

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2022

NEWSPRING
CHURCH

CHARITY REGISTRATION NUMBER 1052699

Independent Examiners Ltd
Unit 2
The Broadbridge Business Centre
Delling Lane
Bosham
PO18 8NF

NEWSPRING CHURCH
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FOR THE YEAR ENDED 31ST AUGUST 2022

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NEWSPRING CHURCH

LEGAL AND ADMINISTRATIVE INFORMATION

CHARITY NUMBER	1052699
WORKING NAMES	Wakefield Covenant Community (Old Name) The King's Church, Wakefield (Old Name)
START OF FINANCIAL YEAR	1st September 2021
END OF FINANCIAL YEAR	31st August 2022
TRUSTEES AT 31 AUGUST 2022	Adam Sessions Julia Ford John Mellor Robert Haley

The existing trustees appoint any new trustees following the provisions laid out in the Charity's governing instrument.

GOVERNING INSTRUMENT

The charity is controlled by its governing document, a deed of trust, dated 6th January 1996 as amended by supplemental deeds dated 1st June 1998, 3rd November 2013 and 23rd March 2014.

REGISTRATION DATE	6 February 1996:Standard Registration
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OBJECTS

1. The advancement of the Christian Faith.
2. The relief of persons who are in conditions of need, hardship or distress or who are aged or sick.
3. The advancement of education on the basis of Christian principles.

CORRESPONDENCE ADDRESS	The Newspring Centre Illingworth Street Ossett West Yorkshire WF5 8AL
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PRIMARY BANKERS	HSBC Bank plc 66 Westgate Wakefield West Yorkshire WF1 1XB
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INDEPENDENT EXAMINER	Donna Leppitt Independent Examiners Ltd Unit 2 The Broadridge Business Centre Delling Lane Bosham PO18 8NF
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NEWSRING CHURCH

TRUSTEES' REPORT FOR THE YEAR ENDED 31ST AUGUST 2022

Trustees

Adam Sessions
Julia Ford
John Mellor
Robert Haley

The Trustees present their annual report and financial statements of the charity for the year ended 31st August 2022.

AIMS AND OBJECTIVES

The trust considers that it meets the Charity Commission Public Benefit Criteria. The Trust Deed dated 6th January 1996 set the charitable objectives as:

1. Advancement of the Christian Faith
2. Worship and proclamation of the gospel, teaching of Christian doctrine and principles, distribution of literature and media
3. Relief of the poor, aged, or sick
4. The advancement of Christian education

The charity primarily operates in the Wakefield area of West Yorkshire, but will sometimes work with, or otherwise support other churches in the UK and overseas with similar aims and objectives as the church leadership directs.

PUBLIC BENEFIT CRITERIA

The trustees regularly review the objectives and activities of the charity, including giving due regard to the Charity Commission's general guidance on public benefit and on the advancement of religion for the public benefit.

Examples of how the Trust has met the Public Benefit Criteria:

Regular open public meetings, outreach and events with publicity and invitations circulated in the local area. Hospitality and refreshments are offered to all free of charge.

Ongoing provision of financial and practical assistance from the Trust and church members to local people in need, including regular support and donations to the local foodbank in Ossett

Provision of financial aid overseas to the poor and those in adversity

Ongoing investment and refurbishment in the New Spring Centre to make it suitable and capable of hosting an increasing range of events and activities to benefit local people.

Providing facilities / accommodation from time to time, to local community groups and users for non-church related activities.

Following the end of Coronavirus restriction just prior to the beginning of the reporting year the church was able to resume a full calendar of services and meetings and also see the building re-open for use by other local groups such as the Brickhouse Youth Club, Local Vocals community choir and PCC community engagement meetings.

ORGANISATIONAL STRUCTURE

NewSpring Church is run on a day to day basis by an Eldership supported by Deacons, a Church Administrator and a team of volunteers. The Trustees meet regularly to discuss the business of the Church and to deal with the administration of the Charity. Agendas are prepared for meetings in advance, and minutes are taken recording matters of importance, note and/or points for action. Budgets will be discussed for projects, programmes and general church activities and the trustees track expenditure through the year. Key decisions are always made by the required quorum of trustees, except for certain minor urgent matters where two trustees may need to take decisions because it is not always possible or practical to convene the full group of trustees. In those instances, the remaining trustees are notified of decisions as soon as it is practical to do so. In recent years, the use of technology to facilitate virtual meetings at short notice and with the minimum inconvenience have become used more and more to help the trustees make quicker and more timely decisions in this respect. Trustees meeting began being virtual during 2020 and have remained as such for the reporting year, this being more convenient and cost effective.

