

CHRISTIAN COMMUNITY CHURCH (SOUTH KENT)

Accounts – 31st December 2021

CHRISTIAN COMMUNITY CHURCH (SOUTH KENT)

(A company limited by guarantee and not having a share capital)

Charity number: 1059669
Company number: 3269700

Accounts – 31st December 2021

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CHRISTIAN COMMUNITY CHURCH (SOUTH KENT)

**REPORT OF THE TRUSTEES
for the year ended 31st December 2021**

The Trustees are pleased to present their annual report and financial statements of the charitable company for the year ended 31st December 2021 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and the charities Statement of Recommended Practice (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and the Republic of Ireland: FRS 102) issued in October 2019.

Reference and Administration Details

The charity's name is Christian Community Church (South Kent) and also operates under the name of South Kent Community Church.

Charity Registration Number: 1059669

Company Number: 3269700

Registered Office and Principal Address: The Cornerstone Centre
Castle Hill Avenue
Folkestone
Kent,
CT20 2QR

Company Secretary: Mrs J Rawlings

Directors and Trustees

The Trustees of the charitable company (the charity) are its Directors for the purposes of charity law. The Directors and officers who served during the year and since the year end were as follows:

Mr T Burgess (Chair Buildings Sub Committee)
Mr A Earl
Mr S Griffiths (Chair Finance Sub Committee)
Mr S Hunnibal
Mr R Jones (Chair of Trustees) (resigned 31st March 2022)
Mr M Lamb
Mr V Oliver (resigned 31st March 2022)
Mrs J Rawlings (Trust Secretary)

Objectives and Activities

The main objects of the charity are

- a) To promote the Christian faith within the United Kingdom and overseas;
- b) To relieve the aged, the poor, the needy, the sick and those generally existing in conditions of hardship and distress;
- c) To advance education;
- d) To promote other charitable objects as decided by the directors from time to time.

In planning the activities of the charitable company the directors have considered the Charity Commission's guidance on public benefit and, in particular, the specific guidance on charities for the advancement of religion.

The main activity of the charity is the operation of a church in the South Kent area.

**REPORT OF THE TRUSTEES
for the year ended 31st December 2021 (Continued)**

Achievements and Performance

The Trustees, are also directors of the charity and the terms are used interchangeably in this Report.

A Structure and Organisation

South Kent Community Church is a charity with a congregation of approximately 280 people (includes U18s) spread across the area of Folkestone, Hythe and surrounding villages. A board of Trustees exists (8 members) who have oversight of the legal and administration of the charity and a leadership team (10 members) who are tasked with the spiritual leadership of the church. The two groups work closely together.

The Cornerstone Centre, Castle Hill Avenue, Folkestone, CT20 2QR is the home of South Kent Community Church and is used for Sunday gatherings (adults, youth & children), an office base, community projects and private lettings.

1 Buildings

- 1.1 The Cornerstone Centre remained unused for the start of 2021 in response to Covid-19. Sunday gatherings returned in April 2021 with limited capacity, congregants were also asked to pre-book seats, to wear face coverings and to refrain from singing.
- 1.2 The back hall at The Cornerstone Centre also remained out of use in response to Covid-19. However, by September 2021 the hall had begun to be put to use by SKCC activities and also external bookings. This was an encouragement to the Trustees as the hall had been redundant following its renovation completion at the start of 2020.
- 1.3 The following electrical works were carried out at The Cornerstone Centre during 2021 - hand dryers were installed in the main toilet block, various cabling for the new AV equipment and lighting alterations in the auditorium. All works were carried out in keeping with Covid-19 safety measures.
- 1.4 The Trustees instructed an architect to carry out a quinquennial survey report for The Cornerstone Centre in order to identify any problems relating to the building and to establish priorities for repair. The report highlights work to be carried out across a 5-year period varying in degree of cost and involvement.
- 1.5 The Trustees continue to be mindful of repairs needed to the clock tower, referred to in the quinquennial report, and whilst they are not urgent, repairs will be needed at a cost of circa. £50,000.
- 1.6 In the autumn of 2021 the Trustees considered best use of their property (11 Twiss Avenue) as the long-standing occupant is no longer able to live there due to a decline in health. Mindful that decisions concerning the property need to be made in the charity's best interest and in line with the charity's objectives it was agreed to obtain valuations and put the property on the market (December 2021).

