proceeds from the sale of fixed assets | | 0 | 254 |
| Purchase of investments | | (27) | (24) |
| Proceeds from the sale of investments | | 138 | 422 |
| Issue of loans | | (264) | (51) |
| Repayment of loans | | 133 | 67 |
| Net cash provided by/used in investing activities | | <u>495</u> | <u>3,171</u> |
| Net change in cash and cash equivalents in the reporting period | | (1,002) | 2,224 |
| Cash and cash equivalents at the beginning of the reporting period | | 2,682 | 458 |
| Cash and cash equivalents at the end of the reporting period. | | <u><u>1,680</u></u> | <u><u>2,682</u></u> |

1 Accounting Policies

Basis of accounting

The accounts have been prepared in accordance with the Statement of Recommended Practice – “Accounting and Reporting by Charities” applicable in the United Kingdom and Republic of Ireland (FRS 102) (SORP FRS 102) issued on 16 July 2014 and the Charities Act 2011.

The financial statements are prepared on a going concern basis under the historical cost convention as modified by the inclusion of investments at market value and in accordance with applicable accounting standards other than the policy for valuing investment properties, see note below. The financial statements are prepared in sterling which is the functional currency of the charity. No significant payments were made in other currencies during the year.

The particular accounting policies are described below.

Scope

The accounts show the combined income, expenditure, assets and liabilities of the funds, which are administered for the benefit of the Synod.

Classification of funds

Capital funds are permanent endowments, which are required to be retained. The income from these funds is spent in accordance with the terms of the original endowment.

Unrestricted funds are those which may be spent generally for furthering the religious and charitable work of the Synod.

Restricted funds as the name implies are those which may only be spent in accordance with the terms of the original restriction.

Incoming Recognition

All incoming resources are recognised once the Synod has entitlement to the resources, it is probable the resources will be received and the monetary value of incoming resources can be measured with sufficient reliability.

Fixed and current assets inherited from closed churches and legacies are recognised when receivable and are included at fair value.

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 income is reported net of costs. It is included when the amount can be measured reliably. Dividend and rental income is recognised as the Synod’s right to receive payment is established.

Expenditure Recognition

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the Synod to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs relating to the category.

Grants payable are payments made to churches, individuals and the wider church in the furtherance of the Synod’s objectives. Single or multi-year grants are accounted for when either the recipient has a reasonable expectation that they will receive the grant and the Executive or its Committees have agreed to pay the grant without condition, or the recipient has a reasonable expectation that they will receive a grant and any condition attached to the grant is outside the control of the Synod.

1 Accounting Policies (*continued*)

Provision for grants are made when the Spending Committee have approved the grants and this intention has been communicated to the recipient. This includes grants payable over more than one year.

Support costs allocation

Support costs are those that assist the work of the Synod but do not directly represent charitable activities and include premises, office, governance 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 the cost of raising funds and expenditure on charitable activities on a basis consistent with use of resources.

Tangible Fixed Assets and depreciation

(i) *Land and Buildings*

Programme Assets are carried at cost. Depreciation of programme related freehold land and buildings ceased in 2005 on the basis that it is immaterial since all properties have high residual values. The Finance Committee carries out an impairment review on behalf of Synod Executive to reassure them that the policy of non depreciation still remains appropriate.

(ii) *Motor Cars and Office Equipment*

Depreciation is only provided for assets costing over £1,000 and is provided at 25% of the written down value unless the life of the asset is expected to be shorter.

(iii) *Office Furniture and Fittings*

Depreciation has been provided at 25% of the written down value unless the life of the asset is expected to be shorter.

Investments

Quoted Investments are included at market value at the Balance Sheet date. The Investment properties were valued at market value at 31 December 2015 by the Synod's surveyors – Rapleys. It is the Synod's intention that Investment properties will be valued at "fair value" in future years.

