ERITREAN ORTHODOX CHRISTIAN (ST MICHAEL'S) COMMUNITY CHURCH

England & Wales · Charity number 1044068

Details

Other names	ERITREAN ORTHODOX CHRISTIAN COMMUNITY CHURCH, ST MICHAEL ERITREAN ORTHODOX CHURCH
Status	Registered
Legal form	Other
Registered	1995-02-10
Register	View on the Charity Commission register

Contact

Address	78 Edmund Street London SE5 7NR
Phone	02077332743
Email	yohannes.sibhatu.ecc@gmail.com
Website	www.debresahl.com

Activities

Objects: (1) TO ADVANCE THE CHRISTIAN RELIGION AND IN PARTICULAR THE ORTHODOX FAITH BY ORGANISING PROVIDING AND DEVELOPING CHURCH SERVICES AND ANCILLARY RELIGIOUS ACTIVITIES (2) TO ADVANCE PUBLIC EDUCATION ALONG ORTHODOX CHRISTIAN LINES PARTICULARLY IN RESPECT OF THE ERITREAN LANGUAGE AND CULTURE (3) TO RELIEVE POVERTY AND THE DISTRESS ARISING FROM SUCH POVERTY SICKNESS BEREAVEMENT OR IMPRISONMENT OF A FAMILY MEMBER

Activities: Promoting the Christian Orthodox faith, mother tongue classes and cultural activities.

Classification

- **How:** Provides Buildings/facilities/open Space, Provides Services
- **What:** Education/training, The Prevention Or Relief Of Poverty, Religious Activities, Arts/culture/heritage/science
- **Who:** Children/young People, Elderly/old People, People Of A Particular Ethnic Or Racial Origin

Geography

- Southwark

Finances

Period end	Income	Expenditure	Assets	Employees
2024-10-31	£309,255	£106,619	-	-
2023-10-31	£291,686	£115,147	-	-
2022-10-31	£291,747	£83,919	-	-
2021-10-31	£257,273	£90,750	-	-
2020-10-31	£230,766	£86,157	-	-

Trustees

Name	Role	Appointed
Abiel T Woldu		2025-11-01
Helen Mehari		2025-11-01
Nazriet Teclu		2025-11-01
Nesereab Berhane Haile		2025-11-01
Solomon Y Nere		2025-11-01

Accounts

Registered Charity No: 1044068

ERITREAN ORTHODOX CHRISTIAN
(ST. MICHAEL'S)
COMMUNITY CHURCH

ANNUAL REPORT
AND
ACCOUNTS

FOR THE YEAR
ENDED 31 OCTOBER 2024

CONTENTS

Members of the Board of Trustees as of 31 October 2024

Secretary Dr Semereab Tewolde

Charity number 1044068
Registered in England and Wales

Registered office 78 Edmund Street
London SE5 7NR

Bankers HSBC Bank PLC
Harry Weston Road, Binley
Coventry CV3 2TQ

LLOYDS BANK
1 Silver Street
Enfield
Middlesex
EN1 3EE

The Board of Trustees presents its report with the unaudited accounts of the Eritrean Orthodox Christian (St Michael's) Community Church for the year ended 31 October 2024. The financial statements have been prepared in accordance with relevant accounting policies and in compliance with the charity's governing document and applicable law – the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008, and the latest Charities Statement of Recommended Practice (SORP) Financial Reporting Standard 102, as amended from 1 January 2019

Name and Objects

The Eritrean Orthodox Christian (St. Michael's) Community Church is a registered charity in England and Wales, number 1044068.

The Trustees are responsible for the governance of the charity and serve as Trustees of the charity. The Trustees who were in place at year-end and all those who served during the year are set out on pages 7.

The Objects of the charity, as set out in the constitution, are:

- To advance the Christian religion and in particular the Orthodox faith by organising, providing, and developing church services and ancillary religious activities.
- To advance public education along Orthodox Christian lines, particularly in respect of the Eritrean language and culture.
- To relieve poverty and the distress arising from such poverty, sickness, bereavement, or imprisonment of a family member.

Public Benefit

In compliance with their duty under the Charities Act 2011, the Trustees have had due regard to guidance on public benefit published by the Charity Commission. In particular, the Act requires the Trustees to explain how the activities of the charity benefit the public or a section of it.

The Trustees believe that the fundamental purpose of the Eritrean orthodox Christian (St. Michael's) Community Church – to advance the Christian religion and relieve poverty and distress from family members – is, *per se*, of benefit to society at large. Faith is important, not just for its intrinsic value to the individual, but because it is so often the motivating factor in enabling people to turn their lives around; and then equipping them to make effective and relevant contributions to society. More specific benefits to the public are demonstrated, either implicitly or explicitly, under the various sections of the report of activities. It is the Trustees' aim constantly to seek ways of increasing the impact and effectiveness of the charity so that they can expand the benefits provided by the charity as widely as possible.

Appointment and induction of Trustees

Every three years the Management Committee may appoint new Trustees from amongst the membership of the charity. At the third of their term, Trustees must retire from office but may be re-elected by members of the charity. Any person who subscribes to the objects may become a member of the charity subject to set of criteria, their willingness and fitness for purpose.

The Management Committee is responsible for identifying and proposing potential new Trustees, providing induction and training as appropriate to newly elected Trustees. The officers of the charity are responsible for assessing the skills offered by the Board and identifying areas that need strengthening

Changes in Governance and Trustee Leadership

The Trustees regret to report the death of Mr. Abrahaley Mebrahtu, Chairman of the Board of Trustees, who passed away on 8 July 2025, shortly after the financial year-end. As at 31 October 2024, he was still actively serving in his role as Chair.

To ensure continuity, the Board appointed Mr. Solomon Russom as Acting Chairman. The Church's formal trustee election process, including the appointment of a permanent Chair, is scheduled to take place before 31 October 2025.

The Trustees record their deep gratitude for Mr. Mebrahtu's leadership and many years of dedicated service to the Eritrean Orthodox Christian (St Michael's) Community Church.

Organisation

The charity is based in the United Kingdom and has its Church in South London. Its congregation comes from all parts of London. The Board of Trustees meets at least quarterly.

The day-to-day running of the charity is conducted by the Management Committee, which reports monthly to the Trustees on administration and activities. 2024 Activities and Finance

2024 Activities and Finance

Church Services

The year marked a complete restoration of routine church services and activities following the COVID-19 pandemic. Members and attendants were able to freely gather, worship, and socialize. Consistent Sunday services were provided, including christenings, weddings, and other ceremonies.

Monthly liturgy services for St Michael, St Abune Aregawi, and St Mary were conducted. Especially the Assumption of St Mary (Tsome Felseta) was celebrated over sixteen consecutive days in August 2024, with morning and afternoon services. These services were well attended and spiritually significant for the congregation, coinciding with the end of the Geez calendar year and the transition into the New Year on 12 September (St John's Day).

The Church also organized youth gatherings and outings—visited a seaside location across the UK. The events were well-received and helped strengthen fellowship, connection, and collaboration among youth members.

Changes in Management Committee Members

The previous Management Committee completed its three-year term on 31 October 2023. New members were elected in August 2023 by vote of the congregation, with a two-month transition period allowing effective handover. The process was conducted openly in line with the Church's constitution and policies. Handover was, therefore, completed in a timely fashion and the new Management Committee took office on 1 November 2023.

Staff and Volunteers

The Church employs both full-time and volunteer staff members but relies heavily on the volunteers to deliver the routine services and provide support. Volunteers assist with welcoming, helping the elderly and children during Sunday services, arranging mid-week meetings, and providing outreach and pastoral care to the elderly, disabled, and distressed.

Training and Development

Structured deaconship training was delivered during the year. Out of twelve trainees, four were ordained as deacons with the blessing of a visiting bishop. Three of the ordained were UK-born members who had attended the Church since childhood.

Networks and Collaborations

The Church maintained strong links with Southwark Council, attending seminars and conferences, and contributing to community projects. It also continued ecumenical relationships with other Eritrean Orthodox churches in the UK and with the Oriental Orthodox Churches more widely.

Moving to a Dream Church

Progress was made towards the Church's strategic goal of acquiring a permanent place of worship in South London. A potential site near Streatham Common was explored but purchase negotiations did not proceed.

Financial Performance

In 2024 the charity achieved a net operating income of £202,636 (2023: £176,553), an increase of 14.8%. This was mainly due to growth in membership, more regular attendance, and the introduction of card donation facilities.

Net assets surpassed £2.2 million, representing 10% increase.

The newly elected Management Committee has prioritized strengthening governance, expanding digital donation facilities, and enhancing fundraising programs. The Trustees are confident these measures will increase income by 15% or more in the coming year**.**

Plans for 2024/2025

The trustees and the Management Committee plan for the coming year include the following:

- To find a large and suitable venue/church to accommodate the service and congregation requirements.
- Reorganise teams for fund raising to help purchase the dream/ suitable church or property.
- Working on the key Operational and strategic priorities of the church.
- Recruiting skilled Trustees and Management committee support team to reinforce governance.
- To increase total income by 15-20% whilst reasonably controlling the expenses.

STATUTORY INFORMATION

Members of the Board of Trustees

Members of the Board of Trustees who served as directors during 2024 were:

Abrahaley Mebrahtu
Dr. Semereab Tewolde
Solomon Russom
Yacob Haile
Futsum Kahsa
Berhane GhebreAlfa

Statement of Financial Responsibilities

Charity Law requires the members of the Board of Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity as at the end of the financial year and of its incoming resources and application of resources for that year. It is also the Trustees' responsibility to maintain adequate accounting records, safeguard the assets of the charity, and take reasonable steps in preventing and detecting fraud and other irregularities.

The Trustees are required to:

- Select suitable accounting policies and then apply them consistently.
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- Prepare the accounts on a going concern basis.

By the order of the Board of Trustees

Solomon Russom
Acting Chairman of the Trustees

30 August 2025

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 OCTOBER 2024

	Notes	Unrestricted Fund £	Designated Fund £	Restricted Fund £		TOTAL 2024 £	TOTAL 2023 £
Income from:							
Donations	3	261,583	-	-		**261,583**	**250,841**
Other trading activities:						**-**	**-**
Sale of books & merchandise		8,330	-	-		**8,330**	**16,431**
Rental income		20,731	-	-		**20,731**	**15,596**
Interest Income		18,611	-	-		**18,611**	**8,179**
Other Income		-	-	-	-	**-**	**639**
Total income		**309,255**	**-**	**-**		**309,255**	**291,686**
Expenditure on:							
Charitable activities :							
Cost of charitable activities	4	90,178	-	-		**90,178**	89,426
Trading expenses			-	-			6,857
Governance and administration	5	16,441	-	-		**16,441**	18,864
Total expenditure		**106,619**	**-**	**-**	-	**106,619**	**115,147**
Net income for the year		**202,636**	**-**	**-**		**202,636**	**176,539**
Reconciliation of funds:							
Total funds brought forward		**157,222**	**1,619,899**	**241,820**		**2,018,941**	**1,842,402**
Net movement in funds		202,636	-	-		**202,636**	**176,539**
Transfer of funds				-		**-**	
Total funds carried forward		**359,858**	**1,619,899**	**241,820**		**2,221,577**	**2,018,941**

ERITREAN ORTHODOX CHRISTIAN (ST MICHAEL'S) COMMUNITY CHURCH

STATEMENT OF FINANCIAL ACTIVITIES (Comparative)

FOR THE YEAR ENDED 31 OCTOBER 2023

	Notes	Unrestricted Fund £	Designated Fund £	Restricted Fund £		TOTAL 2023 £	TOTAL 2022 £
Income from:							
Donations	**3**	250,841	-	-		**250,841**	**264,145**
Other trading activities:						**-**	
Sale of books & merchandise		16,431	-	-		**16,431**	**8,005**
Rental income		15,596	-	-		**15,596**	**19,396**
Interest Income		8,179	-	-		**8,179**	**-**
Other Income		639	-	-		**639**	**201**
Total income		**291,686**	**-**	**-**		**291,686**	**291,747**
Expenditure on:							
Charitable activities :							
Cost of charitable activities	**4**	89,426	-	-		**89,426**	**63,537**
Trading expenses		6,857	-	-		**6,857**	**-**
Governance and administration	**5**	18,864	-	-		**18,864**	**20,382**
Total expenditure		**115,147**	**-**	**-**		**115,147**	**83,919**
Net income for the year		**176,539**	**-**	**-**		**176,539**	**207,828**
Reconciliation of funds:							
Total funds brought forward		580,683	1,019,899	241,820		**1,842,402**	**1,634,574**
Net movement in funds		176,539	-	-		**176,539**	**207,828**
Transfer of funds		(600,000)	600,000	-		**-**	
Total funds carried forward		**157,222**	**1,619,899**	**241,820**		**2,018,941**	**1,842,402**

BALANCE SHEET
AS AT 31 OCTOBER 2024

	Notes	2024 £	2024 £	2023 £	2023 £
Fixed assets					
Tangible assets	**15**		398,673		402,956
			398,673		402,956
Current assets					
Debtors	**9**	124,812		31,500	
Treasury deposit		1,485,000		460,151	
Cash at bank and in hand	**16**	217,012		1,126,195	
		1,826,804		1,617,846	
Creditors: amounts falling due within one year	**10**	(3,900)		(1,861)	
Net current assets			1,822,904		1,615,985
Total assets less current liabilities			**2,221,577**		**2,018,941**
Funds					
Unrestricted funds:	**12**		359,858		157,222
Designated funds	**13**		1,619,899		1,619,899
Restricted funds	**11**		241,820		241,820
			2,221,577		**2,018,941**

For the year ending 2024 the charity has taken advantage of the audit exemption conferred by section 477 of the Charity Act 2011. No member has required the charity to obtain an audit of its accounts for the year in question in accordance with section 476.