In this financial year, the individuals receiving financial benefit from the charity are the Lead Elder, who is employed on a part time, self-employed basis, a part time church administrator and a part time caretaker. All of these roles are essential to the effective running of the church. The charity has also been holding restricted funds for a church plant project in Wakefield city known as 'Resurrection Church'. However, during the reporting year it was agreed by the Trustees in consultation with the donors of the funds, that another church-based charity with similar objectives (Freedom Church Trust – Charity No.1191043) would take oversight of this activity and the proceeds of this restricted account were duly transferred to them in summer 2022.

NEWSPRING CHURCH
TRUSTEES' REPORT
FOR THE YEAR ENDED 31ST AUGUST 2022

ACHIEVEMENT AND PERFORMANCE

Charitable Activities

The trustees are mindful that the activities carried out by the charity in pursuit of its charitable objectives should benefit the local community within which NewSpring Church is based, as well as regular members of the congregation.

The first few months of the reporting year saw the final social distancing measures withdrawn and public meetings resume at the previous level. At the heart of this are the regular Sunday services, which is the centre of gravity for all church activity, and numbers attending have grown as people re-learn the Sunday morning habit and new visitors continue to join us, giving them a chance to explore the Christian faith for themselves first hand. Numbers fluctuate with the seasons, but it is not unusual to see 60-70 people in attendance and it has been fantastic to welcome a handful of new regular congregants this year.

Sunday meetings run on the normal format and some investment was made in camera equipment to enable us to continue to video meeting for later distribution. There has been no obvious demand for live streaming, but we have that capability should it be required.

Following the successful completion of building works last year, this year we were able to obtain a further capital grant of £15,000 from Wakefield Council under their Local Capital Grants Programme (LCGP). Ever since having moved into the current building in 2013, the lack of facilities to prepare and serve food and drinks has limited our ability to expand the use of the facilities for wider community benefit and so a proposal and designs were prepared by our building consultants, to widen doorways, move an internal wall and create and fit out a new kitchen and undertake extensive internal remodelling of what was previously a youth room and create a new dining area, fully finished, furnished and decorated to a pleasingly high standard. The works were completed in July 2022 and immediately began to be used by both the church to host several lunches, but also by other groups, particularly the Brickhouse Youth Club and Jelly Babies mother and toddler group.

Key Groups and Activities:

Pastoral Groups - These are five main groups spread across Ossett, Wakefield and Castleford where church members live were continuing and had moved from online **back to in-person meetings – gatherings in homes where people share life with each other and seek to grow in faith together through small group teaching, prayer and encouragement, whilst also expressing God's love to those they are connected with in their own neighbourhoods.**

Mission Groups and Triplets – These are small groups who meet on the basis of friendship and interest and in the case of Mission Groups, seek to make have an outreach element, whether its getting involved in community sport or having a pub quiz team to bring God's love into those places and to make the people of God more visible within the normal day to day social activities of Ossett and the surrounding area.

Prayer Meetings – The church meet on the first Wednesday of every month to pray together for a variety of needs, and to seek God's grace and blessing on the church, the town and the wider world. There is also a week of fasting and daily prayer every January and this year was no exception, with all who were involved, greatly encouraged and stirred by God's heart for his people.

Jelly Babies – run by church members, is a very successful and well attended weekly group for mothers and toddler in the locality to come for fellowship and support on a weekly basis. They were able to re-open the doors this year with new people joining those who had attended pre-pandemic and enjoying being together with their children in a supportive and encouraging environment.

Resurrection Church – in late 2019, the previous lead elder and his wife, David & Karen Lavery, had been sown out to plant a new church congregation in Wakefield city. Pandemic restrictions and the wider societal consequence had severely curtailed its ability to get traction in 2020 and 2021, but with restrictions lifted, the small team were able to meet together in Agbrigg on Sunday evenings with people joining through the course of the year. With David and Karen developing a closer working relationship with Freedom Church Leeds, and following discussions with the elders, it was agreed that Freedom Church would take over financial responsibility for Resurrection Church and its operations/activities, and this transition was completed over the Spring / Summer of 2022.

Kingdom Heart – set up, and run by church members volunteering their time, together with money from the Seed Fund to provide support, aid and gifts to various groups and individuals were this Christmas again, able to provide 'Blessing Hampers' to a number of local families in need. Also '**Boxes of Hope**' small blessing parcels were distributed more widely in the Ossett area, focussed on small local businesses to show support as they were emerging from the challenges of the pandemic period.

Ossett Foodbank – Fortnightly food collections from NewSpring are delivered to the Ossett Foodbank and this continued through the reporting year. In addition there has been an initiative to give gifts for children of users of the foodbank at Christmas time.

NEWSPRING CHURCH
TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31ST AUGUST 2022

Community Groups Hosted - example include:

The Brickhouse Youth Club – a large number of local young people 11-16 meet at the NewSpring Centre every Thursday evening where a range of activities are on offer, from baking, arts and crafts, table sports, video gaming, a homework club and many other fun things. The young people come from families across the area and a team of dedicated and talented volunteers ensure a safe and encouraging environment, which has successfully run for several years now.

