

CHRISTIAN COMMUNITY CHURCH (SOUTH KENT)

Accounts – 31st December 2022

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 2022

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CHRISTIAN COMMUNITY CHURCH (SOUTH KENT)**REPORT OF THE TRUSTEES
for the year ended 31st December 2022**

The Trustees are pleased to present their annual report and financial statements of the charitable company for the year ended 31st December 2022 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:	South Kent Community Church The Cornerstone Centre Castle Hill Avenue Folkestone 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 (Chair of Trustees from 1st April 2022)
Mr S Griffiths (Chair Finance Sub Committee)
Mr S Hunnibal
Mr M Lamb
Mrs J Rawlings (Trust Secretary)
Mr M Earl (appointed 2nd May 2023)
Mr N Lewis (appointed 2nd May 2023)
Mrs A Short (appointed 2nd May 2023)

Mr R Jones and Mr V Oliver resigned as Trustees with effect from 31st March 2022.

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 2022 (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 (SKCC) is a charity with a congregation of approximately 250 people spread across the area of Folkestone, Hythe, and surrounding villages. A board of Trustees exists (currently 6 members) who have oversight of the legal and administration of the charity and a leadership team (8 members) who are tasked with the spiritual leadership of the church. The two groups work closely together.

During 2022 a sub-group continued the process of reviewing and updating the Articles of Association with a view to also amending the charity name to South Kent Community Church. Anthony Collins Solicitors were appointed to assist with this work, which remained ongoing at the close of the year.

- 1 **Buildings - 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.
- 1.2 Trustees are pleased to report an increase in lettings at The Cornerstone Centre which brings in additional income to tithes and offerings. Porchlight now use the back hall every Friday morning and several other smaller organisations are beginning to make use of the facilities in the back hall which is a modern self-contained space having been renovated in 2019. Other parts of the building have also been let to external users and this is something the Trustees are keen to develop though they note availability can be limited due to SKCC's own community project activities requiring the space.
- 1.3 Following the sale of 11 Twiss Avenue (see below), Trustees were able to use funds to pay off the remaining bank loan on The Cornerstone Centre which was something to celebrate just 5 years after purchasing the building.
- 1.4 Trustees continue to be mindful of larger works at The Cornerstone Centre requiring significant funding such as repairs to the clock tower at a cost of circa. £50,000 and a new hot air heating system for the main hall at a cost of circa. £60,000. They hope to secure grant funding towards some of these costs. Trustees also look to appoint a part-time buildings manager to oversee and manage all key aspects of building maintenance at The Cornerstone Centre.
- 1.5 The following maintenance works were carried out at The Cornerstone Centre during 2022; soundproof installation in the back hall, various electrical works including replacing light fittings in the clock tower, replacing/updating intruder alarms, and minor roof repairs in the foyer following a leak.
- 1.6 **Buildings – 11 Twiss Avenue.** Following the Trustees decision to sell the property 11 Twiss Avenue in December 2021, Mapps Estate Agents and Frederic Hall Solicitors were appointed to oversee the sale. The property generated significant interest and a sale was completed in May 2022. After selling fees were deducted £546,104.40 was paid into the SKCC bank account.
- 1.7 In the first instance, Trustees discussed using monies from the sale as follows: to employ a buildings manager for 2 years (approx. £36,000), to pay off the mortgage on The Cornerstone Centre (approx. £92,000), to invest in new PA equipment (approx. £30,000), to give away 10% as a tithe to projects outside of SKCC's control (approx. £54,600) with remaining monies to be used on remedial works at The Cornerstone Centre, towards shortfall on current/future budgets, pursuing the vision of SKCC through development and growth of our core work.

CHRISTIAN COMMUNITY CHURCH (SOUTH KENT)
REPORT OF THE TRUSTEES
for the year ended 31st December 2022 (Continued)

3.

2 **Grant-Applications / Legacy Gifts** – there were no grants of legacy gifts received in 2022.