The trustees acknowledge the responsibility for: (1) Ensuring the charity keeps accounting records which comply with the requirements of the Act; and (2) preparing accounts which give a true and fair view of the state of affairs of the charity as at the of this financial year in accordance with requirements of Companies Act and related Charity Acts so far as applicable to the charity.

The accounts on page 10 to 17 were approved by the trustee on __August 2024 and signed on their behalf by:

Solomon Russom (Treasurer)

Date: 30 August 2024

1. Eritrean Orthodox Christian (St. Michael) Community Church

The Eritrean Orthodox Christian (St. Michael) Community Church is a registered charity with the number 1044068.

The charity qualifies for exemption from the requirement to provide a cash flow statement for the year ended on 31 October 2024.

The trustees neither received any remuneration and reimbursement nor had any related party transactions during the year.

2. Principal Accounting Policies

a) Basis of preparation

The accounts 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 (FRS 102) applicable in the UK and the Republic of Ireland as amended for accounting periods commencing from 1 January 2019. The charity is a Public Benefit Entity as defined by FRS102.

The Accounts have been prepared under the historical cost convention and accrual basis. The principal accounting policies adopted are set out below.

b) Tangible assets - Building costs

Land and buildings are valued at cost. Please refer note 1 item i' and 15 for details.

c) Incoming Resources

Income is recognised in the period in which the charity is entitled to the receipt, and is likely that economic benefits will flow to the charity and the amount can be measured with reasonable certainty. Income is deferred only when the charity has to fulfil conditions before it becomes entitled to it or where the donor has specified that the income is to be expended in a future period. Deferred income is released in the period in which the expenditure is incurred or in the year depreciation is charged to the Statement of Financial Activities.

d) Donations and similar incoming resources

Voluntary income is received by way of donations and gifts and is included in full in the Statement of Financial Activities when received. Donations are accounted for on cash receipt basis unless deferred. A substantial proportion of the income of the charity is derived from voluntary sources which cannot be controlled fully until entered in the accounting records. The accounting procedures are intended to ensure that income received is banked promptly.

The value of services provided by volunteers has not been included as it is difficult to quantify.

e) Grant received

Grants, including grants for the purchase of fixed assets are recognised in full in the Statement of Financial Activities in the year for which they are received.

f) Interest receivable

Interest income is included when received by the charity until end of Oct-2023. However, for the year-end to Oct-2024 and going forward, interest on Treasury account is accrued, as interest rate on the deposit is pre-approved, agreed, and certain to be received. The accrued is checked against actual receipt and necessary adjustment made for the year-end.

g) Resources expended

All expenditures are recognised when there is a legal or constructive obligation to pay for it. All the costs have been directly attributed to one of the functional categories of resources expended in the Statement of Financial Activities.

Direct charitable expenditure includes all expenditure incurred by the charity in a direct pursuit of its objectives.

The charity is not registered for VAT and hence expenditures are shown gross, VAT inclusive.

h) Governance and administration costs

These represent costs incurred by finance, human resources, legal and professional fees attributable to the management of the Church's assets and in compliance with constitutional and statutory requirements.

Governance and administration costs include expenditure that are not directly attributable to the charitable activities and cannot be allocated to direct charitable expenditure with certainty.

i) Capitalisation and depreciation of tangible fixed assets

All tangible fixed assets costing more than five thousand pounds (£5,000) are capitalised.

The charity owns outright the freehold land and building situated at 78 Edmund Street, London, SE5 7NR. The cost of other tangible fixed assets is written off/depreciated by equal instalments over the expected useful lives as follows:

Furniture, fixture, and fittings	4 years
Building	40 years

Tangible fixed assets are depreciated in straight line depreciation method over their useful life.

Except for the freehold land and building, the Charity did not own any other tangible assets on 31 October 2024.

The SORP FRS102 recommends that all buildings should be depreciated for their economic life. For this reason, the charity has depreciated the building costs based on 2.5%.

j) Pension scheme

The Charity became a member of NEST for pension automatic-enrolment effective from 1 April 2016. All eligible employees are automatically enrolled to NEST unless they specifically request to opt-out from the scheme. Employee contributions are deducted at the appropriate rate from each employee and paid to NEST monthly together with the appropriate employer contribution.

k) Operating leases

Operating lease rentals are accounted for over the term of the lease.

3. Donations

	2024 Total Unrestricted £	2023 Total Unrestricted £
Committed giving: (Membership fees+Tithe)	62,737	69,665
Operating community church activities (Wedding, Baptism, community projects)	14,392	7,047
Donations (including collections)	184,454	174,129
	261,583	**250,841**

4. Expenditure on core charitable activities – community church

	2024 Total Unrestricted £	2023 Total unrestricted £
Regular church services (Sunday services and other special events)	54,540	53,691
Reconciliatory and outreach services	15,105	14,045
Sunday school for children	6,844	7,230
Educational support	7,867	8,469
Youth services	5,822	5,991
Total	90,178	89,426

5. Governance and administration costs

	2024	2023
	Total	Total
	Unrestricted	unrestricted
	£	£
Staff costs - administration	3,776	3,511
Church property cost for administration	2,045	2,479
Legal and other professional fees		1,000
Other administration overheads	10,620	11,874
	16,441	18,864

6. Staff costs and Numbers

	2024	2023
	Total	Total
	Unrestricted	unrestricted
	£	£
Gross salaries and wages	73,008	67,906
Social Security costs	621	552
Pension costs	1,898	1,768
	75,527	70,226

The average number of employees during the year are:

	2024	2023
Senior Church officers	2	2
Assistant Church administrators	2	1.5
	4	3.5

7. Trustees' expenses and remuneration

During the year ended on 31 October 2024, the trustees do not receive any kind of payment from the Charity.

8. Depreciation

	2024	2023
	£	£
Depreciation charge	8,433	7,603

9. Debtors

	2024	2023
	£	£
Gift aid tax recoverable	30,400	31,500
Accrued interest income	8,763	-
PAYE balance	736	
Pension (Er cost)	9,913	-
Other debtors (Loan to Debresina Mariyam)	37,500	
Total debtors due within one year	**87,312**	31,500
Due after one year (Loan to Debresina)	37,500	-
Total debtors	**124,812**	31,500

The £30,400 debtor balance was an estimated of the Gift aid tax recoverable from HMRC for the years 2024, (2023: balance was £31,500). Short term loan of £75,000 was advanced to Debresina Mariyam(Newcaslte) in Dec-2023. They paid back £37,500 after the year-end (i.e.£25,000 in Dec-2024 and £12,500 in Aug-2025). The balance £37,500 is expected to be paid back in 2026 and 2027.

The accrued interest income is interest income earned and received after the year-end.

10. Creditors

	2024	2023
	£	£
Trade creditors	1,400	1,000
		(749)
Accruals	1,500	750
		860
Net Wages	1,000	-
Total creditors due within one year	**3,900**	1,861

11. Restricted funds

There was no incoming and outgoing from the restricted fund. However, the balance is a capital grant received for property costs which is already expended in previous years.

	2024 Balance	2023 Balance
Community Fund: Capital funding	**241,820**	£241,820

12. Unrestricted fund

	2024 Total Unrestricted £	2023 Total Unrestricted £
Opening balance November 1, 2023	**157,222**	580,683
Add: Net surplus for the year	**202,636**	176,539
Closing balance before transfers and adjustments	**359,858**	757,222
Less: Transfer to designated fund	**-**	(600,000)
Less: adjustment depreciation	**-**	-
Closing balance as at 31 Oct 2024	**359,858**	157,222

The unrestricted fund in year 2024 is increased by £202,616 which is the net operating surplus (2023: increased by£176,539)

13. Designated fund

The designated fund for the year 2024 is the same as 2023, and it comprises part of the building cost and cash.

	Balance at 01-Nov-23	Cash surplus	Additions	Balance at 31-Oct-24
Designated fund	£1,619,899	-	0	1,619,899
	£1,619,899	-	0	1,619,899

14. Analysis of net assets between funds

	2024		
	Tangible assets	Net current assets	Total
	£	£	£
Restricted funds	241,820	-	**241,820**
Designated funds	156,853	1,463,046	**1,619,899**
Unrestricted funds	-	359,858	**359,858**
	398,673	1,822,904	**2,221,577**

	2023		
	Tangible assets	Net current assets	Total
	£	£	£
Restricted funds	241,820	-	241,820
Designated funds	161,136	1,458,763	1,619,899
Unrestricted funds		157,222	157,222
	402,956	1,615,985	2,018,941

15. Tangible Fixed Assets

	2024 Total £	2023 Total £
Tangible assets		
Opening balance Nov 1, 2023	456,177	456,177
Additions	4,150	-
Depreciation for the year	(8,433)	(7,603)
Cumulated depreciation adjusted	(53,221)	(45,618)
Net book balance as at 31 October 2024	**398,673**	**402,956**

A depreciation charge for 2024 was £8,433 (2023: £7,603).

1. Cash on hand at bank

					2024	2023
Opening balance as of 1st November, 2023	**A/C 01388630**	**A/C 01370642**	**A/C 21586572**	**A/C 21642383**	**Total**	Total
	£1,019,299	£94,526	£8,989	£3,381	**£1,126,195**	£1,415,751
Incoming cash	£272,981	£3,111	£1,367,024	£309,573	***£1,952,689***	£279,406
Outgoing cash	(£1,192,305)	-	(£184,567)		***(£1,376,872)***	(£113,962)
Transfer treasury deposit	-	-	(1,185,000)	(£300,000)	***(1,485,000)***	(£455,000)
Closing balance as of 31 October 2024	**£99,975**	**£97,637**	**£6,446**	**£12,954**	**£217,012**	**£1,126,195**

2. Allocation of property and staff costs to core activities

The property and the staff have contributed towards several activities of the charity. Hence it is important to allocate the costs to appropriate activities, and the following proportion has been made. The trustees believe that to the best of their knowledge the basis shown below is the best estimate they can come up given that it was impractical and costly to track the contribution of each cost categories to the activities.

		Staff costs	Property costs
Activities:			
Core church service		60%	45%
Reconciliation and outreach		20%	-
Sunday school		5%	15%
Education support		5%	20%
Youth service		5%	10%
Governance and administration		5%	10%
		100%	100%

Accounts

Registered Charity No: 1044068

ERITREAN ORTHODOX CHRISTIAN (ST. MICHAEL'S) COMMUNITY CHURCH

ANNUAL REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 OCTOBER 2023

CONTENTS

Secretary	Dr Semere Tewolde
Charity number	1044068 Registered in England and Wales
Registered office	78 Edmund Street London SE5 7NR
Bankers	HSBC Bank PLC Harry Weston Road, Binley Coventry CV3 2TQ
	LLOYDS BANK 1 Silver Street Enfield Middlesex EN1 3EE

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The Trustees believe that the fundamental purpose of the Eritrean orthodox Christian (St. Michael's) Community Church – to advance the Christian religion and relieve poverty and distress from family members – is, *per se*, of benefit to society at large. Faith is important, not just for its intrinsic value to the individual, but because it is so often the motivating factor in enabling people to turn their lives around; and then equipping them to make effective and relevant contributions to society. More specific benefits to the public are demonstrated, either implicitly or explicitly, under the various sections of the report of activities. It is the Trustees' aim constantly to seek ways of increasing the impact and effectiveness of the charity so that they can expand the benefits provided by the charity as widely as possible.