Local Vocals - this successful pop choir has been meeting for several years now in our main auditorium on the first floor also on a Thursday night for their regular practices. They have many enthusiastic and talented singers who perform at events and functions in the local area.

Police and Communities Together (PACT) we provide facilities for these meetings which are held monthly at the NewSpring Centre, giving local residents a chance to discuss local issues or concerns with representatives of West Yorkshire Police.

FINANCIAL REVIEW

REVIEW OF YEAR ENDING 31ST AUGUST 2022

As in previous years, the giving of the church congregation has provided the vast majority of the income for the year and the increase in general unrestricted donation income during the reporting year was significantly higher than the previous year (£122k versus £90k). Giving by the church congregation generally remained strong all year and the vast majority was given by bank transfer with the remainder coming in through the traditional Sunday offering baskets.

In the same way that income increased, total expenditure this year was higher by a similar proportion (£102k this year versus £74k) for previous year. Consequently the church current account which contains the unrestricted funds ended the financial year at a similar level to the outset: £33k and £31k respectively.

The main points of note:

The increase in donation income was undeniably linked to the recommencement of physical meetings. Inevitably the charity's costs also increased with additional building overheads/outgoings.

Expenditure on the building was higher this year as the £15k capital grant the church received for the works for the kitchen and dining room works needed to be added to to cover the full costs of those works, together with the usual raft of building repairs.

Payroll and wages outgoing was flat due to decisions not to increase salaries during or immediately following emergence from the pandemic. However, ministry support increased due to the decision for the church to crystallise the residue of its financial commitment to the Resurrection Church plant and transfer all funds and future responsibility for the project to Freedom Church.

This includes unrestricted funds, but also the balances of the two restricted funds as set out below.

Despite the circa 35% increase in unrestricted giving, the amount of gift aid that was claimed reduced. This is mainly due to a trend that we've increasingly seen in recent years as donors either become non-taxpayers, or not having paid sufficient tax.

The trustees are satisfied that the finances of the Charity are stable and in good health at period end. The Charity remains able to pursue its stated aims and there is still a programme of building works that will continue to run for several years and as far as possible will be financed through a balance of unrestricted funds for repairs and existing 'Building Fund' balances. This will be supplemented by grants or special offerings wherever possible, with the charity's focus continuing to be people and activities/programmes/outreach.

RESTRICTED FUNDS

NewSpring held the following restricted funds in the reporting year:

The Big Project Fund

A fund established to hold donations grants and other income to be used for the development and improvement of the NewSpring Centre. It was originally established in September 2018.

Wakefield Church Plant (Resurrection Church)

A fund established in August 2018 to hold donations, grants and other income to be used for the purposes of outreach, evangelism and community engagement in Wakefield city with the purpose of establishing a new community of believers within the city. This balance of this fund was transferred to (Freedom Church Trust – Charity No.1191043) prior to the end of the reporting year.

Building Fund

This comprises earmarked giving by individuals who state at the point of donation (or in advance by way of a regular pledge) that they wish their donation(s) to be used for the development and improvement of the NewSpring Centre in accordance with the building projects and programmes that the elders and trustees decide to undertake to better help the charity meet its charitable objectives.

NEWSPRING CHURCH
TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31ST AUGUST 2022

Seed Fund

Earmarked giving for individuals wishing their donation to be used for the purposes of the Seed Fund which is for meeting needs, alleviating poverty and associated charitable initiatives. The Elders may also from time to time decide to designate an amount of unrestricted funds into the Seed Fund, which thereafter become restricted.

Accounting System

The Charity uses QuickBooks Online, streamlining and greatly simplifying the ongoing financial record keeping. The Trustees are very happy with the system that also handles payroll functions at minimal cost.

FINANCIAL CONTROLS

Management reports are issued monthly to the trustees to review income and expenditure, weekly updates on general levels of donations received movements are reviewed and discussed at trustee meetings with Finance, and upcoming commitments a fixed item on all trustee meeting agendas.

In terms of practicalities, the trustees review existing financial controls whenever there is a change of trustees or eldership, and decisions are required about who has account access, for what purpose and at what level, with the overall governing principle remaining, whereby a quorum of trustees are needed to approve expenditure.

The trustees reviewed financial controls in relation to bank account access and signing limits during the reporting year which coincided with the Wakefield Church Plant account being closed.

RELATED PARTIES

None of the trustees receive any benefit or income from the charity, either financial or otherwise. The only payments that may occur from time to time are for reimbursement of receipted expenditure on items to be used by the Charity. This now reduces each year with the Charity purchasing more items directly itself.

VOLUNTEERS

As noted earlier in the trustees' annual report, NewSpring benefits from the time and talents of volunteers to put on meetings, events and other activities. These individuals are almost entirely made up of members of the congregation and the purpose of volunteer participation is not related to fundraising for the charity. The duties the volunteers undertake are relatively informal and unstructured and include stewarding meetings, greeting attendees, putting out chairs, and serving refreshments, etc. as and when physical meetings have been permissible. All volunteers are DBS checked and work in pairs where deemed necessary and appropriate.