3 **Employment**

3.1 The charity employs 7 members of staff (3 full-time and 4 part-time) who continue to pursue the vision of South Kent Community Church with commitment and integrity. Roles include pastoral care, administration/finance, youth & children's work, and debt support in collaboration with Christians Against Poverty. NB The salary paid to Joyce Rawlings is in respect of her paid role as Administrator and does not include any payment in respect of being a Trustee.

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 5% 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 2022.

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 is reviewed annually. During 2022 a serious incident was reported to the Charity Commission. Though no further regulatory advice was required, the trustees agreed it would be good practice to perform a 'lessons learnt' review with an independent safeguarding professional. In addition to this, MyConcern (a secure database for recording incidents) was installed. All volunteers working with children & vulnerable adults follow a safer recruitment process including carrying out an enhanced DBS check where eligible.

4.3 The Trustees also conducted reviews of the charity's policies in risk management, conflict of interest, volunteer management, complaints handling and paying staff in order to identify areas of risk and to initiate planning to mitigate these risks. The Trustees also reviewed income/expenditure reports regularly throughout the year so that any financial risk could be identified early, and appropriate action taken.

4.4 Risk assessments continued to be prepared for each activity undertaken.

5 **Covid-19 Response**

5.1 At the start of the year, the Trustees and Leadership Team continued to be deliberately cautious in relaxing Covid-19 guidelines, particularly for Sunday services instead choosing to 'prefer one another' and give time and space for everyone to adapt and be confident in coming. However, from 6th March 2022 the formal advice to wear masks at SKCC Sunday gatherings was removed (though individuals were free to choose to continue to do so if preferred or vulnerable).

5.2 Whilst the long-term impact of Covid-19 on the operations of the charity were difficult to measure at the start, over the past two years the charity has shown it is able to cope/adapt with significant change and continues to be a going concern. The Trustees and Leadership Team are thankful for the continued provision of finance through the voluntary donations from church members.

B Charity objectives and activities during 2022

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.

CHRISTIAN COMMUNITY CHURCH (SOUTH KENT)
REPORT OF THE TRUSTEES
for the year ended 31st December 2022 (Continued)

4.

B Charity objectives and activities during 2022 (continued)

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), is also connected to Churches Together in Folkestone and Hythe and shared joint gatherings across the town throughout the year, including Easter and Christmas services. SKCC is also connected to Forge a network of churches based across Kent, London, Hampshire, and Cornwall enabling a shared relationship and activities. During 2022 Forge hosted various events for leaders and members of SKCC this included a leaders' retreat, a gathering at the Big Church Festival, and training on Creation Crisis Care.
3. The Trustees continued to pursue their constitutional duties in respect of investing in Christian workers, outreach, and wide-ranging youth and children's work.
- 3.1 Sunday services were held at The Cornerstone Centre each week with teaching and worship in an informal and relaxed atmosphere, providing practical, biblical teaching using a variety of gifted speakers. Children & youth have their own age-related teaching in groups that meet after sung worship. Additionally, each month we host youth church (3rd Sunday) and Kidz Church (4th Sunday) from the back hall. These services are tailored specifically to the youth and children and run for the full length of the adult service. The Trustees and Leadership Team noted that the regular pattern of existing members attending on a Sunday morning had been slow to return following the pandemic. However, several new people joined during the year with regular attendance increasing which is encouraging. Sunday services continue to be live streamed to Facebook making it accessible for those within the church family who are unable to attend and to those further afield. Towards the end of the year Trustees invested in PA equipment which made a significant difference to the quality of sound in the building and online. Outside of Sunday mornings, Connect Groups (smaller groups meeting in homes to share life and pray together), and Impact Groups (focus groups such as Bible study, cells) continued for adults and youth.

In addition, the following planned outreach activities were also carried out: Alpha, the Prayer Course, Men's and Ladies Events and a new initiative known as 'Blessing Sunday' where the leadership team set aside a Sunday service to take the church out of the building to bless the community through acts of kindness. Following on from the success of previous years the Trustees were pleased to report a good number of children & youth from SKCC were also able to participate in the Urban Saints Southeast Summer Camp and Satellites youth camp.