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The officers of the charity have the responsibility of assessing the skills offered by the Board and identifying areas which need strengthening.

Organisation

The charity is based in the United Kingdom and has its church in South London. Its congregation come from all parts of London. The Board of Trustees meets at least quarterly.

The day-to-day running of the charity's is conducted by the Management committee and reports to the trustees every month about the administration and activities of the charity.

2023 Activities and Finance

The year was the first year whereby the impacts of the David-19 pandemic was considerably reduced, and we are back to normal life. The church has conducted it services every Sunday throughout the year with no restrictions. Over ten occasions of Special Saint's services were conducted. The Charity conducted christening and wedding services every Sunday throughout the 2022-2023.

The church relies on volunteers to function. This is not only during the Sunday Service, from welcoming people to helping run the service itself, but beyond that to the mid-week small group. In 2022-23 our church was open for public worship and other gatherings. This was significant moment in the life of our community after the pain of multiple lockdowns. This year was particularly important for our community with children and for our elderly generation.

Our church is keen to offer a range of services during the week and over the course of the year that our community find both beneficial and spiritually fulfilling. For example, church services are conducted for each angels every month and our church are also open for congregation to have a quiet, intimate and reflective time for worship and personal private conversations. During the pandemic our church community has provided support collectively and individually. God bless to those who rise to help vulnerable people in this difficult time. Pastoral care continues as usual helping other is a demonstration of our faith, whether practical, emotional or spiritual.

We also say special thanks to our management team who continued to disseminate our church services and spiritual teachings to wider population using videocall technology. This enabled us to reach to those who are unable to attend the church service due to different reasons.

We delight in our ecumenical links that we have with other Eritrean Orthodox churches in the UK and in particular the close relationship we have with Oriental Orthodox Churches in the UK.

In 2023 the Charity achieved a net operating income of £176,539 (2021: £207,827). The outcome of this year is lower than that of 2022 this is due to increased building maintenance costs to keep it into the required state as well as staff increment was made in arrears for the years where inflationary adjustment was not made on time. The Management Committee main working priority in the year was strengthening the governance of the charity by approaching new trustees with required skills and experience as well as finding a larger property for our church to alleviate the shortage of space which occurs on many occasions.

Plans for 2023/2024

The trustees and the Management Committee plan for the coming year include the following:

- Revising and working on the key strategic priorities of the church.
- Recruiting skilled trustees to strengthen governance.
- To find a large and suitable venue/church to accommodate the service and congregation requirements.
- Once a larger property is identified to conduct a special fund-raising events such as go funding, contacting private donors,…etc to meet the purchase price and costs to suite our needs.
- To increase the income by 10%-15% whilst reasonably controlling the expenses.

STATUTORY INFORMATION

Members of the Board of Trustees

Members of the Board of Trustees who served as directors during 2022 were:

Abrahaley Mebrahtu
Dr. Semere Tewolde
Solomon Russom
Yacob Haile
Fitsum Khasa
Berhane GhebreAlfa

Statement of Financial Responsibilities

Charity Law requires the members of the Board of Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity as at the end of the financial year and of its incoming resources and application of resources for that year. It is also the Trustees' responsibility to maintain adequate accounting records, safeguard the assets of the charity and take reasonable steps in preventing and detecting fraud and other irregularities.

The Trustees are required to:

- Select suitable accounting policies and then apply them consistently.
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- Prepare the accounts on the going concern basis.

By the order of the Board of Trustees

Abrahaley Mebrahtu
Chairman of the trustees

24th August 2024

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF ERITREAN ORTHODOX CHRISTIAN COMMUNITY CHURCH

I report on accounts of the Church for the year ended on 31st October 2023 which are set out on pages from 10 to 20.

Respective responsibilities of the Trustees and the examiner

As the charity's Trustees you are responsible for the preparation of the accounts; you consider that an audit is not required for this period under section 144 of the Charities Act 2011 (the Charities Act) and that an independent examination is needed. It is my responsibility to:

- examine the accounts under section 145 of the Charities Act,
- follow the procedures specified in the General Directions given by the Charity Commissioners under section 145(5)(b) of the Charities Act, and
- to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commissioners. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent examiner's statement

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

- which gives me reasonable cause to believe that in any material respect the requirements are not met.
- that accounting records are not kept in accordance with section 130 of the Charities Act; and
- that the accounts are not prepared in compliance with the accounting requirements of the Charities Act; or
- to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 OCTOBER 2023

	Notes	Unrestricted funds	Designated funds	Restricted funds	Total 2023	Total 2022
		£	£	£	£	£
Income from:						
Donations	3	250,841	-	-	250,841	264,145
Other trading activities:						
Sale of books and merchandise		16,431	-	-	16,431	8,005
Rental income		15,596	-	-	15,596	19,396
Interest Income		8,179	-	-	8,179	-
Other income		639	-	-	639	201
Total Income		291,686	-	-	291,686	291,747
Expenditure on:						
Charitable Activities:						
Cost of charitable activities	4	89,426	-	-	89,426	63,537
Trading expenses		6,857	-	-	6,857	-
Governance and administration	5	18,864	-	-	18,864	20,382
Total expenditure		115,147	-	-	115,147	83,919
Net income for the year		176,539	-	-	176,539	207,828
Reconciliation of funds:						
Total funds brought forward		580,683	1,019,899	241,820	1,842,402	1,634,574
Net movement in funds		176,539	-	-	176,539	207,828
Transfer of funds		(600,000)	600,000	-	-	-
Total funds carried forward		157,222	1,619,899	241,820	2,018,941	1,842,402

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 OCTOBER 2023

COMPARATIVE FIGURE

	Notes	Unrestricted funds £	Designated funds £	Restricted funds £	TOTAL 2022 £	Total 2021 £
Income from:						
Donations	3	264,145	-	-	264,145	235,237
Other trading activities						
Sale of books & merchandises		8,005	-	-	8,005	3,400
Rental income		19,396	-	-	19,396	18,396
Other income		201	-	-	201	39
		291,747	-	-	291,747	257,072
Expenditure on:						
Charitable activities						
Cost of charitable activities	4	63,537	-	-	63,537	68,269
Trading expenses		-	-	-	-	-
Governance and administration	5	20,382	-	-	20,382	22,481
Total expenditure		83,919	-	-	83,919	90,750
Net income for the year		**207,828**	**-**	**-**	**207,828**	166,322
Reconciliation of funds:						
Total funds brought forward on 01/11/2020		372,855	1,019,899	241,820	1,634,574	1,468,252
Total fund balances at 31 October 2021		**580,683**	**1,019,899**	**241,820**	**1,842,402**	1,634,574

BALANCE SHEET
AS AT 31 OCTOBER 2023

	Notes	2023 £	2023 £	2022 £	2022 £
Fixed assets					
Tangible assets	**15**		402,956		410,559
			402,956		410,559
Current assets					
Debtors	**9**	31,500		21,000	
Treasury deposit		460,151			
Cash at bank and in hand	**16**	1,126,195		1,415,751	
		1,617,846		1,436,751	
Creditors: amounts falling due within one year	**10**	(1,861)		(4,908)	
Net current assets			1,615,985		1,431,843
Total assets less current liabilities			**2,018,941**		1,842,402
Funds					
Unrestricted funds:	**12**		157,222		580,683
Designated funds	**13**		1,619,899		1,019,899
Restricted funds	**11**		241,820		241,820
			2,018,941		1,842,402

For the year ending 2023 the charity has taken advantage of the audit exemption conferred by section 477 of the Company Act 2006. No member has required the charity to obtain an audit of its accounts for the year in question in accordance with section 476.

The trustees acknowledge the responsibility for: (1) Ensuring the charity keeps accounting records which comply with the requirements of the Act; and (2) preparing accounts which give a true and fair view of the state of affairs of the charity as at the of this financial year in accordance with requirements of Companies Act and related Charity Acts so far as applicable to the charity.

The accounts on page 10 to 17 were approved by the trustee on 16th August 2024 and signed on their behalf by:

Abrahaley Mebrahtu, Chairman
Date: 24th August 2024

1. Eritrean Orthodox Christian (St. Michael) Community Church

The Eritrean Orthodox Christian (St. Michael) Community Church is a registered charity with the number 1044068.

The charity qualifies for exemption from the requirement to provide a cash flow statement for the year ended on 31 October 2023.

The trustees neither received any remuneration and reimbursement nor had any related party transactions during the year.

2. Principal Accounting Policies

a) Basis of preparation
The accounts 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 (FRS 102) applicable in UK and Republic of Ireland as amended for accounting periods commencing from 1 January 2019. The charity is a Public Benefit Entity as defined by FRS102.

The Accounts have been prepared under the historical cost convention and accrual basis. The principal accounting policies adopted are set out below.

b) Tangible assets - Building costs
Land and building are valued at cost. Please refer note 1 item i' and 15 for details.

c) Incoming Resources
Income is recognised in the period in which the charity is entitled to the receipt and is likely that economic benefits will flow to the charity and the amount can be measured with reasonable certainty. Income is deferred only when the charity has to fulfil conditions before it becomes entitled to it or where the donor has specified that the income is to be expended in a future period. Deferred income is released in the period in which the expenditure is incurred or in the year depreciation is charged to the Statement of Financial Activities.

d) Donations and similar incoming resources
Voluntary income is received by way of donations and gifts and is included in full in the Statement of Financial Activities when received. Donations are accounted for on cash receipt basis unless deferred. A substantial proportion of the income of the charity is derived from voluntary sources which cannot be controlled fully until entered in the accounting records. The accounting procedures are intended to ensure that income received is banked promptly.

The value of services provided by volunteers has not been included as it is difficult to quantify.

e) Grant received

Grants, including grants for the purchase of fixed assets are recognised in full in the Statement of Financial Activities in the year for which they are received.

f) Interest receivable

Interest income is included when received by the charity.

g) Resources expended

All expenditures are recognised when there is a legal or constructive obligation to pay for it. All the costs have been directly attributed to one of the functional categories of resources expended in the Statement of Financial Activities.

Direct charitable expenditure includes all expenditure incurred by the charity in a direct pursuit of its objectives.

The charity is not registered for VAT and hence expenditures are shown gross, VAT inclusive.

h) Governance and administration costs

These represent costs incurred by finance, human resources, legal and professional fees attributable to the management of the Church's assets and in compliance with constitutional and statutory requirements.

Governance and administration costs include expenditure that are not directly attributable to the charitable activities and cannot be allocated to direct charitable expenditure with certainty.

i) Capitalisation and depreciation of tangible fixed assets

All tangible fixed assets costing more than five thousand pounds (£5,000) are capitalised.

The charity owns outright the freehold land and building situated at 78 Edmund Street, London, SE5 7NR. The cost of other tangible fixed assets is written off/depreciated by equal instalments over the expected useful lives as follows:

Furniture, fixture, and fittings	4 years
Building	40 years

Tangible fixed assets are depreciated in straight line depreciation method over their useful life.

Except for the freehold land and building, the Charity did not own any other tangible assets on 31 October 2022.

The SORP FRS102 recommends that all buildings should be depreciated for their economic life. For this reason, the charity has depreciated the building costs based on 2.5%.

j) Pension scheme

The Charity became a member of NEST for pension automatic-enrolment effective from 1 April 2016. All eligible employees are automatically enrolled to NEST unless they specifically request to opt-out from the scheme. Employee contributions are deducted at the appropriate rate from each employee and paid to NEST monthly together with the appropriate employer contribution.

k) Operating leases

Operating lease rentals are accounted for over the term of the lease.

3. Donations

	2023	2022
	Total	Total
	Unrestricted	Unrestricted
	£	£
Committed giving: (Membership fees+Tithe)	69,665	68,336
Operating community church activities (Wedding, Baptism, community projects)	7,047	11,565
Donations (including collections)	174,129	184,244
	250,841	264,145

4. Expenditure on core charitable activities – community church

	2023	2022
	Total	Total
	Unrestricted	unrestricted
	£	£
Regular church services (Sunday services and other special events)	53,691	38,690
Reconciliatory and outreach services	14,045	11,075
Sunday school for children	7,230	4,591
Educational support	8,469	5,198
Youth services	5,991	3,983
Total	89,426	63,537

5. Governance and administration costs

	2023	2022
	Total	Total
	Unrestricted	unrestricted
	£	£
Staff costs - administration	3,511	2,769
Church property cost for administration	2,479	1,215
Legal and other professional fees	1,000	7,200
Other administration overheads	11,874	9,198
	18,864	20,382

6. Staff costs and Numbers

	2023	2022
	Total	Total
	Unrestricted	unrestricted
	£	£
Gross salaries and wages	67,906	53,275
Social Security costs	552	502
Pension costs	1,768	1,598
	70,226	55,375

The average number of employees during the year are:

	2023	2022
Senior Church officers	2	2
Assistant Church administrators	1.5	1.5
	3.5	3.5

7. Trustees' expenses and remuneration

During the year ended on 31 October 2023, the trustees do not receive any kind of payment from the Charity.