2 Grant-Applications / Legacy Gifts

- 2.1 There were no grants received in 2021.
- 2.2 A legacy gift of £50,000 was received in July 2021. The following restrictions were put in place for the legacy: £20,000 for general funds, £20,000 for overseas ministry and £10,000 towards the work of *Options (*or if not possible for the church to use as they see fit).

CHRISTIAN COMMUNITY CHURCH (SOUTH KENT)
REPORT OF THE TRUSTEES
for the year ended 31st December 2021 (Continued)

3.

3 Employment

3.1 The charity employs *9 members of staff (3 full-time and 6 part-time) who continue to pursue the vision of South Kent Community Church with commitment and integrity. Roles include pastoral care, administration/finance, caretaking, youth & children and debt support in collaboration with Christians Against Poverty.

*During the year, Trustees recorded resignations from Gary Lamb (September 2021) and Eric Brooks (November 2021)

3.2 The Trustees continue to delegate day-to-day management and decision making to the operational team members (James Coombs, Phil Haines & Joyce Rawlings).

3.3 The Trustees were keen to keep the principle of an annual increase to salaries that matched CPI and as there were no affordability constraints an increase of 1.9% was approved for all employees.

3.4 The trustees continue to be satisfied with the auto-enrolment pension scheme with People's Pension and made the relevant employer contributions during 2021.

4 Risk Management/Policies

4.1 The Trustees continue to recognise the importance of assessing and managing risk associated with the charity's objectives and as such, have overall responsibility for the risk assessment policy. However, the Operations Team implement and maintain relevant systems consistent within the policy on behalf of the Trust.

4.2 The Safeguarding Policy was reviewed and updated during the year. In addition, external safeguarding training via Zoom took place for all Trustees and all volunteers working with children/vulnerable adults. DBS checks are also carried out for all volunteers working with children & vulnerable adults.

4.3 Throughout the year the Trustees conducted reviews of the charity's operations in order to identify areas of risk and to initiate planning to mitigate these risks. As part of this, the Trustees received income/expenditure reports on a monthly basis so that any financial risk could be identified early and appropriate action taken.

4.4 Risk assessments were prepared for each activity undertaken in line with Covid-19 requirements.

5 Covid-19 Response

5.1 As an organisation, we have remained adaptable in response to Covid-19 and the Trustees are grateful to the Operations Team for their ability to be flexible and to cope with the many unexpected challenges. Facilitating connection within the church family remained a high priority for the Trustees and leadership team. On-line provision of Sunday services and mid-week gatherings were made available and continued alongside the return to in-person meetings wherever possible.

The Trustees recorded the following time-line for activities:

From January – March 2021 Sunday services, connect group gatherings and prayer meetings continued to be livestreamed/hosted on Zoom. Community projects from The Cornerstone Centre remained on pause.

In April 2021, there was a return to Sunday gatherings at The Cornerstone Centre, though there were restrictions in place, such as limited capacity, booking a seat, face masks, social distance, no congregational singing and no refreshments. Activities for children & youth remained on-line as did prayer meetings, Bible studies and connect groups.

In May 2021, staff returned to using the office premises at The Cornerstone Centre and from June 2021, The Mill, Toddler Group & Drop In resumed activities from the building in line with covid-19 guidance. We also began to serve refreshments on a Sunday morning but with a take away service using disposable cups.

CHRISTIAN COMMUNITY CHURCH (SOUTH KENT)
REPORT OF THE TRUSTEES
for the year ended 31st December 2021 (Continued)

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July 2021, measures continued to be in place as above for Sunday services, other than congregants were permitted to sing (with a face covering) and social distancing was relaxed.

In August 2021, regular activities for children & youth also returned to The Cornerstone Centre or outdoor spaces near to the building.

In September 2021, the majority of activities at The Cornerstone Centre and at The Gate in Hythe had returned in some form.

November to December 2021, saw a spike in covid cases, which meant pausing some of the community projects again and whilst Sunday gatherings and Christmas activities remained, they were also adjusted accordingly.