Realised gains and losses

All gains and losses are taken to the statement of financial activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and opening market value (purchase date if later). Unrealised gains or losses are calculated as the difference between the market value at the year end and opening market value (or purchase date if later). Realised and unrealised gains are not separated in the Statement of Financial Activities.

Pensions

The Synod contributes to a multi-employer defined benefit pension scheme for some employees who were employed before 2010 (see note 21). The assets of the scheme are managed independently of the Synod. Pension costs are assessed in accordance with the advice of an independent qualified actuary. Contributions for the regular ongoing cost of pensions are such that the regular pension cost is a substantially level percentage of the current and expected future pensionable payroll. The Synod also operates two defined contribution schemes. Contributions are charged as expenditure as they become payable in accordance with the rules of the schemes.

Recognition of liabilities

Expenditure is included in the Statement of Financial Activities in accordance with the concept that liabilities are recognised as soon as there is a legal or constructive obligation committing the Synod.

Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

1 Accounting Policies (continued)

Cash and Cash Equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

Creditors

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

Financial instruments

The Synod only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities such as trade and other accounts receivable and payable, loans to related parties and investments in stocks and share. The measurement basis used for these financial instruments is detailed in note 20 of the accounts.

2 Related Party Transactions and Trustee's Remuneration

Trustees received no emoluments (2014 nil). Travelling, computer and stationery expenses reimbursed in the year totalled £2,280 (2014 £1,624) were paid to six trustees (2014 6). During the year the spouse of one trustee received remuneration as a Pastoral Consultant of £17,327 (2014 £17,060) and the spouse of another received remuneration as the Personal Assistant to the Moderator and Synod Clerk of £42,159 (2014 £40,468). A grant of £7,000 was made towards the cost of repairs to a church, whose Secretary at the time was also a member of Synod Executive. The Trustee abstained from voting at the relevant meeting of Grants, Loans & Property Committee.

3 Donations and Legacies

| | 2015 | 2014 |
|--------------------------------|--------------|--------------|
| | £'000 | £'000 |
| Receipts from closed churches | - | 678 |
| Gifts from Churches and legacy | - | 5 |
| | <u>-</u> | <u>683</u> |

4 Charitable Activities

| | 2015 | 2014 |
|-----------------------------------|--------------|--------------|
| | £'000 | £'000 |
| Income from retirement properties | 24 | 19 |
| | <u>24</u> | <u>19</u> |

The Synod asked a less than commercial rent on properties owned by the Synod's Homes for Retired Ministers' Fund. These are let to ministers and their widows who had not amassed sufficient years' service to qualify for the URC Retired Ministers Housing Scheme.

5 Investments

| | 2015 | 2014 |
|---|--------------|--------------|
| | £'000 | £'000 |
| Dividends – investment units | 477 | 435 |
| Dividends – fixed interest units | 4 | 4 |
| Interest on deposit accounts | 10 | 8 |
| Interest on loans to churches and ministers | 6 | 5 |
| Rents from Investment Properties | 200 | 143 |
| Fair Value adjustment on equity loan | 180 | 0 |
| | <u>877</u> | <u>595</u> |

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Interest on deposit accounts is either paid direct to the Synod or via URC Thames North Trust. The notional gain on the equity loan reflects the increased value of the loan to Mission Housing. This is a requirement for FRS 102. Comparative figures for 2014 are not available.

6 Other Incoming Resources

| | 2015 | 2014 |
|--|--------------|--------------|
| | £'000 | £'000 |
| Net gain on the disposal of properties | 75 | 22 |

A retirement property was sold at a gain of £75,000 including £3111 written back depreciation.

7 Cost of Generating Funds

| | 2015 | 2014 |
|--|--------------|--------------|
| | £'000 | £'000 |
| Rented property costs – Investment properties assets | 69 | 112 |

Rented property costs consist of insurance, professional fees, repairs, statutory surveys etc as required on the Synod's housing stock.