- 3.2 During 2022, the Trustees continued to work with the Leadership Team in their vision to '*demonstrate God's Kingdom in Community – at Home and *Away*'. **At Home** involvement was demonstrated through the following community projects:
 - **Options**, a pregnancy crisis service offering free unbiased confidential support for unplanned pregnancy, post abortion and pregnancy loss. At the start of 2022 support was mainly by telephone/Zoom, however towards the end of the year in person appointments had resumed at The Cornerstone Centre. Options hosted a celebratory lunch to mark their 25th Anniversary on 27th June 2022, and as part of Baby Loss Awareness Week, hosted a memorial service in October 2022.
 - **Little Treasures Parent and Toddler Group**, runs on Monday mornings during term time, providing refreshments, craft, play and singing time. The group saw huge growth in 2022 with approximately 40 families coming on a regular basis which meant opening a second larger hall at The Cornerstone Centre to facilitate.
 - **Coffee Mornings** at The Gate – on the first Friday of the month tailored to all ages and on the third Friday of the month tailored specifically for parents with 'little ones'. Both are well attended and appreciated within the community, reaching out to those outside of SKCC.

REPORT OF THE TRUSTEES
for the year ended 31st December 2022 (Continued)

- **Drop In**, held at The Cornerstone Centre, providing social interaction & food provision for the homeless on Monday and Wednesday afternoons. Numbers of guests using the service ranged between 20 – 40 each session during 2022. A particular highlight for guests is the ‘fish & chip’ lunch which is held during the Easter period.
- **The Mill Youth Club** runs out of the back hall at The Cornerstone Centre on Friday evenings during term-time and sees approximately 20 – 30 young people coming along from within the community.
- **School Assemblies/Prayer Club** – SKCC’s children’s & youth worker continues to maintain regular visits to 8 local primary schools sharing assemblies using video/puppets. The prayer club has been a new venture in 2022 working in partnership with Christchurch Primary Academy and can see up to 60 children attending each week.
- **Christians Against Poverty (CAP)** - The Trustees continued to fully fund the local work of CAP Folkestone under the management of Angela Burnett. During the year, 26 new clients were visited (either a single person, couple, or family) and the work of CAP Folkestone directly impacted 31 adults and 17 children with 8 clients becoming debt free. Members of SKCC and the wider community also filled 30 hampers with Christmas goodies which were given out to CAP families/individuals.

3.3 Involvement ***Away**, either overseas or in the UK was demonstrated as follows:

- In Romania, through the organisations Aurora Christian Association and Hospice of Hope.
- In Rwanda, through supporting Tom MacGregor and his work with Azizi Life.
- In Mozambique, through supporting Heather Pritchard and her work with Kedesh Santuario.
- In Burkina Faso, through supporting a local school in Kodení.
- Amor Europe.
- Mission Aviation Fellowship.
- Folkestone Churches Winter Shelter Project.
- Rainbow Centre.
- Kings School of Theology.
- Canal Ministries.
- Christians Against Poverty.
- Scripture Union.

The Trustees believe in the principle of tithing and therefore assigned 10% of income received into the general fund at SKCC to needs beyond the direct running of the charity (namely those listed above).

In addition to this, in March and September 2022, SKCC took part in food packs held at The Cornerstone Centre and arranged by the charity Feed the Hungry, the September pack saw food being sent to Burkina Faso. Special offerings were also taken during the year in response to the flooding disaster in Pakistan, and the war in Ukraine. The Trustees also set aside a sum within their budget towards international ministry but as we were still in the aftermath of Covid-19 this wasn’t spent in 2022. However, Trustees were delighted to welcome both Heather Pritchard and Tom MacGregor and his family for home assignment visits during 2022. It was very encouraging to hear firsthand the work they are doing.