8. Depreciation

	2023	2022
	£	£
Depreciation charge	7,603	7,603

9. Debtors

	2023	2022
	£	£
Gift aid tax recoverable	31,500	20,000
Other debtors	-	1,000
Total debtors due within one year	31,500	21,000

The £31,500 Debtor balance was the Gift aid tax recoverable from HMRC of the years from 2018 to 2023 (2022: balance was £20,000).

10. Creditors

	2023	2022
	£	£
Trade creditors	1,000	-
Other creditors	861	4,908
Total creditors due within one year	1,861	4,908

11. Restricted funds

There was no incoming and outgoing from restricted fund. However, the balance is capital grant received for property costs which is already expended in previous years.

	2023	2022
	Balance	Balance
Community Fund: Capital funding	**£241,820**	£241,820

12. Unrestricted fund

	2023	2022
	Total	Total
	Unrestricted	Unrestricted
	£	£
Opening balance November 1, 2022	**580,683**	372,855
Add: Net surplus for the year	**176,539**	207,828
Closing balance before transfers and adjustment	**757,222**	580,683
Less: Transfer to designated fund	**(600,000)**	-
Less: adjustment depreciation	**-**	-
Closing balance as at 31 Oct 2023	**157,222**	580,683

The unrestricted fund in year 2023 is increased by £176,539 which is the net operating surplus for the year (2022: increase by £207,828)

13. Designated fund

The designated fund for year 2023 is the same as 2022 and it comprises part of the building cost and cash.

	Balance at 01-Nov-22	**Cash surplus**	**Additions**	**Balance at 31-Oct-23**
Tangible assets	£1,019,899	-	£600,000	£1,619,899
	£1,019,899	**-**	**£600,000**	**£1,619,899**

14. Analysis of net assets between funds

	2023		
	Tangible assets	**Net current assets**	**Total**
	£	£	£
Restricted funds	241,820	-	241,820
Designated funds	161,136	1,458,763	1,619,899
Unrestricted funds	-	157,222	157,222
	402,956	**1,615,985**	**2,018,941**

	2022		
	Tangible assets	**Net current assets**	**Total**
	£	£	£
Restricted funds	241,820	-	241,820
Designated funds	168,739	851,160	1,019,899
Unrestricted funds		580,683	580,683
	410,559	1,431,843	1,842,402

15. Tangible Fixed assets

	2023	2022
	Total	Total
	£	**£**
Tangible assets – property		
Opening balance Nov 1,2022	456,177	456,177
Additions	-	-
Depreciation for the year	(7,603)	(7,603)
Cumulated depreciation adjusted	(45,618)	(38,015)
Net book balance as at 31 October 2023	**402,956**	410,559

A depreciation charge for 2023 was £7,603 (2022: £7,603).

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16. Cash on hand at bank

	Account Number				2023	2022
	****8630	****0642	****6572	****2383	Total	Total
	£	£	£	£	£	£
Opening balance 01/11/22	**874,376**	**91,697**	**149,325**	**300,353**	**1,415,751**	1,200,949
Incoming cash	226,640	2,829	46,909	3,028	279,406	292,368
Ougoing cash	(81,717)	-	(32,245)		(113,962)	(77,566)
Transfer treasury deposit	-	-	(155,000)	(300,000)	(455,000)	-
Closing balance 31/10/23	**1,019,299**	**94,526**	**8,989**	**3,381**	**1,126,195**	**1,415,751**

17. Allocation of property and staff costs to core activities

The property and the staff have contributed towards several activities of the charity. Hence it is important to allocate the costs to appropriate activities and the following proportion has been made. The trustees believe that to the best of their knowledge the basis shown below is the best estimate they can come up given that it was impractical and costly to track the contribution of each cost categories to the activities.

		Staff costs	Property costs
Activities:			
Core church service		60%	45%
Reconciliation and outreach		20%	-
Sunday school		5%	15%
Education support		5%	20%
Youth service		5%	10%
Governance and administration		5%	10%
		100%	100%

ERITREAN ORTHODOX CHRISTIAN (ST MICHAEL'S) COMMUNITY CHURCH

England & Wales - Charity number 1044068

Accounts

Registered Charity No: 1044068

ERITREAN ORTHODOX CHRISTIAN
(ST. MICHAEL'S)
COMMUNITY CHURCH

ANNUAL REPORT

AND

ACCOUNTS

FOR THE YEAR

ENDED 31 OCTOBER 2022

CONTENTS

Secretary	Dr Semere Tewolde
Charity number	1044068 Registered in England and Wales
Registered office	78 Edmund Street London SE5 7NR
Bankers	HSBC Bank PLC Harry Weston Road, Binley Coventry CV3 2TQ LLOYDS BANK 1 Silver Street Enfield Middlesex EN1 3EE

The Board of Trustees presents its report with the unaudited accounts of Eritrean Orthodox Christian (St Michael's) Community Church for the year ended 31 October 2022. The financial statements have been prepared in accordance with relevant accounting policies and in compliance with the charity's governing document and applicable law – the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and the latest Charities Statement of Recommended Practice (SORP) Financial Reporting Standard 102, as amended as from the year starting 1 January 2019.

Name and Objects

The Eritrean Orthodox Christian (St. Michael's) Community Church is a registered charity in England and Wales, number 1044068.

The Trustees are responsible for the governance of the charity and serve as Trustees of the charity. The Trustees who were in place at year-end and all those who served during the year are set out on pages 4.

The Objects of the charity, as set out in the constitution, are:

- To advance the Christian religion and in particular the Orthodox faith by organising, providing, and developing church services and ancillary religious activities.
- To advance public education along Orthodox Christian lines, particularly in respect of the Eritrean language and culture.
- To relieve poverty and the distress arising from such poverty, sickness, bereavement, or imprisonment of a family member.

Public Benefit

In compliance with their duty under the Charities Act 2011, the Trustees have had due regard to guidance on public benefit published by the Charity Commission. In particular, the Act requires the Trustees to explain how the activities of the charity benefit the public or a section of it.

The Trustees believe that the fundamental purpose of the Eritrean orthodox Christian (St. Michael's) Community Church – to advance the Christian religion and relieve poverty and distress from family members – is, *per se*, of benefit to society at large. Faith is important, not just for its intrinsic value to the individual, but because it is so often the motivating factor in enabling people to turn their lives around; and then equipping them to make effective and relevant contributions to society. More specific benefits to the public are demonstrated, either implicitly or explicitly, under the various sections of the report of activities. It is the Trustees' aim constantly to seek ways of increasing the impact and effectiveness of the charity so that they can expand the benefits provided by the charity as widely as possible.

Appointment and induction of Trustees

Every three years the Management Committee may appoint new Trustees from amongst the membership of the charity. At the third of their term, Trustees must retire from office but may be re-elected by members of the charity. Any person who subscribes to the objects may become a member of the charity, subject to their willingness and fitness for purpose.

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The officers of the charity have the responsibility of assessing the skills offered by the Board and identifying areas which need strengthening.

Organisation

The charity is based in the United Kingdom and has its church in South London. Its congregation come from all parts of London. The Board of Trustees meets at least quarterly.

The day-to-day running of the charity's is conducted by the Management committee and reports to the trustees every month about the administration and activities of the charity.

2022 Activities and Finance

The year was another significantly impacted by the local and global impacts of the David-19 pandemic. The impacts included months when we were unable to open fully give church services. The church despite some restrictions has made utmost efforts to provide normal church services every Sunday throughout the year. In addition, over ten occasions of Special Saint's services were conducted. The Charity conducted christening and wedding services every Sunday throughout the 2022.

The church relies on volunteers to function. This is not only during the Sunday Service, from welcoming people to helping run the service itself, but beyond that to the mid-week small group. For the first half of the year, we used virtual means for disseminating our Sunday services but after August 2021 we re-open our building for public worship and other gatherings. This was significant moment in the life of our community after the pain of multiple lockdowns. Re-opening was particularly important for our community with children and for our elderly generation.

Our church is keen to offer a range of services during the week and over the course of the year that our community find both beneficial and spiritually fulfilling. For example, church services are conducted for each angels every month and our church are also open for congregation to have a quiet, intimate and reflective time for worship and personal private conversations. During the pandemic our church community has provided support collectively and individually. God bless to those who rise to help vulnerable people in this difficult time. Pastoral care continues as usual helping other is a demonstration of our faith, whether practical, emotional or spiritual.

We also say special thanks to our management team who were able to continue our church services by quickly disseminating it to wider population using videocall technology. This knowledge has enabled us to reach to those who are unable to attend the church service even after this lockdown is over.

We delight in our ecumenical links that we have with other Eritrean Orthodox churches in the UK and in particular the close relationship we have with Oriental Orthodox Churches in the UK.

In 2022 the Charity achieved a net operating income of £207,827 (2021: £166,322). The outcome of this is higher than 2021 and this is due to our congregation and church attendants made more donations than they did in the previous year as the church was open for public without any restriction. The Management Committee main working priority in the year was strengthening the governance of the charity by approaching new trustees with required skills and experience as well as finding a larger property for our church to alleviate the shortage of space which occurs on many occasions.

Plans for 2022/2023

The trustees and the Management Committee plan for the coming year include the following:

- Revising and working on the key strategic priorities of the church.
- Recruiting skilled trustees and Management committee members to strengthen governance.
- To find a large and suitable venue/church to accommodate the service and congregation requirements.
- To do special fund raising to purchase the said larger property/ church.
- To increase the income by 10%-15% whilst reasonably controlling the expenses.

STATUTORY INFORMATION

Members of the Board of Trustees

Members of the Board of Trustees who served as directors during 2022 were:

Abrahaley Mebrahtu
Dr. Semere Tewolde
Solomon Russom
Yacob Haile
Fitsum Khasa
Berhane GhebreAlfa

Statement of Financial Responsibilities

Charity Law requires the members of the Board of Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity as at the end of the financial year and of its incoming resources and application of resources for that year. It is also the Trustees' responsibility to maintain adequate accounting records, safeguard the assets of the charity and take reasonable steps in preventing and detecting fraud and other irregularities.

The Trustees are required to:

- Select suitable accounting policies and then apply them consistently.
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- Prepare the accounts on the going concern basis.

By the order of the Board of Trustees

Abrahaley Mebrahtu
Chairman of the trustees

16th September 2023

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF ERITREAN ORTHODOX CHRISTIAN COMMUNITY CHURCH

I report on accounts of the Church for the year ended on 31st October 2022 which are set out on pages from 10 to 20.

Respective responsibilities of the Trustees and the examiner
As the charity's Trustees you are responsible for the preparation of the accounts; you consider that an audit is not required for this period under section 144 of the Charities Act 2011 (the Charities Act) and that an independent examination is needed. It is my responsibility to:

- examine the accounts under section 145 of the Charities Act,
- follow the procedures specified in the General Directions given by the Charity Commissioners under section 145(5)(b) of the Charities Act, and
- to state whether particular matters have come to my attention.