8 Allocation of Support Costs and Overheads

Where costs are specifically attributable to Programme Staff these have been included in direct Support costs. Following a re-evaluation of our costs, it is now considered that all Administration costs can be classed as charitable.

9 Charitable Activities

| | 2015 | 2014 |
|--|---------------------|---------------------|
| | £'000 | £'000 |
| Mission Grants to six churches (2014 5 churches) | 243 | 380 |
| Mission Initiatives Group grants and support | 93 | 55 |
| Grants to County Ecumenical bodies | 8 | 8 |
| Leadership Development Group grants and costs | 18 | 23 |
| Building and quinquennial grants (incl. £500,000 to Adeyfield) | 691 | 146 |
| Provision against development loans to churches | 40 | 0 |
| Youth & Children's Work grants and costs | 8 | 5 |
| Inter Synod Sharing | 380 | 180 |
| Contribution to National Church (Ministry and Mission Fund) | 56 | 55 |
| Contributions to National Church (Ministers Pension Fund) | 28 | 28 |
| Welfare grants | 3 | 2 |
| Salaries and costs of Programme staff | 189 | 230 |
| Costs of retirement and Synod properties | 62 | 31 |
| Rent paid for chaplain's accommodation | 0 | 15 |
| Committee and Synod events | 16 | 19 |
| Legal and Valuers' fees | 30 | 17 |
| Audit fee | 9 | 9 |
| Provision for impairment work at Ipalo House | 0 | 23 |
| Salary for URC Thames North Trust (net of contribution) | 49 | 47 |
| Salaries for Synod Clerk and Office Staff | 150 | 141 |
| Synod Office running Costs | 63 | 63 |
| | <u>2,136</u> | <u>1,477</u> |

The Mission Initiatives Group made grants to churches or church related projects. During the year it also provided funds for local churches to make six small grants for mission purposes. Mission Grants of £337,000 have been promised for future years to Chesham, Clapton Park, Forest Group, Fulham, Ickenham and Newham URCS and are included this year but this is counteracted by the writing back of grants made in previous years for projects which did not proceed.

Leadership Development Group granted money to 15 ministers for Education in Ministry (up to £350 pa and £1,200 pa for a sabbatical), and book grants to two ordinands. It also supports the Ministers Spring School run jointly with Eastern Synod. Through the Lay Development Fund it made two grants to lay people undertaking training to develop skills for use in the local churches

Building maintenance grants were made to 11 churches during the year. Grants for quinquennial surveys were made to 12 churches.

10 Emoluments of Employees

The total emoluments of employees of the Synod were £386,000 (2014 £392,000). The average number of employees was 8 (2014: 9). During the year the following salary costs were incurred:

| | 2015 £'000 | 2014 £'000 |
|---|---------------|---------------|
| Salaries for programme staff | | |
| Gross Salaries | 159 | 166 |
| Social Security costs | 13 | 14 |
| Pension contributions | 16 | 16 |
| | <u>188</u> | <u>196</u> |
| Salaries of the Synod Clerk, Office and Trust staff | | |
| Gross Salaries | 149 | 150 |
| Social Security costs | 14 | 14 |
| Pension contributions | 35 | 32 |
| | <u>198</u> | <u>196</u> |

No employee was paid more than £60,000. An ex gratia payment of £2,105 was paid to a former employee on the termination of their contract. The Synod's Key Personnel are considered to be, other than the Trustees, the Moderator whose contract of employment is with the United Reformed Church. The Treasurer and Deputy Treasurer who receive no remuneration and the Synod Clerk whose salary for his part time employment was £22,000.