RESERVES POLICY

The trustees consider it prudent to set aside an amount of money that would allow it to continue to operate for three months if income reduced or ceased with little prior notice. The trust does carry a balance at year end sufficient to cover a three month period in terms of essential base spending: mortgage, insurances, salaries and utilities. At financial year end that amount was determined to be no more than £4k per month. Any reserves policy is to be kept under review and as always, has had to be balanced against the general default position of the trustees, which is not to accumulate or carry excessive balances, as the money received has been given for charitable purposes, not for holding. During the reporting year the trustees closely monitored the financial position of the charity, but the donation income has strengthened with more than six months outgoings in unrestricted, otherwise uncommitted funds. The trustees see no current need to reconsider or amend the reserves policy.

RISK MANAGEMENT

The trustees regularly review its insurance cover in place and are satisfied that the current policies it holds provides adequate cover for all the Charity's liabilities, including trustee liability. The trustee responsible for the upkeep of the accounts is an accountant and issues monthly management reports for review and discussion as necessary. Appropriate DBS checks are carried out for those working with children or other vulnerable groups within the context of the Charity's activities. The safeguarding policy is reviewed regularly and updated as necessary.

Risk Assessments are also carried out for all the regular activities undertaken by the church both in the context of church meetings, and office/staff activity.

PRINCIPAL FUNDING SOURCES

The principal sources of funding for the charity are the regular and individual gifts from church members and the consequential Gift Aid which the charity is able to reclaim from HMRC. The church had also been in receipt of a capital grant during the reporting year.

NEWSPRING CHURCH

TRUSTEES' REPORT (Continued) FOR THE YEAR ENDED 31ST AUGUST 2022

Responsibilities of Trustees

Charity law requires the Board of Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of its incoming resources and resources expended for the period. In preparing those financial statements, the Board of Trustees should follow best practice and are required to;

- select suitable accounting policies and apply them consistently
- make judgments and estimates that are reasonable and prudent
- comply with applicable accounting standards subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

The Board of Trustees is responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 1993. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities and to provide reasonable assurance that:-

- the charity is operating efficiently and effectively
- all assets are safeguarded against unauthorised use or disposition and are properly applied
- proper records are maintained and financial information used within the charity or for publication is reliable
- the charity complies with relevant laws and regulations

The systems of internal control are designed to provide reasonable but not absolute assurance against material misstatement or loss.

Approved by the Trustees on..... 26th June 2023

Signed on their behalf by Trustee 

Printed Name: ADAM SESSIONS

NEWSPRING CHURCH
INDEPENDENT EXAMINER'S REPORT ON THE ACCOUNTS
FOR THE YEAR ENDED 31ST AUGUST 2022

Report to the trustees/ members of Newspring Church on the accounts for the year ended 31st August 2022.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year 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,
- to follow the procedures laid down in the general Directions given by the Charity Commission (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 statement

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

Independent examiner's statement

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

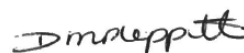
1. which gives me reasonable cause to believe that in, any material respect, the requirements:

- to keep accounting records in accordance with section 130 of the Charities Act; and
- to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities Act

have not been met; or

2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Donna Leppitt
Independent Examiners Ltd
Unit 2
The Broadridge Business Centre
Delling Lane
Bosham
PO18 8NF



Date: 26th June 2023

NEWSPRING CHURCH

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31ST AUGUST 2022

		Unrestricted Funds £	Designated Funds	Restricted Funds £	Total 2021/22 £	Revised Total 2020/21 £
INCOMING RESOURCES						
Donations & Legacies	3a	113,200	5,223	2,632	121,055	92,203
Investment Income	3b	4	-	4	8	4
Charitable Activities	3c	-	-	13,157	13,157	13,574
Other Income	3d	2,413	-	-	2,413	30
Other Incoming Resources	3e	47	-	15,160	15,207	139
TOTAL INCOMING RESOURCES		115,663	5,223	30,954	151,840	105,950
RESOURCES EXPENDED						
Costs of Charitable Activities	4	115,057	3,425	30,542	149,024	88,981
TOTAL RESOURCES EXPENDED		115,057	3,425	30,542	149,024	88,981
NET INCOMING/(OUTGOING) RESOURCES		606	1,798	411	2,816	16,970
TRANSFERS BETWEEN FUNDS		23,748	-	(23,748)	-	-
NET MOVEMENT IN FUNDS		24,353	1,798	(23,336)	2,816	16,970
TOTAL FUNDS BROUGHT FORWARD		137,044	4,283	72,078	213,405	197,624
Prior Year Adjustment		1,188	-	-	1,188	-
TOTAL FUNDS CARRIED FORWARD		161,398	6,081	48,742	216,221	214,593

All of the Charity's operations are classed as continuing operations.