- 5.2 Recognising the importance of the live-streamed Sunday services, particularly reaching those who are unable to meet in-person, the Trustees invested in further AV equipment to improve and facilitate this.
- 5.3 Noting again the importance of connection, additional pastoral support was offered to those most vulnerable within the church family alongside weekly 'coffee & chat' sessions on Zoom for everyone.
- 5.4 Throughout the year, SKCC's community projects (listed under charitable objectives below) continued to adapt their services in line with covid-19 guidance. The community project leaders were keen to resume in-person services as soon as they were able, recognising the need within the community. By September 2021, all of SKCC's community projects had resumed to meeting in-person in some form or another.
- 5.5 Trustees continued to monitor finances closely during the year, which despite the pandemic, have remained in a fairly stable position, they are thankful for the provision of finance through the voluntary donations from church members.
- 5.6 International Ministry remained on hold throughout 2021 due to restrictions on travel. These restrictions also prevented home visits from Tom MacGregor (Rwanda) & Heather Pritchard (Mozambique) who SKCC support. However, the continued Zoom and live-streamed services within SKCC enabled connection with Tom & Heather which the Trustees understand to have been greatly appreciated.
- 5.7 Whilst the long-term impact of Covid-19 on the operations of the charity is difficult to measure, the charity has shown it is able to cope/adapt with significant change and continues to be a going concern.

B Charity objectives and activities during 2021

- 1. When initially planning their activities for the year, the Trustees had again been mindful of the spirit and letter of the Charity Commissioners' guidance on public benefit, remaining aware of the specific guidance related to charities which exist for the advancement of religion.
- 2. Much of the direct outworking of the vision continued to take place in south-east Kent, focusing on large and small settlements within that area. South Kent Community Church (SKCC), which receives apostolic input through Salt and Light Ministries, and continues to work in regional association with a network of churches called Forge on an informal basis.

CHRISTIAN COMMUNITY CHURCH (SOUTH KENT)
REPORT OF THE TRUSTEES
for the year ended 31st December 2021 (Continued)

5.

3. The Trustees once again express thanks to all employees for their tireless commitment throughout the year and gratefully acknowledge the huge number of volunteers who contribute their time, energy and skills to enable the charity to provide a variety of activities and community projects.
- 3.1 The Trustees continued to pursue their constitutional duties in respect of investing in Christian workers, outreach, and wide-ranging youth and children's work.
- 3.2 During 2021, the Trustees maintained community involvement through projects, such as Options (pregnancy crisis counselling), Little Treasures (parent and toddler group), Irene Astor Court & The Gate (coffee mornings), Drop In (social interaction & food provision for the homeless), and The Mill (youth club). The School's Assemblies Project and After School Clubs have yet to be reinstated post-covid 19. In addition, an Alpha course took place over Zoom for the first time which was successful in reaching those not only local to SKCC but also further afield.
- 3.3 The Trustees were pleased to report that the much-anticipated Urban Saints children & youth camps were able to go ahead during the summer of 2021 (covid-19 restrictions in place) with a good number of children & youth from SKCC participating.
- 3.4 The Trustees continued to assign around 10% of income to needs beyond the direct running of the charity including ongoing connections overseas in Romania, Rwanda, Mozambique, Burkina Faso and Amor Europe. In addition, support was given to UK initiatives, such as the Folkestone Rainbow Centre, The Kings School of Theology in Oxford, Salt & Light Ministries, Mission Aviation Fellowship, Scripture Union and the work of the Folkestone Churches Winter Shelter Project.
- 3.5 The Trustees also continued to fully fund the local work of Christians Against Poverty (CAP) Folkestone under the management of Angela Burnett.
- 3.6 The Sunday church gatherings for adults, youth & children were adapted according to covid-19 guidance throughout the year. The church family benefitted greatly from being able to meet in person again from April 2021. The Trustees noted that numbers, whilst good, have not returned to the regular pattern of pre-covid levels, however, there has been an increase in visitors/new members which is encouraging. Mid-week groups also gradually returned to in-person meetings having been on-line since the start of the pandemic.

C Bankers

National Westminster Bank plc, Europa House, 49 Sandgate Road, Folkestone, Kent CT20 1RU.

Trustees were advised that their long-standing business relationship manager at NatWest was moving on at the end of March 2021 and a new manager would be appointed.

D Reporting Accountants

A J Carter & Co, Chartered Accountants, 22b High Street, Witney, Oxon, OX28 6RB.

Financial Review

The total income for the year was £377,704 and total expenditure on charitable activities amounted to £334,113. This left a surplus for the year of £32,174 on unrestricted funds and a surplus of £11,417 on restricted funds. The balance on unrestricted funds at the year end was £507,993 and restricted funds £30,341

The main source of income during the year was donations and a legacy.