11 Gain/Losses on Investments

| | 2015 £'000 | 2014 £'000 |
|--|---------------|---------------|
| Realised gains (losses) on disposal of investments | (2) | 197 |
| Gains on revaluation of investments held | 339 | 317 |
| - see note 14 | <u>337</u> | <u>514</u> |

12 Statement of Financial Activities for Previous Year

| | notes | Unrestricted Funds £'000 | Restricted funds £'000 | Capital funds £'000 | Total funds £'000 |
|------------------------------------|-------|--------------------------------|------------------------------|---------------------------|-------------------------|
| Income and Endowments from: | | | | | |
| Donations and legacies | | 673 | 10 | | 683 |
| Charitable Activities | 4 | 2 | 17 | | 19 |
| Investment Income | 5 | 524 | 71 | | 595 |
| Other | 6 | 22 | | | 22 |
| Total | | <u>1,221</u> | <u>98</u> | | <u>1,319</u> |
| Expenditure on | | | | | |
| Raising Funds | 7 | 112 | 0 | | 112 |
| Charitable activities | 9 | 1,419 | 58 | | 1,477 |
| Total | | <u>1,531</u> | <u>58</u> | | <u>1,589</u> |
| Net gains on Investments | 12 | 384 | 39 | 91 | 514 |
| Net income | | 74 | 79 | 91 | 244 |
| Reconciliation of funds | | | | | |
| Total funds brought forward | | 15,762 | 2,078 | 3,748 | 21,588 |
| Total funds carried forward | | <u>15,836</u> | <u>2,157</u> | <u>3,839</u> | <u>21,832</u> |

13 Tangible Fixed Assets

| | Homes for Retired Ministers £'000 | Programme & other Property £'000 | Office Equipment, furniture and cars £'000 | Total £'000 |
|------------------------------------|--|---|--|----------------|
| Cost | | | | |
| At 1 January 2015 | 1,153 | 2,668 | 50 | 3,871 |
| Additions in year | 2 | 164 | 13 | 179 |
| Disposals in year | (31) | | (1) | (32) |
| At 31 December 2015 | 1,124 | 2,832 | 62 | 4,018 |
| Depreciation | | | | |
| At 1 January 2015 | 48 | 13 | 27 | 88 |
| Charge for year | 0 | | 9 | 9 |
| Depreciation on disposals | (3) | | (1) | (4) |
| At 31 December 2015 | 45 | 13 | 35 | 93 |
| Net Book Value at 31 December 2015 | 1,079 | 2,819 | 27 | 3,925 |
| Net Book Value at 31 December 2014 | 1,105 | 2,655 | 23 | 3,783 |

Homes for Retired Ministers include freehold and leasehold property wholly or substantially owned by the Synod and occupied by retired ministers or their former partners. A less than commercial rent is paid by these tenants.

Other Property comprises in the main, houses occupied by ministers serving in the area of the Synod where they are not accommodated in houses owned by individual churches. During the year one property was sold.

14 Investments

| | CCLA Funds £'000 | COIF Deposits £'000 | Chari- Fund 000 | Others £'000 | Investment Properties £'000 | Total £'000 |
|----------------------|------------------------|---------------------------|-----------------------|-----------------|-----------------------------------|----------------|
| At 1 January 2015 | 8,783 | 189 | 2,741 | 230 | 3,715 | 15,658 |
| Additions | | 27 | | | 0 | 27 |
| Disposals | | | | | (138) | (138) |
| Net gains / (losses) | 52 | 0 | (8) | (1) | 294 | 337 |
| At 31 December 2015 | 8,835 | 216 | 2,733 | 229 | 3,871 | 15,884 |

15 Loans

| | 2015 £'000 | 2014 £'000 |
|--|---------------|---------------|
| Interest bearing loans | 241 | 148 |
| Non interest bearing loans – churches | 47 | 45 |
| Non interest bearing loans – staff | 2 | 6 |
| Equity loan to Mission Homes | 209 | 209 |
| Fair Value Adjustment to Mission Homes loan (see note 5) | 180 | 0 |
| | 679 | 408 |

£109,000 of the loans outstanding are due for repayment within one year, the remainder within the following four years. A provision has been made against two loans, the full repayment of which is in doubt.