Basis of independent examiner's report
My examination was carried out in accordance with the General Directions given by the Charity Commissioners. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent examiner's statement
In connection with my examination, no matter has come to my attention:

- which gives me reasonable cause to believe that in any material respect the requirements are not met.
- that accounting records are not kept in accordance with section 130 of the Charities Act; and
- that the accounts are not prepared in compliance with the accounting requirements of the Charities Act; or
- to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

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STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YER ENDED 31 OCTOBER 2022

	Notes	Unrestricted funds £	Designated funds £	Restricted funds £	Total 2022 £	Total 2021 £
Income from:						
Donations	3	264,145	-	-	264,145	235,237
Other trading activities						
Sale of books & merchandises		8,005	-	-	8,005	3,400
Rental income		19,396	-	-	19,396	18,396
Other income		201	-	-	201	39
Total income		**291,747**	**-**	**-**	**291,747**	257,072
				-		
Expenditure on:						
Charitable activities						
Cost of charitable activities	4	63,537	-	-	63,537	68,269
Trading expenses		-	-	-	-	-
Governance and administration	5	20,382	-	-	20,382	22,481
Total expenditure		**83,919**	**-**	**-**	**83,919**	90,750
				-		
Net income for the year		**207,828**	**-**	**-**	**207,828**	166,322
				-		
Reconciliation of funds:						
Total funds brought forward- 01/11/2021		372,855	1,019,899	241,820	1,634,574	1,468,252
Total fund balances at 31 October 2022		**580,683**	**1,019,899**	**241,820**	**1,842,402**	**1,634,574**

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 OCTOBER 2021

COMPARATIVE FIGURE

	Notes	Unrestricted funds £	Designated funds £	Restricted funds £	TOTAL 2021 £	Total 2020 £
Income from:						
Donations	3	235,237	-	-	235,237	195,594
Other trading activities						
Sale of books & merchandises		3,400	-	-	3,400	16,682
Rental income		18,396	-	-	18,396	18,463
Other income		39	-	-	39	27
		257,072	-	-	257,072	230,766
Expenditure on:						
Charitable activities						
Cost of charitiable activities	4	68,269	-	-	68,269	78,198
Trading expenses		-	-	-	-	140
Governance and administration	5	22,481	-	-	22,481	7,819
Total expenditure		90,750	-	-	90,750	86,157
Net income for the year		**166,322**	**-**	**-**	**166,322**	144,609
Reconciliation of funds:						
Total funds brought forward on 01/11/2020		206,533	1,019,899	241,820	1,468,252	1,323,643
Total fund balances at 31 October 2021		**372,855**	**1,019,899**	**241,820**	**1,634,574**	1,468,252

BALANCE SHEET
AS AT 31 OCTOBER 2022

	Notes	**2022** £	**2022** £	2021 £	2021 £
Fixed assets					
Tangible assets	**15**		410,559		418,162
			410,559		418,162
Current assets					
Debtors	**9**	21,000		22,765	
Cash at bank and in hand	**16**	1,415,751		1,200,949	
		1,436,751		1,223,156	
Creditors: amounts falling due within one year	**10**	(4,908)		(7,302)	
Net current assets			1,431,843		1,216,412
Total assets less current liabilities			**1,842,402**		1,634,574
Funds					
Unrestricted funds:	**12**		580,683		372,855
Designated funds	**13**		1,019,899		1,019,899
Restricted funds	**11**		241,820		241,820
			1,842,402		1,634,574

For the year ending 2022 the charity has taken advantage of the audit exemption conferred by section 477 of the Company Act 2006. No member has required the charity to obtain an audit of its accounts for the year in question in accordance with section 476.

The trustees acknowledge the responsibility for: (1) Ensuring the charity keeps accounting records which comply with the requirements of the Act; and (2) preparing accounts which give a true and fair view of the state of affairs of the charity as at the of this financial year in accordance with requirements of Companies Act and related Charity Acts so far as applicable to the charity.

The accounts on page 10 to 17 were approved by the trustee on 16th September 2023 and signed on their behalf by:

Abrahaley Mebrahtu, Chairman
Date: 16th September 2023

1. Eritrean Orthodox Christian (St. Michael) Community Church

The Eritrean Orthodox Christian (St. Michael) Community Church is a registered charity with the number 1044068.

The charity qualifies for exemption from the requirement to provide a cash flow statement for the year ended on 31 October 2022.

The trustees neither received any remuneration and reimbursement nor had any related party transactions during the year.

2. Principal Accounting Policies

a) Basis of preparation
The accounts 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 (FRS 102) applicable in UK and Republic of Ireland as amended for accounting periods commencing from 1 January 2019. The charity is a Public Benefit Entity as defined by FRS102.

The Accounts have been prepared under the historical cost convention and accrual basis. The principal accounting policies adopted are set out below.

b) Tangible assets - Building costs
Land and building are valued at cost. Please refer note (i) and 15 for details.

c) Incoming Resources
Income is recognised in the period in which the charity is entitled to the receipt and is likely that economic benefits will flow to the charity and the amount can be measured with reasonable certainty. Income is deferred only when the charity has to fulfil conditions before it becomes entitled to it or where the donor has specified that the income is to be expended in a future period. Deferred income is released in the period in which the expenditure is incurred or in the year depreciation is charged to the Statement of Financial Activities.

d) Donations and similar incoming resources
Voluntary income is received by way of donations and gifts and is included in full in the Statement of Financial Activities when received. Donations are accounted for on cash receipt basis unless deferred. A substantial proportion of the income of the charity is derived from voluntary sources which cannot be controlled fully until entered in the accounting records. The accounting procedures are intended to ensure that income received is banked promptly.

The value of services provided by volunteers has not been included as it is difficult to quantify.

e) Grant received
Grants, including grants for the purchase of fixed assets are recognised in full in the Statement of Financial Activities in the year for which they are received.

f) Interest receivable
Interest income is included when received by the charity.

g) Resources expended
All expenditures are recognised when there is a legal or constructive obligation to pay for it. All the costs have been directly attributed to one of the functional categories of resources expended in the Statement of Financial Activities.

Direct charitable expenditure includes all expenditure incurred by the charity in a direct pursuit of its objectives.

The charity is not registered for VAT and hence expenditures are shown gross, VAT inclusive.

h) Governance and administration costs
These represent costs incurred by finance, human resources, legal and professional fees attributable to the management of the Church's assets and in compliance with constitutional and statutory requirements.

Governance and administration costs include expenditure that are not directly attributable to the charitable activities and cannot be allocated to direct charitable expenditure with certainty.

i) Capitalisation and depreciation of tangible fixed assets
All tangible fixed assets costing more than five thousand pounds (£5,000) are capitalised.

The charity owns outright the freehold land and building situated at 78 Edmund Street, London, SE5 7NR. The cost of other tangible fixed assets is written off/depreciated by equal instalments over the expected useful lives as follows:

Furniture, fixture, and fittings	4 years
Building	40 years

Tangible fixed assets are depreciated in straight line depreciation method over their useful life.

Except for the freehold land and building, the Charity did not own any other tangible assets on 31 October 2022.

The SORP FRS102 recommends that all buildings should be depreciated for their economic life. For this reason, the charity has depreciated the building costs based on 2.5%.

j) Pension scheme
The Charity became a member of NEST for pension automatic-enrolment effective from 1 April 2016. All eligible employees are automatically enrolled to NEST unless they specifically request to opt-out from the scheme. Employee contributions are deducted at the appropriate rate from each employee and paid to NEST monthly together with the appropriate employer contribution.

k) Operating leases

Operating lease rentals are accounted for over the term of the lease.

3. Donations

	2022 Total Unrestricted £	2021 Total Unrestricted £
Committed giving: (Membership fees+Tithe)	68,336	78,692
Operating community church activities (Wedding, Baptism, community projects)	11,565	14,574
Donations (including collections)	184,244	141,971
	264,145	235,237

4. Expenditure on core charitable activities – community church

	2022 Total Unrestricted £	2021 Total unrestricted £
Regular church services (Sunday services and other special events)	38,690	41,045
Reconciliatory and outreach services	11,075	11,057
Sunday school for children	4,591	5,389
Educational support	5,198	6,264
Youth services	3,983	4,514
Total	63,537	68,269

5. Governance and administration costs

	2022 Total Unrestricted £	2021 Total unrestricted £
Staff costs - administration	2,769	2,764
Church property cost for administration	1,215	1,750
Legal and other professional fees	7,200	9,600
Other administration overheads	9,198	8,367
	20,382	22,481

6. Staff costs and Numbers

	2022 Total Unrestricted £	2021 Total unrestricted £
Gross salaries and wages	53,275	53,275
Social Security costs	502	409
Pension costs	1,598	1,598
	55,375	55,283

The average number of employees during the year are:

	2022	2021
Senior Church officers	2	2
Assistant Church administrators	1,5	1,5
	3.5	3.5

7. Trustees' expenses and remuneration

During the year ended on 31 October 2022, the trustees do not receive any kind of payment from the Charity.

8. Depreciation

	2022	2021
	£	£
Depreciation charge	7,603	7,603

9. Debtors

	2022	2021
	£	£
Gift aid tax recoverable	20,000	17,234
Trade debtors	-	2,447
Other debtors	1,000	3,084
Due from sister church	-	-
Total debtors due within one year	21,000	22,765

The £20,000 Debtor balance was the Gift aid tax recoverable from HMRC of the years from 2018 to 2022 (2021: balance was £17,234).

10. Creditors

	2022	2021
	£	£
Trade creditors	-	600
Other creditors	4,908	6,701
Total creditors due within one year	4,908	7,301

11. Restricted funds

There was no incoming and outgoing from restricted fund. However, the balance is capital grant received for property costs which is already expended in previous years.

	2022	2021
	Balance	Balance
Community Fund: Capital funding	**£241,820**	£241,820

12. Unrestricted fund

	2022	2021
	Total	Total
	Unrestricted	Unrestricted
	£	£
Opening balance November 1, 2021	**372,855**	206,533
Add: Net surplus for the year	**207,828**	166,322
Closing balance before transfers and adjustment	**580,683**	372,855
Less: Transfer to designated fund	**-**	-
Less: adjustment depreciation	**-**	-
Closing balance as at 31 Oct 2022	**580,683**	372,855

The unrestricted fund in year 2022 is increased by £207,828 which is the net operating surplus (2021: increase by £166,322)

13. Designated fund

The designated fund for year 2022 is the same as 2021 and it comprises part of the building cost and cash.

	Balance at 01-Nov-21	**Cash surplus**	**Additions**	**Balance at 31-Oct-22**
Tangible assets	£1,019,899	-	-	£1,019,899
	£1,019,899	-		£1,019,899

14. Analysis of net assets between funds

2022

	Tangible assets	Net current assets	Total
	£	£	£
Restricted funds	241,820	-	241,820
Designated funds	168,739	851,160	1,019,899
Unrestricted funds	-	580,683	580,683
	410,559	1,431,843	1,842,402

2021

	Tangible assets	Net current assets	Total
	£	£	£
Restricted funds	241,820	-	241,820
Designated funds	176,342	843,557	1,019,899
Unrestricted funds		372,855	372,855
	418,162	1,216,412	1,634,574

15. Tangible Fixed assets

	2022 Total £	2021 Total £
Tangible assets – property		
Opening balance Nov 1,2021	456,177	456,177
Additions	-	-
Depreciation for the year	(7,603)	(7,603)
Cumulated depreciation adjusted	(38,015)	(30,412)
Net book balance as at 31 October 2022	**410,559**	**418,162**

A depreciation charge for 2022 was £7,603 (2021: £7,603).

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16. Cash on hand at bank

	A/C 01388630	A/C 01370642	A/C 21586572	A/C 21642383	2022 Total	2021 Total
Opening balance as at	£	£	£	£	£	£
November 1, 2021	692,528	89,690	118,560	300,040	1,200,949	986,810
Incoming cash	235,036	2,008	55,011	313	292,368	326,713
Outgoing cash	(53,187)	-	(24,246)	-	(77,433)	(112,705)
Cash at hand	-	-	-	-	-	131
Closing balance as at 31 October 2022	874,376	91,697	149,325	300,353	1,415,751	1,200,949

17. Allocation of property and staff costs to core activities

The property and the staff have contributed towards several activities of the charity. Hence it is important to allocate the costs to appropriate activities and the following proportion has been made. The trustees believe that to the best of their knowledge the basis shown below is the best estimate they can come up given that it was impractical and costly to track the contribution of each cost categories to the activities.

		Staff costs	Property costs
Activities:			
Core church service		60%	45%
Reconciliation and outreach		20%	-
Sunday school		5%	15%
Education support		5%	20%
Youth service		5%	10%
Governance and administration		5%	10%
		100%	100%

Accounts

Registered Charity No: 1044068

ERITREAN ORTHODOX CHRISTIAN
(ST. MICHAEL'S)
COMMUNITY CHURCH

ANNUAL REPORT

AND

UNAUDITED ACCOUNTS

FOR THE YEAR

ENDED 31 OCTOBER 2021

CONTENTS

Members of the Board of Trustees at 31 October 2021

Secretary	Dr Semere Tewolde
Charity number	1044068 Registered in England and Wales
Registered office	78 Edmund Street London SE5 7NR
Bankers	HSBC Bank PLC Harry Weston Road, Binleyl Coventry CV3 2TQ LLOYDS BANK 1 Silver Street Enfield Middlesex EN1 3EE

The Board of Trustees presents its report with the unaudited accounts of Eritrean Orthodox Christian (St Michael's) Community Church for the year ended 31 October 2021. The financial statements have been prepared in accordance with relevant accounting policies and in compliance with the charity's governing document and applicable law – the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and the latest Charities Statement of Recommended Practice (SORP) Financial Reporting Standard 102, as amended as from the year starting 1 January 2019.

