

NEW COMMUNITY NETWORK

England & Wales · Charity number 1072645

Details

Other names	ROBERT WILLIS AND VIOLET WILLIS TRUST HOME, THE CORNERSTONE NETWORK, CENTRAL COUNSELLING & TRAINING SERVICE, COMMUNITY CHURCH, SOUTHAMPTON, New Community Church Southampton, SCHOOL OF MINISTRIES
Status	Registered
Legal form	Charitable company
Company number	03578938
Registered	1998-11-30
Register	View on the Charity Commission register

Contact

Address	New Community Network Central Hall St. Mary Street St. Marys Southampton SO14 1NF
Phone	023 8023 7700
Email	info@newcommunity.org.uk
Website	www.newcommunity.org.uk

Activities

Objects: THE OBJECTS OF THE CHARITY ARE TO ADVANCE THE CHRISTIAN RELIGION, TO ADVANCE EDUCATION, TO RELIEVE THOSE WHO ARE POOR, IN CONDITIONS OF NEED, HARDSHIP OR DISTRESS OR WHO ARE AGED OR SICK, TO PROMOTE THE CREATIVE ARTS FOR THE PUBLIC BENEFIT AND TO PROMOTE SUCH OTHER CHARITABLE OBJECTS AS THE TRUSTEES SHALL FROM TIME TO TIME DETERMINE.

Activities: New Community Network is a christian charity based around the work of New Community Church in Southampton and the surrounding region. Our activities include work in education and the relief of poverty.

Classification

- **How:** Makes Grants To Individuals, Makes Grants To Organisations, Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information
- **What:** Education/training, The Prevention Or Relief Of Poverty, Accommodation/housing, Religious Activities, Arts/culture/heritage/science, Economic/community Development/employment
- **Who:** Children/young People, Elderly/old People, Other Charities Or Voluntary Bodies, The General Public/mankind

Geography

- Burma
- Congo
- France
- Ghana
- India
- Iraq
- Kenya
- Nepal
- Rwanda
- South Africa
- Uganda
- United States
- Zambia
- Hampshire
- Southampton City

Finances

Period end	Income	Expenditure	Assets	Employees
2025-08-31	£1,264,160	£1,140,637	£1,483,650	25
2024-08-31	£1,256,648	£1,180,218	£1,360,127	26
2023-08-31	£1,217,045	£1,154,440	£1,283,697	27
2022-08-31	£990,140	£1,103,595	£1,221,092	29
2021-08-31	£1,148,512	£993,834	£1,330,911	34

Trustees

Name	Role	Appointed
Alexander Sheen		2020-09-23
CHRISTOPHER NIGEL ROMILLY		2018-01-27
Jonathan Paul Cathie		2021-03-25
Joseph Sargent		2023-03-23
Katherine Barbara Swift		2021-03-25
Sarah Elizabeth Chart		2023-03-23

Linked charities

- THE ROBERT WILLIS AND VIOLET WILLIS TRUST HOME (BETHSHAN AND ELSHADDAI) (1072645-1)

NEW COMMUNITY NETWORK

England & Wales - Charity number 1072645

Accounts

Charity Registration No. 1072645

Company Registration No. 03578938 (England and Wales)

NEW COMMUNITY NETWORK
ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

NEW COMMUNITY NETWORK

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr C N D Romilly Mr A Sheen Mrs K Swift Mr J Cathie Mr J Sargent Ms S E Chart
Charity number	1072645
Company number	03578938
Principal address	Central Hall St Mary Street Southampton Hants SO14 1NF
Registered office	Central Hall St Mary Street Southampton Hants SO14 1NF
Auditor	Caladine Limited Chantry House 22 Upperton Road Eastbourne East Sussex BN21 1BF
Bankers	Barclays Bank PLC Hatton Garden Business Centre 99 Hatton Garden London EC1N 8DN CAF Bank Limited Kings Hill West Malling Kent ME19 4JQ
Solicitors	Blake Morgan New Kings Court Tollgate Chandler's Ford Eastleigh Hampshire SO53 3LG

NEW COMMUNITY NETWORK

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NEW COMMUNITY NETWORK

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2025

The trustees present their annual report and financial statements for the year ended 31 August 2025.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

The objectives of the charity are:

- To advance the Christian faith;
- To advance education;
- To promote the creative arts for the public benefit;
- To relieve those who are poor, in conditions of need, hardship or distress or who are aged or sick; and
- To promote such other charitable objects as the trustees shall from time to time determine.

The Trustees have considered and have had due regard to the Commission's guidance on public benefit and, in particular, the specific guidance on activities for the advancement of religion.

The Trustees are satisfied that the objectives of the Charity have been met, and that appropriate procedures and controls are in place to ensure continued operation.

Grant making policy

The charity is not primarily a grant making charity and does not solicit applications from organisations or individuals. We will from time to time make grants from our own funds or specifically raise funds for projects undertaken by other organisations. This would normally be in a geographical location and for a purpose we cannot undertake ourselves e.g. international crisis relief.

We will also make small grants to individuals with whom we have personal contact to enable them to achieve one of our charitable objectives. All grants are monitored to ensure they are used for the purpose that they are given.

Grants made during the year amounted to £113,021 (2024: £124,446) and were made up of £21,281 of grants to individuals (2024: £48,112) and £91,740 of grants to institutions (2024: £76,334). An analysis of institutional grants made above £10,000 is provided in note 10 in the accounts.

Achievements and performance

New Community Church's expressions of church at both Central Hall and in the Sholing area of Southampton continued to meet throughout 2024/25.

These congregations have continued to be supported by a wide variety of small group activities throughout the week including Alpha courses for those exploring faith, group activities for young people, prayer meetings and learning opportunities for those who want to study in more depth.

Advance Education

We continue to partner with New Generation Schools Trust to deliver primary education through Hope Community School. The school are currently tenants of Central Hall as a temporary site whilst permanent facilities are being built nearby. A new site for the school has been secured and work is underway to design and build a new school. We expect Hope School to be tenants of Central Hall for two more years.

As a church we have an agreement to provide governance, chaplaincy, volunteers and wrap-around services to the school.

NEW COMMUNITY NETWORK

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

Promote Creative Arts

We have provided a supportive environment for artists, singers, and musicians. Local orchestras, bands, and choirs regularly use Central Hall as a performance venue. These are booked through our trading subsidiary, New Community Ventures, which has seen a growing momentum of bookings through 2024/25.

Relief of the poor and those in need, hardship or distress

Our 'Community Hub' at Central Hall, which provides an umbrella for the various caring initiatives that we operate has continued to function throughout the year, with an increase in the numbers attending. We have been able to host a variety of groups - including, Creative English classes, and Warm Space with up to 70 guests attending each week.

Through the work of our Hope Community School chaplain, we have supported children and families from the local area with targeted educational and practical support. The Baby Branch has continued to operate, providing baby clothes and equipment to parents in need. We have also been able to provide local community members with food through a weekly Fare Share operation, and we operate a weekly Hoppers Hive, where families can drop in for support and chat once a week after school.

We have continued to support the work of the Kibera Saints and Umoja group in Kibera, Kenya. The Kibera Saints offer mentoring for school age children to enable them to cope with the hazards and deprivation due to living in the largest slum in Africa. We have also been able to sponsor other relief projects in Africa and India.

Financial review

The principal funding sources for the Charity are voluntary donations and income from hire of facilities. These funds are used to operate the church congregations and projects with a Christian ethos.

Voluntary giving decreased to £518,173 (2024: £528,520). Unrestricted voluntary income, which includes donations, related tax recovered and grants, was £558,829 (2024: £547,354) and restricted voluntary income £59,349 (2024 - £82,183).

The Consolidated Statement of Financial Activities reports an overall surplus of £123,523 (2024: surplus of £76,430) for the year. However, this includes a depreciation charge, which is a non-cash item, of £53,757 (2024: £49,900).

Capital expenditure in the year was £32,458 (2024: £19,347).

The balance outstanding on our bank loan as at the end of the financial year was £199,685 (2024: £231,773). New Community Ventures Ltd (NCV) made a profit of £187,244 (2024: £166,811).

Total funds held as at 31 August 2025 were £1,483,650 (2024: £1,360,127), of which £140,017 (2024: £184,514) were restricted, and £1,343,634 (2024: £1,175,613) were unrestricted.

Reserves policy

The board of trustees has examined the charity's requirements for reserves in the light of the main risks to the organisation. The main risk to be mitigated against is the potential loss of income from when Hope School vacate the premises to move to their new school. The charity will build up the reserves in order to cover a temporary loss of income from when Hope School move to their new premises. The board of Trustees expect the reserves to be sufficient such that they would be able to continue the current activities of the Charity and allow New Community Ventures time to build up income from other activities at Central Hall.

The group free reserves (defined as the unrestricted net current assets of the group) at 31 August 2025 were £420,820 (2024: £264,262).

Investment policy

The board of trustees has considered the most appropriate policy for investing the charity's short-term funds and has found that interest bearing current accounts and deposit accounts, designed for the charity sector, meet their requirements to generate a reasonable return with security of capital and ease of access as projects develop. The board of trustees considers the return on investments to be adequate. The charity has no long-term cash investments.

NEW COMMUNITY NETWORK

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Plans for future periods

We have benefited significantly from the use of Central Hall by Hope Community School over the past 8 years. The school has now purchased a site on which to build a new school facility and the current licence agreement will come to an end in September 2027.

Structure, governance and management

Governing document

New Community Network is a charitable company limited by guarantee, incorporated on 10 June 1998 as The Cornerstone Network and registered as a charity on 30 November 1998. The name was changed to New Community Network at an Extraordinary General Meeting held on 19 September 2005.

The company was established under a Memorandum of Association that established the objects and powers of the charitable company and is governed under its Articles of Association which was amended by special resolution on 29 March 2022.

New Community Ventures Limited

New Community Ventures Limited is a private company limited by shares, incorporated on 27 January 2017. New Community Network owns the entire share capital.

Recruitment and appointment of board of trustees

Trustees are normally, but not exclusively, recruited from the members of the church congregations who are all fully supportive of our aims and practically involved in the work of the charity. We aim to keep a balance of skills and backgrounds to facilitate the efficient functioning of the group. A comprehensive package of training utilising Charity Commission publications and other materials is provided to ensure that trustees are aware of their responsibilities and the hallmarks of good governance.

Organisational structure and decision making processes

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr C N D Romilly
Mr A Sheen
Mrs K Swift
Mr J Cathie
Mr J Sargent
Ms S E Chart

Membership – The Charity Members form a panel of reference for the full time staff and volunteers. They meet formally at the Annual General Meeting and appoint the trustees.

Board of Trustees – The Trustees meet once per quarter to review progress against activities planned and set budgets for the year. Individual trustees work closely with staff to ensure best practice is applied and good governance is maintained.

Leadership Team – The Leadership Team meet weekly to oversee the day to day running of the organisation, assess the effectiveness of the various teams and manage the budget.

The pay and remuneration of the Charity's key management personnel are set by benchmarking against equivalent roles in similar organisations in the charity sector. They are reviewed annually and are subject to individual and company performance.

NEW COMMUNITY NETWORK

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

Risk management

The Board of Trustees has conducted its own review of the major risks to which the charity is exposed and systems have been established to mitigate those risks. Internal risks are minimised by the implementation of procedures for authorisation of all transactions and projects, and to ensure consistent quality of delivery for all operational aspects of the charitable company. These procedures are periodically reviewed to ensure that they still meet the needs of the charity.

Auditor

In accordance with the company's articles, a resolution proposing that Caladine Limited be reappointed as auditor of the company will be put at a General Meeting.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees' report was approved by the Board of Trustees.



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Mr C N D Romilly
Chair of Trustees
Dated: 30 January 2026

NEW COMMUNITY NETWORK

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2025

The trustees, who are also the directors of New Community Network for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the 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 the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

NEW COMMUNITY NETWORK

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF NEW COMMUNITY NETWORK

Opinion

We have audited the financial statements of New Community Network (the 'parent charitable company') and its subsidiary together (the 'group') for the year ended 31 August 2025 which comprise the group and parent charitable company statement of financial activities, the statement of financial position, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 August 2025 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

NEW COMMUNITY NETWORK

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF NEW COMMUNITY NETWORK

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

The extent to which the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with trustees, and from our commercial knowledge and experience of the charity sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the group and parent charitable company, including the Companies Act 2006, Charities Act 2011, employment legislation, health and safety, and Anti-Money Laundering laws;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

NEW COMMUNITY NETWORK

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF NEW COMMUNITY NETWORK

We assessed the susceptibility of the group's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

Audit response to risks identified

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC and relevant regulators

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Mr Colin James Dadswell FCCA (Senior Statutory Auditor)
for and on behalf of Caladine Limited

03/02/2026
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Chartered Certified Accountants
Statutory Auditor

Chantry House
22 Upperton Road
Eastbourne
East Sussex
BN21 1BF

NEW COMMUNITY NETWORK

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 AUGUST 2025

	Notes	Unrestricted funds £	Restricted funds £	Total 2025 £	Total 2024 £
<u>Income and endowments from:</u>					
Donations and legacies	3	558,829	59,348	618,177	629,537
Charitable activities	4	16,628	-	16,628	21,829
Other trading activities	5	614,362	-	614,362	601,550
Investments	6	14,654	-	14,654	2,175
Other income	7	338	-	338	1,557
Total income		1,204,812	59,348	1,264,159	1,256,648
<u>Expenditure on:</u>					
Raising funds	8	523,879	-	523,879	515,676
Charitable activities	9	503,536	110,846	614,382	664,542
Other	12	2,376	-	2,376	-
Total resources expended		1,029,791	110,846	1,140,637	1,180,218
Net incoming resources before transfers		175,021	(51,498)	123,522	76,430
Gross transfers between funds	22	(7,000)	7,000	-	-
Net income/(expenditure) for the year/Net movement in funds		168,021	(44,498)	123,522	76,430
Fund balances at 1 September 2024		1,175,613	184,514	1,360,127	1,283,697
Fund balances at 31 August 2025		1,343,634	140,016	1,483,649	1,360,127

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

NEW COMMUNITY NETWORK

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 AUGUST 2024

	Notes	Unrestricted funds £	Restricted funds £	Total 2024 £
<u>Income and endowments from:</u>				
Donations and legacies	3	547,354	82,183	629,537
Charitable activities	4	21,829	-	21,829
Other trading activities	5	601,550	-	601,550
Investments	6	2,175	-	2,175
Other income	7	1,557	-	1,557
Total income		1,174,465	82,183	1,256,648
<u>Expenditure on:</u>				
Raising funds	8	515,676	-	515,676
Charitable activities	9	521,907	142,635	664,542
Other	12	-	-	-
Total resources expended		1,037,583	142,635	1,180,218
Net incoming resources before transfers		136,882	(60,452)	76,430
Gross transfers between funds	22	(22,381)	22,381	-
Net income/(expenditure) for the year/Net movement in funds		114,501	(38,071)	76,430
Fund balances at 1 September 2023		1,061,112	222,585	1,283,697
Fund balances at 31 August 2024		1,175,613	184,514	1,360,127

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

NEW COMMUNITY NETWORK

CHARITY STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 AUGUST 2025

	Unrestricted funds £	Restricted funds £	Total 2025 £	Total 2024 £
<u>Income and endowments from:</u>				
Donations and legacies	724,466	59,348	783,814	787,418
Charitable activities	16,628	-	16,628	21,829
Other trading activities	1,200	-	1,200	1,200
Investments	14,654	-	14,654	2,175
Other income	130	-	130	1,558
	<hr/>	<hr/>	<hr/>	<hr/>
Total income	757,078	59,348	816,426	814,180
	<hr/>	<hr/>	<hr/>	<hr/>
<u>Expenditure on:</u>				
Raising funds	3,206	-	3,206	1,893
Charitable activities	598,082	110,846	708,928	744,786
Other	2,376	-	2,376	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total resources expended	603,664	110,846	714,510	746,679
	<hr/>	<hr/>	<hr/>	<hr/>
Net incoming resources before transfers	153,414	(51,498)	101,916	67,501
	<hr/>	<hr/>	<hr/>	<hr/>
Gross transfers between funds	(7,000)	7,000	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Net income for the year/ Net movement in funds	146,414	(44,498)	101,916	67,501
	<hr/>	<hr/>	<hr/>	<hr/>
Fund balances at 1 September 2024	1,160,651	184,514	1,345,165	1,277,664
	<hr/>	<hr/>	<hr/>	<hr/>
Fund balances at 31 August 2025	1,307,065	140,016	1,447,081	1,345,165
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

NEW COMMUNITY NETWORK

CHARITY STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 AUGUST 2024

	Unrestricted funds £	Restricted funds £	Total 2024 £
<u>Income and endowments from:</u>			
Donations and legacies	705,235	82,183	787,418
Charitable activities	21,829	-	21,829
Other trading activities	1,200	-	1,200
Investments	2,175	-	2,175
Other income	1,558	-	1,558
Total income	731,997	82,183	814,180
<u>Expenditure on:</u>			
Raising funds	1,865	28.00	1,893
Charitable activities	602,179	142,607	744,786
Other	-	-	-
Total resources expended	604,044	142,635	746,679
Net incoming resources before transfers	127,953	(60,452)	67,501
Gross transfers between funds	(22,381)	22,381	-
Net income for the year/ Net movement in funds	105,572	(38,071)	67,501
Fund balances at 1 September 2023	1,055,079	222,585	1,277,664
Fund balances at 31 August 2024	1,160,651	184,514	1,345,165

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

NEW COMMUNITY NETWORK

STATEMENTS OF FINANCIAL POSITION

AS AT 31 AUGUST 2025

	Notes	Group		Charity	
		2025 £	2024 £	2025 £	2024 £
Fixed assets					
Property, plant and equipment	14	1,083,764	1,107,438	1,047,416	1,092,766
Investments	15	-	-	1,000	1,000
		<u>1,083,764</u>	<u>1,107,438</u>	<u>1,048,416</u>	<u>1,093,766</u>
Current assets					
Inventories		1,248	1,008	-	-
Trade and other receivables	16	49,596	47,802	43,944	55,406
Investments	17	314,354	300,036	314,354	300,036
Cash at bank and in hand		355,640	246,173	280,379	154,221
		<u>720,838</u>	<u>595,019</u>	<u>638,677</u>	<u>509,663</u>
Current liabilities	18	(160,002)	(146,243)	(79,063)	(62,177)
Net current assets		560,836	448,776	559,614	447,486
Total assets less current liabilities		1,644,600	1,556,214	1,608,030	1,541,252
Non-current liabilities	19	(160,949)	(196,087)	(160,949)	(196,087)
Net assets		<u>1,483,650</u>	<u>1,360,127</u>	<u>1,447,081</u>	<u>1,345,165</u>
Income funds					
Restricted funds	22	140,016	184,514	140,016	184,514
Unrestricted funds		1,343,634	1,175,613	1,307,065	1,160,651
		<u>1,483,649</u>	<u>1,360,127</u>	<u>1,447,081</u>	<u>1,345,165</u>

The financial statements were approved by the Trustees on 22 January 2026



Mr C N D Romilly
Chair of Trustees

Company Registration No. 03578938

NEW COMMUNITY NETWORK

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2025

	Notes	2025		2024	
		£	£	£	£
Cash flows from operating activities					
Cash generated from operations	26		173,337		155,331
Investing activities					
Purchase of property, plant and equipment		(32,458)		(19,347)	
Proceeds on disposal of property, plant and equipment		338		1,767	
Purchase of current asset investments		-		(300,036)	
Proceeds on disposal of investments		(14,318)		-	
Income from investments		14,654		2,175	
Net cash used in investing activities			(31,784)		(315,441)
Financing activities					
Repayment of bank loans		(32,088)		(30,488)	
Net cash used in financing activities			(32,088)		(30,488)
Net (decrease)/increase in cash and cash equivalents			109,466		(190,598)
Cash and cash equivalents at beginning of year			246,173		436,771
Cash and cash equivalents at end of year			355,639		246,173

NEW COMMUNITY NETWORK

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025

1 Accounting policies

Company information

New Community Network is a charitable company limited by guarantee incorporated in England and Wales. The registered office is Central Hall, St Mary Street, Southampton, Hants, SO14 1NF.

1.1 Accounting convention

The accounts have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

The group financial statements include the accounts of New Community Network (the charity) and its subsidiary New Community Ventures Limited.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Other trading income is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

NEW COMMUNITY NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

1 Accounting policies (Continued)

1.5 Expenditure

Liabilities are recognised when a constructive obligation exists, the payment is probable and the obligation can be measured or estimated reliably.

Resources expended are allocated to the particular cost centre to which they relate and include irrecoverable VAT.

Grants payable are charged in the year in which the offer is conveyed to the recipient except in those cases where the offer is conditional.

1.6 Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following basis:

Freehold land and buildings	50 years straight line
Plant and equipment	5 - 10 years straight line
Fixtures and fittings	5 - 10 years straight line
Computers	3 years straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

Items of equipment are capitalised where the purchase price exceeds £1,000.

1.7 Non-current investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

A subsidiary is an entity controlled by the charity. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.8 Impairment of non-current assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

1.9 Inventories

Inventories are stated at lower of cost and estimated selling price less costs to sell.

1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

NEW COMMUNITY NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

1 Accounting policies (Continued)

1.11 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including trade and other payables and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.12 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.14 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease.