The notes form part of these financial statements, found on pages:- 12 to 20

NEWSPRING CHURCH

BALANCE SHEET AS AT 31 AUGUST 2022

	Notes	Unrestricted Fund £	Designated Funds £	Restricted Fund £	Total 31-Aug-22 £	Total 31-Aug-21 £
Fixed Assets						
Tangible Assets	2	338,428	-	-	338,428	315,234
Investment Assets	7	-	-	-	-	-
		338,428	-	-	338,428	315,234
Current Assets						
Debtors & Prepayments	9	11,622	-	-	11,622	13,321
Cash at bank and in hand	8	3,548	6,081	48,842	58,471	80,270
		15,169	6,081	48,842	70,092	93,591
Creditors: due within one year	10	21,671	-	-	21,671	19,016
NET CURRENT ASSETS		(6,502)		48,842	42,341	74,574
TOTAL ASSETS less current liabilities		331,926	6,081	48,842	386,850	389,808
Creditors: due in more than one year	11	170,629	-	-	170,629	175,215
NET ASSETS		161,298	6,081	48,842	216,221	214,593
FUNDS OF THE CHARITY						Revised
General Funds		161,298		-	161,298	138,132
Restricted Funds	5	-		48,842	48,842	72,178
Designated Funds	6	-	6,081		6,081	4,283
TOTAL FUNDS		161,298	6,081	48,842	216,221	214,593

Approved by the Trustees on the.....

Signed on their behalf by Trustee.....

Print Name:.....

NEWSPRING CHURCH
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31ST AUGUST 2022

1. ACCOUNTING POLICIES

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year.

Basis of preparation:

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2015) - (Charities SORP - FRS102) and the Charities Act 2011.

The Charity meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost unless otherwise stated in the relevant accounting policy notes.

Assessment of Going Concern

Preparation of the accounts is on a going concern basis. The trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern.

Recognition of Incoming Resources

These are included in the Statement of Financial Activities (SOFA) when:

- the charity becomes entitled to the resources;
- the trustees are virtually certain they will receive the resources; and
- the monetary value can be measured with sufficient reliability.

Incoming Resources with Related expenditure

Where incoming resources have related expenditure (as with fundraising or contract income) the incoming resources and related expenditure are reported gross in the SOFA.

Grants and Donations

Grants and donations are only included in the SOFA when the charity has unconditional entitlement to the resources.

Tax Reclaims on Donations and Gifts

Incoming resources from tax reclaims are included in the SOFA at the same time as the gift to which they relate.

Contractual Income and Performance Related Grants

This is only included in the SOFA once the related goods or services has been delivered.

Gifts in Kind

Gifts in kind are accounted for at a reasonable estimate of their value to the charity or the amount actually realised. Gifts in kind for sale or distribution are included in the accounts as gifts only when sold or distributed by the charity. Gifts in kind for use by the charity are included in the SOFA as income receivable.

Volunteer Help

The value of any voluntary help received is not included in the accounts and is described in the Report of the Trustees.

Donated Services and Facilities

These are only included in incoming resources (with an equivalent amount in resources expended) where the benefit to the charity is reasonably quantifiable, measurable and material. The value placed on these resources is the estimated value to the charity of the service or facility received.

Investment Income

This is included in the accounts when receivable.

Investment Gains and Losses

This included any gain or loss on the sale of investments and any gain or loss resulting from revaluing investments to market value at the end of the year.

NEWSPRING CHURCH
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31ST AUGUST 2022

1. ACCOUNTING POLICIES (continued)

Expenditure and Liabilities

Liability Recognition

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to pay out resources.

Governance Costs

Include costs of the preparation and examination of statutory accounts, the costs of the trustees meetings and cost of any legal advice to trustees on governance or constitutional matters.

Grants with Performance Conditions

Where the charity gives a grant with conditions for its payment being a specific level of service or output to be provided, such grants are only recognised in the SOFA once the recipient of the grant has provided the specified service or output.

Grants Payable without Performance Conditions

These are only recognised in the accounts when a commitment has been made and there are no conditions to be met relating to a grant which remain in control of the charity.

Investments

Investments quoted on a recognised stock exchange are valued at market value at the year end. Other investment assets are included at trustees' best estimate of market value.

Pensions

Pension contributions are charged to the Statement of Financial Activities as they become payable.

Fund Accounting

Funds held by the charity are either:

1. Unrestricted funds

These are funds which can be used in accordance with the charity's objectives, at the discretion of the trustees.

2. Restricted funds

These are funds that can only be used for particular restricted purposes within the objects of the charity.

3. Endowment funds

These funds are funds set aside by the trustees out of unrestricted general funds for specific purposes or projects.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Fixed Assets

Fixed Assets are capitalised if they can be used for more than one year and cost at least £1,000. They are valued at cost or, if gifted, at the value to the charity on receipt.