REPORT OF THE TRUSTEES
for the year ended 31st December 2022 (Continued)

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 such a variety of activities and community projects, noting that without our volunteers the charity would not be able to function.

C Bankers

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

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 £294,631 and total expenditure on charitable activities amounted to £336,193. This left a deficit for the year of £49,628 on unrestricted funds and a surplus of £8,066 on restricted funds before the income from the sale of 11 Twiss Avenue. The balance on unrestricted funds at the year-end was £932,837 and restricted funds £33,372.

The main source of income during the year was donations.

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 funding longer-term projects, particularly in terms of The Cornerstone Centre, which may include its restoration and to meet the needs outlined in the charity objectives. Following the sale of 11 Twiss Avenue, monies held by the charity in Reserves are in excess and Trustees will form a long-term plan to assign the additional reserves that have recently built up to further grow the objects 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. Following the resignation of two Trustees during 2022 the board began the process of seeking new appointments.

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.

REPORT OF THE TRUSTEES
for the year ended 31st December 2022 (Continued)

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 20th September 2023

A Earl

Signed on its behalf by:
Director and Trustee

Folkestone, Kent

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 2022.

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

22nd September 2023

STATEMENT OF FINANCIAL ACTIVITIES*(including an income and expenditure account)***for the year ended 31st December 2022**

	Note	Unrestricted Funds	Restricted Funds	Total Funds 2022	Total Funds 2021
		£	£	£	£
Income from:					
Donations and grants	3	246,764	39,425	286,189	375,490
Investments	4	1,263	-	1,263	11
Other trading activities - Rental income		4,055	-	4,055	1,895
Other income - Sundry income		2,724	400	3,124	308
Total incoming resources		<u>254,806</u>	<u>39,825</u>	<u>294,631</u>	<u>377,704</u>
Expenditure on:					
Charitable activities	5	304,434	31,759	336,193	334,113
Total expenditure		<u>304,434</u>	<u>31,759</u>	<u>336,193</u>	<u>334,113</u>
Net income/(expenditure) and net movement in funds for the year		(49,628)	8,066	(41,562)	43,591
Transfer between funds		5,035	(5,035)	-	-
Other recognised gains					
Gains on sale of fixed assets	20	469,437	-	469,437	-
Net movement in funds		<u>424,844</u>	<u>3,031</u>	<u>427,875</u>	<u>43,591</u>
Reconciliation of funds					
Total funds brought forward		507,993	30,341	538,334	494,743
Total funds carried forward		<u>£932,837</u>	<u>£33,372</u>	<u>£966,209</u>	<u>£538,334</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 11 to 19 form part of these financial statements

CHRISTIAN COMMUNITY CHURCH (SOUTH KENT)

10.

**BALANCE SHEET
as at 31st December 2022**

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	11	<u>373,739</u>	<u>451,056</u>
Total fixed assets		<u>373,739</u>	<u>451,056</u>
Current assets			
Debtors	12	14,536	18,957
Investments	13	545,937	111,486
Cash at bank and in hand		<u>39,111</u>	<u>59,179</u>
Total current assets		599,584	189,622
Liabilities			
Creditors falling due within one year	14	<u>7,114</u>	<u>11,235</u>
Net current assets		<u>592,470</u>	<u>178,387</u>
Total assets less current liabilities		966,209	629,443
Creditors: falling due after more than 1 year	15	-	91,109
Total net assets	16	<u>£966,209</u>	<u>£538,334</u>
The funds of the Charity			
Restricted income funds	17	<u>33,372</u>	<u>30,341</u>
Unrestricted income funds	17	907,684	476,569
Designated income funds	17	<u>25,153</u>	<u>31,424</u>
Total unrestricted funds		<u>932,837</u>	<u>507,993</u>
Total charity funds		<u>£966,209</u>	<u>£538,334</u>

For the year ended 31st December 2022 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: 20th September 2023 and are signed on their behalf by:

A Earl

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Director

The notes on pages 11 to 19 form part of these financial statements

NOTES TO THE ACCOUNTS
for the year ended 31st December 2022

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 2022 (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 lease, 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 2022 (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**

	2022	2021
	£	£
Gifts, donations, legacies and grants	286,189	375,490
	<u>£286,189</u>	<u>£375,490</u>

Of the £286,189 received in 2022 (2021: £375,490) £39,425 was restricted funds (2021: £74,680) and £246,764 (2021: £300,810) 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 NatWest bank.