Name and Objects

The Eritrean Orthodox Christian (St. Michael's) Community Church is a registered charity in England and Wales, number 1044068.

The Trustees are responsible for the governance of the charity and serve as Trustees of the charity. The Trustees who were in place at year-end and all those who served during the year are set out on pages 4.

The Objects of the charity, as set out in the constitution, are:

- To advance the Christian religion and in particular the Orthodox faith by organising, providing, and developing church services and ancillary religious activities.
- To advance public education along Orthodox Christian lines, particularly in respect of the Eritrean language and culture.
- To relieve poverty and the distress arising from such poverty, sickness, bereavement, or imprisonment of a family member.

Public Benefit

In compliance with their duty under the Charities Act 2011, the Trustees have had due regard to guidance on public benefit published by the Charity Commission. In particular, the Act requires the Trustees to explain how the activities of the charity benefit the public or a section of it.

The Trustees believe that the fundamental purpose of the Eritrean orthodox Christian (St. Michael's) Community Church – to advance the Christian religion and relieve poverty and distress from family members – is, *per se*, of benefit to society at large. Faith is important, not just for its intrinsic value to the individual, but because it is so often the motivating factor in enabling people to turn their lives around; and then equipping them to make effective and relevant contributions to society. More specific benefits to the public are demonstrated, either implicitly or explicitly, under the various sections of the report of activities. It is the Trustees' aim constantly to seek ways of increasing the impact and effectiveness of the charity so that they can expand the benefits provided by the charity as widely as possible.

Appointment and induction of Trustees

Every three years the Management Committee may appoint new Trustees from amongst the membership of the charity. At the third of their term, Trustees must retire from office but may be re-elected by members of the charity. Any person who subscribes to the objects may become a member of the charity, subject to their willingness and fitness for purpose.

The Management Committee is responsible for identifying and proposing potential new Trustees. The Committee gives relevant information to potential candidates, and induction and training as appropriate to newly elected Trustees.

The officers of the charity have the responsibility of assessing the skills offered by the Board and identifying areas which need strengthening.

Organisation

The charity is based in the United Kingdom and has its church in South London. Its congregation come from all parts of London. The Board of Trustees meets at least quarterly.

The day-to-day running of the charity's is conducted by the Management committee and reports to the trustees every month about the administration and activities of the charity.

2021 Activities and Finance

The year was a hard year to summarise. The constant uncertainty, lockdowns, restrictions, and changes of guidance have made everyday life and the worshipping life of the church complex. We've had to come to terms to the ongoing nature of the pandemic, making any plans provisional with the constant possibility of change. By complying with the legal prevention guidelines, the church has had provided normal church services every Sunday throughout the year. In addition, over twenty occasions of Special Saint's services were conducted. The Charity conducted christening and wedding services every Sunday throughout the 2020/2021 by following the lockdown guidelines. However, we appear to be emerging and with booster jabs and such more normal life is ahead.

In the positive side, some of our volunteers, priests and deacons had done a remarkable work to our community by helping the elderly and disabled by doing their shopping, supporting them via telephone and assisting the bereaved ones. God bless to those who rise to help vulnerable people for the second continuing year. The pandemic has been with us longer than most of us expected a year ago but as it happened, we can only say: Gratitude and Grace. Thanks to our management team who were able to continue our church services by quickly disseminating it to wider population using videocall technology. This knowledge has enabled us to reach to those who are unable to attend the church service even after this lockdown is over.

This year the church has reached more congregations through media live streams in the Facebook and it is an innovative year where those who are unable to come to church found a simply way to follow our church services being at home.

The church also has developed a close relationship with Oriental Orthodox Churches in the UK.

In 2021 the Charity achieved a net operating income of £166,523(2020: £144,609). The outcome of this is higher than 2020 and this is due to our congregation and church attendants made more donations than they did in the previous year. The Management Committee main working priority in the year was strengthening the governance of the charity by approaching new trustees with required skills and experience, as well as finding a larger property for our church to alleviate the shortage of space which occurs on many occasions, especially on special festive celebration days.

Plans for 2021/2022

The trustees and the Management Committee plan for 2021/22 include the following:

- Revising and working on the key strategic priorities of the church.
- Recruiting skilled trustees and Management committee members to strengthen governance.
- To find a large and suitable venue/church to accommodate the service and congregation requirements.
- To do special fund raising to purchase the said larger property/ church.
- To increase the income by 10%-15% whilst reasonably controlling the expenses.

At the time of writing this report the trustees has identified a suitable large property for our church and they are in the process of making a due diligence work and negotiations to secure the purchase of the property.

STATUTORY INFORMATION

Members of the Board of Trustees

Members of the Board of Trustees who served as directors during 2021 were:

Abrahaley Mebrahtu
Dr. Semere Tewolde
Solomon Russom
Yacob Haile
Fitsum Khasa
Berhane Gebrealfa

Statement of Financial Responsibilities

Charity Law requires the members of the Board of Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity as at the end of the financial year and of its incoming resources and application of resources for that year. It is also the Trustees' responsibility to maintain adequate accounting records, safeguard the assets of the charity and take reasonable steps in preventing and detecting fraud and other irregularities.

The Trustees are required to:

- Select suitable accounting policies and then apply them consistently.
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- Prepare the accounts on the going concern basis.

By the order of the Board of Trustees

Abrahaley Mebrahtu
Chairman of the trustees

7th April 2023

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 OCTOBER 2021

	Notes	Unrestricted funds £	Designated funds £	Restricted funds £	Total 2021 £	Total 2020 £
Income from:						
Donations	3	235,438	-	-	235,438	195,594
Other trading activities						
Sale of books & merchandises		3,400	-	-	3,400	16,682
Rental income		18,396	-	-	18,396	18,463
Other income		39	-	-	39	27
Total income		**257,273**	**-**	**-**	**257,273**	230,766
				-		
Expenditure on:						
Charitable activities						
Cost of charitable activities	4	77,869	-	-	77,869	78,198
Trading expenses		-	-	-	-	140
Governance and administration	5	12,881	-	-	12,881	7,819
Total expenditure		**90,750**	**-**	**-**	**90,750**	86,157
				-		
Net income for the year		**166,523**	**-**	**-**	**166,523**	144,609
				-		
Reconciliation of funds:						
Total funds brought forward- 01/11/2020		206,533	1,019,899	241,820	1,468,252	1,323,643
Total fund balances at 31 October 2021		**373,056**	**1,019,899**	**241,820**	**1,634,775**	**1,468,252**

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 OCTOBER 2020

COMPARATIVE FIGURE

	Notes	Unrestricted funds £	Designated funds £	Restricted funds £	Total 2020 £	Total 2019 £
Income from:						
Donations	3	195,594	-	-	195,594	196,233
Other trading activities						
Sale of books & merchandises		16,682	-	-	16,682	4,367
Rental income		18,463	-	-	18,463	11,630
Other income		27	-	-	27	5
Total income		**230,766**	**-**	**-**	**230,766**	212,235
				-		
Expenditure on:						
Charitable activities						
Cost of charitable activities	4	78,198	-	-	78,198	87,582
Trading expenses		140	-	-	140	1,008
Governance and administration	5	7,819	-	-	7,819	9,694
Total expenditure		**86,157**	**-**	**-**	**86,157**	98,284
				-		
Net income for the year		**144,609**	**-**	**-**	**144,609**	113,951
				-		
Reconciliation of funds:						
Total funds brought forward- 01/11/2019		61,924	1,019,899	241,820	1,323,643	1,209,692
Total fund balances at 31 October 2020		**206,533**	**1,019,899**	**241,820**	**1,468,252**	1,323,643

BALANCE SHEET
AS AT 31 OCTOBER 2021

	Notes	2021 £	2021 £	2020 £	2020 £
Fixed assets					
Tangible assets	**15**		418,162		425,765
			418,162		425,765
Current assets					
Debtors	**9**	20,225		55,677	
Cash at bank and in hand	**16**	1,200,949		986,810	
		1,221, 174		1,042,487	
Creditors: amounts falling due within one year	**10**	(4,561)		-	
Net current assets			1,216,613		1,042,487
Total assets less current liabilities			**1,634,775**		1,468,252
Funds					
Unrestricted funds:	**12**		373,056		206,533
Designated funds	**13**		1,019,899		1,019,899
Restricted funds	**11**		241,820		241,820
			1,634,775		1,468,252

For the year ending 2021 the charity has taken advantage of the audit exemption conferred by section 477 of the Company Act 2006. No member has required the charity to obtain an audit of its accounts for the year in question in accordance with section 476.

The trustees acknowledge the responsibility for: (1) Ensuring the charity keeps accounting records which comply with the requirements of the Act; and (2) preparing accounts which give a true and fair view of the state of affairs of the charity as at the of this financial year in accordance with requirements of Companies Act and related Charity Acts so far as applicable to the charity.

The accounts on page 10 to 17 were approved by the trustee on 7th April 2023 and signed on their behalf by:

Abrahaley Mebrahtu, Chairman
Date: 7th April 2023

1. Eritrean Orthodox Christian (St. Michael) Community Church

The Eritrean Orthodox Christian (St. Michael) Community Church is a registered charity with the number 1044068.

The charity qualifies for exemption from the requirement to provide a cash flow statement for the year ended on 31 October 2021.

The trustees neither received any remuneration and reimbursement nor had any related party transactions during the year.

2. Principal Accounting Policies

a) Basis of preparation
The accounts 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 (FRS 102) applicable in UK and Republic of Ireland as amended for accounting periods commencing from 1 January 2019. The charity is a Public Benefit Entity as defined by FRS102.

The Accounts have been prepared under the historical cost convention and accrual basis. The principal accounting policies adopted are set out below.

b) Tangible assets - Building costs
Land and building are valued at cost. Please refer note (i) and 15 for details.

c) Incoming Resources
Income is recognised in the period in which the charity is entitled to the receipt and is likely that economic benefits will flow to the charity and the amount can be measured with reasonable certainty. Income is deferred only when the charity has to fulfil conditions before it becomes entitled to it or where the donor has specified that the income is to be expended in a future period. Deferred income is released in the period in which the expenditure is incurred or in the year depreciation is charged to the Statement of Financial Activities.

d) Donations and similar incoming resources
Voluntary income is received by way of donations and gifts and is included in full in the Statement of Financial Activities when received. Donations are accounted for on cash receipt basis unless deferred. A substantial proportion of the income of the charity is derived from voluntary sources which cannot be controlled fully until entered in the accounting records. The accounting procedures are intended to ensure that income received is banked promptly.

The value of services provided by volunteers has not been included as it is difficult to quantify.

e) Grant received
Grants, including grants for the purchase of fixed assets are recognised in full in the Statement of Financial Activities in the year for which they are received.

f) Interest receivable
Interest income is included when received by the charity.

g) Resources expended
All expenditures are recognised when there is a legal or constructive obligation to pay for it. All the costs have been directly attributed to one of the functional categories of resources expended in the Statement of Financial Activities.

Direct charitable expenditure includes all expenditure incurred by the charity in a direct pursuit of its objectives.

The charity is not registered for VAT and hence expenditures are shown gross, VAT inclusive.

h) Governance and administration costs
These represent costs incurred by finance, human resources, legal and professional fees attributable to the management of the Church's assets and in compliance with constitutional and statutory requirements.

Governance and administration costs include expenditure that are not directly attributable to the charitable activities and cannot be allocated to direct charitable expenditure with certainty.

i) Capitalisation and depreciation of tangible fixed assets
All tangible fixed assets costing more than five thousand pounds (£5,000) are capitalised.

The charity owns outright the freehold land and building situated at 78 Edmund Street, London, SE5 7NR. The cost of other tangible fixed assets is written off/depreciated by equal instalments over the expected useful lives as follows:

Furniture, fixture, and fittings	4 years
Building	40 years

Tangible fixed assets are depreciated in straight line depreciation method over their useful life.

Except for the freehold land and building, the Charity did not own any other tangible assets on 31 October 2021.

The SORP FRS102 recommends that all buildings should be depreciated for their economic life. For this reason, the charity has depreciated the building costs based on 2.5%.

j) Pension scheme
The Charity became a member of NEST for pension automatic-enrolment effective from 1 April 2016. All eligible employees are automatically enrolled to NEST unless they specifically request to opt-out from the scheme. Employee contributions are deducted at the appropriate rate from each employee and paid to NEST monthly together with the appropriate employer contribution.

k) Operating leases

Operating lease rentals are accounted for over the term of the lease.