REPORT OF THE TRUSTEES
for the year ended 31st December 2021 (Continued)

Reserves Policy

A longstanding element of financial management within the charity has been the establishment of a principle on which to base the holding of reserves and ongoing monitoring thereof. A balance is sought between the taking of considered risk and the prudent maintenance of funds. Chief amongst a number of obvious principles is to maintain the ability to pay employee salaries and the day to day running of The Cornerstone Centre for a sufficient period, following any severe cessation of cash-flow. The Trustees hold reserves sufficient to pay salaries and meet all essential bills for three months, if circumstances should so demand. Any additional reserves are with a view to fund longer term projects, particularly in terms of The Cornerstone Centre, which may include its restoration, paying off the loan on the building and to meet the needs outlined in the charity objectives to continue the function of the charity.

Structure Governance and Management**Governing Document**

Christian Community Church (South Kent) is a company limited by guarantee governed by its Memorandum and Articles of Association dated 1st October 1996. It is registered as a charity with the Charity Commission. Members of the charitable company guarantee to contribute amounts not exceeding £1 to the assets of the charitable company in the event of winding up.

Mandatory meetings of the trustees were held throughout the year, reviewing the charity's activities and evaluation of its performance, supported by the regular additional work of the trustees' finance and buildings' sub-committees.

Appointment of Trustees

The directors keep the composition of the board under review and will seek to appoint additional members with appropriate skills and expertise should the need arise. Interested parties are given details of the background of the charitable company in order to make them aware of current activities.

James Coombs and Phil Haines (the two main leaders of the church) receive open invitation to attend Trust meetings. Mutual awareness and shared vision are beneficial to all whilst voting rights remain solely with Trustees, who are free (should they wish at any time) to ask the two leaders to withdraw, allowing Trustees to discuss an item in private.

To be appointed a trustee they must be over 18, recommended by other trustees and a member of the charity.

According to the Charity's Instrument and Articles of government, the board of directors is sovereignly responsible for appointing new directors. By custom, non-binding advice is sought from the appointed church leadership. There are regulations concerning the maintaining of a majority of directors who draw no income from the charity of any kind and the number of directors may not fall below three. No trustees received any remuneration from the charity in their role as trustee.

This Report was approved by the Board on 7th September 2022

A Earl

Signed on its behalf by:

Director and Trustee

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES

I report to the trustees on my examination of the accounts of Christian Community Church (South Kent) (the charitable company) for the year ended 31st December 2021.

Responsibilities and Basis of Report

As the charity's trustees (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ("the 2006 Act").

Having satisfied myself that the accounts of the charitable company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ("the 2011 Act"). In carrying out my examination I have followed the directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent Examiner's Statement

Since the charitable company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Association of Chartered Certified Accountants.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the charitable company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

A P Williams FCCA
A J Carter & Co
Chartered Accountants

22b High Street
Witney
Oxon
OX28 6RB

15th September 2022

STATEMENT OF FINANCIAL ACTIVITIES*(including an income and expenditure account)***for the year ended 31st December 2021**

	Note	Unrestricted Funds	Restricted Funds	Total Funds 2021	Total Funds 2020
		£	£	£	£
Income from:					
Donations and grants	3	300,810	74,680	375,490	329,349
Investments	4	11	-	11	169
Other trading activities - Rental income		1,895	-	1,895	999
Other income - Sundry income		308	-	308	-
Total incoming resources		<u>303,024</u>	<u>74,680</u>	<u>377,704</u>	<u>330,517</u>
Expenditure on:					
Charitable activities	5	<u>284,863</u>	<u>49,250</u>	<u>334,113</u>	<u>343,991</u>
Total expenditure		<u>284,863</u>	<u>49,250</u>	<u>334,113</u>	<u>343,991</u>
Net income/(expenditure) and net movement in funds for the year		18,161	25,430	43,591	(13,474)
Transfer between funds		<u>14,013</u>	<u>(14,013)</u>	<u>-</u>	<u>-</u>
Net movement in funds		32,174	11,417	43,591	(13,474)
Reconciliation of funds					
Total funds brought forward		<u>475,819</u>	<u>18,924</u>	<u>494,743</u>	<u>508,217</u>
Total funds carried forward		<u>£507,993</u>	<u>£30,341</u>	<u>£538,334</u>	<u>£494,743</u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derives from continuing activities.

The notes on pages 10 to 18 form part of these financial statements

CHRISTIAN COMMUNITY CHURCH (SOUTH KENT)

9.