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Non-interest bearing loans are made to churches on an emergency basis. Non-interest bearing loans to individuals have been made to assist with the purchase of computers and to staff for season tickets and cars used substantially for Synod purposes. New loans of £264,000 were made during the year and £133,000 repaid.

16 Debtors

| | 2015 | 2014 |
|---|-------------------|------------------|
| | £'000 | £'000 |
| Other debtors | 31 | 26 |
| Proceeds from the sale of a retirement property | 103 | 0 |
| Payments in advance | 1 | 33 |
| | <u>135</u> | <u>59</u> |

Contracts were exchanged on the sale of a retirement home for which the Synod owned a minority share in December 2015 but completion took place in early January 2016.

17 Cash and Short Term Deposits

| | 2015 | 2014 |
|-----------------------|---------------------|---------------------|
| | £'000 | £'000 |
| COIF Deposit Accounts | 1,662 | 1,876 |
| Cash at Bank | 18 | 806 |
| | <u>1,680</u> | <u>2,682</u> |

18 Creditors

| | 2015 | 2014 |
|--|-------------------|-------------------|
| | £'000 | £'000 |
| Creditors | 38 | 28 |
| Accrued expenses | 26 | 27 |
| Accrued grants due within one year | 902 | 393 |
| | <u>966</u> | <u>448</u> |
| Accrued grants due in more than one year | <u>397</u> | <u>310</u> |

The accrued grants due in more than one year consist of Mission Initiatives Group liabilities only and have been discounted by £8,000 to comply with FRS102. The expectation is that grants made by Grants, Loans & Property Committee made in 2015 will be accessed in 2016

19 Funds

Six charities were registered with the Charity Commission in April 2011. The Religious Education Fund was absorbed into the General Purposes Funds in 2013.

General Purposes Fund

| | Capital Fund | Unrestricted Fund | Property Maintenance Unrestricted | Mission Fund | Ethnic Minorities Capital | Ethnic Minorities Restricted | Total |
|------------------------------------|---------------------|--------------------------|--|---------------------|----------------------------------|-------------------------------------|---------------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Balance at 1 Jan. 2015 | 2,438 | 1,946 | 304 | 17 | 51 | 23 | 4,779 |
| Income | 0 | 580 | 5 | 0 | 0 | 2 | 587 |
| Outgoings | 0 | (1,625) | (5) | (4) | 0 | (3) | (1,637) |
| Investment gains | 14 | 312 | 1 | 0 | 0 | 0 | 327 |
| Balance at 31 December 2015 | <u>2,452</u> | <u>1,213</u> | <u>305</u> | <u>13</u> | <u>51</u> | <u>22</u> | <u>4,056</u> |

The Fund was established in 1982 for the purpose of furthering the religious and other charitable work of the United Reformed Church in the area now of the Thames North Synod of the United Reformed Church by providing information, advice and support and grants. It is used to purchase or assist with purchasing property in support of the Synod or local church activities. It is also used to provide and promote lay and

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ministerial training, develop and promote ecumenical relations, work making a difference in the local communities and supporting other charities as an expression of the Christian faith.

19 Funds (continued)

General Fund

| | Unrestricted Fund £'000 |
|-----------------------------|--|
| Balance at 1 January 2015 | 13,569 |
| Income | 220 |
| Outgoings | (464) |
| Investment gains | 7 |
| Balance at 31 December 2015 | <u><u>13,332</u></u> |

The Fund was established in 1998 for the purpose of supporting and enhancing the charitable work of local churches now within the Thames North Synod by providing information, advice and support to individuals and organisations, by providing grants or loans to local churches for the upkeep, repair and improvement of church buildings and manses, purchasing or assisting the purchase of property in support of the Synod or local church activities and by supporting and enhancing the charitable work of the wider United Reformed Church by providing grants. Income is from the proceeds of sale of former churches.