Depreciation Expense

Depreciation is calculated at a rate to write off the cost of tangible fixed assets over their estimated useful lives. The rates applied are as follows:

General Equipment	20%	Straight Line Basis
Fixtures & Fittings & Big Project costs	10%	Straight Line Basis
Project Costs	33%	Straight Line Basis

There has been no change to the accounting policies (Variation rules and methods of accounting) since last year.

NEWSPRING CHURCH
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31ST AUGUST 2022

2. TANGIBLE FIXED ASSETS

	Land & Buildings	Project Costs	Fixtures & Fittings & Big Project costs	General Equipment	2021/22
Cost		£	£	£	£
At 1 September 2021	270,000	-	76,142	21,317	367,459
Additions	-	-	34,234	1,379	35,613
At 31 August 2022	<u>270,000</u>	<u>-</u>	<u>110,376</u>	<u>22,696</u>	<u>403,072</u>
Accumulated Depreciation					
At 1 September 2021	-	-	32,469	19,756	52,225
Charge for the Year	-	-	11,458	961	12,418
At 31 August 2022	<u>-</u>	<u>-</u>	<u>43,926</u>	<u>20,717</u>	<u>64,643</u>
Net Book Value					
At 31 August 2022	<u>270,000</u>	<u>-</u>	<u>66,449</u>	<u>1,979</u>	<u>338,428</u>
At 31 August 2021	<u>270,000</u>	<u>-</u>	<u>43,673</u>	<u>1,561</u>	<u>315,234</u>

The annual commitments under non-cancelling operating leases and capital commitments are as follows:

31st August 2021: see note 10 of the Reports & Financial Statements
31st August 2022: see note 10 of the Reports & Financial Statements

NEWSPRING CHURCH

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST AUGUST 2022

3. INCOMING RESOURCES

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total 2021/22 £	Total 2020/21 £
a) Donations & Legacies					
Tithes, gifts and offerings	99,238	5,223	-	104,462	74,027
Gifts & Donations	-	-	1,124	1,124	1,600
Gift Aid Tax Refund	13,962	-	678	14,640	15,897
Building Fund Donations	-	-	830	830	680
	113,200	5,223	2,632	121,055	92,203
b) Investment Income					
Interest Received	4	-	4	8	4
	4	-	4	8	4
c) Incoming from Charitable Activities					
Wakefield Church Plant Income	-	-	13,157	13,157	13,574
	-	-	13,157	13,157	13,574
d) Other Trading Activities					
Room Hire	2,413	-	-	2,413	30
	2,413	-	-	2,413	30
e) Other Incoming Resources					
Other Income	47	-	15,160	15,207	139
	47	-	15,160	15,207	139

This page does not form part of the statutory financial statements

NEWSPRING CHURCH

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST AUGUST 2022

4. RESOURCES EXPENDED

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total 2021/22 £	Revised Total 2020/21 £
Charitable Activities:-					
Activities & Events	203	-	-	203	-
Building Repairs & Maintenance	1,614	-	2,470	4,084	13,954
Church Meeting Costs	545	-	-	545	374
Conference & Seminar Costs	143	-	165	308	-
Depreciation Expenses	5,619	-	6,799	12,418	9,281
Equipment Costs	1,206	-	484	1,690	6
Grant to Freedom Church	36,840	-	-	36,840	-
License & Subscriptions	1,321	-	-	1,321	1,455
Ministry Expenses	320	-	-	320	128
Ministry Gifts	-	3,180	634	3,814	3,164
Ministry Support	20,812	195	-	21,007	14,775
Office	55	-	-	55	87
Outreach & Evangelism	573	-	-	573	332
Refreshments & catering	165	50	16	231	-
Staff	8,182	-	-	8,182	8,647
Sunday School & Youth work	87	-	144	231	-
Training	1,118	-	-	1,118	300
Utilities	2,874	-	-	2,874	2,031
Wakefield Church Plant	16,598	-	19,800	36,398	2,500
Sundries	131	-	-	131	17,042
Mortgage payments	13,180	-	-	13,180	13,228
Governance costs:-					
Independent Examiner Fee	1,765	-	-	1,765	1,200
Insurance Costs	1,573	-	-	1,573	-
Bank & Interest Charges	135	-	30	165	12
Legal & Professional fees	-	-	-	-	465
	115,057	3,425	30,542	149,024	88,981