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

	Christians Against Poverty £	Church activity £	2022 Total £	2021 Total £
Expenditure on projects	6,031	69,795	75,826	81,609
Pastoral support	-	127,831	127,831	136,760
Property costs, licences and insurance	-	36,112	36,112	28,596
Office and resources costs	-	10,241	10,241	9,351
Depreciation		22,055	22,055	18,160
Staff and administration support	18,106	34,462	52,568	50,542
Accountancy	-	3,050	3,050	2,970
Professional fees	-	2,772	2,772	-
Bank charges	-	1,336	1,336	1,339
Loan interest	-	4,402	4,402	4,786
Total	<u>£24,137</u>	<u>£312,056</u>	<u>£336,193</u>	<u>£334,113</u>

Of the £336,193 expenditure in 2022 (2021: £334,113), £304,434 was charged to unrestricted funds (2021: £284,863) and £31,759 to restricted funds (2021: £49,250).

NOTES TO THE ACCOUNTS
for the year ended 31st December 2022 (continued)

6. Net income/(expenditure) for the year

	2022	2021
	£	£
<i>This is stated after charging:</i>		
Depreciation	22,055	18,160
Independent examiner's fee	<u>3,050</u>	<u>2,970</u>

7. Analysis of staff costs and trustee remuneration and expenses

	2022	2021
	£	£
Salaries and wages	163,330	173,823
Social security costs	10,761	11,222
Employer contribution to defined contribution pension scheme	<u>6,231</u>	<u>6,490</u>
	<u>£180,322</u>	<u>£191,535</u>

No employees had emoluments in excess of £60,000 (2021: 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:

	2022	2021
	£	£
V Oliver- salary (until resigned on 31 March 2022)	1,875	7,351
V Oliver- national insurance contributions	-	-
J Rawlings- salary	29,116	28,064
J Rawlings- national insurance contributions	2,919	2,654
J Rawlings-pension contributions	<u>1,167</u>	<u>1,122</u>
	<u>£35,077</u>	<u>£39,191</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 director's spouses is also remunerated by the charitable company for administration services:

	2022	2021
	£	£
J Oliver- salary (until spouse resigned 31 March 2022)	493	1,911
J Oliver- national insurance contributions	-	-
J Oliver-pension contributions	<u>20</u>	<u>76</u>
	<u>£513</u>	<u>£1,987</u>

NOTES TO THE ACCOUNTS
for the year ended 31st December 2022 (continued)

8. Staff numbers

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

	2022 Number	2021 Number
Pastoral	3	4
Youth and children's worker	1	1
Christians Against Poverty	1	1
Caretaker	-	1
Administration	2	2
	<u>7</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 £512 (2021: one director £610).

During the year the trustees, their spouses and key management personnel donated £40,020 (2021: £46,775) to the charity in total, with £2,323 of this being restricted.