Church Buildings Fund

| | Capital Fund £'000 | Restricted Fund £'000 | Disability Fund £'000 | Total £'000 |
|-----------------------------|-----------------------------------|--------------------------------------|--------------------------------------|------------------------|
| Balance at 1 January 2015 | 500 | 593 | 1 | 1,094 |
| Income | 0 | 39 | 0 | 39 |
| Outgoings | 0 | (38) | (1) | (39) |
| Investment gains | 2 | 4 | 0 | 6 |
| Balance at 31 December 2015 | <u><u>502</u></u> | <u><u>598</u></u> | <u><u>0</u></u> | <u><u>1,100</u></u> |

The Fund was established in 1982 for the purpose of making grants and loans to local churches now within the Thames North Synod for the upkeep and repair and improvement (including replacement) of their church premises and manses.

Retired Ministers Housing Charity

| | Capital Fund £'000 | Restricted Fund £'000 | Total £'000 |
|-----------------------------|-----------------------------------|--------------------------------------|------------------------|
| Balance at 1 January 2015 | 755 | 1,434 | 2,189 |
| Income | 72 | 49 | 121 |
| Outgoings | 0 | (62) | (62) |
| Investment loss | 0 | (5) | (5) |
| Balance at 31 December 2015 | <u><u>827</u></u> | <u><u>1,416</u></u> | <u><u>2,243</u></u> |

The Fund was established in 1982 for the purpose of purchasing suitable properties which would provide homes for retired ministers and their spouses or the widow(er)s of retired Ministers who do not qualify for assistance from the general United Reformed Church scheme and who formerly served within Thames North Synod. It may also make grants available towards sheltered housing costs.

19 Funds (continued)

Welfare Fund

| | Capital Fund £'000 | Restricted Fund £'000 | Total £'000 |
|-----------------------------|-----------------------------------|--------------------------------------|------------------------|
| Balance at 1 January 2015 | 95 | 104 | 199 |
| Income | 0 | 10 | 10 |
| Outgoings | 0 | (2) | (2) |
| Investment gains | 1 | 0 | 1 |
| Balance at 31 December 2015 | <u>96</u> | <u>112</u> | <u>208</u> |

The Fund was established in 1982 for the purpose of making grants to ministers in the area now of the Thames North Synod whether serving or retired and their spouses/ widow(er)s in times of need.

Summary

| | Unrestricted Funds £'000 | Restricted Funds £'000 | Capital Funds £'000 | Total Funds £'000 |
|-----------------------------|---|---------------------------------------|------------------------------------|----------------------------------|
| Balance at 1 January 2015 | 15,836 | 2,157 | 3,839 | 21,832 |
| Income | 805 | 99 | 72 | 976 |
| Outgoings | (2,098) | (107) | | (2,205) |
| Investment gains | 320 | (1) | 18 | 337 |
| Balance at 31 December 2015 | <u>14,863</u> | <u>2,148</u> | <u>3,929</u> | <u>20,940</u> |

Balances at 31 December 2015

| | Unrestricted Funds £'000 | Restricted Funds £'000 | Capital Funds £'000 | Total £'000 |
|-----------------------------------|---|---------------------------------------|------------------------------------|------------------------|
| General Purposes Fund | 1,532 | 22 | 2,504 | 4,058 |
| General Fund | 13,331 | 0 | 0 | 13,331 |
| Church Buildings Fund | 0 | 598 | 502 | 1,100 |
| Retired Ministers Housing Charity | 0 | 1,416 | 827 | 2,243 |
| Welfare Funds | 0 | 112 | 96 | 208 |
| Total | <u>14,863</u> | <u>2,148</u> | <u>3,929</u> | <u>20,940</u> |