3. Donations

	2021	2020
	Total	Total
	Unrestricted	Unrestricted
	£	£
Committed giving: (MembershipFees+Tithe)	78,692	51,882
Operating community church activities (Wedding, Baptism, community projects)	14,574	21,341
Donations (including collections)	142,172	122,371
	235,438	195,594

4. Expenditure on core charitable activities – community church

	2021	2020
	Total	Total
	Unrestricted	unrestricted
	£	£
Regular church services (Sunday services and other special events)	47,285	46,702
Reconciliatory and outreach services	12,977	12,163
Sunday school for children	5,869	6,445
Educational support	6,744	7,579
Youth services	4,994	5,309
Total	77,869	78,198

5. Governance and administration costs

	2021 Total Unrestricted £	2020 Total unrestricted £
Staff costs - administration	2,764	3,041
Church property cost for administration	1,750	2,269
Legal and other professional fees	-	1,524
Other administration overheads	8,367	985
	12,881	7,819

6. Staff costs and Numbers

	2021 Total Unrestricted £	2020 Total unrestricted £
Gross salaries and wages	62,875	55,371
Social Security costs	409	2,335
Pension costs	1,598	3,109
	64,882	60,815

The average number of employees during the year are:

	2021	2020
Senior Church officers	2	2
Assistant Church administrators	1.5	1.5
	3.5	3.5

7. Trustees' expenses and remuneration

During the year ended on 31 October 2021, the trustees do not receive any kind of payment from the Charity.

8. Depreciation

	2021	2020
	£	£
Depreciation charge	7,603	7,603

9. Debtors

	2021	2020
	£	£
Gift aid tax recoverable	17,234	16,677
Trade debtors	2,447	-
Other debtors	544	-
Due from sister church	-	39,000
Total debtors due within one year	20,225	55,677

The £17,234 debtor balance shown above is the Gift aid tax recoverable from HMRC of the years 2018, 2019 and 2020 (2020: balance was £16,677).

10. Creditors

	2021	2020
	£	£
Trade creditors	600	-
Other creditors	1,100	-
PAYE & NIC Taxes	673	
Pension Payable	2,188	
Total creditors due within one year	4,561	-

11. Restricted funds

There was no incoming and outgoing from restricted fund. However, the balance is capital grant received for property costs which is already expended in previous years.

	2021	2020
	Balance	Balance
Community Fund: Capital funding	**£241,820**	£241,820

12. Unrestricted fund

	2021	2020
	Total	Total
	Unrestricted	Unrestricted
	£	£
Opening balance November 1, 2020	**206,533**	61,924
Add: Net surplus for the year	**166,523**	144,609
Closing balance before transfers and adjustment	**373,056**	206,533
Less: Transfer to designated fund	**-**	-
Less: adjustment depreciation	**-**	-
Closing balance as at 31 Oct 2021	**373,056**	206,533

The unrestricted fund in year 2021 has increased by £166,523-the net operating surplus gained (2020: increase by £144,609)

13. Designated fund

The designated fund for year 2021 is the same as 2020 and it comprises part of the building cost and cash.

	Balance at 01-Nov-20	**Cash surplus**	**Additions**	**Balance at 31-Oct-21**
Tangible assets	£1,019,899	-	-	£1,019,899
	£1,019,899	-		£1,019,899

14. Analysis of net assets between funds

	2021		
	Tangible assets	**Net current assets**	**Total**
	£	£	£
Restricted funds	241,820	-	241,820
Designated funds	176,342	843,557	1,019,899
Unrestricted funds	-	373,056	373,056
	418,162	1,216,613	1,634,775

	2020		
	Tangible assets	**Net current assets**	**Total**
	£	£	£
Restricted funds	241,820	-	241,820
Designated funds	183,945	835,954	1,019,899
Unrestricted funds		206,533	206,533
	425,765	1,042,487	1,468,252

15. Tangible Fixed assets

	2021	2020
	Total	Total
	£	**£**
Tangible assets – property		
Opening balance Nov 1,2020	456,177	456,177
Additions	-	-
Depreciation for the year	(7,603)	(7,603)
Cumulated depreciation brought forward	(30,412)	(22,809)
Net book balance as at 31 October 2021	**418,162**	425,765

A depreciation charge for 2021 was £7,603 (2020: £7,603).

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16. Cash on hand at bank

	A/C 01388630	A/C 01370642	A/C 21586572	A/C 21642383	2021 Total	2020 Total
Opening balance as at	£	£	£	£	£	£
November 1, 2020	516,234	87,421	83,145	300,010	986,810	879,156
Incoming cash	248,512	2,149	75,892	30	326,583	575,207
Outgoing cash	(72,218)	-	(40,487)	-	(112,705)	(467,553)
Cash at hand	-	-	-	-	261	-
Closing balance as at 31 October 2021	**692,528**	**89,570**	**118,550**	**300,040**	**1,200,949**	**986,810**

17. Allocation of property and staff costs to core activities.

The property and the staff have contributed towards several activities of the charity. Hence it is important to allocate the costs to appropriate activities and the following proportion has been made. The trustees believe that to the best of their knowledge the basis shown below is the best estimate they can come up given that it was impractical and costly to track the contribution of each cost categories to the activities.

		Staff costs	Property costs
Activities:			
Core church service		60%	45%
Reconciliation and outreach		20%	-
Sunday school		5%	15%
Education support		5%	20%
Youth service		5%	10%
Governance and administration		5%	10%
		100%	100%

ERITREAN ORTHODOX CHRISTIAN (ST MICHAEL'S) COMMUNITY CHURCH

England & Wales - Charity number 1044068

Accounts

Registered Charity No: 1044068

ERITREAN ORTHODOX CHRISTIAN
(ST. MICHAEL'S)
COMMUNITY CHURCH

ANNUAL REPORT

AND

ACCOUNTS

FOR THE YEAR

ENDED 31 OCTOBER 2020

CONTENTS

Members of the Board of Trustees at 31 October 2020

Secretary Dr Semere Tewolde

Charity number 1044068
Registered in England and Wales

Registered office 78 Edmund Street
London SE5 7NR

Bankers HSBC Bank PLC
Harry Weston Road, Binleyl
Coventry CV3 2TQ

LLOYDS BANK
1 Silver Street
Enfield
Middlesex
EN1 3EE

TRUSTEES' REPORT

The Board of Trustees presents its report with the unaudited accounts of Eritrean Orthodox Christian (St Michael's) Community Church for the year ended 31 October 2020. The financial statements have been prepared in accordance with relevant accounting policies and in compliance with the charity's governing document and applicable law – the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and the latest Charities Statement of Recommended Practice (SORP) Financial Reporting Standard 102, as amended as from the year starting 1 January 2019.

Name and Objects

The Eritrean Orthodox Christian (St. Michael's) Community Church is a registered charity in England and Wales, number 1044068.

The Trustees are responsible for the governance of the charity and serve as Trustees of the charity. The Trustees who were in place at year-end and all those who served during the year are set out on pages 4.

The Objects of the charity, as set out in the constitution, are:

- To advance the Christian religion and in particular the Orthodox faith by organising, providing, and developing church services and ancillary religious activities.
- To advance public education along Orthodox Christian lines, particularly in respect of the Eritrean language and culture.
- To relieve poverty and the distress arising from such poverty, sickness, bereavement, or imprisonment of a family member.

Public Benefit

In compliance with their duty under the Charities Act 2011, the Trustees have had due regard to guidance on public benefit published by the Charity Commission. In particular, the Act requires the Trustees to explain how the activities of the charity benefit the public or a section of it.

The Trustees believe that the fundamental purpose of the Eritrean orthodox Christian (St. Michael's) Community Church – to advance the Christian religion and relieve poverty and stress from family members – is, *per se*, of benefit to society at large. Faith is important, not just for its intrinsic value to the individual, but because it is so often the motivating factor in enabling people to turn their lives around; and then equipping them to make effective and relevant contributions to society. More specific benefits to the public are demonstrated, either implicitly or explicitly, under the various sections of the report of activities. It is the Trustees' aim constantly to seek ways of increasing the impact and effectiveness of the charity so that they can expand the benefits provided by the charity as widely as possible.

Appointment and induction of Trustees

Every three years the Management Committee may appoint new Trustees from amongst the membership of the charity. At the third of their term, Trustees must retire from office but may be re-elected by members of the charity. Any person who subscribes to the objects may become a member of the charity, subject to their willingness and fitness for purpose.

The Management Committee is responsible for identifying and proposing potential new Trustees. The Committee gives relevant information to potential candidates, and induction and training as appropriate to newly elected Trustees.

The officers of the charity have the responsibility of assessing the skills offered by the Board and identifying areas which need strengthening.

Organisation

The charity is based in the United Kingdom and has its church in South London. Its congregation come from all parts of London. The Board of Trustees meets at least quarterly.

The day-to-day running of the charity's is conducted by the Management committee and reports to the trustees every month about the administration and activities of the charity.

2020 Activities and Finance

The Charity despite the covid19 restrictions and having taken the legal prevention guideline, have had provided normal church services every Sunday throughout the year. In addition, over ten occasions of Special Saint's services were conducted. The Charity conducted christening and wedding services every Sunday throughout the 2020 following the lockdown guidelines.

This year has been an exceptionally challenging as the covid 19 heat all people in the world and restricted our contacts and it has considerably affected our services. It is important that we, as the trustee of the church, note the pandemic's significant and unprecedented impact it has had to our congregation. Very sadly we had lost a few of our congregation due to this deadly virus and some were touched by grief who lost their loved ones and many of our congregation have had a significant loss of income and have been finding new ways to fund their activities, or in many cases have scaled back what they can afford to offer to a church. In the positive side, some of our volunteers, priests and deacons had done a remarkable work to our community by helping the elderly and disabled by doing their shopping, supporting them via telephone and assisting the bereaved ones. God bless to those who rise to help vulnerable people in this difficult year. The pandemic has been with us longer than most of us expected a year ago but as it happened, we can only say: Gratitude and Grace. Thanks to our management team who were able to continue our church services by quickly disseminating it to wider population using videocall technology. This knowledge has enabled us to reach to those who are unable to attend the church service even after this lockdown is over.

The number of congregations who follow our programmes through online have considerably increased during the year.

The church also has developed a close relationship with Oriental Orthodox Churches in the UK.

In 2020 the Charity achieved a net operating income of £119,609 (2018: £113,951). The outcome of this is slightly higher than 2019 and this could possibly be that our congregation had become more generous during the pandemic than a previous year where there is no pandemic. The Management Committee main working priority in the year was strengthening the governance of the charity by approaching new trustees with required skills and experience as well as finding a larger property for our church to alleviate the shortage of space which occurs on many occasions especially on special festive celebration days.

Plans for 2020/2021

The trustees and the Management Committee plan for 2020/21 include the following:

- Defining the key strategic priorities of the church.
- Recruiting skilled trustees and Management committee members to strengthen governance.
- To find a large venue/church to accommodate the service and congregation requirements.
- To do special fund raising to purchase the said larger church.
- To increase the income by 10%-15% whilst reasonably controlling the expenses.

At the time of writing this report the trustees has identified a suitable large property for our church and they in the process making due diligence work and negotiations to secure the purchase of the property.

STATUTORY INFORMATION

Members of the Board of Trustees

Members of the Board of Trustees who served as directors during 2020 were:

Abrahaley Mebrahtu
Dr. Semere Tewolde
Solomon Russom
Yacob Haile
Fitsum Khasa
Berhane GhebreAlfa

Statement of Financial Responsibilities

Charity Law requires the members of the Board of Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity as at the end of the financial year and of its incoming resources and application of resources for that year. It is also the Trustees' responsibility to maintain adequate accounting records, safeguard the assets of the charity and take reasonable steps in preventing and detecting fraud and other irregularities.

The Trustees are required to:

- Select suitable accounting policies and then apply them consistently.
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- Prepare the accounts on the going concern basis.

By the order of the Board of Trustees

Abrahaley Mebrahtu
Chairman of the trustees

17th August 2021

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF ERITREAN ORTHODOX CHRISTIAN COMMUNITY CHURCH

I report on accounts of the Church for the year ended on 31st October 2020 which are set out on pages from 10 to 20.

Respective responsibilities of the Trustees and the examiner
As the charity's Trustees you are responsible for the preparation of the accounts; you consider that an audit is not required for this period under section 144 of the Charities Act 2011 (the Charities Act) and that an independent examination is needed. It is my responsibility to:

- examine the accounts under section 145 of the Charities Act,
- follow the procedures specified in the General Directions given by the Charity Commissioners under section 145(5)(b) of the Charities Act, and
- to state whether particular matters have come to my attention.