NEW COMMUNITY NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total 2025	Total 2024
	£	£	£	£
Donations and gifts	551,929	59,348	611,278	626,237
Grants	6,900	-	6,900	3,300
	<u>558,829</u>	<u>59,348</u>	<u>618,178</u>	<u>629,537</u>
Donations and gifts 2025				
Donations and gifts	463,257	54,916	518,173	
Gift aid	88,673	4,432	93,105	
	<u>551,929</u>	<u>59,348</u>	<u>611,278</u>	
Donations and gifts 2024				
Donations and gifts	453,107	75,413		528,520
Gift aid	90,947	6,770		97,717
	<u>544,054</u>	<u>82,183</u>		<u>626,237</u>

NEW COMMUNITY NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

4 Charitable activities 2025	Unrestricted funds £	Restricted funds £	Total 2025 £	Total 2024 £
Fee income	16,628	-	16,628	21,829
Charitable activities 2024				
	Unrestricted funds £	Restricted funds £		Total 2024 £
Fee income	21,829	-		21,829
5 Other trading activities 2025				
	Unrestricted funds £	Restricted funds £	Total 2025 £	Total 2024 £
Rental and hire charges	614,362	-	614,362	601,550
Other trading activities 2024				
	Unrestricted funds £	Restricted funds £		Total 2024 £
Rental and hire charges	601,550	-		601,550

NEW COMMUNITY NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

6 Investments

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Interest receivable	14,654	2,175

7 Other income

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Net gain on disposal of tangible fixed assets	338	1,557

8 Raising funds 2025

	Unrestricted funds £	Restricted funds £	Total 2025 £	Total 2024 £
<u>Trading costs</u>				
Staff costs	179,151	-	179,151	177,213
Cost of trading subsidiaries	48,153	-	48,153	45,073
Building costs	96,040	-	96,040	103,964
Communications	5,299	-	5,299	2,829
Finance costs	8,874	-	8,874	759
Resource costs	69,303	-	69,303	74,892
Depreciation	9,116	-	9,116	4,295
Support costs (see note 11)	107,943	-	107,943	106,651
	<u>523,879</u>	<u>-</u>	<u>523,879</u>	<u>515,676</u>

Raising funds 2024

	Unrestricted funds £	Restricted funds £	Total 2024 £
<u>Trading costs</u>			
Staff costs	177,213	-	177,213
Cost of trading subsidiaries	45,073	-	45,073
Building costs	103,964	-	103,964
Communications	2,829	-	2,829
Finance costs	759	-	759
Resource costs	74,892	-	74,892
Depreciation	4,295	-	4,295
Support costs (see note 11)	106,651	-	106,651
	<u>515,676</u>	<u>-</u>	<u>515,676</u>

NEW COMMUNITY NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

9 Charitable activities

	2025 £	2024 £
Staff costs	259,106	285,093
Counselling, events, courses and community work	72,150	62,534
	<u>331,255</u>	<u>347,627</u>
Grant funding of activities (see note 10)	113,021	124,446
Share of support costs (see note 11)	156,118	171,577
Share of governance costs (see note 11)	13,988	20,892
	<u>614,382</u>	<u>664,542</u>
Analysis by fund		
Unrestricted funds	503,536	521,907
Restricted funds	110,846	142,635
	<u>614,382</u>	<u>664,542</u>

10 Grants payable

	2025 £	2024 £
Grants to institutions:		
Umoja	13,812	9,197
Pioneer Trust	25,075	25,211
Missionary Maintenance Services	24,000	4,000
Other grants below £10,000	28,853	37,926
	<u>91,740</u>	<u>76,334</u>
Grants to individuals	21,281	48,112
	<u>113,021</u>	<u>124,446</u>

NEW COMMUNITY NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

11 Support and governance costs 2025

	Support costs £	Governance costs £	Total 2025 £	Total 2024 £
Staff costs	130,807	-	130,807	134,875
Depreciation	44,640	-	44,640	45,605
Counselling, events, courses and community work	8,592	-	8,592	12,483
Finance costs	18,384	-	18,384	21,933
Insurance costs	9,731	-	9,731	16,964
Resource costs	29,843	-	29,843	27,861
Other costs	22,063	-	22,063	18,507
Audit fees	-	6,720	6,720	5,700
Accountancy	-	5,740	5,740	5,335
Other financial services	-	-	-	8,880
Legal and professional	-	1,528	1,528	977
	<u>264,061</u>	<u>13,988</u>	<u>278,048</u>	<u>299,120</u>
<u>Analysed between</u>				
Raising funds	107,943	-	107,943	
Charitable activities	156,118	13,988	170,105	
	<u>264,061</u>	<u>13,988</u>	<u>278,048</u>	

Support and governance costs 2024

	Support costs £	Governance costs £	Total 2024 £
Staff costs	134,875	-	134,875
Depreciation	45,605	-	45,605
Counselling, events, courses and community work	12,483	-	12,483
Finance costs	21,933	-	21,933
Insurance costs	16,964	-	16,964
Resource costs	27,861	-	27,861
Other costs	18,507	-	18,507
Audit fees	-	5,700	5,700
Accountancy	-	5,335	5,335
Other financial services	-	8,880	8,880
Legal and professional	-	977	977
	<u>278,228</u>	<u>20,892</u>	<u>299,120</u>
<u>Analysed between</u>			
Raising funds	106,651	-	106,651
Charitable activities	171,577	20,892	192,469
	<u>278,228</u>	<u>20,892</u>	<u>299,120</u>

NEW COMMUNITY NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

12 Other

	2025 £	2024 £
Net loss on disposal of tangible fixed assets	2,376	-

13 Employees

Number of employees

The average monthly number of employees during the year was:

	2025 Number	2024 Number
	25	26
	25	26

Employment costs

	2025 £	2024 £
Wages and salaries	506,605	533,072
Social security costs	35,952	36,255
Other pension and life insurance costs	26,508	27,854
	569,064	597,181

No employee earned more than £60,000 during the year (2024: none).

14 Property, plant and equipment

	Freehold land and buildings £	Plant and equipment £	Fixtures and fittings £	Computers £	Total £
Cost					
At 1 September 2024	2,058,159	164,877	95,764	15,785	2,334,585
Additions	-	-	29,892	2,566	32,458
Disposals	-	(21,706)	(1,517)	(706)	(23,928)
At 31 August 2025	2,058,159	143,172	124,138	17,646	2,343,115
Depreciation and impairment					
At 1 September 2024	974,568	158,313	82,047	12,219	1,227,147
Depreciation	41,163	1,689	7,993	2,911	53,757
Eliminated in respect of disposals	-	(19,329)	(1,517)	(706)	(21,552)
At 31 August 2025	1,015,732	140,673	88,522	14,424	1,259,351
Carrying amount					
At 31 August 2025	1,042,427	2,498	35,616	3,222	1,083,764
At 31 August 2024	1,083,591	6,564	13,717	3,566	1,107,438

NEW COMMUNITY NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

15 Fixed asset investments - see note 25

Investments in subsidiaries	Group	Charity
	£	£
Cost		
At 1 September 2024 & 31 August 2025	-	1,000
Carrying amount		
At 31 August 2025	-	1,000
At 31 August 2024	-	1,000

16 Trade and other receivables

	Group		Charity	
	2025	2024	2025	2024
	£	£	£	£
Amounts falling due within one year:				
Amounts owed by subsidiary undertakings	-	-	34,194	46,477
Trade receivables	37,324	29,977	-	-
Other receivables	6,956	7,452	6,955	7,452
Prepayments and accrued income	5,316	10,373	2,795	1,477
	<u>49,596</u>	<u>47,802</u>	<u>43,944</u>	<u>55,406</u>

17 Current asset investments

	Group		Charity	
	2025	2024	2025	2024
	£	£	£	£
Fixed rate cash deposits	314,354	300,036	314,354	300,036

18 Current liabilities

	Notes	Group		Charity	
		2025	2024	2025	2024
		£	£	£	£
Bank loans	20	38,736	35,686	38,736	35,686
Other taxation and social security		12,864	21,892	6,539	10,627
Deferred income		50,767	49,835	1,936	-
Trade payables		35,092	24,384	12,935	5,780
Other creditors		3,962	1,958	3,321	-
Accruals and deferred income		18,582	12,488	15,596	10,084
		<u>160,002</u>	<u>146,243</u>	<u>79,063</u>	<u>62,177</u>

NEW COMMUNITY NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

19 Non-current liabilities

	Notes	Group		Charity	
		2025 £	2024 £	2025 £	2024 £
Bank loans	20	160,949	196,087	160,949	196,087

20 Borrowings

	Group		Charity	
	2025 £	2024 £	2025 £	2024 £
Bank loans	199,685	231,773	199,685	231,773
Payable within one year	38,736	35,686	38,736	35,686
Payable after one year	160,949	196,087	160,949	196,087
	199,685	231,773	199,685	231,773

Amounts included above which falls after five years:

Payable by instalments	-	22,419	-	22,419
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The mortgage is secured on the property at Central Hall, St Mary Street, Southampton, SO14 1NF.

21 Retirement benefit schemes

Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £26,508 (2024: £27,854).

NEW COMMUNITY NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

22 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds				Balance at 31 August 2025 £
	Balance at 1 September 2024 £	Incoming resources £	Resources expended £	Transfers £	
Relief International:					
Jeevan Asha	17,263	11,386	(8,052)	-	20,597
Kibera development	4,905	22,313	(30,774)	6,000	2,444
Missionary maintenance services	19,792	13,813	(23,117)	-	10,488
School of ministry	-	5,175	(5,175)	-	-
Relief local:					
Hardship fund	2,962	156	(400)	-	2,718
Rest and recoup fund	128,741	-	(35,839)	-	92,902
SO14 Mission fund	3,924	-	-	-	3,924
Heat & Eat Response fund	3,552	6,479	(5,079)	1,000	5,952
Next Generation Development	2,400	-	(2,224)	-	176
Minor restricted funds	975	26	(186)	-	815
	<u>184,514</u>	<u>59,348</u>	<u>(110,846)</u>	<u>7,000</u>	<u>140,016</u>

Relief International

Jeevan Asha - Indian orphanage.

Kibera Development - Funding a school build and missionary work in Kibera.

Missionary Maintenance Services - Support for D & D Coates USA.

School of Ministry - Pioneer Trust monies given for training and equipping leaders.

Relief local

Central Hall fund - To fund ongoing renovation works to Central Hall.

Hardship fund - Local relief work.

Rest and recoup fund - To provide a place for rest, recovery and convalescence.

SO14 Mission fund- To fund mission in Central Southampton.

Special Guardians - Support grandparents who are primarily carers for their grandchildren.

Heat & Eat Response fund - supporting individuals affected by the cost of living crisis.

Next Generation Development fund - fund to support and develop our next generation of young people and children.

Transfers represent the reallocation of income and expenditure between funds.

NEW COMMUNITY NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

22 Restricted funds 2024

	Movement in funds				Balance at 31 August 2024 £
	Balance at 1 September 2023 £	Incoming resources £	Resources expended £	Transfers £	
Relief International:					
Jeevan Asha	14,711	10,585	(8,033)	-	17,263
Kibera development	1,548	20,514	(24,657)	7,500	4,905
Missionary maintenance services	10,116	13,708	(4,032)	-	19,792
School of ministry	3,134	23,451	(32,966)	6,381	-
Relief local:					
Central hall fund	1,301	-	(1,301)	-	-
Hardship fund	1,552	669	(259)	1,000	2,962
Rest and recoup fund	159,503	-	(30,762)	-	128,741
SO14 Mission fund	16,678	-	(12,754)	-	3,924
Special Guardians	357	-	(357)	-	-
Heat & Eat Response fund	5,407	2,084	(5,439)	1,500	3,552
Cuban Family Support	6,279	7,185	(19,464)	6,000	-
Next Generation Development	-	2,400	-	-	2,400
Minor restricted funds	1,999	1,587	(2,611)	-	975
	<u>222,585</u>	<u>82,183</u>	<u>(142,635)</u>	<u>22,381</u>	<u>184,514</u>

NEW COMMUNITY NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

23 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total £
Fund balances at 31 August 2025 are represented by:			
Property, plant and equipment	1,083,764	-	1,083,764
Current assets/(liabilities)	420,820	140,016	560,836
Long term liabilities	(160,949)	-	(160,949)
	<u>1,343,634</u>	<u>140,016</u>	<u>1,483,650</u>
	<u><u>1,343,634</u></u>	<u><u>140,016</u></u>	<u><u>1,483,650</u></u>
	Unrestricted funds £	Restricted funds £	Total £
Fund balances at 31 August 2024 are represented by:			
Property, plant and equipment	1,107,438	-	1,107,438
Current assets/(liabilities)	264,262	(184,514)	79,748
Long term liabilities	(196,087)	-	(160,949)
	<u>1,175,613</u>	<u>(184,514)</u>	<u>1,026,237</u>
	<u><u>1,175,613</u></u>	<u><u>(184,514)</u></u>	<u><u>1,026,237</u></u>

NEW COMMUNITY NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

24 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2025	2024
	£	£
	106,706	156,574
	<u>106,706</u>	<u>156,574</u>

The trustees and their close family or associated companies have donated an aggregate sum of £52,779 (2024: £55,306) to the charity.

Transactions with group companies

New Community Network was owed £34,194 (2024: £46,447) from New Community Ventures Limited at 31 August 2025.

NEW COMMUNITY NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

25 Subsidiary undertakings

New Community Ventures Limited (no. 10586696) is a wholly owned trading subsidiary of New Community Network. It runs Central Hall as an events venue. Below is a summary of its financial results and position.

	2025 £	2024 £
Gross income	614,365	599,150
Expenditure	(427,121)	(432,339)
	<hr/>	<hr/>
Surplus/(Deficit)	187,244	166,811
Distributions to parent charity under gift aid	(165,637)	(157,881)
	<hr/>	<hr/>
Surplus after distributions	21,607	8,930
	<hr/> <hr/>	<hr/> <hr/>
Total assets	153,555	146,505
Total liabilities	(115,986)	(130,543)
	<hr/>	<hr/>
Equity	37,569	15,962
	<hr/> <hr/>	<hr/> <hr/>

NEW COMMUNITY NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

26 Cash generated from operations

	2025 £	2024 £
Profit/(Deficit) for the year	123,522	76,430
Adjustments for:		
Investment income recognised in statement of financial activities	(14,654)	(2,175)
(Gain)/Loss on disposal of property, plant and equipment	2,038	(1,557)
Depreciation and impairment of property, plant and equipment	53,757	49,900
Movements in working capital:		
Decrease/(Increase) in inventories	(240)	-
Decrease/(Increase) in trade and other receivables	(1,795)	12,385
(Decrease)/Increase in trade and other payables	10,710	20,348
Cash generated from operations	173,337	155,331

27 Analysis of changes in net debt

	At 1 September 2024 £	Cash flows £	At 31 August 2025 £
Cash at bank and in hand	246,173	109,466	355,639
Loans falling due within one year	(35,686)	(3,050)	(38,736)
Loans falling due after more than one year	(196,087)	35,138	(160,949)
	<u>14,400</u>	<u>141,553</u>	<u>155,953</u>

28 Non-audit services provided by auditor

In common with many charities of our size and nature we use our auditor to assist with the preparation of the financial statements.

NEW COMMUNITY NETWORK

England & Wales - Charity number 1072645

Accounts

Charity Registration No. 1072645

Company Registration No. 03578938 (England and Wales)

NEW COMMUNITY NETWORK
ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

NEW COMMUNITY NETWORK

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr C N D Romilly Mr A Sheen Mrs K Swift Mr J Cathie Mr J Sargent Ms S E Chart
Charity number	1072645
Company number	03578938
Principal address	Central Hall St Mary Street Southampton Hants SO14 1NF
Registered office	Central Hall St Mary Street Southampton Hants SO14 1NF
Auditor	Caladine Limited Chantry House 22 Upperton Road Eastbourne East Sussex BN21 1BF
Bankers	Barclays Bank PLC Hatton Garden Business Centre 99 Hatton Garden London EC1N 8DN CAF Bank Limited 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ
Solicitors	Blake Morgan New Kings Court Tollgate Chandler's Ford Eastleigh Hampshire SO53 3LG

NEW COMMUNITY NETWORK

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NEW COMMUNITY NETWORK

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2024

The trustees present their annual report and financial statements for the year ended 31 August 2024.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

The objectives of the charity are:

- To advance the Christian faith;
- To advance education;
- To promote the creative arts for the public benefit;
- To relieve those who are poor, in conditions of need, hardship or distress or who are aged or sick; and
- To promote such other charitable objects as the trustees shall from time to time determine.

The Trustees have considered and have had due regard to the Commission's guidance on public benefit and, in particular, the specific guidance on activities for the advancement of religion.

The Trustees are satisfied that the objectives of the Charity have been met, and that appropriate procedures and controls are in place to ensure continued operation.

Grant making policy

The charity is not primarily a grant making charity and does not solicit applications from organisations or individuals. We will from time to time make grants from our own funds or specifically raise funds for projects undertaken by other organisations. This would normally be in a geographical location and for a purpose we cannot undertake ourselves e.g. international crisis relief.

We will also make small grants to individuals with whom we have personal contact to enable them to achieve one of our charitable objectives. All grants are monitored to ensure they are used for the purpose that they are given.

Grants made during the year amounted to £124,446 (2023: £128,401) and were made up of £48,112 of grants to individuals (2023: £35,862) and £76,334 of grants to institutions (2023: £92,539). An analysis of institutional grants made above £10,000 is provided in note 10 in the accounts.

Achievements and performance

New Community Church's expressions of church at both Central Hall and in the Sholing area of Southampton continued to meet throughout 2023/24.

These congregations have continued to be supported by a wide variety of small group activities throughout the week including Alpha courses for those exploring faith, group activities for young people, Zoom prayer meetings and learning opportunities for those who want to study in more depth.

School of Ministries was our teaching and training programme which developed and trained leaders in Christian ministry, working mainly in developing countries where leaders would be unable to attend traditional training establishments. We have now transferred this work to the Pioneer Trust (Charity No. 1118766) as they are better able to manage the programme through their international work.

Advance Education

We continue to partner with New Generation Schools Trust to deliver primary education through Hope Community School. The school are currently tenants of Central Hall as a temporary site whilst permanent facilities are being built nearby. A new site for the school has been secured and plans are underway to design, plan and build. The planned opening date of September 2025 will be missed and we expect Hope school to be tenants of Central Hall for at least another year.

As a church we have an agreement to provide governance, chaplaincy, volunteers and wrap-around services to the school.

NEW COMMUNITY NETWORK

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

Promote Creative Arts

We have provided a supportive environment for artists, singers, and musicians. Local orchestras, bands, and choirs regularly use Central Hall as a performance venue. These are booked through our trading subsidiary, New Community Ventures, which has seen a growing momentum of bookings through 2023/24.

Relief of the poor and those in need, hardship or distress

Our 'Community Hub' at Central Hall, which provides an umbrella for the various caring initiatives that we operate has continued to function throughout the year, with an increase in the numbers attending. We have been able to host a variety of groups - including, Creative English classes, Community Café, and Warm Space with up to 100 guests.

Through the work of our Hope Community School chaplain, we have supported children and families from the local area with targeted educational and practical support. The Baby Branch has continued to operate, providing baby clothes and equipment to parents in need. We have also been able to provide local community members with food through a weekly Fare Share operation.

We have continued to support the work of the Kibera Saints and Umoja group in Kibera, Kenya. We have also been able to sponsor other relief projects in Kenya and India.

Financial review

The principal funding sources for the Charity are voluntary donations and income from hire of facilities. These funds are used to operate the church congregations and projects with a Christian ethos.

Voluntary giving increased to £528,520 (2023: £487,425). Unrestricted voluntary income, which includes donations and related tax recovered, was £544,054 (2023: £493,427) and restricted voluntary income £82,183 (2023 - £90,016).

The Consolidated Statement of Financial Activities reports an overall surplus of £76,430 (2023: surplus of £62,605) for the year. However, this includes a depreciation charge, which is a non-cash item, of £49,900 (2023: £48,560).

Capital expenditure in the year was £19,347 (2023: £4,660).

The balance outstanding on our bank loan as at the end of the financial year was £231,773 (2023: £262,261). New Community Ventures Ltd (NCV) made a profit of £166,811 (2023: £193,573).

Total funds held as at 31 August 2024 were £1,360,127 (2023: £1,283,697), of which £184,514 (2023: £222,585) were restricted, and £1,175,613 (2023: £1,061,112) were unrestricted.

Reserves policy

The board of trustees has examined the charity's requirements for reserves in the light of the main risks to the organisation and has decided that the established reserves policy needed to be changed in the knowledge that Hope School would be vacating the building at some time in the next year or so. The established policy whereby the unrestricted funds not committed or invested in tangible fixed assets ('the free reserves') held by the charity should be kept to the lowest possible figure, has been changed such that the charity will intentionally reduce expenditure in order that reserves can be increased to cover a temporary loss of income from when Hope School move to their new premises. The board of trustees consider that they would be able to continue the current activities of the charity for a sufficient period to allow New Community Ventures to build up income from other tenants of Central Hall, this being the main risk to the charity's income in the near future.

The group free reserves (defined as the unrestricted net current assets of the group) at 31 August 2024 were £264,262 (2023: £152,567).

Investment policy

The board of trustees has considered the most appropriate policy for investing the charity's short-term funds and has found that interest bearing current accounts and deposit accounts, designed for the charity sector, meet their requirements to generate a reasonable return with security of capital and ease of access as projects develop. The board of trustees considers the return on investments to be adequate. The charity has no long-term cash investments.

NEW COMMUNITY NETWORK

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Plans for future periods

We have benefited significantly from the use of Central Hall by Hope Community School over the past 7 years. The school has now purchased a site on which to build a new school facility. This will mean that the current licence agreement will come to an end in September 2025. It is expected that this licence will be extended.