The disposition of the assets of the Synod between the funds is as follows

| | Fixed Assets £'000 | Net Current Assets £'000 | Long Term Liabilities £'000 | Total £'000 |
|-----------------------------------|-----------------------------------|---|--|------------------------|
| General Purposes Fund | 12,279 | (7,824) | (397) | 4,058 |
| General Fund | 5,469 | 7,862 | | 13,331 |
| Church Buildings Fund | 1,095 | 5 | | 1,100 |
| Retired Ministers Housing Charity | 1,474 | 769 | | 2,243 |
| Welfare Fund | 171 | 37 | | 208 |
| | <u>20,488</u> | <u>849</u> | <u>(397)</u> | <u>20,940</u> |

20 Financial Instruments

| | 2015 | 2014 |
|---|--------------|--------------|
| | £'000 | £'000 |
| Financial Assets | | |
| Financial assets measured at fair value through profit or loss | 15,884 | 15,658 |
| Financial assets that are debt instruments measured at amortised cost | 710 | 434 |
| Financial Liabilities | | |
| Financial liabilities measured at amortised cost | 38 | 28 |

Financial assets measured at fair value comprise listed investments. Financial assets measured at amortised cost comprise loans, trade and other debtors. Financial liabilities measured at amortised cost comprise trade and other creditors.

21 Ministry and Mission Contributions

During 2015 the Synod's churches contributed £2,247,000 directly to the national church's Ministry and Mission Fund and the Synod contributed £56,000. The contribution in 2014 was £2,214,000,000.

22 The United Reformed Church Final Salary Scheme

Synod employees whose employment commenced before 2010 are entitled to contribute to a lay staff pension scheme known as the "Final Salary" scheme, which is administered by The Pensions Trust. This is operated as a defined benefit scheme but the United Reformed Church is not the only participating employer in the scheme and is unable to identify its share of the underlying assets and liabilities – each employer in that scheme pays a common contribution rate.

During 2015 the United Reformed Church on behalf of the Synod contributed 28.2% (2014: 26%) of basic salary in respect of members of the Final Salary scheme, amounting to £49k (2014: £48k), a sum not material to the Church's overall pension cost. Members contributed at the rate of 6% (2014: 6%) of pensionable salary throughout the accounting period.

Triennial actuarial valuations of the Final Salary scheme are performed by a professionally qualified actuary. The most recent formal actuarial review of the scheme was at 30 September 2013, when the scheme had a deficit of £2,725k. The assumptions underlying that valuation include:

| | |
|------------------------------|---|
| Discount rate: | pre-retirement 6.6%, post-retirement 3.7% |
| Pensionable earnings growth: | 2.5% for three years, 4.0% thereafter |
| Future pension increases: | 2.5% |
| Retirement age: | 60 with commutation |

As a result of the actuary's recommendations, contributions by participating employers have increased to 28.2% of basic salary from 1 January 2015.

Matched contributions of up to 10% of their gross salary to a "Stakeholder Scheme" are offered to staff employed in 2010 onwards. The present schemes do not qualify for Auto Enrolment and alternative arrangements are being investigated ahead of the "staging date" in July 2017. £833 was paid to one scheme and £1,760 to another.

In 2015, the Synod agreed to make a voluntary payment of £28,000 to the United Reformed Church towards the URC Ministers' Pension Fund.

23 Transitional Arrangements

The policies applied under the Synod's previous accounting framework are not materially different to FRS 102 and have not impacted on reserves or net income.

INDEPENDENT AUDITOR'S REPORT TO THE UNITED REFORMED CHURCH THAMES NORTH SYNOD CHARITIES FOR THE YEAR ENDED 31 DECEMBER 2015

We have audited the financial statements of United Reformed Church Thames North Synod Charities for the year ended 31 December 2015 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's trustees, as a body, in accordance with Section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the Charity's trustees those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Synod Executive and auditors

As explained more fully in the Statement of Trustees' Responsibilities, the Synod Executive are responsible for the preparation of financial statements which give a true and fair view. We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2015 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

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

haysmacintyre
Chartered Accountants
Registered Auditors

26 Red Lion Square
London, WC1R 4AG

June 2016

haysmacintyre are eligible to act as auditors in terms of Section 212 of the Companies Act 2006.