**BALANCE SHEET
as at 31st December 2021**

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	11	<u>451,056</u>	<u>454,616</u>
Total fixed assets		<u>451,056</u>	<u>454,616</u>
Current assets			
Debtors	12	18,957	16,639
Investments	13	111,486	111,476
Cash at bank and in hand		<u>59,179</u>	<u>25,444</u>
Total current assets		189,622	153,559
Liabilities			
Creditors falling due within one year	14	<u>11,235</u>	<u>12,503</u>
Net current assets		<u>178,387</u>	<u>141,056</u>
Total assets less current liabilities		629,443	595,672
Creditors: falling due after more than 1 year	15	91,109	100,929
Total net assets	16	<u><u>£538,334</u></u>	<u><u>£494,743</u></u>
The funds of the Charity			
Restricted income funds	17	<u>30,341</u>	<u>18,924</u>
Unrestricted income funds	17	476,569	443,706
Designated income funds	17	<u>31,424</u>	<u>32,113</u>
Total unrestricted funds		<u>507,993</u>	<u>475,819</u>
Total charity funds		<u><u>£538,334</u></u>	<u><u>£494,743</u></u>

For the year ended 31st December 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors Responsibilities

The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and

The directors acknowledge their responsibilities for complying with the requirements of the act with respect to the accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the special provisions relating to companies subject to the Small Companies Regime within part 15 of the Companies Act 2006

These accounts were approved by the board of directors and authorised for issue on: 7th September 2022 and are signed on their behalf by:

A Earl

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Director

The notes on pages 10 to 18 form part of these financial statements

NOTES TO THE ACCOUNTS
for the year ended 31st December 2021

1. **Accounting Policies**

The principal accounting policies adopted, judgments and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a) **Basis of Preparation and Assessment of Going Concern**

The Financial Statements have been prepared in accordance with the Charities: Statement of Recommended Practice (applicable to charities preparing their accounts in accordance with the Financial Standard applicable in the UK and the Republic of Ireland (FRS 102) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Christian Community Church (South Kent) meets the definition of a public benefit entity under FRS 102.

The directors consider that there are no material uncertainties about the charity's ability to continue as a going concern.

b) **Income Recognition Policies**

Items of income are recognised and included in the accounts when all of the following criteria are met:

- The charity has entitlement to the funds;
- any performance conditions attached to the items of income have been met or are fully within the control of the charity;
- there is sufficient certainty that receipt of the income is considered probable; and
- the amount can be measured reliably.

For legacies entitlement is taken as the earlier of:

- The date on which the charity is aware that Probate has been granted;
- the estate has been finalised and notification has been made by the Executors to the Trust that a distribution will be made; or
- when a distribution is received from the Estate.

Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the Charity has been notified of the Executors intention to make a distribution. Where legacies have been notified to the Charity, or the Charity is aware of the granting of the probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income received in advance of a specific performance or provision of other specified service is deferred until the criteria for income recognition are met.

c) **Donated Services and Facilities**

In accordance with the Charities SORP (FRS 102) the general time of volunteers is not recognised in the accounts.

d) **Interest Receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the bank.

NOTES TO THE ACCOUNTS
for the year ended 31st December 2021 (continued)

e) **Fund Accounting**

Unrestricted funds are available to spend on activities that further any of the purposes of the Charity. Designated funds are unrestricted funds of the Charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for the particular areas of the Charity's work or for specific projects being undertaken by the Charity.

f) **Expenditure and Irrecoverable VAT**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Expenditure on Charitable activities includes the cost of running the activities of South Kent Community Church.
- Other expenditure represents those items not falling into any other heading.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

g) **Tangible Fixed Assets**

Individual fixed assets costing £1,000 or more are capitalised at cost and are depreciated over their estimated useful economic lives on the straight line basis as follows:

Asset Category	Annual Rate
Equipment	25% per annum
Freehold property	2 % per annum
Freehold land	0% per annum

h) **Debtors**

Trade and other debtors are recognised at the settlement amounts due after any trade discount offered. Prepayments are valued at the amount prepaid after taking account of any trade discounts due.

i) **Cash at Bank and in Hand**

Cash at bank and cash in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

j) **Creditors and Provisions**

Creditors and provisions are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

k) **Pensions**

The charity operates a defined contribution scheme, the assets of which are held outside the charity. The contributions by the charity in the year are detailed in note 7.

l) **Operating losses**

The charity classifies the lease of the photocopier as an operating base, the title to the equipment remains with the lessor. Rental charges are charged on a straight line basis over the terms of the lease.