Structure, governance and management

Governing document

New Community Network is a charitable company limited by guarantee, incorporated on 10 June 1998 as The Cornerstone Network and registered as a charity on 30 November 1998. The name was changed to New Community Network at an Extraordinary General Meeting held on 19 September 2005.

The company was established under a Memorandum of Association that established the objects and powers of the charitable company and is governed under its Articles of Association which was amended by special resolution on 29 March 2022.

New Community Ventures Limited

New Community Ventures Limited is a private company limited by shares, incorporated on 27 January 2017. New Community Network owns the entire share capital.

Recruitment and appointment of board of trustees

Trustees are normally, but not exclusively, recruited from the members of the charity who are all fully supportive of our aims and practically involved in the work of the charity. We aim to keep a balance of skills and backgrounds to facilitate the efficient functioning of the group. A comprehensive package of training utilising Charity Commission publications and other materials is provided to ensure that trustees are aware of their responsibilities and the hallmarks of good governance. Under the requirements of the Memorandum and Articles of Association one third of the members of the board of trustees must retire each year at the AGM.

Organisational structure and decision making processes

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr C N D Romilly
Mr A Sheen
Mrs K Swift
Mr J Cathie
Mr J Sargent
Ms S E Chart

Membership – The Charity Members form a panel of reference for the full time staff and volunteers. They meet formally at the Annual General Meeting and appoint the trustees.

Board of Trustees – The Trustees meet once per quarter to review progress against activities planned and set budgets for the year. Individual trustees work closely with staff to ensure best practice is applied and good governance is maintained.

Leadership Team – The Leadership Team meet weekly to oversee the day to day running of the organisation, assess the effectiveness of the various teams and manage the budget.

The pay and remuneration of the Charity's key management personnel are set by benchmarking against equivalent roles in similar organisations in the charity sector. They are reviewed annually and are subject to individual and company performance.

NEW COMMUNITY NETWORK

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

Risk management

The Board of Trustees has conducted its own review of the major risks to which the charity is exposed and systems have been established to mitigate those risks. Internal risks are minimised by the implementation of procedures for authorisation of all transactions and projects, and to ensure consistent quality of delivery for all operational aspects of the charitable company. These procedures are periodically reviewed to ensure that they still meet the needs of the charity.

Auditor

In accordance with the company's articles, a resolution proposing that Caladine Limited be reappointed as auditor of the company will be put at a General Meeting.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees' report was approved by the Board of Trustees.



.....
Mr C N D Remilly

Chair of Trustees

Dated: 03/02/2025.....

NEW COMMUNITY NETWORK

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2024

The trustees, who are also the directors of New Community Network for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the 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 the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

NEW COMMUNITY NETWORK

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF NEW COMMUNITY NETWORK

Opinion

We have audited the financial statements of New Community Network (the 'parent charitable company') and its subsidiary together (the 'group') for the year ended 31 August 2024 which comprise the group and parent charitable company statement of financial activities, the statement of financial position, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 August 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and the provisions available for small entities, in the circumstances set out in note 31 to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

NEW COMMUNITY NETWORK

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF NEW COMMUNITY NETWORK

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

The extent to which the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with trustees, and from our commercial knowledge and experience of the charity sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the group and parent charitable company, including the Companies Act 2006, Charities Act 2011, employment legislation, health and safety, and Anti-Money Laundering laws;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

NEW COMMUNITY NETWORK

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF NEW COMMUNITY NETWORK

We assessed the susceptibility of the group's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

Audit response to risks identified

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC and relevant regulators

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.



Mr Colin James Dadswell FCCA (Senior Statutory Auditor)
for and on behalf of Caladine Limited

13 March 2025
.....

Chartered Certified Accountants
Statutory Auditor

Chantry House
22 Upperton Road
Eastbourne
East Sussex
BN21 1BF

NEW COMMUNITY NETWORK

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 AUGUST 2024

	Notes	Unrestricted funds £	Restricted funds £	Total 2024 £	Total 2023 £
<u>Income and endowments from:</u>					
Donations and legacies	3	547,354	82,183	629,537	583,443
Charitable activities	4	21,829	-	21,829	43,271
Other trading activities	5	601,550	-	601,550	589,122
Investments	6	2,175	-	2,175	1,209
Other income	7	1,557	-	1,557	-
Total income		1,174,465	82,183	1,256,648	1,217,045
<u>Expenditure on:</u>					
Raising funds	8	515,676	-	515,676	481,483
Charitable activities	9	521,907	142,635	664,542	672,875
Other	12	-	-	-	82
Total resources expended		1,037,583	142,635	1,180,218	1,154,440
Net incoming resources before transfers		136,882	(60,452)	76,430	62,605
Gross transfers between funds	22	(22,381)	22,381	-	-
Net income/(expenditure) for the year/Net movement in funds		114,501	(38,071)	76,430	62,605
Fund balances at 1 September 2023		1,061,112	222,585	1,283,697	1,221,092
Fund balances at 31 August 2024		1,175,613	184,514	1,360,127	1,283,697

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

NEW COMMUNITY NETWORK

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 AUGUST 2023

		Unrestricted funds £	Restricted funds £	Total 2023 £
<u>Income and endowments from:</u>	Notes			
Donations and legacies	3	493,427	90,016	583,443
Charitable activities	4	43,271	-	43,271
Other trading activities	5	589,122	-	589,122
Investments	6	1,209	-	1,209
		<hr/>	<hr/>	<hr/>
Total income		1,127,029	90,016	1,217,045
		<hr/>	<hr/>	<hr/>
<u>Expenditure on:</u>				
Raising funds	7	481,483	-	481,483
Charitable activities	8	514,013	158,862	672,875
Other	11	82	-	82
		<hr/>	<hr/>	<hr/>
Total resources expended		995,578	158,862	1,154,440
		<hr/>	<hr/>	<hr/>
Net incoming resources before transfers		131,451	(68,846)	62,605
Gross transfers between funds	22	(11,444)	11,444	-
		<hr/>	<hr/>	<hr/>
Net income/(expenditure) for the year/Net movement in funds		120,007	(57,402)	62,605
Fund balances at 1 September 2022		941,105	279,987	1,221,092
		<hr/>	<hr/>	<hr/>
Fund balances at 31 August 2023		1,061,112	222,585	1,283,697
		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

NEW COMMUNITY NETWORK

CHARITY STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 AUGUST 2024

	Unrestricted funds £	Restricted funds £	Total 2024 £	Total 2023 £
<u>Income and endowments from:</u>				
Donations and legacies	705,235	82,183	787,418	777,004
Charitable activities	21,829	-	21,829	43,271
Other trading activities	1,200	-	1,200	1,200
Investments	2,175	-	2,175	1,209
Other income	1,558	-	1,558	-
Total income	731,997	82,183	814,180	822,684
<u>Expenditure on:</u>				
Raising funds	1,865	28.00	1,893	1,782
Charitable activities	602,179	142,607	744,786	758,227
Other	-	-	-	82
Total resources expended	604,044	142,635	746,679	760,091
Net incoming resources before transfers	127,953	(60,452)	67,501	62,593
Gross transfers between funds	(22,381)	22,381	-	-
Net income for the year/ Net movement in funds	105,572	(38,071)	67,501	62,593
Fund balances at 1 September 2023	1,055,079	222,585	1,277,664	1,215,071
Fund balances at 31 August 2024	1,160,651	184,514	1,345,165	1,277,664

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

NEW COMMUNITY NETWORK

CHARITY STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 AUGUST 2023

	Unrestricted funds £	Restricted funds £	Total 2023 £
<u>Income and endowments from:</u>			
Donations and legacies	686,988	90,016	777,004
Charitable activities	43,271	-	43,271
Other trading activities	1,200	-	1,200
Investments	1,209	-	1,209
	<hr/>	<hr/>	<hr/>
Total income	732,668	90,016	822,684
	<hr/>	<hr/>	<hr/>
<u>Expenditure on:</u>			
Raising funds	1,782	-	1,782
Charitable activities	599,365	158,862	758,227
Other	82	-	82
	<hr/>	<hr/>	<hr/>
Total resources expended	601,229	158,862	760,091
	<hr/>	<hr/>	<hr/>
Net incoming resources before transfers	131,439	(68,846)	62,593
Gross transfers between funds	(11,444)	11,444	-
	<hr/>	<hr/>	<hr/>
Net income for the year/ Net movement in funds	119,995	(57,402)	62,593
Fund balances at 1 September 2022	935,084	279,987	1,215,071
	<hr/>	<hr/>	<hr/>
Fund balances at 31 August 2023	1,055,079	222,585	1,277,664
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

NEW COMMUNITY NETWORK

STATEMENTS OF FINANCIAL POSITION

AS AT 31 AUGUST 2024

	Notes	Group		Charity	
		2024 £	2023 £	2024 £	2023 £
Fixed assets					
Property, plant and equipment	14	1,107,438	1,138,200	1,092,766	1,133,015
Investments	15	-	-	1,000	1,000
		<u>1,107,438</u>	<u>1,138,200</u>	<u>1,093,766</u>	<u>1,134,015</u>
Current assets					
Inventories		1,008	1,008	-	-
Trade and other receivables	16	47,802	60,188	55,406	46,939
Investments	17	300,036	-	300,036	-
Cash at bank and in hand		246,173	436,771	154,221	394,697
		<u>595,019</u>	<u>497,967</u>	<u>509,663</u>	<u>441,636</u>
Current liabilities	18	(146,243)	(122,815)	(62,177)	(68,332)
Net current assets		448,776	375,152	447,486	373,304
Total assets less current liabilities		1,556,214	1,513,352	1,541,252	1,507,319
Non-current liabilities	19	(196,087)	(229,655)	(196,087)	(262,261)
Net assets		<u>1,360,127</u>	<u>1,283,697</u>	<u>1,345,165</u>	<u>1,245,058</u>
Income funds					
Restricted funds	22	184,514	222,585	184,514	222,585
Unrestricted funds		1,175,613	1,061,112	1,160,651	1,055,079
		<u>1,360,127</u>	<u>1,283,697</u>	<u>1,345,165</u>	<u>1,277,664</u>

The financial statements were approved by the Trustees on ... 3 February 2025



Mr C N D Romilly
Chair of Trustees

Company Registration No. 03578938

NEW COMMUNITY NETWORK

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2024

	Notes	2024 £	£	2023 £	£
Cash flows from operating activities					
Cash generated from operations	26	155,331		108,939	
Investing activities					
Purchase of property, plant and equipment		(19,347)		(4,660)	
Proceeds on disposal of property, plant and equipment		1,767		-	
Purchase of current asset investments		(300,036)			
Income from investments		2,175		1,209	
Net cash used in investing activities			(315,441)		(3,451)
Financing activities					
Repayment of other borrowings		-		-	
Repayment of bank loans		(30,488)		(279,908)	
Net cash used in financing activities			(30,488)		(279,908)
Net (decrease)/increase in cash and cash equivalents			(190,598)		(174,420)
Cash and cash equivalents at beginning of year		436,771		611,191	
Cash and cash equivalents at end of year		246,173		436,771	

NEW COMMUNITY NETWORK

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2024

1 Accounting policies

Company information

New Community Network is a charitable company limited by guarantee incorporated in England and Wales. The registered office is Central Hall, St Mary Street, Southampton, Hants, SO14 1NF.

1.1 Accounting convention

The accounts have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

The group financial statements include the accounts of New Community Network (the charity) and its subsidiary New Community Ventures Limited.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Other trading income is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

NEW COMMUNITY NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

1 Accounting policies (Continued)

1.5 Expenditure

Liabilities are recognised when a constructive obligation exists, the payment is probable and the obligation can be measured or estimated reliably.

Resources expended are allocated to the particular cost centre to which they relate and include irrecoverable VAT.

Grants payable are charged in the year in which the offer is conveyed to the recipient except in those cases where the offer is conditional.

1.6 Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following basis:

Freehold land and buildings	50 years straight line
Plant and equipment	5 - 10 years straight line
Fixtures and fittings	5 - 10 years straight line
Computers	3 years straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

Items of equipment are capitalised where the purchase price exceeds £1,000.

1.7 Non-current investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

A subsidiary is an entity controlled by the charity. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.8 Impairment of non-current assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

1.9 Inventories

Inventories are stated at lower of cost and estimated selling price less costs to sell.

1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

NEW COMMUNITY NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

1 Accounting policies (Continued)

1.11 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including trade and other payables and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.12 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.14 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease.

NEW COMMUNITY NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total 2024	Total 2023
	£	£	£	£
Donations and gifts	544,054	82,183	626,237	583,443
Grants	3,300	-	3,300	-
	<u>547,354</u>	<u>82,183</u>	<u>629,537</u>	<u>583,443</u>
Donations and gifts 2024				
Donations and gifts	453,107	75,413	528,520	
Gift aid	90,947	6,770	97,717	
	<u>544,054</u>	<u>82,183</u>	<u>626,237</u>	
Donations and gifts 2023				
Donations and gifts	409,017	78,408		487,425
Gift aid	84,410	11,608		96,018
	<u>493,427</u>	<u>90,016</u>		<u>583,443</u>

NEW COMMUNITY NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

4 Charitable activities 2024

	Unrestricted funds £	Restricted funds £	Total 2024 £	Total 2023 £
Fee income	21,829	-	21,829	43,271

Charitable activities 2023

	Unrestricted funds £	Restricted funds £	Total 2023 £
Fee income	43,271	-	43,271

5 Other trading activities 2024

	Unrestricted funds £	Restricted funds £	Total 2024 £	Total 2023 £
Rental and hire charges	601,550	-	601,550	589,122

Other trading activities 2023

	Unrestricted funds £	Restricted funds £	Total 2023 £
Rental and hire charges	589,122	-	589,122

NEW COMMUNITY NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

6 Investments

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Interest receivable	2,175	1,209

7 Other income

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Net gain on disposal of tangible fixed assets	1,557	-

8 Raising funds 2024

	Unrestricted funds £	Restricted funds £	Total 2024 £	Total 2023 £
<u>Trading costs</u>				
Staff costs	177,213	-	177,213	158,073
Cost of trading subsidiaries	45,073	-	45,073	37,369
Building costs	103,964	-	103,964	78,478
Communications	2,829	-	2,829	2,973
Finance costs	759	-	759	878
Resource costs	74,892	-	74,892	99,502
Depreciation	4,295	-	4,295	2,910
Support costs (see note 11)	106,651	-	106,651	101,300
	<u>515,676</u>	<u>-</u>	<u>515,676</u>	<u>481,483</u>

Raising funds 2023

	Unrestricted funds £	Restricted funds £	Total 2023 £
<u>Trading costs</u>			
Staff costs	158,073	-	158,073
Cost of trading subsidiaries	37,369	-	37,369
Building costs	78,478	-	78,478
Communications	2,973	-	2,973
Finance costs	878	-	878
Resource costs	99,502	-	99,502
Depreciation	2,910	-	2,910
Support costs (see note 11)	101,300	-	101,300
	<u>481,483</u>	<u>-</u>	<u>481,483</u>

NEW COMMUNITY NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

9 Charitable activities

	2024 £	2023 £
Staff costs	285,093	253,792
Counselling, events, courses and community work	62,534	104,756
	<u>347,627</u>	<u>358,548</u>
Grant funding of activities (see note 10)	124,446	128,401
Share of support costs (see note 11)	171,577	162,558
Share of governance costs (see note 11)	20,892	23,368
	<u>664,542</u>	<u>672,875</u>
Analysis by fund		
Unrestricted funds	521,907	514,013
Restricted funds	142,635	158,862
	<u>664,542</u>	<u>672,875</u>

10 Grants payable

	2024 £	2023 £
Grants to institutions:		
Umoja	9,197	11,848
Jeevan Asha	4,000	20,800
Pioneer Trust	25,211	17,471
Missionary Maintenance Services	4,000	12,000
Other grants below £10,000	33,926	30,420
	<u>76,334</u>	<u>92,539</u>
Grants to individuals	48,112	35,862
	<u>124,446</u>	<u>128,401</u>

NEW COMMUNITY NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

11 Support and governance costs 2024

	Support costs £	Governance costs £	Total 2024 £	Total 2023 £
Staff costs	134,875	-	134,875	127,768
Depreciation	45,605	-	45,605	45,650
Counselling, events, courses and community work	12,483	-	12,483	22,262
Finance costs	21,933	-	21,933	25,453
Insurance costs	16,964	-	16,964	11,373
Resource costs	27,861	-	27,861	18,625
Other costs	18,507	-	18,507	12,727
Audit fees	-	5,700	5,700	4,890
Accountancy	-	5,335	5,335	5,940
Other financial services	-	8,880	8,880	12,538
Legal and professional	-	977	977	12,538
	<u>278,228</u>	<u>20,892</u>	<u>299,120</u>	<u>299,764</u>
<u>Analysed between</u>				
Raising funds	106,651	-	106,651	
Charitable activities	171,577	20,892	192,469	
	<u>278,228</u>	<u>20,892</u>	<u>299,120</u>	

Support and governance costs 2023

	Support costs £	Governance costs £	Total 2023 £
Staff costs	127,768	-	127,768
Depreciation	45,650	-	45,650
Counselling, events, courses and community work	22,262	-	22,262
Finance costs	25,453	-	25,453
Insurance costs	11,373	-	11,373
Resource costs	18,625	-	18,625
Other costs	12,727	-	12,727
Audit fees	-	4,890	4,890
Accountancy	-	5,940	5,940
Legal and professional	-	12,538	12,538
	<u>263,858</u>	<u>23,368</u>	<u>287,226</u>
<u>Analysed between</u>			
Raising funds	101,300	-	101,300
Charitable activities	162,558	23,368	185,926
	<u>263,858</u>	<u>23,368</u>	<u>287,226</u>

NEW COMMUNITY NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

12 Other

	2024 £	2023 £
Net loss on disposal of tangible fixed assets	-	82

13 Employees

Number of employees

The average monthly number of employees during the year was:

	2024 Number	2023 Number
	26	27
	26	27

Employment costs

	2024 £	2023 £
Wages and salaries	533,072	497,774
Social security costs	36,255	27,529
Other pension and life insurance costs	27,854	14,330
	597,181	539,633

No employee earned more than £60,000 during the year (2023: none).

14 Property, plant and equipment

	Freehold land and buildings £	Plant and equipment £	Fixtures and fittings £	Computers £	Total £
Cost					
At 1 September 2023	2,058,159	161,319	81,981	18,686	2,320,145
Additions	-	3,558	13,783	2,006	19,347
Disposals	-	-	-	(4,907)	(4,907)
At 31 August 2024	2,058,159	164,877	95,764	15,785	2,334,585
Depreciation and impairment					
At 1 September 2023	933,405	155,162	78,674	14,704	1,181,945
Depreciation	41,163	3,151	3,373	2,213	49,900
Eliminated in respect of disposals	-	-	-	(4,698)	(4,698)
At 31 August 2024	974,568	158,313	82,047	12,219	1,227,147
Carrying amount					
At 31 August 2024	1,083,591	6,564	13,717	3,566	1,107,438
At 31 August 2023	1,124,754	6,157	3,307	3,982	1,138,200

NEW COMMUNITY NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

15 Fixed asset investments - see note 25

Investments in subsidiaries		Group	Charity
		£	£
Cost			
At 1 September 2023 & 31 August 2024		-	1,000
		<hr/>	<hr/>
Carrying amount			
At 31 August 2024		-	1,000
		<hr/> <hr/>	<hr/> <hr/>
At 31 August 2023		-	1,000
		<hr/> <hr/>	<hr/> <hr/>

16 Trade and other receivables

	Group		Charity	
	2024	2023	2024	2023
	£	£	£	£
Amounts falling due within one year:				
Amounts owed by subsidiary undertakings	-	-	46,477	38,236
Trade receivables	29,977	29,900	-	435
Other receivables	7,452	8,268	7,452	8,268
Prepayments and accrued income	10,373	22,020	1,477	-
	<hr/>	<hr/>	<hr/>	<hr/>
	47,802	60,188	55,406	46,939
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

17 Current asset investments

	Group		Charity	
	2024	2023	2024	2023
	£	£	£	£
Fixed rate cash deposits	300,036	-	300,036	-
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

18 Current liabilities

		Group		Charity	
		2024	2023	2024	2023
		£	£	£	£
	Notes				
Bank loans	20	35,686	32,606	35,686	32,606
Other taxation and social security		21,892	21,404	10,627	15,097
Deferred income		49,835	31,118	-	-
Trade payables		24,384	22,205	5,780	9,690
Other creditors		1,958	964	-	-
Accruals and deferred income		12,488	14,518	10,084	10,939
		<hr/>	<hr/>	<hr/>	<hr/>
		146,243	122,815	62,177	68,332
		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

NEW COMMUNITY NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

19 Non-current liabilities

	Notes	Group		Charity	
		2024 £	2023 £	2024 £	2023 £
Bank loans	20	196,087	262,261	196,087	262,261

20 Borrowings

	Group		Charity	
	2024 £	2023 £	2024 £	2023 £
Bank loans	231,773	262,261	231,773	262,261
Payable within one year	35,686	32,606	35,686	32,606
Payable after one year	196,087	229,655	196,087	229,655
	231,773	262,261	231,773	262,261

Amounts included above which falls after five years:

Payable by instalments	22,419	69,951	22,419	69,951
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The mortgage is secured on the property at Central Hall, St Mary Street, Southampton, SO14 1NF.

21 Retirement benefit schemes

Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £27,854 (2023: £14,330).