Basis of independent examiner's report
My examination was carried out in accordance with the General Directions given by the Charity Commissioners. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent examiner's statement
In connection with my examination, no matter has come to my attention:

- which gives me reasonable cause to believe that in any material respect the requirements are not met.
- that accounting records are not kept in accordance with section 130 of the Charities Act; and
- that the accounts are not prepared in compliance with the accounting requirements of the Charities Act; or
- to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 OCTOBER 2020

	Notes	Unrestricted funds	Designated funds	Restricted funds	Total 2020	Total 2019
		£	£	£	£	£
Income from:						
Donations	3	195,594	-	-	195,594	196,233
Other trading activities						
Sale of books & merchandises		16,682	-	-	16,682	4,367
Rental income		18,463	-	-	18,463	11,630
Other income		27	-	-	27	5
Total income		**230,766**	**-**	**-**	**230,766**	212,235
				-		
Expenditure on:						
Charitable activities						
Cost of charitable activities	4	78,198	-	-	78,198	87,582
Trading expenses		140	-	-	140	1,008
Governance and administration	5	7,819	-	-	7,819	9,694
Total expenditure		**86,157**	**-**	**-**	**86,157**	98,284
				-		
Net income for the year		**144,609**	**-**	**-**	**144,609**	113,951
				-		
Reconciliation of funds:						
Total funds brought forward- 01/11/2019		61,924	1,019,899	241,820	1,323,643	1,209,692
Total fund balances at 31 October 2020		**206,533**	**1,019,899**	**241,820**	**1,468,252**	1,323,643

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 OCTOBER 2019
COMPARATIVE FIGURE

	Notes	Unrestricted funds £	Designated funds £	Restricted funds £	Total 2,019 £	Total 2,018 £
Income from:						
Donations	3	196,233	-	-	196,233	192,166
Other trading activities						
Sale of books & merchandises		4,367	-	-	4,367	13,891
Rental income		11,630	-	-	11,630	18,100
Other income		5	-	-	5	343
Total income		212,235	-	-	212,235	224,500
Expenditure on:						
Charitable activities						
Cost charitable activities	4	87,582	-	-	87,582	94,265
Trading expenses		1,008	-	-	1,008	3,065
Governance and administration	5	9,694	-	-	9,694	17,666
Total expenditure		98,284	-	-	98,284	114,996
Net income for the year		113,951	-	-	113,951	109,504
Transfers		(800,000)	800,000		-	-
Reconciliation of funds:						
Total funds brought forward- 01/11/2018		747,973	219,899	241,820	1,209,692	1,100,188
Total fund balances at 31 October 2020		61,924	1,019,899	241,820	1,323,643	1,209,692

BALANCE SHEET
AS AT 31 OCTOBER 2020

	Notes	2020 £	2020 £	2019 £	2019 £
Fixed assets					
Tangible assets	**15**		425,765		433,369
			425,765		433,369
Current assets					
Debtors	**8**	55,677		11,118	
Cash at bank and in hand	**14**	986,810		879,156	
		1,042,487		890,274	
Creditors: amounts falling due within one year		-		-	
Net current assets			1,042,487		890,274
Total assets less current liabilities			**1,468,252**		1,323,643
Funds					
Unrestricted funds:	**11**		206,533		61,924
Designated funds	**12**		1,019,899		1,019,899
Restricted funds	**10**		241,820		241,820
			1,448,252		1,323,643

For the year ending 2020 the charity has taken advantage of the audit exemption conferred by section 477 of the Company Act 2006. No member has required the charity to obtain an audit of its accounts for the year in question in accordance with section 476.

The trustees acknowledge the responsibility for: (1) Ensuring the charity keeps accounting records which comply with the requirements of the Act; and (2) preparing accounts which give a true and fair view of the state of affairs of the charity as at the of this financial year in accordance with requirements of Companies Act and related Charity Acts so far as applicable to the charity.

The accounts on page 10 to 17 were approved by the trustee on 17th August 2021 and signed on their behalf by:

Abrahaley Mebrahtu, Chairman
Date: 17th August 2020

1. Eritrean Orthodox Christian (St. Michael) Community Church

The Eritrean Orthodox Christian (St. Michael) Community Church is a registered charity with the number 1044068.

The charity qualifies for exemption from the requirement to provide a cash flow statement for the year ended on 31 October 2020.

The trustees neither received any remuneration and reimbursement nor had any related party transactions during the year.

2. Principal Accounting Policies

a) Basis of preparation
The accounts 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 (FRS 102) applicable in UK and Republic of Ireland as amended for accounting periods commencing from 1 January 2019. The charity is a Public Benefit Entity as defined by FRS102.

The Accounts have been prepared under the historical cost convention and accrual basis. The principal accounting policies adopted are set out below.

b) Tangible assets - Building costs
Land and building are valued at cost. Please refer note (i) and 15 for details.

c) Incoming Resources
Income is recognised in the period in which the charity is entitled to the receipt and is likely that economic benefits will flow to the charity and the amount can be measured with reasonable certainty. Income is deferred only when the charity has to fulfil conditions before it becomes entitled to it or where the donor has specified that the income is to be expended in a future period. Deferred income is released in the period in which the expenditure is incurred or in the year depreciation is charged to the Statement of Financial Activities.

d) Donations and similar incoming resources
Voluntary income is received by way of donations and gifts and is included in full in the Statement of Financial Activities when received. Donations are accounted for on cash receipt basis unless deferred. A substantial proportion of the income of the charity is derived from voluntary sources which cannot be controlled fully until entered in the accounting records. The accounting procedures are intended to ensure that income received is banked promptly.

The value of services provided by volunteers has not been included as it is difficult to quantify.

e) Grant received
Grants, including grants for the purchase of fixed assets are recognised in full in the Statement of Financial Activities in the year for which they are received.

f) Interest receivable
Interest income is included when received by the charity.

g) Resources expended
All expenditures are recognised when there is a legal or constructive obligation to pay for it. All the costs have been directly attributed to one of the functional categories of resources expended in the Statement of Financial Activities.

Direct charitable expenditure includes all expenditure incurred by the charity in a direct pursuit of its objectives.

The charity is not registered for VAT and hence expenditures are shown gross, VAT inclusive.

h) Governance and administration costs
These represent costs incurred by finance, human resources, legal and professional fees attributable to the management of the Church's assets and in compliance with constitutional and statutory requirements.

Governance and administration costs include expenditure that are not directly attributable to the charitable activities and cannot be allocated to direct charitable expenditure with certainty.

i) Capitalisation and depreciation of tangible fixed assets
All tangible fixed assets costing more than five thousand pounds (£5,000) are capitalised.

The charity owns outright the freehold land and building situated at 78 Edmund Street, London, SE5 7NR. The cost of other tangible fixed assets is written off/depreciated by equal instalments over the expected useful lives as follows:

Furniture, fixture, and fittings	4 years
Building	40 years

Tangible fixed assets are depreciated in straight line depreciation method over their useful life.

Except for the freehold land and building, the Charity did not own any other tangible assets on 31 October 2020.

The SORP FRS102 recommends that all buildings should be depreciated for their economic life. For this reason, the charity has depreciated the building costs based on 2.5%.

j) Pension scheme
The Charity became a member of NEST for pension automatic-enrolment effective from 1 April 2016. All eligible employees are automatically enrolled to NEST unless they specifically request to opt-out from the scheme. Employee contributions are deducted at the appropriate rate from each employee and paid to NEST monthly together with the appropriate employer contribution.

k) Operating leases

Operating lease rentals are accounted for over the term of the lease.

3. Donations

	2020	2019
	Total	Total
	Unrestricted	Unrestricted
	£	£
Committed giving: (Membership fees+Tithe)	51,882	57,645
Operating community church activities (Wedding, Baptism, community projects)	21,341	6,340
Donations (including collections)	122,371	132,248
	195,594	196,233

4. Expenditure on core charitable activities – community church

	2020	2019
	Total	Total
	Unrestricted	unrestricted
	£	£
Regular church services (Sunday services and other special events)	46,701	52,700
Reconciliatory and outreach services	12,163	12,629
Sunday school for children	6,445	8,418
Educational support	7,579	8,171
Youth services	5,309	5,664
Total	78,197	87,582

5. Governance and administration costs

	2020	2019
	Total	Total
	Unrestricted	unrestricted
	£	£
Staff costs - administration	3,041	3,157
Church property cost for administration	2,269	2,508
Legal and other professional fees	1,524	3,280
Other administration overheads	985	749
	7,819	9,693

6. Staff costs and Numbers

	2020	2019
	Total	Total
	Unrestricted	unrestricted
	£	£
Gross salaries and wages	55,371	57,633
Social Security costs	2,335	2,403
Pension costs	3,109	3,109
	60,815	63,145

The average number of employees during the year are:

	2020	2019
Senior Church officers	2	2
Assistant Church administrators	1,5	1,5
	3.5	3.5

7. Trustees' expenses and remuneration

During the year ended on 31 October 2020, the trustees do not receive any kind of payment from the Charity.

8. Depreciation

	2020	2019
	£	£
Depreciation charge	7,603	7,603

9. Debtors

	2020	2019
	£	£
Gift aid tax recoverable	16,677	11,118
Due from sister church	39,000	-
Total debtors due within one year	55,677	11,118

The £16,677debtor balance shown above is the Gift aid tax recoverable from HMRC of the years 2018, 2019 and 2020 (2019: balance was £11,118).

10. Creditors

There was no amount due to suppliers and other creditors in 2020 (Nil: 2019)

11. Restricted funds

There was no incoming and outgoing from restricted fund. However, the balance is capital grant received for property costs which is already expended in previous years.

	2020	2019
	Balance	Balance
Community Fund: Capital funding	**£241,820**	£241,820

12. Unrestricted fund

	2020	2019
	Total	Total
	Unrestricted	Unrestricted
	£	£
Opening balance November 1, 2019	**61,924**	763,179
Add: Net surplus for the year	**144,609**	113,951
Closing balance before transfers and adjustment	**206,533**	877,130
Less: Transfer to designated fund	**-**	(800,000)
Less: adjustment depreciation	**-**	(15,206)
Closing balance as at 31 Oct 2020	**206,533**	61,924

The unrestricted fund in year 2020 is increased by £119,609 which is the net operating surplus (2019: increase by £113,951)

13. Designated fund

The designated fund for year 2020 is the same as 2019 and it comprises part of the building cost and cash.

	Balance at 01-Nov-19	Cash surplus	Additions	Balance at 31-Oct-20
Tangible assets	£1,019,899	-	-	£1,019,899
	£1,019,899	-		£1,019,899

14. Analysis of net assets between funds

	2019		
	Tangible assets	**Net current assets**	**Total**
	£	£	£
Restricted funds	241,820	-	241,820
Designated funds	183,945	835,954	1,019,899
Unrestricted funds	-	206,533	206,533
	425,765	1,042,487	1,468,252

	2019		
	Tangible assets	**Net current assets**	**Total**
	£	£	£
Restricted funds	236,278	5,542	241,820
Designated funds	197,091	822,808	1,019,899
Unrestricted funds		61,924	61,924
	433,369	890,274	1,323,643

15. Tangible Fixed assets

	2019 Total £	2019 Total £
Tangible assets – property		
Opening balance Nov 1,2019	456,177	456,177
Additions	-	-
Depreciation for the year	(7,603)	(7,603)
Cumulated depreciation adjusted	(22,809)	(15,206)
Net book balance as at 31 October 2020	**425,765**	433,368

A depreciation charge for 2020 was £7,603 (2019: £7,603).

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16. Cash on hand at bank

	A/C 01388630	A/C 01370642	A/C 21586572	A/C 21642383	2020 Total	2019 Total
Opening balance as at	£	£	£		£	£
November 1, 2019	500,635	10,358	368,163	-	879,156	761,308
Incoming cash	165,633	77,063	32,501	300,010	575,207	208,794
Outgoing cash	(150,034)	-	(317,519)	-	(467,553)	(90,682)
Cash at hand	-	-	-	-	-	(264)
Closing balance as at 31 October 2020	516,234	87,421	83,145	300,010	986,810	879,156

17. Allocation of property and staff costs to core activities.

The property and the staff have contributed towards several activities of the charity. Hence it is important to allocate the costs to appropriate activities and the following proportion has been made. The trustees believe that to the best of their knowledge the basis shown below is the best estimate they can come up given that it was impractical and costly to track the contribution of each cost categories to the activities.

		Staff costs	Property costs
Activities:			
Core church service		60%	45%
Reconciliation and outreach		20%	-
Sunday school		5%	15%
Education support		5%	20%
Youth service		5%	10%
Governance and administration		5%	10%
		100%	100%