NOTES TO THE ACCOUNTS
for the year ended 31st December 2021 (continued)

m) **Grants**

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, and any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

2. **Legal Status of the Charity**

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

3. **Income from donations**

	2021	2020
	£	£
Gifts, donations, legacies and grants	375,490	329,349
	<u>£375,490</u>	<u>£329,349</u>

Of the £375,490 received in 2021 (2020: £329,349) £74,680 was restricted funds (2020: £49,579) and £300,810 (2020: £279,770) unrestricted funds.

The charity benefits greatly from the involvement and enthusiastic support of its many volunteers, details of which are given in our annual report. In accordance with FRS 102 and the Charities SORP (FRS 102) the economic contribution of general volunteers is not recognised in the accounts.

4. **Investment income**

All of the Charity investment income arises from money held in deposit accounts at Nat West bank.

5. **Analysis of expenditure on charitable activities**

	Christians Against Poverty £	Church activity £	2021 Total £	2020 Total £
Expenditure on projects	5,114	76,495	81,609	68,581
Pastoral support	-	136,760	136,760	142,349
Property costs, licences and insurance	-	28,596	28,596	47,559
Office and resources costs	-	9,351	9,351	9,212
Depreciation		18,160	18,160	14,510
Staff and administration support	17,411	33,131	50,542	50,103
Accountancy	-	2,970	2,970	2,880
Bank charges	-	1,339	1,339	1,296
Loan interest	-	4,786	4,786	7,501
Total	<u>£22,525</u>	<u>£311,588</u>	<u>£334,113</u>	<u>£343,991</u>

Of the £334,113 expenditure in 2021 (2020: £343,991), £284,863 was charged to unrestricted funds (2020: £308,572) and £49,250 to restricted funds (2020: £35,419).

NOTES TO THE ACCOUNTS
for the year ended 31st December 2021 (continued)

6. Net income/(expenditure) for the year

	2021	2020
	£	£
<i>This is stated after charging:</i>		
Depreciation	18,160	14,510
Independent examiner's fee	<u>2,970</u>	<u>2,880</u>

7. Analysis of staff costs and trustee remuneration and expenses

	2021	2020
	£	£
Salaries and wages	173,823	178,799
Social security costs	11,222	11,541
Employer contribution to defined contribution pension scheme	<u>6,490</u>	<u>6,646</u>
	<u>£191,535</u>	<u>£196,986</u>

No employees had emoluments in excess of £60,000 (2020: Nil).

Two of the directors and key management personnel of the charitable company are also pastors and administrators within the church and have received the following amounts from the charitable company relating to their pastoral/administration services:

	2021	2020
	£	£
V Oliver- salary	7,351	7,286
V Oliver- national insurance contributions	-	-
J Rawlings- salary	28,064	27,814
J Rawlings- national insurance contributions	2,654	2,631
J Rawlings-pension contributions	<u>1,122</u>	<u>1,107</u>
	<u>£39,191</u>	<u>£38,838</u>

The company's Memorandum and Articles of Association specifically prohibits them from receiving any remuneration or benefit in respect of their role as directors of the company or trustees of the charity. They are remunerated in their capacity as pastors/administrators of the church as expressly permitted.

One of the directors spouses is also remunerated by the charitable company for administration services:

	2021	2020
	£	£
J Oliver- salary	1,911	1,894
J Oliver- national insurance contributions	-	-
J Oliver-pension contributions	<u>76</u>	<u>75</u>
	<u>£1,987</u>	<u>£1,969</u>

NOTES TO THE ACCOUNTS
for the year ended 31st December 2021 (continued)

8. Staff numbers

The average monthly number of employees during the year was as follows:

	2021 Number	2020 Number
Pastoral	4	4
Youth and children's worker	1	1
Christians Against Poverty	1	1
Caretaker	1	1
Administration	2	2
	<u>9</u>	<u>9</u>

9. Related party transactions

During the year one of the directors was paid expenses in respect of telephone and travel in the sum of £610 (2020: one director £763).

During the year the trustees, their spouses and key management personnel donated £46,775 (2020: £45,971) to the charity in total.