NEW COMMUNITY NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

22 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds				Balance at 31 August 2024 £
	Balance at 1 September 2023 £	Incoming resources £	Resources expended £	Transfers £	
Relief International:					
Jeevan Asha	14,711	10,585	(8,033)	-	17,263
Kibera development	1,548	20,514	(24,657)	7,500	4,905
Missionary maintenance services	10,116	13,708	(4,032)	-	19,792
School of ministry	3,134	23,451	(32,966)	6,381	-
Relief local:					
Central hall fund	1,301	-	(1,301)	-	-
Hardship fund	1,552	669	(259)	1,000	2,962
Rest and recoup fund	159,503	-	(30,762)	-	128,741
SO14 Mission fund	16,678	-	(12,754)	-	3,924
Special Guardians	357	-	(357)	-	-
Heat & Eat Response fund	5,407	2,084	(5,439)	1,500	3,552
Cuban Family Support	6,279	7,185	(19,464)	6,000	-
Next Generation Development	-	2,400	-	-	2,400
Minor restricted funds	1,999	1,587	(2,611)	-	975
	<u>222,585</u>	<u>82,183</u>	<u>(142,635)</u>	<u>22,381</u>	<u>184,514</u>

Relief International

Jeevan Asha - Indian orphanage.

Kibera Development - Funding a school build and missionary work in Kibera.

Missionary Maintenance Services - Support for D & D Coates USA.

School of Ministry - Leadership development.

Relief local

Central Hall fund - To fund ongoing renovation works to Central Hall.

Hardship fund - Local relief work.

Rest and recoup fund - To provide a place for rest, recovery and convalescence.

SO14 Mission fund- To fund mission in Central Southampton.

Special Guardians - Support grandparents who are primarily carers for their grandchildren.

Heat & Eat Response fund - supporting individuals affected by the cost of living crisis.

Next Generation Development fund - fund to support and develop our next generation of young people and children.

Transfers represent the reallocation of income and expenditure between funds.

NEW COMMUNITY NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

22 Restricted funds 2023

	Movement in funds				Balance at 31 August 2023 £
	Balance at 1 September 2022 £	Incoming resources £	Resources expended £	Transfers £	
Relief International:					
Jeevan Asha	21,354	9,422	(16,065)	-	14,711
Kibera development	6,266	11,695	(22,413)	6,000	1,548
Missionary maintenance services	10,240	11,973	(12,097)	-	10,116
School of ministry	6,219	24,260	(32,349)	5,004	3,134
Relief local:					
Central hall fund	2,216	281	(1,196)	-	1,301
Hardship fund	299	2,738	(1,485)	-	1,552
Rest and recoup fund	202,350	-	(34,847)	(8,000)	159,503
SO14	29,858	-	(13,180)	-	16,678
Special Guardians	357	-	-	-	357
Heat & Eat Response fund	-	9,483	(4,076)	-	5,407
Cuban Family Support	-	14,531	(16,252)	8,000	6,279
Minor restricted funds	828	5,633	(4,902)	440	1,999
	<u>279,987</u>	<u>90,016</u>	<u>(158,862)</u>	<u>11,444</u>	<u>222,585</u>

NEW COMMUNITY NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

23 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total £
Fund balances at 31 August 2024 are represented by:			
Property, plant and equipment	1,107,438	-	1,107,438
Current assets/(liabilities)	264,262	184,514	448,776
Long term liabilities	(196,087)	-	(196,087)
	<u>1,175,613</u>	<u>184,514</u>	<u>1,360,127</u>

	Unrestricted funds £	Restricted funds £	Total £
Fund balances at 31 August 2023 are represented by:			
Property, plant and equipment	1,138,200	-	1,138,200
Current assets/(liabilities)	152,567	222,585	375,152
Long term liabilities	(229,655)	-	(229,655)
	<u>1,061,112</u>	<u>222,585</u>	<u>1,283,697</u>

NEW COMMUNITY NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

24 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2024	2023
	£	£
	156,574	128,949
	<u>156,574</u>	<u>128,949</u>

The trustees and their close family or associated companies have donated an aggregate sum of £55,306 (2023: £61,057) to the charity.

Transactions with group companies

New Community Network was owed £46,477 (2023: £38,236) from New Community Ventures Limited at 31 August 2024.

NEW COMMUNITY NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

25 Subsidiary undertakings

New Community Ventures Limited (no. 10586696) is a wholly owned trading subsidiary of New Community Network. It runs Central Hall as an events venue. Below is a summary of its financial results and position.

	2024	2023
	£	£
Gross income	599,150	586,722
Expenditure	(432,339)	(393,149)
	<hr/>	<hr/>
Surplus/(Deficit)	166,811	193,573
Distributions to parent charity under gift aid	(157,881)	(193,561)
	<hr/>	<hr/>
Surplus after distributions	8,930	12
	<hr/> <hr/>	<hr/> <hr/>
Total assets	146,505	99,751
Total liabilities	(130,543)	(92,719)
	<hr/>	<hr/>
Equity	15,962	7,032
	<hr/> <hr/>	<hr/> <hr/>

NEW COMMUNITY NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

26 Cash generated from operations	2024 £	2023 £
Profit/(Deficit) for the year	76,430	62,605
Adjustments for:		
Investment income recognised in statement of financial activities	(2,175)	(1,209)
(Gain)/Loss on disposal of property, plant and equipment	(1,557)	82
Depreciation and impairment of property, plant and equipment	49,900	48,560
Movements in working capital:		
Decrease/(Increase) in inventories	-	118
Decrease/(Increase) in trade and other receivables	12,385	(8,042)
(Decrease)/Increase in trade and other payables	20,348	6,825
Cash generated from operations	<u>155,331</u>	<u>108,939</u>

27 Analysis of changes in net debt	At 1 September 2023 £	Cash flows £	At 31 August 2024 £
Cash at bank and in hand	436,771	(190,598)	246,173
Loans falling due within one year	(32,606)	(3,080)	(35,686)
Loans falling due after more than one year	(229,655)	33,568	(196,087)
	<u>174,510</u>	<u>(160,110)</u>	<u>14,400</u>

28 Non-audit services provided by auditor

In common with many charities of our size and nature we use our auditor to assist with the preparation of the financial statements.

NEW COMMUNITY NETWORK

England & Wales - Charity number 1072645

Accounts

Charity Registration No. 1072645

Company Registration No. 03578938 (England and Wales)

NEW COMMUNITY NETWORK
ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

NEW COMMUNITY NETWORK

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr C N D Romilly Mr A Sheen Mrs K Swift Mr J Cathie Mr J Sargent Ms S E Chart	(Appointed 23 March 2023) (Appointed 23 March 2023)
Charity number	1072645	
Company number	03578938	
Principal address	Central Hall St Mary Street Southampton Hants SO14 1NF	
Registered office	Central Hall St Mary Street Southampton Hants SO14 1NF	
Auditor	Caladine Limited Chantry House 22 Upperton Road Eastbourne East Sussex BN21 1BF	
Bankers	Barclays Bank PLC Hatton Garden Business Centre 99 Hatton Garden London EC1N 8DN	
	CAF Bank Limited 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ	
Solicitors	Blake Morgan New Kings Court Tollgate Chandler's Ford Eastleigh Hampshire SO53 3LG	

NEW COMMUNITY NETWORK

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NEW COMMUNITY NETWORK

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 AUGUST 2023

The trustees present their annual report and financial statements for the year ended 31 August 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

The objectives of the charity are:

- To advance the Christian faith;
- To advance education;
- To promote the creative arts for the public benefit;
- To relieve those who are poor, in conditions of need, hardship or distress or who are aged or sick; and
- To promote such other charitable objects as the trustees shall from time to time determine.

The Trustees have considered and have had due regard to the Commission's guidance on public benefit and, in particular, the specific guidance on activities for the advancement of religion.

The Trustees are satisfied that the objectives of the Charity have been met, and that appropriate procedures and controls are in place to ensure continued operation.

Grant making policy

The charity is not primarily a grant making charity and does not solicit applications from organisations or individuals. We will from time to time make grants from our own funds or specifically raise funds for projects undertaken by other organisations. This would normally be in a geographical location and for a purpose we cannot undertake ourselves e.g. international crisis relief.

We will also make small grants to individuals with whom we have personal contact to enable them to achieve one of our charitable objectives. All grants are monitored to ensure they are used for the purpose that they are given.

Grants made during the year amounted to £128,401 (2022: £125,277) and were made up of £35,862 of grants to individuals (2022: £22,686) and £92,539 of grants to institutions (2022: £102,591). An analysis of institutional grants made above £10,000 is provided in note 9 in the accounts.

Achievements and performance

Advance the Christian faith

New Community Church's expressions of church at both Central Hall and in the Sholing area of Southampton continued to meet throughout 2022/23. In April the Sholing congregation moved to a new location in St Monica's Road, Sholing.

These congregations have continued to be supported by a wide variety of small group activities throughout the week including Alpha courses for those exploring faith, group activities for young people, Zoom prayer meetings and learning opportunities for those who want to study in more depth.

School of Ministries is our teaching and training programme which develops and trains leaders in Christian ministry, working mainly in developing countries where leaders would be unable to attend traditional training establishments. We have now successfully translated the training modules into French, have begun to translate some in to Spanish and have been able to video record [in English] all modules for use overseas. This has resulted in a multiplication of schools, especially in a number of African nations.

Advance Education

We continue to partner with New Generation Schools Trust to deliver primary education through Hope Community School. The school are currently tenants of Central Hall as a temporary site whilst permanent facilities are being built nearby. This year the new site was secured and plans are underway to design, plan and build with an opening date of September 2025.

NEW COMMUNITY NETWORK

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

This year we increased from 185 to 210 children. As a church we have an agreement to provide governance, chaplaincy, volunteers and wrap-around services.

Promote Creative Arts

We have provided a supportive environment for artists, singers, and musicians. Local orchestras, bands, and choirs regularly use Central Hall as a performance venue. These are booked through our trading subsidiary, New Community Ventures, which has seen a growing momentum of bookings through 2022/23.

Relief of the poor and those in need, hardship or distress

Our 'Community Hub' at Central Hall which provides an umbrella for the various caring initiatives that we operate has continued to function throughout the year. We have been able to host a variety of groups - Bake Club, Creative English classes, and Warm Space. The Community Cafe was open every Sunday afternoon to provide hot food and drinks for up to 100 guests.

Through the work of our Hope Community School chaplain, we have supported children and families from the local area with targeted educational and practical support. The Baby Branch has continued to operate, providing baby clothes and equipment to parents in need. We have also been able to provide local community members with food through a weekly Fare Share operation.

We have continued to support the work of the Umoja group in Kibera, Kenya. We have been able to sponsor individual children, orphanages and other relief projects in Kenya and India.

Our Central Counselling and Training Service [CCTS] continued to provide counselling services, receiving consistently positive feedback.

Financial review

The principal funding sources for the Charity are voluntary donations and income from hire of facilities. These funds are used to operate a number of church congregations and projects with a Christian ethos.

Voluntary giving increased to £583,443 (2022 - £565,439). Unrestricted voluntary income, which includes donations and related tax recovered, was £493,427 (2022 - £476,987) and restricted voluntary income £90,016 (2022 - £88,452).

The Consolidated Statement of Financial Activities reports an overall surplus of £62,605 (2022 - deficit £113,455) for the year. However, this includes a depreciation charge, which is a non-cash item, of £48,560 (2022 - £52,885).

Capital expenditure in the year was £4,660 (2022: £6,415).

The balance outstanding on our bank loan as at the end of the financial year was £262,261 (2022: £542,169).

New Community Ventures Ltd (NCV) made a profit of £12 (2022: £2,385) after distributions to New Community Network.

Total funds held as at 31 August 2023 were £1,283,697 (2022: £1,221,092), of which £222,585 (2022: £279,987) were restricted, and £1,061,112 (2022: £941,105) were unrestricted.

Reserves policy

The board of trustees has examined the charity's requirements for reserves in the light of the main risks to the organisation. It has established a policy whereby the unrestricted funds not committed or invested in tangible fixed assets ('the free reserves') held by the charity should be kept to the lowest possible figure, recognising the intent and purpose of those who donate funds to the charity. However, we also recognise the need to make provision for working capital to cover the regular fluctuations in income and expenditure and accordingly our policy is to maintain free reserves at three months-worth of operating costs. At this level, the board of trustees feel that they would be able to continue the current activities of the charity for a sufficient period in the event of a significant change in funding patterns to consider how the funding would be replaced or activities changed.

The group free reserves (defined as the unrestricted net current assets of the group) at 31 August 2023 were £152,567 (2022: £275,995).

NEW COMMUNITY NETWORK

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

Investment policy

The board of trustees has considered the most appropriate policy for investing the charity's short-term funds and has found that interest bearing current accounts and deposit accounts, designed for the charity sector, meet their requirements to generate a reasonable return with security of capital and ease of access as projects develop. The board of trustees considers the return on investments to be adequate. The charity has no long-term cash investments.

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Plans for future periods

We have benefited significantly from the use of Central Hall by Hope Community School over the past 6 years. The school has now purchased a site on which to build a new school facility. This will mean that the current licence agreement will come to an end in September 2025.

We are now exploring a number of options for the future use of Central Hall recognising the impact that the loss of rental income from the school will have on the organisation.

The Trustees have commissioned a report to explore the following options:

1. Sell the building and purchase/lease/build a new facility.
2. Refocus our efforts to make the building an events venue with income to cover the anticipated shortfall.
3. Look at a more creative remodelling of the building with mixed use that will create an income.

Structure, governance and management

Governing document

New Community Network is a charitable company limited by guarantee, incorporated on 10 June 1998 as The Cornerstone Network and registered as a charity on 30 November 1998. The name was changed to New Community Network at an Extraordinary General Meeting held on 19 September 2005.

The company was established under a Memorandum of Association that established the objects and powers of the charitable company and is governed under its Articles of Association which was amended by special resolution on 29 March 2022.

New Community Ventures Limited

New Community Ventures Limited is a private company limited by shares, incorporated on 27 January 2017. New Community Network owns the entire share capital.

Recruitment and appointment of board of trustees

Trustees are normally, but not exclusively, recruited from the members of the charity who are all fully supportive of our aims and practically involved in the work of the charity. We aim to keep a balance of skills and backgrounds to facilitate the efficient functioning of the group. A comprehensive package of training utilising Charity Commission publications and other materials is provided to ensure that trustees are aware of their responsibilities and the hallmarks of good governance. Under the requirements of the Memorandum and Articles of Association one third of the members of the board of trustees must retire each year at the AGM.

Organisational structure and decision making processes

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr W R Kennedy	(Resigned 23 March 2023)
Mr C N D Romilly	
Mr A Sheen	
Mrs K Swift	
Mr J Cathie	
Mr J Sargent	(Appointed 23 March 2023)
Ms S E Chart	(Appointed 23 March 2023)

NEW COMMUNITY NETWORK

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

Membership – The Charity Members form a panel of reference for the full time staff and volunteers. They meet formally at the Annual General Meeting and appoint the trustees.

Board of Trustees – The Trustees meet once per quarter to review progress against activities planned and set budgets for the year. Individual trustees work closely with staff to ensure best practice is applied and good governance is maintained.

Leadership Team – The Leadership Team meet weekly to oversee the day to day running of the organisation, assess the effectiveness of the various teams and manage the budget.

The pay and remuneration of the Charity's key management personnel are set by benchmarking against equivalent roles in similar organisations in the charity sector. They are reviewed annually and are subject to individual and company performance.

Risk management

The Board of Trustees has conducted its own review of the major risks to which the charity is exposed and systems have been established to mitigate those risks. Internal risks are minimised by the implementation of procedures for authorisation of all transactions and projects, and to ensure consistent quality of delivery for all operational aspects of the charitable company. These procedures are periodically reviewed to ensure that they still meet the needs of the charity.

Auditor

In accordance with the company's articles, a resolution proposing that Caladine Limited be reappointed as auditor of the company will be put at a General Meeting.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees' report was approved by the Board of Trustees.



.....
Mr C N D Remilly

Trustee
Dated: 08/02/2024
.....

NEW COMMUNITY NETWORK

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2023

The trustees, who are also the directors of New Community Network for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the 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 the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

NEW COMMUNITY NETWORK

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF NEW COMMUNITY NETWORK

Opinion

We have audited the financial statements of New Community Network (the 'parent charitable company') and its subsidiary together (the 'group') for the year ended 31 August 2023 which comprise the group and parent charitable company statement of financial activities, the group and parent charitable company statements of financial position, the consolidated statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of group's and of the parent charitable company's affairs as at 31 August 2023 and of the group's incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

NEW COMMUNITY NETWORK

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF NEW COMMUNITY NETWORK

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

The extent to which the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with trustees, and from our commercial knowledge and experience of the charity sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the group and parent charitable company, including the Companies Act 2006, Charities Act 2011, employment legislation, health and safety, and Anti-Money Laundering laws;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

NEW COMMUNITY NETWORK

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF NEW COMMUNITY NETWORK

We assessed the susceptibility of the group's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

Audit response to risks identified

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC and relevant regulators

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.



Mr Colin James Dadswell FCCA (Senior Statutory Auditor)
for and on behalf of Caladine Limited

12 April 2024
.....

Chartered Certified Accountants
Statutory Auditor

Chantry House
22 Upperton Road
Eastbourne
East Sussex
BN21 1BF

NEW COMMUNITY NETWORK

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
<u>Income and endowments from:</u>					
Donations and legacies	3	493,427	90,016	583,443	565,439
Charitable activities	4	43,271	-	43,271	45,161
Other trading activities	5	589,122	-	589,122	379,448
Investments	6	1,209	-	1,209	92
Total income		1,127,029	90,016	1,217,045	990,140
<u>Expenditure on:</u>					
Raising funds	7	481,483	-	481,483	410,895
Charitable activities	8	514,013	158,862	672,875	692,700
Other	11	82	-	82	-
Total resources expended		995,578	158,862	1,154,440	1,103,595
Net incoming resources before transfers		131,451	(68,846)	62,605	(113,455)
Gross transfers between funds	20	(11,444)	11,444	-	-
Net income/(expenditure) for the year/Net movement in funds		120,007	(57,402)	62,605	(113,455)
Fund balances at 1 September 2022		941,105	279,987	1,221,092	1,334,547
Fund balances at 31 August 2023		1,061,112	222,585	1,283,697	1,221,092

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

NEW COMMUNITY NETWORK

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 AUGUST 2022

		Unrestricted funds £	Restricted funds £	Total 2022 £
<u>Income and endowments from:</u>	Notes			
Donations and legacies	3	476,987	88,452	565,439
Charitable activities	4	45,161	-	45,161
Other trading activities	5	379,448	-	379,448
Investments	6	92	-	92
Total income		901,688	88,452	990,140
<u>Expenditure on:</u>				
Raising funds	7	410,895	-	410,895
Charitable activities	8	483,535	209,165	692,700
Total resources expended		894,430	209,165	1,103,595
Net incoming resources before transfers		7,258	(120,713)	(113,455)
Gross transfers between funds	20	(10,222)	10,222	-
Net income/(expenditure) for the year/Net movement in funds		(2,964)	(110,491)	(113,455)
Fund balances at 1 September 2021		944,069	390,478	1,334,547
Fund balances at 31 August 2022		941,105	279,987	1,221,092

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

NEW COMMUNITY NETWORK

CHARITY STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 AUGUST 2023

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
<u>Income and endowments from:</u>				
Donations and legacies	686,988	90,016	777,004	595,202
Charitable activities	43,271	-	43,271	45,161
Other trading activities	1,200	-	1,200	11,993
Investments	1,209	-	1,209	80
	<hr/>	<hr/>	<hr/>	<hr/>
Total income	732,668	90,016	822,684	652,436
	<hr/>	<hr/>	<hr/>	<hr/>
<u>Expenditure on:</u>				
Raising funds	1,782	-	1,782	6,821
Charitable activities	599,365	158,862	758,227	761,455
Other	82	-	82	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total resources expended	601,229	158,862	760,091	768,276
	<hr/>	<hr/>	<hr/>	<hr/>
Net incoming resources before transfers	131,439	(68,846)	62,593	(115,840)
	<hr/>	<hr/>	<hr/>	<hr/>
Gross transfers between funds	(11,444)	11,444	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Net income for the year/ Net movement in funds	119,995	(57,402)	62,593	(115,840)
	<hr/>	<hr/>	<hr/>	<hr/>
Fund balances at 1 September 2022	935,084	279,987	1,215,071	1,330,911
	<hr/>	<hr/>	<hr/>	<hr/>
Fund balances at 31 August 2023	1,055,079	222,585	1,277,664	1,215,071
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

NEW COMMUNITY NETWORK

CHARITY STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 AUGUST 2022

	Unrestricted funds £	Restricted funds £	Total 2022 £
<u>Income and endowments from:</u>			
Donations and legacies	506,750	88,452	595,202
Charitable activities	45,161	-	45,161
Other trading activities	11,993	-	11,993
Investments	80	-	80
	<hr/>	<hr/>	<hr/>
Total income	563,984	88,452	652,436
	<hr/>	<hr/>	<hr/>
<u>Expenditure on:</u>			
Raising funds	6,821	-	6,821
Charitable activities	552,290	209,165	761,455
	<hr/>	<hr/>	<hr/>
Total resources expended	559,111	209,165	768,276
	<hr/>	<hr/>	<hr/>
Net incoming resources before transfers	4,873	(120,713)	(115,840)
	<hr/>	<hr/>	<hr/>
Gross transfers between funds	(10,222)	10,222	-
	<hr/>	<hr/>	<hr/>
Net income for the year/ Net movement in funds	(5,349)	(110,491)	(115,840)
	<hr/>	<hr/>	<hr/>
Fund balances at 1 September 2021	940,433	390,478	1,330,911
	<hr/>	<hr/>	<hr/>
Fund balances at 31 August 2022	935,084	279,987	1,215,071
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

NEW COMMUNITY NETWORK

STATEMENTS OF FINANCIAL POSITION

AS AT 31 AUGUST 2023

	Notes	Group		Charity	
		2023 £	2022 £	2023 £	2022 £
Fixed assets					
Property, plant and equipment	13	1,138,200	1,182,182	1,133,015	1,176,159
Investments	14	-	-	1,000	1,000
		<u>1,138,200</u>	<u>1,182,182</u>	<u>1,134,015</u>	<u>1,177,159</u>
Current assets					
Inventories		1,008	1,126	-	-
Trade and other receivables	15	60,188	52,146	46,939	40,023
Cash at bank and in hand		436,771	611,191	394,697	570,930
		<u>497,967</u>	<u>664,463</u>	<u>441,636</u>	<u>610,953</u>
Current liabilities	16	(122,815)	(108,481)	(68,332)	(55,969)
Net current assets		375,152	555,982	373,304	554,984
Total assets less current liabilities		1,513,352	1,738,164	1,507,319	1,732,143
Non-current liabilities	17	(229,655)	(517,072)	(229,655)	(517,072)
Net assets		<u>1,283,697</u>	<u>1,221,092</u>	<u>1,277,664</u>	<u>1,215,071</u>
Income funds					
Restricted funds	20	222,585	279,987	222,585	279,987
Unrestricted funds		1,061,112	941,105	1,055,079	935,084
		<u>1,283,697</u>	<u>1,221,092</u>	<u>1,277,664</u>	<u>1,215,071</u>

The financial statements were approved by the Trustees on 08/02/2024



Mr C N D Romilly
Trustee

Company Registration No. 03578938

NEW COMMUNITY NETWORK

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash generated from operations	24	108,939		(34,826)	
Investing activities					
Purchase of property, plant and equipment		(4,660)		(6,415)	
Proceeds on disposal of property, plant and equipment		-		-	
Income from investments		1,209		92	
		<hr/>		<hr/>	
Net cash used in investing activities		(3,451)		(6,323)	
Financing activities					
Repayment of other borrowings		-		-	
Repayment of bank loans		(279,908)		(29,416)	
		<hr/>		<hr/>	
Net cash used in financing activities		(279,908)		(29,416)	
		<hr/>		<hr/>	
Net (decrease)/increase in cash and cash equivalents		(174,420)		(70,565)	
Cash and cash equivalents at beginning of year		611,191		681,756	
		<hr/>		<hr/>	
Cash and cash equivalents at end of year		436,771		611,191	
		<hr/> <hr/>		<hr/> <hr/>	

NEW COMMUNITY NETWORK

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

Company information

New Community Network is a charitable company limited by guarantee incorporated in England and Wales. The registered office is Central Hall, St Mary Street, Southampton, Hants, SO14 1NF.