NEWSPRING CHURCH

NOTES TO THE ACCOUNTS (continued) FOR THE YEAR ENDED 31ST AUGUST 2022

5. RESTRICTED FUNDS

CURRENT FINANCIAL YEAR

	Balance 01-Sep-21 £	Income £	Expenditure £	Unrealised Gain/Loss £	Transfer £	31-Aug-22 £
Restricted Funds:-						
Big Project Fund	29,040	15,204	(9,733)	-	13,093	47,603
Wakefield Church Plant	42,710	13,960	(19,830)	-	(36,840)	-
Outreach Fund	313	-	-	-	-	313
Visiting Speaker Funds	-	165	(165)	-	-	-
Other Earmarked Gifts/Gift aid refund	16	795	(795)	-	-	16
Building Fund	-	830	(20)	-	-	811
Total	72,078	30,954	(30,542)	-	(23,748)	48,742

PREVIOUS FINANCIAL YEAR

	Balance 01-Sep-20 £	Income £	Expenditure £	Unrealised Gain/Loss £	Revised Transfer £	31-Aug-21 £
Restricted Funds:-						
Big Project Fund	33,997	3	(4,960)	-	-	29,040
Wakefield Church Plant	43,507	16,245	(17,042)	-	-	42,710
Outreach Fund	313	-	-	-	-	313
Visiting Speaker Funds	-	-	-	-	-	-
Other Earmarked Gifts/Gift aid refund	116	1,600	(1,600)	-	(100)	16
Building Fund	-	680	(780)	-	100	-
Total	77,932	18,528	(24,382)	-	-	72,078

Wakefield Church Plant: A fund established in August 2018 to hold donations, grants and other income to be used for the purposes of outreach, evangelism and community engagement in Wakefield City, with the purposes of establishing a new community of believers within the city. This fund is intended to run initially for a period of two years, or longer as the trustees decide. Ultimately the Wakefield Church Plant is intended to be self governed and financed once it achieves a viable corporate structure.

Big Project Fund: A fund established to hold donations, grants and other income to be used for the development and Improvement of the Newspring Centre. The Big project was launched as an initiative in September 2018 and is expected to run for at least five years, or until the trustees otherwise agree.

Building Fund: This comprises earmarked giving by individuals who state at the point of donation (or in advance by way of a regular pledge) that they wish a specific donation to be used for the development and improvement of the New Spring Centre in accordance with building projects and programmes that the Elders and Trustees wish to undertake in accordance with the trust's charitable objectives.

Seed Fund: Earmarked giving from individuals wishing their donation to be used for the purposes of the Seed Fund which entirely for meeting needs, alleviating poverty, and associated charitable objectives.

Visiting Speaker Fund: Special offerings taken at services when guest speakers have shared the word. This offering, along with a top up from the church general fund, has been presented as a gift to the speaker.

Outreach Fund - A fund for holding earmarked and designated donations and funds to be used specifically for outreach in the local community of Ossett.

Other Earmarked Gifts: These comprise a range of 'throughput' giving initiatives where (for example) a one-off short term need arises and church members give donations specifically earmarked to meet one of those needs. The funds are usually paid out immediately or shortly after receipt to the fund or charity or individual as appropriate.

The Restricted Funds are wholly represented by the Charity's cash reserves.

NEWSPRING CHURCH

NOTES TO THE ACCOUNTS (continued) FOR THE YEAR ENDED 31ST AUGUST 2022

6. DESIGNATED FUNDS

CURRENT FINANCIAL YEAR

	Balance 01-Sep-21 £	Income £	Expenditure £	Unrealised Gain/Loss £	Transfer £	31-Aug-22 £
Building Fund	-	-	-	-	-	-
Seed Fund	4,283	5,223	(3,425)	-	-	6,081
Total Designated Funds	4,283	5,223	(3,425)	-	-	6,081
General Funds	137,044	115,663	(115,057)	-	23,748	161,398
Total Unrestricted Funds	141,327	126,109	(121,907)	-	23,748	169,277

PREVIOUS FINANCIAL YEAR

	Balance 01-Sep-20 £	Income £	Expenditure £	Unrealised Gain/Loss £	Revised Transfer £	31-Aug-21 £
Building Fund	-	100	(100)	-	-	-
Seed Fund	3,715	3,701	(3,134)	-	-	4,283
Total Designated Funds	3,715	3,801	(3,234)	-	-	4,283
General Funds	115,976	83,621	(61,365)	-	-	138,232
Total Unrestricted Funds	119,692	87,422	(64,599)	-	-	142,515

Building Fund: trustees set aside the first offering of the month plus 25%, in lieu of gift aid, therefore a designated fund to be used to purchase or to fund the refurbishment of NewSpring Centre.

Seed Fund: trustees set aside 5% of Tithe and Offering without any associated gift aid therefore the amount is regarded as a designated fund.

Fixed assets investment purchased from Designated Funds are transferred to the Charity's Unrestricted Fund for general purposes. The Designated funds are wholly represented by the Charity's cash reserves.

NEWSPRING CHURCH

NOTES TO THE ACCOUNTS (continued) FOR THE YEAR ENDED 31ST AUGUST 2022

7. INVESTMENTS

The Charity held no investment assets during this or the previous financial period.