10. Corporation tax

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

11. Tangible fixed assets

	Freehold Properties £	Equipment £	Total £
Cost:			
As at 31.12 2020	474,666	45,407	520,073
Additions	-	14,600	14,600
As at 31.12 2021	<u>474,666</u>	<u>60,007</u>	<u>534,673</u>
Depreciation:			
As at 31.12 2020	39,712	25,745	65,457
Charge for year	6,329	11,831	18,160
As at 31.12 2021	<u>46,041</u>	<u>37,576</u>	<u>83,617</u>
Net book value:			
As at 31.12 2021	<u>£428,625</u>	<u>£22,431</u>	<u>£451,056</u>
As at 31.12 2020	<u>£434,954</u>	<u>£19,662</u>	<u>£454,616</u>

NOTES TO THE ACCOUNTS
for the year ended 31st December 2021 (continued)

12. Debtors

	2021	2020
	£	£
Other debtors	13,818	12,155
Prepayments	5,139	4,484
	<u>£18,957</u>	<u>£16,639</u>

13. Current asset investments

	2021	2020
	£	£
Cash on deposit	111,486	111,476
	<u>£111,486</u>	<u>£111,476</u>

14. Creditors: amounts falling due within one year

	2021	2020
	£	£
Other creditors and accruals	7,146	7,860
Bank loan (secured)	4,089	4,643
	<u>£11,235</u>	<u>£12,503</u>

15. Creditors: amounts falling due after more than one year

	2021	2020
	£	£
Secured bank loan (falling due in less than 5 years)	16,360	18,573
Secured bank loan (falling due in more than 5 years)	74,749	82,356
	<u>£91,109</u>	<u>£100,929</u>

The loan from NatWest bank is repayable by monthly instalments and is secured on the property The Cornerstone Centre, Castle Hill Avenue.

16. Analysis of net assets between funds

	General Fund £	Designated Funds £	Restricted Funds £	Total £
Tangible fixed assets	451,056	-	-	451,056
Cash at bank and in hand	(1,565)	31,424	29,320	59,179
Other net current assets/(liabilities)	118,187	-	1,021	119,208
Creditors of more than one year	(91,109)	-	-	(91,109)
Total	<u>£476,569</u>	<u>£31,424</u>	<u>£30,341</u>	<u>£538,334</u>

NOTES TO THE ACCOUNTS
for the year ended 31st December 2021 (continued)

17. Analysis of charitable funds

Analysis of movements in restricted funds

	Balance 1.1.21 £	Incoming resources £	Resources expended £	Transfers £	Funds 31.12.21 £
Burkina Faso	1,550	160	-	-	1,710
CAP	1,215	6,511	(122)	(5,000)	2,604
Community bases	-	9,625	-	(9,625)	-
Cornerstone Centre-Drop in	45	2,770	(2,786)	650	679
Feed the hungry	300	2,526	(1,950)	-	876
Heather Pritchard	810	2,347	(2,700)	-	457
Help fund	7,137	1,943	(2,367)	-	6,713
KEDESH Students	-	2,250	(1,800)	-	450
KEDESH Santario	-	1,480	(1,482)	-	(2)
Men's events	194	-	-	-	194
Options	1,150	720	(424)	-	1,446
Options Legacy	-	10,000	-	-	10,000
Overseas Legacy	-	20,000	(20,000)	-	-
Post box	1,302	2,597	(3,236)	(38)	625
Romania	581	164	(150)	-	595
Seabrook after school	56	-	-	-	56
SKCC Social events	600	-	-	-	600
Toddler group	310	185	(185)	-	310
Tom MacGregor	2,945	11,342	(12,000)	-	2,287
Winter shelter	661	60	(48)	-	673
Women's events	68	-	-	-	68
Total	£18,924	£74,680	£(49,250)	£(14,013)	£30,341

The restricted funds are for specific projects in the churches activities and pastoral care.

Transfers have been made to the restricted funds from the general fund at the discretion of the trustees to fund specific projects and cover deficits.

Transfers have been made from the restricted funds to the general fund at the discretion of the trustees to cover operating costs.

A transfer has been made from the Community bases fund to unrestricted funds as the income has been used in the year to part fund a new video system.