1.1 Accounting convention

The accounts have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

The group financial statements include the accounts of New Community Network (the charity) and its subsidiary New Community Ventures Limited.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Other trading income is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

NEW COMMUNITY NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies (Continued)

1.5 Expenditure

Liabilities are recognised when a constructive obligation exists, the payment is probable and the obligation can be measured or estimated reliably.

Resources expended are allocated to the particular cost centre to which they relate and include irrecoverable VAT.

Grants payable are charged in the year in which the offer is conveyed to the recipient except in those cases where the offer is conditional.

1.6 Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following basis:

Freehold land and buildings	50 years straight line
Plant and equipment	5 - 10 years straight line
Fixtures and fittings	5 - 10 years straight line
Computers	3 years straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

Items of equipment are capitalised where the purchase price exceeds £1,000.

1.7 Non-current investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

A subsidiary is an entity controlled by the charity. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.8 Impairment of non-current assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

1.9 Inventories

Inventories are stated at lower of cost and estimated selling price less costs to sell.

1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

NEW COMMUNITY NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies (Continued)

1.11 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including trade and other payables and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.12 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.14 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease.

NEW COMMUNITY NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total 2023	Total 2022
	£	£	£	£
Donations and gifts	493,427	90,016	583,443	565,439
	<u>493,427</u>	<u>90,016</u>	<u>583,443</u>	<u>565,439</u>
Donations and gifts 2023				
Donations and gifts	409,017	78,408	487,425	
Gift aid	84,410	11,608	96,018	
	<u>493,427</u>	<u>90,016</u>	<u>583,443</u>	
Donations and gifts 2022				
Donations and gifts	391,998	80,167		472,165
Government furlough grant	369	-		369
Gift aid	84,620	8,285		92,905
	<u>476,987</u>	<u>88,452</u>		<u>565,439</u>

NEW COMMUNITY NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

4 Charitable activities 2023

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Fee income	43,271	-	43,271	41,078
Training fees	-	-	-	4,083
	<u>43,271</u>	<u>-</u>	<u>43,271</u>	<u>45,161</u>

Charitable activities 2022

	Unrestricted funds £	Restricted funds £	Total 2022 £
Fee income	41,078	-	41,078
Training fees	4,083	-	4,083
	<u>45,161</u>	<u>-</u>	<u>45,161</u>

5 Other trading activities 2023

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Rental and hire charges	589,122	-	589,122	368,655
Trading activities	-	-	-	10,793
	<u>589,122</u>	<u>-</u>	<u>589,122</u>	<u>379,448</u>

Other trading activities 2022

	Unrestricted funds £	Restricted funds £	Total 2022 £
Rental and hire charges	368,655	-	368,655
Trading activities	10,793	-	10,793
	<u>379,448</u>	<u>-</u>	<u>379,448</u>

NEW COMMUNITY NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

6 Investments

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Interest receivable	1,209	92

7 Raising funds 2023

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
<u>Trading costs</u>				
Staff costs	158,073	-	158,073	130,933
Cost of trading subsidiaries	37,369	-	37,369	17,840
Building costs	78,478	-	78,478	92,181
Communications	2,973	-	2,973	6,216
Finance costs	878	-	878	730
Resource costs	99,502	-	99,502	79,494
Depreciation	2,910	-	2,910	1,936
Support costs (see note 10)	101,300	-	101,300	81,565
	<u>481,483</u>	<u>-</u>	<u>481,483</u>	<u>410,895</u>

Raising funds 2022

	Unrestricted funds £	Restricted funds £	Total 2022 £
<u>Trading costs</u>			
Staff costs	130,933	-	130,933
Cost of trading subsidiaries	17,840	-	17,840
Building costs	92,181	-	92,181
Communications	6,216	-	6,216
Finance costs	730	-	730
Resource costs	79,494	-	79,494
Depreciation	1,936	-	1,936
Support costs (see note 10)	81,565	-	81,565
	<u>410,895</u>	<u>-</u>	<u>410,895</u>

NEW COMMUNITY NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

8 Charitable activities

	2023 £	2022 £
Staff costs	253,792	289,656
Counselling, events, courses and community work	104,756	86,154
	<u>358,548</u>	<u>375,810</u>
Grant funding of activities (see note 9)	128,401	125,277
Share of support costs (see note 10)	162,558	180,442
Share of governance costs (see note 10)	23,368	11,171
	<u>672,875</u>	<u>692,700</u>
Analysis by fund		
Unrestricted funds	514,013	483,535
Restricted funds	158,862	209,165
	<u>672,875</u>	<u>692,700</u>

9 Grants payable

	2023 £	2022 £
Grants to institutions:		
Umoja	11,848	19,783
Jeevan Asha	20,800	8,000
Pioneer Trust	17,471	17,608
Missionary Maintenance Services	12,000	11,000
Other grants below £10,000	30,420	46,200
	<u>92,539</u>	<u>102,591</u>
Grants to individuals	35,862	22,686
	<u>128,401</u>	<u>125,277</u>

NEW COMMUNITY NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

10 Support costs 2023

	Support costs £	Governance costs £	Total 2023 £	Total 2022 £
Staff costs	127,768	-	127,768	126,068
Depreciation	45,650	-	45,650	50,949
Counselling, events, courses and community work	22,262	-	22,262	16,047
Finance costs	25,453	-	25,453	19,948
Insurance costs	11,373	-	11,373	13,116
Resource costs	18,625	-	18,625	26,973
Other costs	12,727	-	12,727	8,906
Audit fees	-	4,890	4,890	4,680
Accountancy	-	5,940	5,940	5,680
Legal and professional	-	12,538	12,538	811
	<u>263,858</u>	<u>23,368</u>	<u>287,226</u>	<u>273,178</u>
<u>Analysed between</u>				
Raising funds	101,300	-	101,300	
Charitable activities	162,558	23,368	185,926	
	<u>263,858</u>	<u>23,368</u>	<u>287,226</u>	

Support costs 2022

	Support costs £	Governance costs £	Total 2022 £
Staff costs	126,068	-	126,068
Depreciation	50,949	-	50,949
Counselling, events, courses and community work	16,047	-	16,047
Finance costs	19,948	-	19,948
Insurance costs	13,116	-	13,116
Resource costs	26,973	-	26,973
Other costs	8,906	-	8,906
Audit fees	-	4,680	4,680
Accountancy	-	5,680	5,680
Legal and professional	-	811	811
	<u>262,007</u>	<u>11,171</u>	<u>273,178</u>
<u>Analysed between</u>			
Raising funds	81,565	-	81,565
Charitable activities	180,442	11,171	191,613
	<u>262,007</u>	<u>11,171</u>	<u>273,178</u>

NEW COMMUNITY NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

11 Other

	2023 £	2022 £
Net loss on disposal of tangible fixed assets	82	-

12 Employees

Number of employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
	27	29
	27	29

Employment costs

	2023 £	2022 £
Wages and salaries	497,774	503,456
Social security costs	27,529	28,140
Other pension and life insurance costs	14,330	15,061
	539,633	546,657

No employee earned more than £60,000 during the year (2022: none).

13 Property, plant and equipment

	Freehold land and buildings £	Plant and equipment £	Fixtures and fittings £	Computers £	Total £
Cost					
At 1 September 2022	2,058,159	159,311	79,909	18,776	2,316,155
Additions	-	2,008	2,072	580	4,660
Disposals	-	-	-	(670)	(670)
At 31 August 2023	2,058,159	161,319	81,981	18,686	2,320,145
Depreciation and impairment					
At 1 September 2022	892,242	152,697	76,750	12,284	1,133,973
Depreciation	41,163	2,465	1,924	3,008	48,560
Eliminated in respect of disposals	-	-	-	(588)	(588)
At 31 August 2023	933,405	155,162	78,674	14,704	1,181,945
Carrying amount					
At 31 August 2023	1,124,754	6,157	3,307	3,982	1,138,200
At 31 August 2022	1,165,917	6,614	3,159	6,492	1,182,182

NEW COMMUNITY NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

14 Fixed asset investments - see note 23

Investments in subsidiaries		Group	Charity
		£	£
Cost			
At 1 September 2022 & 31 August 2023		-	1,000
		<hr/>	<hr/>
Carrying amount			
At 31 August 2023		-	1,000
		<hr/> <hr/>	<hr/> <hr/>
At 31 August 2022		-	1,000
		<hr/> <hr/>	<hr/> <hr/>

15 Trade and other receivables

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Amounts falling due within one year:				
Amounts owed by subsidiary undertakings	-	-	38,236	24,655
Trade receivables	29,900	30,976	435	2,461
Other receivables	8,268	6,023	8,268	6,023
Prepayments and accrued income	22,020	15,147	-	6,884
	<hr/>	<hr/>	<hr/>	<hr/>
	60,188	52,146	46,939	40,023
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

16 Current liabilities

		Group		Charity	
		2023	2022	2023	2022
		£	£	£	£
Notes					
Bank loans	18	32,606	25,097	32,606	25,097
Other taxation and social security		21,404	14,328	15,097	10,404
Deferred income		31,118	40,552	-	-
Trade payables		22,205	13,616	9,690	7,498
Other creditors		964	3,610	-	3,610
Accruals and deferred income		14,518	11,278	10,939	9,360
		<hr/>	<hr/>	<hr/>	<hr/>
		122,815	108,481	68,332	55,969
		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

17 Non-current liabilities

		Group		Charity	
		2023	2022	2023	2022
		£	£	£	£
Notes					
Bank loans	18	229,655	517,072	229,655	517,072
		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

NEW COMMUNITY NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

18 Borrowings

	Group		Charity	
	2023 £	2022 £	2023 £	2022 £
Bank loans	262,261	542,169	262,261	542,169
Payable within one year	32,606	25,097	32,606	25,097
Payable after one year	229,655	517,072	229,655	517,072
	262,261	542,169	262,261	542,169
Amounts included above which falls after five years:				
Payable by instalments	69,951	413,708	69,951	413,708

The mortgage is secured on the property at Central Hall, St Mary Street, Southampton, SO14 1NF.

19 Retirement benefit schemes

Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £14,330 (2022- £15,061).

NEW COMMUNITY NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

20 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds				Balance at 31 August 2023 £
	Balance at 1 September 2022 £	Incoming resources £	Resources expended £	Transfers £	
Relief International:					
Jeevan Asha	21,354	9,422	(16,065)	-	14,711
Kibera development	6,266	11,695	(22,413)	6,000	1,548
Missionary maintenance services	10,240	11,973	(12,097)	-	10,116
School of ministry	6,219	24,260	(32,349)	5,004	3,134
Relief local:					
Central hall fund	2,216	281	(1,196)	-	1,301
Hardship fund	299	2,738	(1,485)	-	1,552
Rest and recoup fund	202,350	-	(34,847)	(8,000)	159,503
SO14 Mission fund	29,858	-	(13,180)	-	16,678
Special Guardians	357	-	-	-	357
Heat & Eat Respose fund	-	9,483	(4,076)	-	5,407
Cuban Family Support	-	14,531	(16,252)	8,000	6,279
Minor restricted funds	828	5,633	(4,902)	440	1,999
	<u>279,987</u>	<u>90,016</u>	<u>(158,862)</u>	<u>11,444</u>	<u>222,585</u>

Relief International

Jeevan Asha - Indian orphanage.

Kibera Development - Funding a school build and missionary work in Kibera.

Missionary Maintenance Services - Support for D & D Coates USA.

School of Ministry - Leadership development.

Relief local

Central Hall fund - To fund ongoing renovation works to Central Hall.

Hardship fund - Local relief work.

Rest and recoup fund - To provide a place for rest, recovery and convalescence.

SO14 Mission fund- To fund mission in Central Southampton.

Special Guardians - Support grandparents who are primarily carers for their grandchildren.

Heat & Eat Response fund - supporting individuals affected by the cost of living crisis.

Transfers represent the reallocation of income and expenditure between funds.

NEW COMMUNITY NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

20 Restricted funds 2022

	Movement in funds				Balance at 31 August 2022 £
	Balance at 1 September 2021 £	Incoming resources £	Resources expended £	Transfers £	
Relief International:					
Jeevan Asha	20,562	8,825	(8,033)	-	21,354
Kibera development	10,197	21,453	(31,384)	6,000	6,266
Missionary maintenance services	9,499	11,809	(11,068)	-	10,240
School of ministry	10,650	32,080	(45,115)	8,604	6,219
Relief local:					
Central hall fund	1,797	419	-	-	2,216
Hardship fund	4,036	1,894	(5,631)	-	299
Rest and recoup fund	284,859	-	(77,505)	(5,004)	202,350
SO14	47,312	-	(17,454)	-	29,858
Special Guardians	737	-	(380)	-	357
Minor restricted funds	829	11,972	(12,595)	622	828
	<u>390,478</u>	<u>88,452</u>	<u>(209,165)</u>	<u>10,222</u>	<u>279,987</u>

NEW COMMUNITY NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

21 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total £
Fund balances at 31 August 2023 are represented by:			
Property, plant and equipment	1,138,200	-	1,138,200
Current assets/(liabilities)	152,567	222,585	375,152
Long term liabilities	(229,655)	-	(229,655)
	<u>1,061,112</u>	<u>222,585</u>	<u>1,283,697</u>
	<u><u>1,061,112</u></u>	<u><u>222,585</u></u>	<u><u>1,283,697</u></u>
	Unrestricted funds £	Restricted funds £	Total £
Fund balances at 31 August 2022 are represented by:			
Property, plant and equipment	1,182,182	-	1,182,182
Current assets/(liabilities)	275,995	279,987	555,982
Long term liabilities	(517,072)	-	(517,072)
	<u>941,105</u>	<u>279,987</u>	<u>1,221,092</u>
	<u><u>941,105</u></u>	<u><u>279,987</u></u>	<u><u>1,221,092</u></u>

NEW COMMUNITY NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

22 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

2023	2022
£	£
128,949	126,141
<u>128,949</u>	<u>126,141</u>

Caroline Kennedy, wife of trustee Bill Kennedy was employed by the charity and received a salary and pension contributions of £nil during the year ended 31 August 2023 (2022: £5,562).

Billy Kennedy who resigned in the year as a Trustee from New Community Network was also a Trustee of the Pioneer Trust of which he also resigned from his role on 20 April 2023. Up to the date of his resignation from New Community Network, the charity paid grants to the Pioneer Trust amounting to £8,400 (2022: £17,608). The charity also made purchases from Pioneer Trust in the year of £nil (2022: £816)

The trustees and their close family or associated companies have donated an aggregate sum of £61,057 (2022: £35,788) to the charity.

Transactions with group companies

New Community Network was owed £38,236 (2022: £24,655) from New Community Ventures Limited at 31 August 2023.

NEW COMMUNITY NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

23 Subsidiary undertakings

New Community Ventures Limited (no. 10586696) is a wholly owned trading subsidiary of New Community Network. It runs Central Hall as an events venue. Below is a summary of its financial results and position.

	2023 £	2022 £
Gross income	586,722	368,667
Expenditure	(393,149)	(336,519)
	<hr/>	<hr/>
Surplus/(Deficit)	193,573	32,148
Distributions to parent charity under gift aid	(193,561)	(29,763)
	<hr/>	<hr/>
Surplus after distributions	12	2,385
	<hr/> <hr/>	<hr/> <hr/>
Total assets	99,751	84,187
Total liabilities	(92,719)	(77,167)
	<hr/>	<hr/>
Equity	7,032	7,020
	<hr/> <hr/>	<hr/> <hr/>

NEW COMMUNITY NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

24 Cash generated from operations

	2023 £	2022 £
Profit/(Deficit) for the year	62,605	(113,455)
Adjustments for:		
Investment income recognised in statement of financial activities	(1,209)	(92)
Loss on disposal of property, plant and equipment	82	-
Depreciation and impairment of property, plant and equipment	48,560	52,884
Movements in working capital:		
Decrease/(Increase) in inventories	118	4,224
Decrease/(Increase) in trade and other receivables	(8,042)	18,834
(Decrease)/Increase in trade and other payables	6,825	2,779
Cash generated from operations	108,939	(34,826)

25 Analysis of changes in net debt

	At 1 September 2022 £	Cash flows £	At 31 August 2023 £
Cash at bank and in hand	611,191	(174,420)	436,771
Loans falling due within one year	(25,097)	(7,509)	(32,606)
Loans falling due after more than one year	(517,072)	287,417	(229,655)
	<u>69,022</u>	<u>105,488</u>	<u>174,510</u>

26 Non-audit services provided by auditor

In common with many charities of our size and nature we use our auditor to assist with the preparation of the financial statements.

NEW COMMUNITY NETWORK

England & Wales - Charity number 1072645

Accounts

Charity Registration No. 1072645

Company Registration No. 03578938 (England and Wales)

NEW COMMUNITY NETWORK
ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

NEW COMMUNITY NETWORK

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr W R Kennedy Mr C N D Romilly Mr A Sheen Mrs K Swift Mr J Cathie
Charity number	1072645
Company number	03578938
Principal address	Central Hall St Mary Street Southampton Hants SO14 1NF
Registered office	Central Hall St Mary Street Southampton Hants SO14 1NF
Auditor	Caladine Limited Chantry House 22 Upperton Road Eastbourne East Sussex BN21 1BF
Bankers	Barclays Bank PLC Hatton Garden Business Centre 99 Hatton Garden London EC1N 8DN CAF Bank Limited 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ
Solicitors	Blake Morgan New Kings Court Tollgate Chandler's Ford Eastleigh Hampshire SO53 3LG

NEW COMMUNITY NETWORK

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NEW COMMUNITY NETWORK

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 AUGUST 2022

The trustees present their annual report and financial statements for the year ended 31 August 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

The objectives of the charity are:

- To advance the Christian faith;
- To advance education;
- To promote the creative arts for the public benefit;
- To relieve those who are poor, in conditions of need, hardship or distress or who are aged or sick; and
- To promote such other charitable objects as the trustees shall from time to time determine.

The Trustees have considered and have had due regard to the Commission's guidance on public benefit and, in particular, the specific guidance on activities for the advancement of religion.

The Trustees are satisfied that the objectives of the Charity have been met, and that appropriate procedures and controls are in place to ensure continued operation.

Grant making policy

The charity is not primarily a grant making charity and does not solicit applications from organisations or individuals. We will from time to time make grants from our own funds or specifically raise funds for projects undertaken by other organisations. This would normally be in a geographical location and for a purpose we cannot undertake ourselves e.g. international crisis relief.

We will also make small grants to individuals with whom we have personal contact to enable them to achieve one of our charitable objectives. All grants are monitored to ensure they are used for the purpose that they are given.