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 2021	474,666	60,007	534,673
Additions	-	21,050	21,050
Disposals	(102,500)	-	(102,500)
As at 31.12 2022	<u>372,166</u>	<u>81,057</u>	<u>453,223</u>
Depreciation:			
As at 31.12 2021	46,041	37,576	83,617
Charge for year	4,962	17,093	22,055
On Disposals	(26,188)	-	(26,188)
As at 31.12 2022	<u>24,815</u>	<u>54,669</u>	<u>79,484</u>
Net book value:			
As at 31.12 2022	<u>£347,351</u>	<u>£26,388</u>	<u>£373,739</u>
As at 31.12 2021	<u>£428,625</u>	<u>£22,431</u>	<u>£451,056</u>

NOTES TO THE ACCOUNTS
for the year ended 31st December 2022 (continued)

12. Debtors

	2022	2021
	£	£
Other debtors	10,352	13,818
Prepayments	4,184	5,139
	<u>£14,536</u>	<u>£18,957</u>

13. Current asset investments

	2022	2021
	£	£
Cash on deposit	545,937	111,486
	<u>£545,937</u>	<u>£111,486</u>

14. Creditors: amounts falling due within one year

	2022	2021
	£	£
Other creditors and accruals	7,114	7,146
Bank loan (secured)	-	4,089
	<u>£7,114</u>	<u>£11,235</u>

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

	2022	2021
	£	£
Secured bank loan (falling due in less than 5 years)	-	16,360
Secured bank loan (falling due in more than 5 years)	-	74,749
	<u>£-</u>	<u>£91,109</u>

The loan from NatWest bank has been paid off in full during the year.

16. Analysis of net assets between funds

	General Fund	Designated Funds	Restricted Funds	Total
	£	£	£	£
Tangible fixed assets	373,739	-	-	373,739
Cash at bank and in hand	(18,306)	25,153	32,264	39,111
Other net current assets/(liabilities)	552,251	-	1,108	553,359
Creditors of more than one year	-	-	-	-
Total	<u>£907,684</u>	<u>£25,153</u>	<u>£33,372</u>	<u>£966,209</u>

NOTES TO THE ACCOUNTS
for the year ended 31st December 2022 (continued)

17. Analysis of charitable funds

Analysis of movements in restricted funds

	Balance 1.1.22 £	Incoming resources £	Resources expended £	Transfers £	Funds 31.12.22 £
Burkina Faso	1,710	-	(1,004)	-	706
CAP	2,604	2,690	-	(5,000)	294
Cornerstone Centre-Drop in	679	1,555	(2,231)	-	3
Feed the hungry	876	4,505	(4,550)	-	831
Heather Pritchard	457	2,339	(1,500)	-	1,296
Help fund	6,713	2,400	(1,227)	-	7,886
KEDESH Students	450	1,875	(1,700)	-	625
KEDESH Santario	(2)	3,712	(3,710)	-	-
Men's events	194	-	-	-	194
Options	1,446	670	(518)	(35)	1,563
Options Legacy	10,000	-	(740)	-	9,260
Post box	625	5,824	(5,119)	-	1,330
Romania	595	-	-	-	595
Seabrook after school	56	-	-	-	56
SKCC Social events	600	-	-	-	600
Toddler group	310	1,501	(988)	-	823
Tom MacGregor	2,287	12,045	(8,000)	-	6,332
Winter shelter	673	250	(34)	-	889
Women's events	68	100	(79)	-	89
Youth	-	359	(359)	-	-
Total	£30,341	£39,825	£(31,759)	£(5,035)	£33,372

The restricted funds are for specific projects in the church's 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.

NOTES TO THE ACCOUNTS
for the year ended 31st December 2022 (continued)