NOTES TO THE ACCOUNTS
for the year ended 31st December 2021 (continued)

17. Analysis of charitable funds (continued)

Analysis of movements in unrestricted funds

	Balance 1.1.21 £	Incoming resources £	Resources expended £	Transfers £	Funds 31.12.21 £
General Funds	443,706	302,396	(252,504)	(17,029)	476,569
<i>Designated funds</i>					
After School Clubs	459	-	-	41	500
Amor Europe	-	-	(1,200)	1,200	-
Assemblies	500	-	(49)	-	451
Burkina Faso	-	-	(2,000)	2,000	-
CAP Central	-	-	(4,992)	4,992	-
CAP SKCC	6,016	-	-	(1,360)	4,656
Children's work	963	-	(696)	937	1,204
Cornerstone - Drop In	837	-	-	513	1,350
Dave Richards	-	-	(3,000)	3,000	-
Forge Sphere	10	-	(1,740)	1,740	10
Heather Pritchard	1,000	-	(3,000)	3,000	1,000
International Ministry	4,665	-	-	335	5,000
Kedesh Boys Home	500	-	(500)	-	-
KST	-	-	(200)	200	-
L T Discretion	649	-	(250)	100	499
Local Area Folkestone	295	-	(228)	204	271
Local Area Hythe	275	-	(142)	225	358
MAF	-	-	(900)	900	-
Millfield Tithe	8,700	-	(1,500)	-	7,200
Mortgage extra	700	-	-	2,100	2,800
New equipment	-	-	(2,410)	2,500	90
Options	1,000	-	(520)	(250)	230
Outreach Events	952	-	(79)	48	921
PA	-	-	(743)	750	7
Publicity	1,000	-	-	-	1,000
Rainbow centre	-	-	(1,200)	1,200	-
Romania	-	-	(500)	500	-
Rwanda	-	-	(500)	500	-
Safe Place	209	-	(27)	90	272
Scripture Union	-	-	(900)	900	-
Self fund	-	628	(557)	(71)	-
Training & equipment	651	-	(2,578)	3,019	1,092
Visiting speakers	622	-	(170)	378	830
Winter shelter	300	-	-	-	300
Youth work	1,810	-	(1,778)	1,351	1,383
Total	£475,819	£303,024	£(284,863)	£14,013	£507,993

NOTES TO THE ACCOUNTS
for the year ended 31st December 2021 (continued)

17. Analysis of charitable funds (continued)

Name of unrestricted fund	Description, nature and purposes of the fund
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General fund	The 'free reserves' after allowing for all designated funds.
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The designated funds are for specific projects in the churches activities and pastoral care.

Transfers have been made to the designated funds from the general fund at the discretion of the trustees to fund specific projects.

Likewise, when no longer required funds are transferred back to the general funds.

A transfer has been made from the New equipment fund to unrestricted funds as the fund has been used in the year to part fund a new video system.

18. Pension commitments

The charity operates a defined contribution scheme the assets of which are held separately from those of the charity in an independently administered fund. At the balance sheet date unpaid contributions of £2,246 (2020: £2,505) were due to the fund. They are included in other creditors.

19. Other financial commitments

At 31st December 2021 the charity had commitments under non-cancellable operating leases over the remaining 4 1/2 years of the lease totalling £7,199.

INCOME AND EXPENDITURE ACCOUNT
for the year ended 31st December 2021

2020

	£	£	£
INCOME			
Offerings, donations and legacies		300,182	279,017
Interest received		11	169
Restricted and designated income		75,308	50,332
Other income		308	-
Rental income		<u>1,895</u>	<u>999</u>
		377,704	<u>330,517</u>
EXPENDITURE			
Activities relating to work of church			
Restricted and designated expenditure	81,609		68,581
Pastoral support	136,760		142,349
Motor and travel	1,079		907
Telephone	2,854		2,956
Caretaker salary	4,233		4,534
Heat, light, water and rates	6,167		9,216
Insurance and licences	9,171		7,838
Repairs and maintenance	9,025		25,971
Printing and stationery	2,779		4,489
Publicity	908		382
Books and tapes	71		68
Hospitality	1,599		410
Depreciation - Buildings	6,329		6,329
- Equipment	<u>11,831</u>		<u>8,181</u>
	<u>274,415</u>		<u>282,211</u>
Management and Administration			
Office and administration support	50,542		50,103
Computer consumables and software	61		-
Bank charges	1,339		1,296
Loan interest	4,786		7,501
Accountancy	<u>2,970</u>		<u>2,880</u>
	59,698		<u>61,780</u>
		<u>334,113</u>	<u>343,991</u>
NET INCOME/(EXPENDITURE) FOR THE YEAR		<u>£43,591</u>	£(<u>13,474</u>)