Grants made during the year amounted to £125,277 (2021: £96,779) and were made up of £22,686 of grants to individuals (2021: £13,088) and £102,591 of grants to institutions (2021: £83,691). An analysis of institutional grants made above £10,000 is provided in note 9 in the accounts.

Achievements and performance

Advance the Christian faith

2021/22 saw many of the coronavirus pandemic and associated restrictions lifted and we were able to recommence in-person gatherings. New Community Church's expressions of church at both Central Hall and St Andrews in Sholing began to meet again.

These have continued to be supported by a wide variety of small group activities throughout the week including Alpha courses for those exploring faith, group activities for young people, Zoom prayer meetings and learning opportunities for those who want to study in more depth.

School of Ministries is our teaching and training programme which develops and trains leaders in Christian ministry, working mainly in developing countries where leaders would be unable to attend traditional training establishments. We have now successfully translated most of the training modules into French and have been able to video record [in English] nearly all the modules for use overseas. This has resulted in a multiplication of schools, especially in a number of African nations.

NEW COMMUNITY NETWORK

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

Advance Education

We continue to partner with New Generation Schools Trust to deliver primary education through Hope Community School. The school are currently tenants of Central Hall as a temporary site whilst permanent facilities are being built nearby. This year the new site was secured and plans are underway to design, plan and build with an opening date of September 2024.

This year we increased from 160 to 185 children. As a church we have an agreement to provide governance, chaplaincy, volunteers and wrap-around services.

The profile and reputation of our Central Counselling and Training Service [CCTS] continued to grow with our training courses and counselling services receiving consistently positive feedback.

Promote Creative Arts

We have provided a supportive environment for artists, singers, and musicians. Pre-pandemic, local orchestras, bands, and choirs regularly used Central Hall as a performance venue. This was halted with restrictions during the pandemic but now that restrictions have lifted events are now being booked and our trading subsidiary, New Community Ventures, has begun to see a growing momentum of bookings for 2022/23.

Relief of the poor and those in need, hardship or distress

Our 'community hub' at Central Hall which provides an umbrella for the various caring initiatives that we operate has continued to function throughout the year. We have been able to host a variety of groups - Bake Club, Creative English classes, Special Guardians group for grandparents caring for their grandchildren as well a new initiative, Kintsugi well-being groups. The Community Cafe was open every Sunday afternoon to provide hot food and drinks for up to 100 guests.

Through the work of our Hope Community School chaplain, we have supported children and families from the local area with targeted educational and practical support. The Baby Branch has continued to operate from its base at St Andrews in Sholing, providing baby clothes and equipment to mothers in need. We have also been able to provide local community members with food through a weekly Fair Share operation.

We have continued to support the work of the Umoja group in Kibera, Kenya. This year we have been able to raise additional funds to help with food distribution and the ongoing feeding project during the pandemic. We have been able to sponsor individual children, orphanages and other relief projects in Kenya and India.

Financial review

The principal funding sources for the Charity are voluntary donations and income from hire of facilities. These funds are used to operate a number of church congregations and projects with a Christian ethos.

Voluntary giving decreased to £565,439 (2021 - £595,907). Unrestricted voluntary income, which includes donations and related tax recovered, was £476,987 (2021 - £525,852) and restricted voluntary income £88,452 (2021 - £70,055).

The Consolidated Statement of Financial Activities reports an overall deficit of £113,455 (2021 - surplus £154,678) for the year. However, this includes a depreciation charge, which is a non-cash item, of £52,885 (2021 - £53,632).

Capital expenditure in the year was £6,415 (2021: £7,996).

The balance outstanding on our bank loan as at the end of the financial year was £542,169 (2021: £571,585). New Community Ventures Ltd (NCV) made a profit of £2,385 (2021 - £53,054).

Total funds held as at 31 August 2022 were £1,221,092 (2021: £1,334,547), of which £279,987 (2021: £390,478) were restricted, and £941,105 (2021: £944,069) were unrestricted.

NEW COMMUNITY NETWORK

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

Reserves policy

The board of trustees has examined the charity's requirements for reserves in the light of the main risks to the organisation. It has established a policy whereby the unrestricted funds not committed or invested in tangible fixed assets ('the free reserves') held by the charity should be kept to the lowest possible figure, recognising the intent and purpose of those who donate funds to the charity. However, we also recognise the need to make provision for working capital to cover the regular fluctuations in income and expenditure and accordingly our policy is to maintain free reserves at three months worth of operating costs. At this level, the board of trustees feel that they would be able to continue the current activities of the charity for a sufficient period in the event of a significant change in funding patterns to consider how the funding would be replaced or activities changed.

The group free reserves (defined as the unrestricted net current assets of the group) at 31 August 2022 were £275,995 (2021: £257,097).

Investment policy

The board of trustees has considered the most appropriate policy for investing the charity's short-term funds and has found that interest bearing current accounts and deposit accounts, designed for the charity sector, meet their requirements to generate a reasonable return with security of capital and ease of access as projects develop. The board of trustees considers the return on investments to be adequate. The charity has no long-term cash investments.

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Plans for future periods

We have benefited significantly from the use of Central Hall by Hope Community School over the past 5 years. The school has now purchased a site on which to build a new school facility. This will mean that the current licence agreement will come to an end in August 2024.

We are now exploring a number of options for the future use of Central Hall recognising the impact that the loss of rental income from the school will have on the organisation.

The Trustees have commissioned a report to explore the following options:

1. Sell the building and purchase/lease/build a new facility.
2. Refocus our efforts to make the building an events venue with income to cover the anticipated shortfall.
3. Look at a more creative remodelling of the building with mixed use that will create an income.

Structure, governance and management

Governing document

New Community Network is a charitable company limited by guarantee, incorporated on 10 June 1998 as The Cornerstone Network and registered as a charity on 30 November 1998. The name was changed to New Community Network at an Extraordinary General Meeting held on 19 September 2005.

The company was established under a Memorandum of Association that established the objects and powers of the charitable company and is governed under its Articles of Association which was amended by special resolution on 29 March 2022.

New Community Ventures Limited

New Community Ventures Limited is a private company limited by shares, incorporated on 27 January 2017. New Community Network owns the entire share capital.

NEW COMMUNITY NETWORK

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

Recruitment and appointment of board of trustees

Trustees are normally, but not exclusively, recruited from the members of the charity who are all fully supportive of our aims and practically involved in the work of the charity. We aim to keep a balance of skills and backgrounds to facilitate the efficient functioning of the group. A comprehensive package of training utilising Charity Commission publications and other materials is provided to ensure that trustees are aware of their responsibilities and the hallmarks of good governance. Under the requirements of the Memorandum and Articles of Association one third of the members of the board of trustees must retire each year at the AGM.

Organisational structure and decision making processes

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr W R Kennedy

Mrs S M Frame

(Resigned 17 January 2022)

Mr C N D Romilly

Mr A Sheen

Mrs K Swift

Mr J Cathie

Membership – The Charity Members form a panel of reference for the full time staff and volunteers. They meet formally at the Annual General Meeting and appoint the trustees.

Board of Trustees – The Trustees meet once per quarter to review progress against activities planned and set budgets for the year. Individual trustees work closely with staff to ensure best practice is applied and good governance is maintained.

Executive Team – The Executive Team meet monthly to oversee the day to day running of the organisation, assess the effectiveness of the various teams and manage the budget.

The pay and remuneration of the Charity's key management personnel are set by benchmarking against equivalent roles in similar organisations in the charity sector. They are reviewed annually and are subject to individual and company performance.

Risk management

The Board of Trustees has conducted its own review of the major risks to which the charity is exposed and systems have been established to mitigate those risks. Internal risks are minimised by the implementation of procedures for authorisation of all transactions and projects, and to ensure consistent quality of delivery for all operational aspects of the charitable company. These procedures are periodically reviewed to ensure that they still meet the needs of the charity.

Auditor

In accordance with the company's articles, a resolution proposing that Caladine Limited be reappointed as auditor of the company will be put at a General Meeting.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees' report was approved by the Board of Trustees.

.....
Mr W R Kennedy

Trustee

Dated:

NEW COMMUNITY NETWORK

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2022

The trustees, who are also the directors of New Community Network for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the 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 the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

NEW COMMUNITY NETWORK

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF NEW COMMUNITY NETWORK

Opinion

We have audited the financial statements of New Community Network (the 'parent charitable company') and its subsidiary together (the 'group') for the year ended 31 August 2022 which comprise the group and parent charitable company statement of financial activities, the group and parent charitable company statements of financial position, the consolidated statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of group's and of the parent charitable company's affairs as at 31 August 2022 and of the group's incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

NEW COMMUNITY NETWORK

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF NEW COMMUNITY NETWORK

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

NEW COMMUNITY NETWORK

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF NEW COMMUNITY NETWORK

The extent to which the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with trustees, and from our commercial knowledge and experience of the charity sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the group and parent charitable company, including the Companies Act 2006, Charities Act 2011, employment legislation, health and safety, and Anti-Money Laundering laws;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the group's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

Audit response to risks identified

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC and relevant regulators

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

NEW COMMUNITY NETWORK

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF NEW COMMUNITY NETWORK

**Mr Colin James Dadswell ACCA (Senior Statutory Auditor)
for and on behalf of Caladine Limited**

.....

**Chartered Certified Accountants
Statutory Auditor**

Chantry House
22 Upperton Road
Eastbourne
East Sussex
BN21 1BF

NEW COMMUNITY NETWORK

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 AUGUST 2022

	Notes	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
<u>Income and endowments from:</u>					
Donations and legacies	3	476,987	88,452	565,439	595,907
Charitable activities	4	45,161	-	45,161	70,351
Other trading activities	5	379,448	-	379,448	482,106
Investments	6	92	-	92	148
Total income		901,688	88,452	990,140	1,148,512
<u>Expenditure on:</u>					
Raising funds	7	410,895	-	410,895	335,091
Charitable activities	8	483,535	209,165	692,700	658,743
Total resources expended		894,430	209,165	1,103,595	993,834
Net incoming resources before transfers		7,258	(120,713)	(113,455)	154,678
Gross transfers between funds	19	(10,222)	10,222	-	-
Net income/(expenditure) for the year/Net movement in funds		(2,964)	(110,491)	(113,455)	154,678
Fund balances at 1 September 2021		944,069	390,478	1,334,547	1,179,869
Fund balances at 31 August 2022		941,105	279,987	1,221,092	1,334,547

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

NEW COMMUNITY NETWORK

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 AUGUST 2021

		Unrestricted funds £	Restricted funds £	Total 2021 £
<u>Income and endowments from:</u>	Notes			
Donations and legacies	3	525,852	70,055	595,907
Charitable activities	4	70,351	-	70,351
Other trading activities	5	482,106	-	482,106
Investments	6	148	-	148
Total income		1,078,457	70,055	1,148,512
<u>Expenditure on:</u>				
Raising funds	7	335,091	-	335,091
Charitable activities	8	448,279	210,464	658,743
Total resources expended		783,370	210,464	993,834
Net incoming resources before transfers		295,087	(140,409)	154,678
Gross transfers between funds	19	6,285	(6,285)	-
Net income/(expenditure) for the year/Net movement in funds		301,372	(146,694)	154,678
Fund balances at 1 September 2020		642,697	537,172	1,179,869
Fund balances at 31 August 2021		944,069	390,478	1,334,547

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

NEW COMMUNITY NETWORK

CHARITY STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 AUGUST 2022

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
<u>Income and endowments from:</u>				
Donations and legacies	506,750	88,452	595,202	805,442
Charitable activities	45,161	-	45,161	75,631
Other trading activities	11,993	-	11,993	5,757
Investments	80	-	80	148
	<hr/>	<hr/>	<hr/>	<hr/>
Total income	563,984	88,452	652,436	886,978
	<hr/>	<hr/>	<hr/>	<hr/>
<u>Expenditure on:</u>				
Raising funds	6,821	-	6,821	2,138
Charitable activities	552,290	209,165	761,455	783,216
	<hr/>	<hr/>	<hr/>	<hr/>
Total resources expended	559,111	209,165	768,276	785,354
	<hr/>	<hr/>	<hr/>	<hr/>
Net incoming resources before transfers	4,873	(120,713)	(115,840)	101,624
Gross transfers between funds	(10,222)	10,222	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Net income for the year/ Net movement in funds	(5,349)	(110,491)	(115,840)	101,624
Fund balances at 1 September 2021	940,433	390,478	1,330,911	1,229,287
	<hr/>	<hr/>	<hr/>	<hr/>
Fund balances at 31 August 2022	935,084	279,987	1,215,071	1,330,911
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

NEW COMMUNITY NETWORK

CHARITY STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 AUGUST 2021

	Unrestricted funds £	Restricted funds £	Total 2021 £
<u>Income and endowments from:</u>			
Donations and legacies	735,387	70,055	805,442
Charitable activities	75,631	-	75,631
Other trading activities	5,757	-	5,757
Investments	148	-	148
	<hr/>	<hr/>	<hr/>
Total income	816,923	70,055	886,978
	<hr/>	<hr/>	<hr/>
<u>Expenditure on:</u>			
Raising funds	2,138	-	2,138
Charitable activities	572,752	210,464	783,216
	<hr/>	<hr/>	<hr/>
Total resources expended	574,890	210,464	785,354
	<hr/>	<hr/>	<hr/>
Net incoming resources before transfers	242,033	(140,409)	101,624
Gross transfers between funds	6,285	(6,285)	-
	<hr/>	<hr/>	<hr/>
Net income for the year/ Net movement in funds	248,318	(146,694)	101,624
Fund balances at 1 September 2020	692,115	537,172	1,229,287
	<hr/>	<hr/>	<hr/>
Fund balances at 31 August 2021	940,433	390,478	1,330,911
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

NEW COMMUNITY NETWORK

STATEMENTS OF FINANCIAL POSITION

AS AT 31 AUGUST 2022

		Group		Charity	
	Notes	2022 £	2021 £	2022 £	2021 £
Fixed assets					
Property, plant and equipment	12	1,182,182	1,228,651	1,176,159	1,225,012
Investments	13	-	-	1,000	1,000
		<u>1,182,182</u>	<u>1,228,651</u>	<u>1,177,159</u>	<u>1,226,012</u>
Current assets					
Inventories		1,126	5,350	-	-
Trade and other receivables	14	52,146	70,980	40,023	135,861
Cash at bank and in hand		611,191	681,756	570,930	570,729
		<u>664,463</u>	<u>758,086</u>	<u>610,953</u>	<u>706,590</u>
Current liabilities	15	(108,481)	(110,511)	(55,969)	(60,012)
Net current assets		<u>555,982</u>	<u>647,575</u>	<u>554,984</u>	<u>646,578</u>
Total assets less current liabilities		<u>1,738,164</u>	<u>1,876,226</u>	<u>1,732,143</u>	<u>1,872,590</u>
Non-current liabilities	16	(517,072)	(541,679)	(517,072)	(541,679)
Net assets		<u><u>1,221,092</u></u>	<u><u>1,334,547</u></u>	<u><u>1,215,071</u></u>	<u><u>1,330,911</u></u>
Income funds					
Restricted funds	19	279,987	390,478	279,987	390,478
Unrestricted funds		941,105	944,069	935,084	940,433
		<u>1,221,092</u>	<u>1,334,547</u>	<u>1,215,071</u>	<u>1,330,911</u>

The financial statements were approved by the Trustees on _____.

.....
Mr W R Kennedy
Trustee

Company Registration No. 03578938

NEW COMMUNITY NETWORK

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2022

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Cash generated from operations	24	(17,481)		207,068	
Investing activities					
Purchase of property, plant and equipment		(6,415)		(7,996)	
Proceeds on disposal of property, plant and equipment		-		-	
Income from investments		92		148	
		<hr/>		<hr/>	
Net cash used in investing activities		(6,323)		(7,848)	
Financing activities					
Repayment of other borrowings		-		(50,000)	
Repayment of bank loans		(46,761)		(47,171)	
		<hr/>		<hr/>	
Net cash used in financing activities		(46,761)		(97,171)	
		<hr/>		<hr/>	
Net (decrease)/increase in cash and cash equivalents		(70,565)		102,049	
Cash and cash equivalents at beginning of year		681,756		579,707	
		<hr/>		<hr/>	
Cash and cash equivalents at end of year		611,191		681,756	
		<hr/> <hr/>		<hr/> <hr/>	

NEW COMMUNITY NETWORK

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

Company information

New Community Network is a charitable company limited by guarantee incorporated in England and Wales. The registered office is Central Hall, St Mary Street, Southampton, Hants, SO14 1NF.

1.1 Accounting convention

The accounts have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

The group financial statements include the accounts of New Community Network (the charity) and its subsidiary New Community Ventures Limited.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Other trading income is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

NEW COMMUNITY NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies (Continued)

1.5 Expenditure

Liabilities are recognised when a constructive obligation exists, the payment is probable and the obligation can be measured or estimated reliably.

Resources expended are allocated to the particular cost centre to which they relate and include irrecoverable VAT.

Grants payable are charged in the year in which the offer is conveyed to the recipient except in those cases where the offer is conditional.

1.6 Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following basis:

Freehold land and buildings	50 years straight line
Plant and equipment	5 - 10 years straight line
Fixtures and fittings	5 - 10 years straight line
Computers	3 years straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

Items of equipment are capitalised where the purchase price exceeds £1,000.

1.7 Non-current investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

A subsidiary is an entity controlled by the charity. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.8 Impairment of non-current assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

1.9 Inventories

Inventories are stated at lower of cost and estimated selling price less costs to sell.

1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

NEW COMMUNITY NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies (Continued)

1.11 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including trade and other payables and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.12 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.14 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease.

NEW COMMUNITY NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total 2022	Total 2021
	£	£	£	£
Donations and gifts	476,987	88,452	565,439	595,907
Donations and gifts 2022				
Donations and gifts	391,998	80,167	472,165	
Government furlough grant	369	-	369	
Gift aid	84,620	8,285	92,905	
	476,987	88,452	565,439	
Donations and gifts 2021				
Donations and gifts	416,132	63,610		479,742
Legacies receivable	120	-		120
Government furlough grant	24,960	-		24,960
Gift aid	84,640	6,445		91,085
	525,852	70,055		595,907

NEW COMMUNITY NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

4 Charitable activities 2022

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Fee income	41,078	-	41,078	40,568
Training fees	4,083	-	4,083	23,308
Other income	-	-	-	6,475
	<u>45,161</u>	<u>-</u>	<u>45,161</u>	<u>70,351</u>

Charitable activities 2021

	Unrestricted funds £	Restricted funds £	Total 2021 £
Fee income	40,568	-	40,568
Training fees	23,308	-	23,308
Other income	6,475	-	6,475
	<u>70,351</u>	<u>-</u>	<u>70,351</u>

5 Other trading activities 2022

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Rental and hire charges	368,655	-	368,655	477,549
Trading activities	10,793	-	10,793	4,557
	<u>379,448</u>	<u>-</u>	<u>379,448</u>	<u>482,106</u>

Other trading activities 2021

	Unrestricted funds £	Restricted funds £	Total 2021 £
Rental and hire charges	477,549	-	477,549
Trading activities	4,557	-	4,557
	<u>482,106</u>	<u>-</u>	<u>482,106</u>

NEW COMMUNITY NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

6 Investments

	Unrestricted funds 2022 £	Unrestricted funds 2021 £
Interest receivable	92	148

7 Raising funds 2022

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
<u>Trading costs</u>				
Staff costs	130,933	-	130,933	133,291
Cost of trading subsidiaries	17,840	-	17,840	3,376
Building costs	92,181	-	92,181	60,239
Communications	6,216	-	6,216	3,479
Finance costs	730	-	730	391
Resource costs	79,494	-	79,494	46,435
Depreciation	1,936	-	1,936	1,870
Support costs (see note 10)	81,565	-	81,565	86,010
	<u>410,895</u>	<u>-</u>	<u>410,895</u>	<u>335,091</u>

Raising funds 2021

	Unrestricted funds £	Restricted funds £	Total 2021 £
<u>Trading costs</u>			
Staff costs	133,291	-	133,291
Cost of trading subsidiaries	3,376	-	3,376
Building costs	60,239	-	60,239
Communications	3,479	-	3,479
Finance costs	391	-	391
Resource costs	46,435	-	46,435
Depreciation	1,870	-	1,870
Support costs (see note 10)	86,010	-	86,010
	<u>335,091</u>	<u>-</u>	<u>335,091</u>

NEW COMMUNITY NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

8 Charitable activities

	2022 £	2021 £
Staff costs	289,656	268,951
Counselling, events, courses and community work	86,154	98,181
	<u>375,810</u>	<u>367,132</u>
Grant funding of activities (see note 9)	125,277	96,779
Share of support costs (see note 10)	180,442	174,779
Share of governance costs (see note 10)	11,171	20,053
	<u>692,700</u>	<u>658,743</u>
Analysis by fund		
Unrestricted funds	483,535	448,279
Restricted funds	209,165	210,464
	<u>692,700</u>	<u>658,743</u>

9 Grants payable

	2022 £	2021 £
Grants to institutions:		
Umoja	19,783	11,658
Pioneer Trust	17,608	14,200
Other grants below £10,000	65,200	57,833
	<u>102,591</u>	<u>83,691</u>
Grants to individuals	22,686	13,088
	<u>125,277</u>	<u>96,779</u>

NEW COMMUNITY NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

10 Support costs 2022

	Support costs £	Governance costs £	Total 2022 £	Total 2021 £
Staff costs	126,068	-	126,068	137,059
Depreciation	50,949	-	50,949	51,762
Counselling, events, courses and community work	16,047	-	16,047	25,559
Finance costs	19,948	-	19,948	18,965
Insurance costs	13,116	-	13,116	17,491
Resource costs	26,973	-	26,973	5,492
Other costs	8,906	-	8,906	4,461
Audit fees	-	4,680	4,680	4,680
Accountancy	-	5,680	5,680	5,880
Legal and professional	-	811	811	9,493
	<u>262,007</u>	<u>11,171</u>	<u>273,178</u>	<u>280,842</u>
<u>Analysed between</u>				
Raising funds	81,565	-	81,565	
Charitable activities	180,442	11,171	191,613	
	<u>262,007</u>	<u>11,171</u>	<u>273,178</u>	

Support costs 2021

	Support costs £	Governance costs £	Total 2021 £
Staff costs	137,059	-	137,059
Depreciation	51,762	-	51,762
Counselling, events, courses and community work	25,559	-	25,559
Finance costs	18,965	-	18,965
Insurance costs	17,491	-	17,491
Resource costs	5,492	-	5,492
Other costs	4,461	-	4,461
Audit fees	-	4,680	4,680
Accountancy	-	5,880	5,880
Legal and professional	-	9,493	9,493
	<u>260,789</u>	<u>20,053</u>	<u>280,842</u>
<u>Analysed between</u>			
Raising funds	86,010	-	86,010
Charitable activities	174,779	20,053	194,832
	<u>260,789</u>	<u>20,053</u>	<u>280,842</u>

NEW COMMUNITY NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

11 Employees

Number of employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
	29	29
	<u>29</u>	<u>29</u>

Employment costs

	2022 £	2021 £
Wages and salaries	503,456	495,085
Social security costs	28,140	28,826
Other pension and life insurance costs	15,061	15,450
	<u>546,657</u>	<u>539,361</u>

No employee earned more than £60,000 during the year (2021: none).