8. CASH AT BANK AND IN HAND

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total 31-Aug-22 £	Total 31-Aug-21 £
Wakefield Church Plant A/c	-	-	-	-	37,426
Big Project A/c	7,956	-	-	7,956	1,121
Savings A/c	20,001	-	-	20,001	10,919
Current A/c	(24,669)	6,081	48,742	30,154	30,437
Petty Cash	360	-	-	360	368
	3,648	6,081	48,742	58,471	80,270

9. DEBTORS AND PREPAYMENTS

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total 31-Aug-22 £	Total 31-Aug-21 £
Trade Debtors	11,622	-	-	11,622	13,321
	11,622	-	-	11,622	13,321

10. CREDITORS AND ACCRUALS AMOUNTS FALLING DUE WITHIN ONE YEAR

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total 31-Aug-22 £	Total 31-Aug-21 £
Deferred Grants	665	-	-	665	825
Kingdom Bank Mortgage	17,595	-	-	17,595	16,991
Sundry Creditors	2,182	-	-	2,182	-
Independent Examiner's Fee	1,230	-	-	1,230	1,200
	21,671	-	-	21,671	19,016

During the year ended 31st August 2013, Newspring Church acquired Land & Building at The NewSpring Centre, Illingworth Street, Ossett, West Yorkshire at a cost of £270,000. The Charity made a capital contribution of £43,000 and remaining funds were provided by a mortgage from the Kingdom Bank Limited.

The Kingdom Bank Limited provided the mortgage of £227,000 over a 30 year term period with annual interest rate of 6.75% from Jan-May 22, 7.50% Jun-Oct 22 & 8.25% Nov-Dec 22, with monthly repayments of £1,415.92 Jan-Jun 22, £1501.47 Jul-Nov 22 & £15971.71 Dec 22, totalling £17594.58 in the year. The mortgage commenced during 2013 with maturity in 2043.

11. CREDITORS AND ACCRUALS AMOUNTS FALLING DUE IN MORE THAN ONE YEAR

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total 31-Aug-22 £	Total 31-Aug-21 £
Kingdom Bank Mortgage	170,629	-	-	170,629	175,215
	170,629	-	-	170,629	175,215

NEWSPRING CHURCH
NOTES TO THE ACCOUNTS (continued)
FOR THE YEAR ENDED 31ST AUGUST 2022

12. STAFF COSTS AND NUMBERS

	TOTAL 2021/22 £	TOTAL 2020/21 £
Gross Wages & Salaries	8,182	8,647
Employer's National Insurance Costs	-	-
Employer's Pension Contributions	-	-
	<u>8,182</u>	<u>8,647</u>

Average number of employees who were engaged in each of the following activities:

	TOTAL 2021/22	TOTAL 2020/21
Charitable Activities	2	2

The Charity operates a PAYE scheme to pay all employed members of staff and no employees received emoluments in excess of £60,000.
(2021 - None)

13. TRUSTEES AND OTHER RELATED PARTIES

Payments made to the Trustees and related parties consisted of reimbursements for items purchased on behalf of the Church in furthering the Charity's objects. No Trustees received any remuneration or benefits in kind during the financial year.

No payments were made to trustees or any persons connected with them during this financial period. No material transaction took place between the organisation and a trustee or any person connected with them.

(2021 - None)

14. RISK ASSESSMENT

The Trustees actively review the major risks which the charity faces on a regular basis and believe that maintaining the free reserves stated combined with the annual review of the controls over key financial systems carried out on an annual basis will provide sufficient resources in the event of adverse conditions. The Trustees have also examined other operational and business risks which they face and confirm that they have established systems to mitigate the significant risks.

15. RESERVES POLICY

The Trustees have considered the level of reserves they wish to retain, appropriate to the charity's needs. This is based on the charity's size and the level of financial commitments held. The Trustees aim to ensure the charity will be able to continue to fulfil its charitable objectives even if there is a temporary shortfall in income or unexpected expenditure. The Trustees will endeavour not to set aside funds unnecessarily.

16. PUBLIC BENEFIT

The Charity acknowledges its requirement to demonstrate clearly that it must have charitable purposes or 'aims' that are for the public benefit. Details of how the charity has achieved this are provided in the Trustees' report. The Trustees confirm that they have paid due regard to the Charity Commission guidance on public benefit before deciding what activities the charity should undertake.

17. PRIOR YEAR ADJUSTMENT

A negative balance of £100.00 on Building Fund-Restricted should have been transferred to General Fund in the prior year. Total funds brought forward was unaffected.

£100.00 earmarked for food bank was paid across to St Catherine's Church Centre 13/09/19 - Prior Year fund adj from Earmarked to General.

Independent Examiners Fees included in accounts in 20/21 was £12 to the P&L account but should have been £1200. The funds brought forward have been adjusted by £1188 to reflect a true and fair view of the Charity's closing position as at 31st August 2022.