17. Analysis of charitable funds (continued)

Analysis of movements in unrestricted funds

	Balance 1.1.22 £	Incoming resources £	Resources expended £	Recognised gains	Transfers £	Funds 31.12.22 £
General Funds	476,569	254,231	(260,805)	469,437	(31,748)	907,684
<i>Designated funds</i>						
After School Clubs	500	-	-	-	-	500
Amor Europe	-	-	(1,200)	-	1,200	-
Assemblies	451	-	(31)	-	49	469
Burkina Faso	-	-	(2,000)	-	2,000	-
Canal Ministries	-	-	(2,200)	-	2,200	-
CAP Central	-	-	(4,992)	-	4,992	-
CAP SKCC	4,656	-	(1,039)	-	1,500	5,117
Children's work	1,204	-	(899)	-	695	1,000
Cornerstone - Drop In	1,350	-	-	-	650	2,000
Dave Richards	-	-	(3,000)	-	3,000	-
Feed the Hungry	-	-	(975)	-	3,000	2,025
Forge Sphere	10	-	(1,740)	-	1,740	10
Forge Training	-	-	(1,278)	-	1,500	222
Heather Pritchard	1,000	-	(4,000)	-	3,000	-
International Ministry	5,000	-	(500)	-	-	4,500
Kedesh Boys Home	-	-	(500)	-	500	-
KST	-	-	(200)	-	200	-
L T Discretion	499	-	-	-	152	651
Local Area Folkestone	271	-	(308)	-	228	191
Local Area Hythe	358	-	(115)	-	142	385
MAF	-	-	(900)	-	900	-
Millfield Tithe	7,200	-	(4,700)	-	-	2,500
Mortgage extra	2,800	-	-	-	(2,800)	-
New equipment	90	-	(2,635)	-	2,545	-
Options	230	-	-	-	(230)	-
Outreach Events	921	8	(334)	-	79	674
PA	7	-	(1,303)	-	1,268	(28)
Publicity	1,000	-	-	-	-	1,000
Rainbow centre	-	-	(1,200)	-	1,200	-
Romania	-	-	(500)	-	500	-
Rwanda	-	-	(496)	-	500	4
Safe Place	272	-	-	-	(272)	-
Scripture Union	-	-	(900)	-	900	-
Self fund	-	199	(329)	-	110	(20)
Sponges	-	-	(57)	-	500	443
Training & equipment	1,092	-	(2,090)	-	2,748	1,750
Visiting speakers	830	-	(420)	-	170	580
Winter shelter	300	-	-	-	-	300
Youth work	1,383	368	(2,788)	-	1,917	880
Total	£507,993	£254,806	£(304,434)	£469,437	£5,035	£932,837

NOTES TO THE ACCOUNTS
for the year ended 31st December 2022 (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 church's 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 PA fund to the general fund as the fund has been used to purchase new PA equipment during the year.

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 £2,336 (2021: £2,246) were due to the fund. They are included in other creditors.

19. Other financial commitments

At 31st December 2022 the charity had commitments under non-cancellable operating leases over the remaining 3½ years of the lease totalling £5,599.

20. Profit on Sale of Property

During the year the charity sold the property at 11 Twiss Avenue with a realised gain of £469,437.

INCOME AND EXPENDITURE ACCOUNT
for the year ended 31st December 2022

2021

	£	£	£
INCOME			
Offerings, donations and legacies		246,548	300,182
Interest received		1,263	11
Restricted and designated income		39,641	75,308
Other income		3,124	308
Rental income		<u>4,055</u>	<u>1,895</u>
		294,631	<u>377,704</u>
EXPENDITURE			
Activities relating to work of church			
Restricted and designated expenditure	75,388		81,609
General project expenditure	438		-
Pastoral support	127,831		136,760
Motor and travel	636		1,079
Telephone	2,532		2,854
Caretaker salary	-		4,233
Heat, light, water and rates	12,756		6,167
Insurance and licences	11,422		9,171
Repairs and maintenance	11,934		9,025
Printing and stationery	3,833		2,779
Publicity	1,216		908
Books and tapes	163		71
Hospitality	826		1,599
Depreciation - Buildings	4,962		6,329
- Equipment	<u>17,093</u>		<u>11,831</u>
	<u>271,030</u>		<u>274,415</u>
Management and Administration			
Office and administration support	52,568		50,542
Computer consumables and software	1,035		61
Bank charges	1,336		1,339
Loan interest	4,402		4,786
Professional fees	2,772		-
Accountancy	<u>3,050</u>		<u>2,970</u>
	65,163		<u>59,698</u>
		<u>336,193</u>	<u>334,113</u>
NET (EXPENDITURE)/INCOME FOR THE YEAR		£(41,562)	£43,591