12 Property, plant and equipment

	Freehold land and buildings £	Plant and equipment £	Fixtures and fittings £	Computers £	Total £
Cost					
At 1 September 2021	2,058,159	159,311	79,909	12,935	2,310,314
Additions	-	-	-	6,415	6,415
Disposals	-	-	-	(575)	(575)
	<u>2,058,159</u>	<u>159,311</u>	<u>79,909</u>	<u>18,775</u>	<u>2,316,154</u>
At 31 August 2022	2,058,159	159,311	79,909	18,775	2,316,154
Depreciation and impairment					
At 1 September 2021	851,079	150,602	69,494	10,488	1,081,663
Depreciation	41,163	2,095	7,256	2,370	52,884
Eliminated in respect of disposals	-	-	-	(575)	(575)
	<u>892,242</u>	<u>152,697</u>	<u>76,750</u>	<u>12,283</u>	<u>1,133,972</u>
At 31 August 2022	892,242	152,697	76,750	12,283	1,133,972
Carrying amount					
At 31 August 2022	<u>1,165,917</u>	<u>6,614</u>	<u>3,159</u>	<u>6,492</u>	<u>1,182,182</u>
At 31 August 2021	<u>1,207,080</u>	<u>8,709</u>	<u>10,415</u>	<u>2,447</u>	<u>1,228,651</u>

NEW COMMUNITY NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

13 Fixed asset investments - see note 22

Investments in subsidiaries	Group	Charity
	£	£
Cost		
At 1 September 2021 & 31 August 2022	-	1,000
	<u> </u>	<u> </u>
Carrying amount		
At 31 August 2022	-	1,000
	<u> </u>	<u> </u>
At 31 August 2021	-	1,000
	<u> </u>	<u> </u>

14 Trade and other receivables

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Amounts falling due within one year:				
Amounts owed by subsidiary undertakings	-	-	24,655	122,709
Trade receivables	30,976	49,799	2,461	2,104
Other receivables	6,023	7,590	6,023	7,590
Prepayments and accrued income	15,147	13,591	6,884	3,458
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	52,146	70,980	40,023	135,861
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

15 Current liabilities

		Group		Charity	
		2022	2021	2022	2021
		£	£	£	£
Notes					
Bank loans	17	25,097	29,906	25,097	29,906
Other taxation and social security		14,328	16,870	10,404	11,462
Deferred income		40,552	33,780	-	-
Trade payables		13,616	16,414	7,498	6,372
Other creditors		3,610	-	3,610	-
Accruals and deferred income		11,278	13,541	9,360	12,272
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
		108,481	110,511	55,969	60,012
		<u> </u>	<u> </u>	<u> </u>	<u> </u>

16 Non-current liabilities

		Group		Charity	
		2022	2021	2022	2021
		£	£	£	£
Notes					
Bank loans	17	517,072	541,679	517,072	541,679
		<u> </u>	<u> </u>	<u> </u>	<u> </u>

NEW COMMUNITY NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

17 Borrowings

	Group		Charity	
	2022 £	2021 £	2022 £	2021 £
Bank loans	542,169	571,585	542,169	571,585
Payable within one year	25,097	29,906	25,097	29,906
Payable after one year	517,072	541,679	517,072	541,679
	542,169	571,585	542,169	571,585
Amounts included above which falls after five years:				
Payable by instalments	413,708	413,752	413,708	413,572

The mortgage is secured on the property at Central Hall, St Mary Street, Southampton, SO14 1NF.

18 Retirement benefit schemes

Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £15,061 (2021- £15,450)

NEW COMMUNITY NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

19 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds				Balance at 31 August 2022 £
	Balance at 1 September 2021 £	Incoming resources £	Resources expended £	Transfers £	
Relief International:					
Jeevan Asha	20,562	8,825	(8,033)	-	21,354
Kibera development	10,197	21,453	(31,384)	6,000	6,266
Missionary maintenance services	9,499	11,809	(11,068)	-	10,240
School of ministry	10,650	32,080	(45,115)	8,604	6,219
Relief local:					
Central hall fund	1,797	419	-	-	2,216
Hardship fund	4,036	1,894	(5,631)	-	299
Rest and recoup fund	284,859	-	(77,505)	(5,004)	202,350
SO14 Mission fund	47,312	-	(17,454)	-	29,858
Special Guardians	737	-	(380)	-	357
Minor restricted funds	829	11,972	(12,595)	622	828
	<u>390,478</u>	<u>88,452</u>	<u>(209,165)</u>	<u>10,222</u>	<u>279,987</u>

Relief International

Jeevan Asha - Indian orphanage.

Kibera Development - Funding a school build and missionary work in Kibera.

Kibera Feeding Programme - Supporting a health and feeding programme in Kibera.

Kibera Pastoral Team - To fund church leader pastoral visits to Kibera.

Missionary Maintenance Services - Support for D & D Coates USA.

School of Ministry - Leadership development.

Relief local

Central Hall Fund - To fund ongoing renovation works to Central Hall.

Hardship fund - Local relief work.

Rest and recoup Fund - To provide a place for rest, recovery and convalescence.

SO14 Mission fund- To fund mission in Central Southampton.

Special Guardians - Support grandparents who are primarily carers for their grandchildren.

Transfers represent the reallocation of income and expenditure between funds.

NEW COMMUNITY NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

19 Restricted funds 2021

	Movement in funds				Balance at 31 August 2021 £
	Balance at 1 September 2020 £	Incoming resources £	Resources expended £	Transfers £	
Relief International:					
Jeevan Asha	18,537	10,070	(8,045)	-	20,562
Kibera development	3,058	7,923	(15,355)	14,571	10,197
Kibera feeding programme	6,267	7,894	(5,590)	(8,571)	-
Missionary maintenance services	3,025	12,480	(6,006)	-	9,499
School of ministry	13,403	29,025	(40,335)	8,557	10,650
Relief local:					
Central hall fund	1,116	681	-	-	1,797
Hardship fund	8,613	1,045	(4,887)	(735)	4,036
Rest and recoup fund	400,244	-	(105,377)	(10,008)	284,859
SO14	82,180	-	(24,769)	(10,099)	47,312
Special Guardians	50	787	(100)	-	737
Minor restricted funds	679	150	-	-	829
	<u>537,172</u>	<u>70,055</u>	<u>(210,464)</u>	<u>(6,285)</u>	<u>390,478</u>

NEW COMMUNITY NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

20 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total £
Fund balances at 31 August 2022 are represented by:			
Property, plant and equipment	1,182,182	-	1,182,182
Current assets/(liabilities)	275,995	279,987	555,982
Long term liabilities	(517,072)	-	(517,072)
	<u>941,105</u>	<u>279,987</u>	<u>1,221,092</u>
	<u>941,105</u>	<u>279,987</u>	<u>1,221,092</u>
	Unrestricted funds £	Restricted funds £	Total £
Fund balances at 31 August 2021 are represented by:			
Property, plant and equipment	1,228,651	-	1,228,651
Current assets/(liabilities)	257,097	390,478	647,575
Long term liabilities	(541,679)	-	(541,679)
	<u>944,069</u>	<u>390,478</u>	<u>1,334,547</u>
	<u>944,069</u>	<u>390,478</u>	<u>1,334,547</u>

NEW COMMUNITY NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

21 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

2022	2021
£	£
126,141	137,071
<u>126,141</u>	<u>137,071</u>

Billy Kennedy is a trustee of New Community Network and is also a paid employee (Chief Executive). He was paid a salary and pension contributions of £34,681 during the year ended 31 August 2022 (2021: £43,887).

Caroline Kennedy, wife of trustee Bill Kennedy was employed by the charity and received a salary and pension contributions of £5,562 during the year ended 31 August 2022 (2021: £6,778).

Billy Kennedy is a trustee of Pioneer Trust. During the year ended 31 August 2022, New Community Network made sales to Pioneer Trust of £nil (2021: £1,555), and made purchases of £816 (2021: £1,135) New Community Network also paid grants amounting to £17,608 (2021: £14,200) to Pioneer Trust during the year.

The trustees and their close family or associated companies have donated an aggregate sum of £35,788 (2021: £43,145) to the charity.

Transactions with group companies

New Community Network was owed £24,655 (2021: £122,709) from New Community Ventures Limited at 31 August 2022.

NEW COMMUNITY NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

22 Subsidiary undertakings

New Community Ventures Limited (no. 10586696) is a wholly owned trading subsidiary of New Community Network. It runs Central Hall as an events venue. Below is a summary of its financial results and position.

	2022 £	2021 £
Gross income	368,667	542,862
Expenditure	(336,519)	(271,576)
	<hr/>	<hr/>
Surplus/(Deficit)	32,148	271,286
Distributions to parent charity under gift aid	(29,763)	(218,232)
	<hr/>	<hr/>
Surplus after distributions	2,385	53,054
	<hr/> <hr/>	<hr/> <hr/>
Total assets	84,187	177,843
Total liabilities	(77,167)	(173,208)
	<hr/>	<hr/>
Equity	7,020	4,635
	<hr/> <hr/>	<hr/> <hr/>

NEW COMMUNITY NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

23 Cash generated from operations

	2022 £	2021 £
Profit/(Deficit) for the year	(113,455)	154,678
Adjustments for:		
Investment income recognised in statement of financial activities	(92)	(148)
Interest payable	17,345	16,705
Loss on disposal of property, plant and equipment	-	-
Depreciation and impairment of property, plant and equipment	52,884	53,633
Movements in working capital:		
Decrease/(Increase) in inventories	4,224	(4,779)
Decrease/(Increase) in trade and other receivables	18,834	(11,772)
(Decrease)/Increase in trade and other payables	2,779	(1,249)
Cash generated from operations	(17,481)	207,068

24 Analysis of changes in net debt

	At 1 September 2021 £	Cash flows £	At 31 August 2022 £
Cash at bank and in hand	681,756	(70,565)	611,191
Loans falling due within one year	(29,906)	4,809	(25,097)
Loans falling due after more than one year	(541,679)	24,607	(517,072)
	<u>110,171</u>	<u>(41,149)</u>	<u>69,022</u>

NEW COMMUNITY NETWORK

England & Wales - Charity number 1072645

Accounts

Charity Registration No. 1072645

Company Registration No. 03578938 (England and Wales)

**NEW COMMUNITY NETWORK
ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

NEW COMMUNITY NETWORK

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr W R Kennedy Mrs S M Frame Mr C N D Romilly Mr A Sheen Mrs K Swift Mr J Cathie	(Appointed 23 September 2020) (Appointed 25 March 2021) (Appointed 25 March 2021)
Charity number	1072645	
Company number	03578938	
Principal address	Central Hall St Mary Street Southampton Hants SO14 1NF	
Registered office	Central Hall St Mary Street Southampton Hants SO14 1NF	
Auditor	Caladine Limited Chantry House 22 Upperton Road Eastbourne East Sussex BN21 1BF	
Bankers	Barclays Bank PLC Hatton Garden Business Centre 99 Hatton Garden London EC1N 8DN	
	CAF Bank Limited 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ	
Solicitors	Blake Morgan New Kings Court Tollgate Chandler's Ford Eastleigh SO53 3LG	

NEW COMMUNITY NETWORK

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NEW COMMUNITY NETWORK

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2021

The trustees present their annual report and financial statements for the year ended 31 August 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 2 to the financial statements and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

The objectives of the charity are:

- To advance the Christian faith;
- To advance education;
- To promote the creative arts for the public benefit;
- To relieve those who are poor, in conditions of need, hardship or distress or who are aged or sick; and
- To promote such other charitable objects as the trustees shall from time to time determine.

The Trustees have considered and have had due regard to the Commission's guidance on public benefit and, in particular, the specific guidance on activities for the advancement of religion.

The Trustees are satisfied that the objectives of the Charity have been met, and that appropriate procedures and controls are in place to ensure continued operation.

Grant making policy

The charity is not primarily a grant making charity and does not solicit applications from organisations or individuals. We will from time to time make grants from our own funds or specifically raise funds for projects undertaken by other organisations. This would normally be in a geographical location and for a purpose we cannot undertake ourselves e.g. international crisis relief.

We will also make small grants to individuals with whom we have personal contact to enable them to achieve one of our charitable objectives. All grants are monitored to ensure they are used for the purpose that they are given.

Grants made during the year amounted to £96,779 (2020: £97,417) and were made up of £13,088 of grants to individuals (2020: £10,655) and £83,691 of grants to institutions (2020: £86,762). An analysis of institutional grants made above £10,000 is provided in note 9 in the accounts.

Achievements and performance

Advance the Christian faith

2020/21 continued to be a challenging as we adjusted to working in a new environment due to the coronavirus pandemic and associated restrictions. New Community Church's main expressions of church continued online throughout the year with regular services and connecting points offered via YouTube, Facebook Live and Zoom.

These have been supported by a wide variety of small group activities throughout the week including Alpha courses for those exploring faith, group activities for young people, Zoom prayer meetings and learning opportunities for those who want to study in more depth.

We have been unable to use Central Hall for the majority of the year for our normal programme of gatherings, conferences and events.

School of Ministries is our teaching and training programme which develops and trains leaders in Christian ministry, working mainly in developing countries where leaders would be unable to attend traditional training establishments. Although we have been unable to travel this year we have successfully translated most of the training modules into French and have been able to video record [in English] nearly all the modules for use overseas. This has resulted in a multiplication of schools, especially in a number of African nations.

NEW COMMUNITY NETWORK

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Advance Education

We continue to partner with New Generation Schools Trust to deliver primary education through Hope Community School. The school are currently tenants of Central Hall as a temporary site whilst permanent facilities are being built nearby. This year the new site was secured and plans are underway to design, plan and build with an opening date of September 2024.

This year we increased from 120 to 160 children. As a church we have an agreement to provide governance, chaplaincy, volunteers and wrap-around services.

The profile and reputation of our Central Counselling and Training Service [CCTS] continued to grow with our training courses and counselling services receiving consistently positive feedback. All of our training services and counselling continued online throughout the year to comply with lockdown restrictions.

Promote Creative Arts

We have provided a supportive environment for artists, singers, and musicians. Pre-pandemic, local orchestras, bands, and choirs regularly used Central Hall as a performance venue. However, this year has been particularly challenging with only a few events hosted when restrictions allowed.

Our trading subsidiary, New Community Ventures, has begun to see a growing momentum of bookings for 2021/22.

Relief of the poor and those in need, hardship or distress

Our 'community hub' at Central Hall which provides an umbrella for the various caring initiatives that we operate has continued to function throughout the year. We have been limited in our ability to meet face to face but when restrictions have allowed we have been able host a variety of groups - Bake Club, Creative English classes, Special Guardians group for grandparents caring for their grandchildren as well a new initiative, Kintsugi well-being groups. The Community Cafe was open every Sunday afternoon to provide hot food and drinks for up to 100 guests in a socially distanced Covid-safe way.

Through the work of our Hope Community School chaplain, we have supported children and families from the local area with targeted educational and practical support. The Baby Branch has continued to operate from its base at St Andrews in Sholing, providing baby clothes and equipment to mothers in need. We have also been able to provide local community members with food through a weekly Fair Share operation.

We have continued to support the work of the Umoja group in Kibera, Kenya. This year we have been able to raise additional funds to help with food distribution and the ongoing feeding project during the pandemic. We have been able to sponsor individual children, orphanages and other relief projects in Kenya and India.

NEW COMMUNITY NETWORK

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Financial review

The principal funding sources for the Charity are voluntary donations and income from hire of facilities. These funds are used to operate a number of church congregations and projects with a Christian ethos.

Voluntary giving decreased to £595,907 (2020 - £693,838). Unrestricted voluntary income, which includes donations and related tax recovered, was £525,852 (2020 - £607,123) and restricted voluntary income £70,055 (2020 - £86,715).

The Consolidated Statement of Financial Activities reports an overall surplus of £154,678 (2020 - Deficit £62,559) for the year. However, this includes a depreciation charge, which is a non-cash item, of £53,633 (2020 - £63,832).

Capital expenditure in the year was £7,996 (2020: £9,414).

The balance outstanding on our bank loan as at the end of the financial year was £571,585 (2020 - £602,051).

New Community Ventures Ltd (NCV) made a profit of £53,054 (2020 - Loss £2,033).

Total funds held as at 31 August 2021 were £1,334,547 (2020: £1,179,869), of which £390,478 (2020: £537,172) were restricted, and £944,069 (2020: £642,697) were unrestricted.

Reserves policy

The board of trustees has examined the charity's requirements for reserves in the light of the main risks to the organisation. It has established a policy whereby the unrestricted funds not committed or invested in tangible fixed assets ('the free reserves') held by the charity should be kept to the lowest possible figure, recognising the intent and purpose of those who donate funds to the charity. However, we also recognise the need to make provision for working capital to cover the regular fluctuations in income and expenditure and accordingly our policy is to maintain free reserves at a figure of £50,000. At this level, the board of trustees feel that they would be able to continue the current activities of the charity for a sufficient period in the event of a significant change in funding patterns to consider how the funding would be replaced or activities changed.

The group free reserves (defined as the unrestricted net current assets of the group) at 31 August 2021 were £257,097 (2020: deficit £8,431).

Investment policy

The board of trustees has considered the most appropriate policy for investing the charity's short-term funds and has found that interest bearing current accounts and deposit accounts, designed for the charity sector, meet their requirements to generate a reasonable return with security of capital and ease of access as projects develop. The board of trustees considers the return on investments to be adequate. The charity has no long-term cash investments.

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Plans for future periods

We have benefited significantly from the use of Central Hall by Hope Community School over the past 5 years. The school has now purchased a site on which to build a new school facility. This will mean that the current licence agreement will come to an end in August 2024.

We are now exploring a number of options for the future use of Central Hall recognising the impact that the loss of rental income from the school will have on the organisation.

The Trustees have commissioned a report to explore the following options:

1. Sell the building and purchase/lease/build a new facility.
2. Refocus our efforts to make the building an events venue with income to cover the anticipated shortfall.
3. Look at a more creative remodelling of the building with mixed use that will create an income.

NEW COMMUNITY NETWORK

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Structure, governance and management

Governing document

New Community Network is a charitable company limited by guarantee, incorporated on 10 June 1998 as The Cornerstone Network and registered as a charity on 30 November 1998. The name was changed to New Community Network at an Extraordinary General Meeting held on 19 September 2005.

The company was established under a Memorandum of Association that established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members of the company are required to contribute an amount not exceeding £1,000.

New Community Enterprise Limited

New Community Enterprise Limited is a private company limited by shares, incorporated on 20 December 2007. New Community Network owned the entire share capital. The company ceased trading on 31 March 2020 and was formally removed from the Companies House Register on 6 October 2020.

New Community Ventures Limited

New Community Ventures Limited is a private company limited by shares, incorporated on 27 January 2017. New Community Network owns the entire share capital.

Recruitment and appointment of board of trustees

Trustees are normally, but not exclusively, recruited from the members of the charity who are all fully supportive of our aims and practically involved in the work of the charity. We aim to keep a balance of skills and backgrounds to facilitate the efficient functioning of the group. A comprehensive package of training utilising Charity Commission publications and other materials is provided to ensure that trustees are aware of their responsibilities and the hallmarks of good governance. Under the requirements of the Memorandum and Articles of Association one third of the members of the board of trustees must retire each year at the AGM.

Organisational structure and decision making processes

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr W R Kennedy	
Dr C R Abraham	(Resigned 25 March 2021)
Mrs S M Frame	
Mr C N D Romilly	
Mrs T N Ugo	(Resigned 25 March 2021)
Mr A Sheen	(Appointed 23 September 2020)
Mrs K Swift	(Appointed 25 March 2021)
Mr J Cathie	(Appointed 25 March 2021)

Membership – The Charity Members form a panel of reference for the full time staff and volunteers. They meet formally at the Annual General Meeting and appoint the trustees.

Board of Trustees – The Trustees meet once per quarter to review progress against activities planned and set budgets for the year. Individual trustees work closely with staff to ensure best practice is applied and good governance is maintained.

Executive Team – The Executive Team meet monthly to oversee the day to day running of the organisation, assess the effectiveness of the various teams and manage the budget.

The pay and remuneration of the Charity's key management personnel are set by benchmarking against equivalent roles in similar organisations in the charity sector. They are reviewed annually and are subject to individual and company performance.

NEW COMMUNITY NETWORK

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

Risk management

The Board of Trustees has conducted its own review of the major risks to which the charity is exposed and systems have been established to mitigate those risks. Internal risks are minimised by the implementation of procedures for authorisation of all transactions and projects, and to ensure consistent quality of delivery for all operational aspects of the charitable company. These procedures are periodically reviewed to ensure that they still meet the needs of the charity.

Auditor

In accordance with the company's articles, a resolution proposing that Caladine Limited be reappointed as auditor of the company will be put at a General Meeting.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees' report was approved by the Board of Trustees.



Mr W R Kennedy

Trustee

Dated: 16/02/2022

NEW COMMUNITY NETWORK

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2021

The trustees, who are also the directors of New Community Network for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the 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 the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

NEW COMMUNITY NETWORK

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF NEW COMMUNITY NETWORK

Opinion

We have audited the financial statements of New Community Network (the 'parent charitable company') and its subsidiaries together (the 'group') for the year ended 31 August 2021 which comprise the consolidated statement of financial activities, the parent charitable company statement of financial activities, the group and parent charitable company statements of financial position, the consolidated statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's affairs as at 31 August 2021 and of the group's incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

NEW COMMUNITY NETWORK

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF NEW COMMUNITY NETWORK

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

NEW COMMUNITY NETWORK

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF NEW COMMUNITY NETWORK

The extent to which the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with trustees, and from our commercial knowledge and experience of the charity sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including the Companies Act 2006, Charities Act 2011, employment legislation, health and safety, and Anti-Money Laundering laws;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

Audit response to risks identified

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC and relevant regulators

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

NEW COMMUNITY NETWORK

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF NEW COMMUNITY NETWORK

This report is made solely to the company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Mr Colin James Dadswell ACCA (Senior Statutory Auditor)
for and on behalf of Caladine Limited

01.03.2022

Chartered Certified Accountants
Statutory Auditor

Chantry House
22 Upperton Road
Eastbourne
East Sussex
BN21 1BF

NEW COMMUNITY NETWORK

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
<u>Income and endowments from:</u>					
Donations and legacies	3	525,852	70,055	595,907	693,838
Charitable activities	4	70,351	-	70,351	85,760
Other trading activities	5	482,106	-	482,106	277,793
Investments	6	148	-	148	1,463
Total income		1,078,457	70,055	1,148,512	1,058,854
<u>Expenditure on:</u>					
Raising funds	7	335,091	-	335,091	424,368
Charitable activities	8	448,279	210,464	658,743	693,129
Other	11	-	-	-	3,916
Total resources expended		783,370	210,464	993,834	1,121,413
Net incoming resources before transfers		295,087	(140,409)	154,678	(62,559)
Gross transfers between funds	20	6,285	(6,285)	-	-
Net income/(expenditure) for the year/Net movement in funds		301,372	(146,694)	154,678	(62,559)
Fund balances at 1 September 2020		642,697	537,172	1,179,869	1,242,428
Fund balances at 31 August 2021		944,069	390,478	1,334,547	1,179,869

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

NEW COMMUNITY NETWORK

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	Unrestricted funds £	Restricted funds £	Total 2020 £
<u>Income and endowments from:</u>				
Donations and legacies	3	607,123	86,715	693,838
Charitable activities	4	85,760	-	85,760
Other trading activities	5	277,793	-	277,793
Investments	6	1,463	-	1,463
Total income		972,139	86,715	1,058,854
<u>Expenditure on:</u>				
Raising funds	7	424,368	-	424,368
Charitable activities	8	583,200	109,929	693,129
Other	11	3,916	-	3,916
Total resources expended		1,011,484	109,929	1,121,413
Net incoming resources before transfers		(39,345)	(23,214)	(62,559)
Gross transfers between funds	20	29,127	(29,127)	-
Net income/(expenditure) for the year/Net movement in funds		(10,218)	(52,341)	(62,559)
Fund balances at 1 September 2019		652,915	589,513	1,242,428
Fund balances at 31 August 2020		642,697	537,172	1,179,869

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

NEW COMMUNITY NETWORK

CHARITY STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 AUGUST 2021

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
<u>Income and endowments from:</u>				
Donations and legacies	735,387	70,055	805,442	670,955
Charitable activities	75,631	-	75,631	92,060
Other trading activities	5,757	-	5,757	2,482
Investments	148	-	148	1,441
Total income	816,923	70,055	886,978	766,938
<u>Expenditure on:</u>				
Raising funds	2,138	-	2,138	2,859
Charitable activities	572,752	210,464	783,216	816,838
Other	-	-	-	8,662
Total resources expended	574,890	210,464	785,354	828,359
Net incoming resources before transfers	242,033	(140,409)	101,624	(61,421)
Gross transfers between funds	6,285	(6,285)	-	-
Net income for the year/ Net movement in funds	248,318	(146,694)	101,624	(61,421)
Fund balances at 1 September 2020	692,115	537,172	1,229,287	1,290,708
Fund balances at 31 August 2021	940,433	390,478	1,330,911	1,229,287

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

NEW COMMUNITY NETWORK

CHARITY STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 AUGUST 2020

	Unrestricted funds £	Restricted funds £	Total 2020 £
<u>Income and endowments from:</u>			
Donations and legacies	584,240	86,715	670,955
Charitable activities	92,060	-	92,060
Other trading activities	2,482	-	2,482
Investments	1,441	-	1,441
Total income	680,223	86,715	766,938
<u>Expenditure on:</u>			
Raising funds	2,859	-	2,859
Charitable activities	706,909	109,929	816,838
Other	8,662	-	8,662
Total resources expended	718,430	109,929	828,359
Net incoming resources before transfers	(38,207)	(23,214)	(61,421)
Gross transfers between funds	29,127	(29,127)	-
Net income for the year/ Net movement in funds	(9,080)	(52,341)	(61,421)
Fund balances at 1 September 2019	701,195	589,513	1,290,708
Fund balances at 31 August 2020	692,115	537,172	1,229,287

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

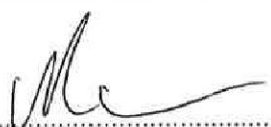
NEW COMMUNITY NETWORK

STATEMENTS OF FINANCIAL POSITION

AS AT 31 AUGUST 2021

	Notes	Group		Charity	
		2021 £	2020 £	2021 £	2020 £
Fixed assets					
Property, plant and equipment	13	1,228,651	1,274,288	1,225,012	1,268,778
Investments	14	-	-	1,000	1,000
		<u>1,228,651</u>	<u>1,274,288</u>	<u>1,226,012</u>	<u>1,269,778</u>
Current assets					
Inventories		5,350	571	-	-
Trade and other receivables	15	70,980	59,208	135,861	41,540
Cash at bank and in hand		681,756	579,707	570,729	554,613
		<u>758,086</u>	<u>639,486</u>	<u>706,590</u>	<u>596,153</u>
Current liabilities	16	(110,511)	(110,745)	(60,012)	(63,484)
Net current assets		<u>647,575</u>	<u>528,741</u>	<u>646,578</u>	<u>532,669</u>
Total assets less current liabilities		<u>1,876,226</u>	<u>1,803,029</u>	<u>1,872,590</u>	<u>1,802,447</u>
Non-current liabilities	17	(541,679)	(623,160)	(541,679)	(573,160)
Net assets		<u>1,334,547</u>	<u>1,179,869</u>	<u>1,330,911</u>	<u>1,229,287</u>
Income funds					
Restricted funds	20	390,478	537,172	390,478	537,172
Unrestricted funds		944,069	642,697	940,433	692,115
		<u>1,334,547</u>	<u>1,179,869</u>	<u>1,330,911</u>	<u>1,229,287</u>

The financial statements were approved by the Trustees on 16/02/2022



Mr W R Kennedy
Trustee

Company Registration No. 03578938

NEW COMMUNITY NETWORK

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash generated from operations	25	207,068		15,354	
Investing activities					
Purchase of property, plant and equipment		(7,996)		(9,414)	
Proceeds on disposal of property, plant and equipment		-		1,742	
Income from investments		148		1,463	
Net cash used in investing activities			(7,848)		(6,209)
Financing activities					
Repayment of other borrowings		(50,000)		-	
Repayment of bank loans		(47,171)		(49,224)	
Net cash used in financing activities			(97,171)		(49,224)
Net (decrease)/increase in cash and cash equivalents			102,049		(40,079)
Cash and cash equivalents at beginning of year			579,707		619,786
Cash and cash equivalents at end of year			681,756		579,707

NEW COMMUNITY NETWORK

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

Company information

New Community Network is a charitable company limited by guarantee incorporated in England and Wales. The registered office is Central Hall, St Mary Street, Southampton, Hants, SO14 1NF.

1.1 Accounting convention

The accounts have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

The group financial statements include the accounts of New Community Network (the charity) and its subsidiaries New Community Ventures Limited and New Community Enterprise Limited.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Other trading income is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

NEW COMMUNITY NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies (Continued)

1.5 Expenditure

Liabilities are recognised when a constructive obligation exists, the payment is probable and the obligation can be measured or estimated reliably.

Resources expended are allocated to the particular cost centre to which they relate and include irrecoverable VAT.

Grants payable are charged in the year in which the offer is conveyed to the recipient except in those cases where the offer is conditional.

1.6 Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following basis:

Freehold land and buildings	50 years straight line
Plant and equipment	5 - 10 years straight line
Fixtures and fittings	5 - 10 years straight line
Computers	3 years straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

Items of equipment are capitalised where the purchase price exceeds £1,000.

1.7 Non-current investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

A subsidiary is an entity controlled by the charity. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.8 Impairment of non-current assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

1.9 Inventories

Inventories are stated at lower of cost and estimated selling price less costs to sell.

1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

NEW COMMUNITY NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies (Continued)

1.11 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including trade and other payables and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.12 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.14 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease.

NEW COMMUNITY NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total 2021	Total 2020
	£	£	£	£
Donations and gifts	525,852	70,055	595,907	693,838
Donations and gifts 2021				
Donations and gifts	416,132	63,610	479,742	
Legacies receivable	120	-	120	
Government furlough grant	24,960	-	24,960	
Gift aid	84,640	6,445	91,085	
	525,852	70,055	595,907	
Donations and gifts 2020				
Donations and gifts	462,999	76,797		539,796
Legacies receivable	1,000	-		1,000
Government furlough grant	21,870	-		21,870
Gift aid	89,424	9,918		99,342
Donated goods and services	31,830	-		31,830
	607,123	86,715		693,838

NEW COMMUNITY NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

4 Charitable activities 2021

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Fee income	40,568	-	40,568	53,511
Honoraria	-	-	-	30
Training fees	23,308	-	23,308	28,148
Other income	6,475	-	6,475	4,071
	<u>70,351</u>	<u>-</u>	<u>70,351</u>	<u>85,760</u>

Charitable activities 2020

	Unrestricted funds £	Restricted funds £	Total 2020 £
Fee income	53,511	-	53,511
Honoraria	30	-	30
Training fees	28,148	-	28,148
Other income	4,071	-	4,071
	<u>85,760</u>	<u>-</u>	<u>85,760</u>

5 Other trading activities 2021

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Rental and hire charges	477,549	-	477,549	269,611
Trading activities	4,557	-	4,557	8,182
	<u>482,106</u>	<u>-</u>	<u>482,106</u>	<u>277,793</u>

Other trading activities 2020

	Unrestricted funds £	Restricted funds £	Total 2020 £
Rental and hire charges	269,611	-	269,611
Trading activities	8,182	-	8,182
	<u>277,793</u>	<u>-</u>	<u>277,793</u>

NEW COMMUNITY NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

6 Investments

	Unrestricted funds 2021 £	Unrestricted funds 2020 £
Interest receivable	148	1,463

7 Raising funds 2021

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
<u>Trading costs</u>				
Staff costs	133,291	-	133,291	189,819
Cost of trading subsidiaries	3,376	-	3,376	34,939
Building costs	60,239	-	60,239	46,514
Communications	3,479	-	3,479	8,482
Finance costs	391	-	391	2,140
Resource costs	46,435	-	46,435	18,847
Depreciation	1,870	-	1,870	1,903
Support costs (see note 10)	86,010	-	86,010	121,724
	<u>335,091</u>	<u>-</u>	<u>335,091</u>	<u>424,368</u>

Raising funds 2020

	Unrestricted funds £	Restricted funds £	Total 2020 £
<u>Trading costs</u>			
Staff costs	189,819	-	189,819
Cost of trading subsidiaries	34,939	-	34,939
Building costs	46,514	-	46,514
Communications	8,482	-	8,482
Finance costs	2,140	-	2,140
Resource costs	18,847	-	18,847
Depreciation	1,903	-	1,903
Support costs (see note 10)	121,724	-	121,724
	<u>424,368</u>	<u>-</u>	<u>424,368</u>

NEW COMMUNITY NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

8 Charitable activities

	2021 £	2020 £
Staff costs	268,951	282,128
Counselling, events, courses and community work	98,181	120,900
	<u>367,132</u>	<u>403,028</u>
Grant funding of activities (see note 9)	96,779	97,417
Share of support costs (see note 10)	174,779	180,918
Share of governance costs (see note 10)	20,053	11,766
	<u>658,743</u>	<u>693,129</u>
Analysis by fund		
Unrestricted funds	448,279	583,200
Restricted funds	210,464	109,929
	<u>658,743</u>	<u>693,129</u>

9 Grants payable

	2021 £	2020 £
Grants to institutions:		
Umoja	11,658	10,179
Missionary Maintenance Services	-	14,542
Pioneer Trust	14,200	14,250
Other grants below £10,000	57,833	47,791
	<u>83,691</u>	<u>86,762</u>
Grants to individuals	13,088	10,655
	<u>96,779</u>	<u>97,417</u>

NEW COMMUNITY NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

10 Support costs 2021

	Support costs £	Governance costs £	Total 2021 £	Total 2020 £
Staff costs	137,059	-	137,059	95,864
Depreciation	51,762	-	51,762	61,929
Counselling, events, courses and community work	25,559	-	25,559	24,528
Building costs	-	-	-	18,277
Finance costs	18,965	-	18,965	22,116
Insurance costs	17,491	-	17,491	15,699
Resource costs	5,492	-	5,492	58,556
Other costs	4,461	-	4,461	5,673
Audit fees	-	4,680	4,680	4,380
Accountancy	-	5,880	5,880	5,880
Legal and professional	-	9,493	9,493	1,506
	<u>260,789</u>	<u>20,053</u>	<u>280,842</u>	<u>314,408</u>

Analysed between

Raising funds	86,010	-	86,010
Charitable activities	174,779	20,053	194,832
	<u>260,789</u>	<u>20,053</u>	<u>280,842</u>

Support costs 2020

	Support costs £	Governance costs £	Total 2020 £
Staff costs	95,864	-	95,864
Depreciation	61,929	-	61,929
Counselling, events, courses and community work	24,528	-	24,528
Building costs	18,277	-	18,277
Finance costs	22,116	-	22,116
Insurance costs	15,699	-	15,699
Resource costs	58,556	-	58,556
Other costs	5,673	-	5,673
Audit fees	-	4,380	4,380
Accountancy	-	5,880	5,880
Legal and professional	-	1,506	1,506
	<u>302,642</u>	<u>11,766</u>	<u>314,408</u>

Analysed between

Raising funds	121,724	-	121,724
Charitable activities	180,918	11,766	192,684
	<u>302,642</u>	<u>11,766</u>	<u>314,408</u>

NEW COMMUNITY NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

11 Other

	2021 £	2020 £
Net loss on disposal of tangible fixed assets	-	3,916

12 Employees

Number of employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
	34	36

Employment costs

	2021 £	2020 £
Wages and salaries	495,085	520,199
Social security costs	28,826	32,365
Other pension and life insurance costs	15,450	15,247
	539,361	567,811

No employee earned more than £60,000 during the year (2020: none).

NEW COMMUNITY NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

13 Property, plant and equipment

	Freehold land and buildings £	Plant and equipment £	Fixtures and fittings £	Computers £	Total £
Cost					
At 1 September 2020	2,058,159	153,078	79,909	12,760	2,303,906
Additions	-	6,233	-	1,763	7,996
Disposals	-	-	-	(1,588)	(1,588)
At 31 August 2021	2,058,159	159,311	79,909	12,935	2,310,314
Depreciation and impairment					
At 1 September 2020	809,916	149,223	61,247	9,232	1,029,618
Depreciation	41,163	1,379	8,247	2,844	53,633
Eliminated in respect of disposals	-	-	-	(1,588)	(1,588)
At 31 August 2021	851,079	150,602	69,494	10,488	1,081,663
Carrying amount					
At 31 August 2021	1,207,080	8,709	10,415	2,447	1,228,651
At 31 August 2020	1,248,243	3,855	18,662	3,528	1,274,288

14 Fixed asset investments - see note 24

Investments in subsidiaries	Group £	Charity £
Cost		
At 1 September 2020 & 31 August 2021	-	1,000
Carrying amount		
At 31 August 2021	-	1,000
At 31 August 2020	-	1,000

NEW COMMUNITY NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

15 Trade and other receivables

	Group		Charity	
	2021	2020	2021	2020
Amounts falling due within one year:	£	£	£	£
Amounts owed by subsidiary undertakings	-	-	122,709	20,000
Trade receivables	49,799	36,584	2,104	1,980
Other receivables	7,590	16,244	7,590	16,056
Prepayments and accrued income	13,591	6,380	3,458	3,504
	<u>70,980</u>	<u>59,208</u>	<u>135,861</u>	<u>41,540</u>

16 Current liabilities

	Notes	Group		Charity	
		2021	2020	2021	2020
		£	£	£	£
Bank loans	18	29,906	28,891	29,906	28,891
Other taxation and social security		16,870	13,475	11,462	11,415
Deferred income		33,780	36,592	-	-
Trade payables		16,414	13,222	6,372	6,144
Other creditors		-	3,543	-	-
Amounts due to subsidiary undertakings		-	-	-	4,343
Accruals and deferred income		13,541	15,022	12,272	12,691
		<u>110,511</u>	<u>110,745</u>	<u>60,012</u>	<u>63,484</u>

17 Non-current liabilities

	Notes	Group		Charity	
		2021	2020	2021	2020
		£	£	£	£
Other borrowings		-	50,000	-	-
Bank loans	18	541,679	573,160	541,679	573,160
		<u>541,679</u>	<u>623,160</u>	<u>541,679</u>	<u>573,160</u>

NEW COMMUNITY NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

18 Borrowings

	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Bank loans	571,585	602,051	571,585	602,051
Other borrowings	-	50,000	-	-
	<u>571,585</u>	<u>652,051</u>	<u>571,585</u>	<u>602,051</u>
Payable within one year	29,906	28,891	29,906	28,891
Payable after one year	541,679	623,160	541,679	573,160
	<u>571,585</u>	<u>652,051</u>	<u>571,585</u>	<u>602,051</u>
Amounts included above which falls after five years:				
Payable by instalments	<u>413,752</u>	<u>497,910</u>	<u>413,572</u>	<u>447,910</u>

The mortgage is secured on the property at Central Hall, St Mary Street, Southampton, SO14 1NF.

19 Retirement benefit schemes

Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £15,450 (2020- £15,247)

NEW COMMUNITY NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

20 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds				Balance at 31 August 2021 £
	Balance at 1 September 2020 £	Incoming resources £	Resources expended £	Transfers £	
Relief International:					
Jeevan Asha	18,537	10,070	(8,045)	-	20,562
Kibera development	3,058	7,923	(15,355)	14,571	10,197
Kibera feeding programme	6,267	7,894	(5,590)	(8,571)	-
Missionary maintenance services	3,025	12,480	(6,006)	-	9,499
School of ministry	13,403	29,025	(40,335)	8,557	10,650
Relief local:					
Central hall fund	1,116	681	-	-	1,797
Hardship fund	8,613	1,045	(4,887)	(735)	4,036
Rest and recoup fund	400,244	-	(105,377)	(10,008)	284,859
SO14	82,180	-	(24,769)	(10,099)	47,312
Special Guardians	50	787	(100)	-	737
Minor restricted funds	679	150	-	-	829
	<u>537,172</u>	<u>70,055</u>	<u>(210,464)</u>	<u>(6,285)</u>	<u>390,478</u>

Relief International

Jeevan Asha - Indian orphanage.

Kibera Development - Funding a school build and missionary work in Kibera.

Kibera Feeding Programme - Supporting a health and feeding programme in Kibera.

Kibera Pastoral Team - To fund church leader pastoral visits to Kibera.

Missionary Maintenance Services - Support for D & D Coates USA.

School of Ministry - Leadership development.

Relief local

Central Hall Fund - To fund ongoing renovation works to Central Hall.

Hardship fund - Local relief work.

Rest and recoup Fund - To provide a place for rest, recovery and convalescence.

SO14 - To fund mission in Central Southampton.

Special Guardians - Support grandparents who are primarily carers for their grandchildren.

Transfers represent the reallocation of income and expenditure between funds.

NEW COMMUNITY NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

20 Restricted funds 2020

	Movement in funds				
	Balance at 1 September 2019 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 August 2020 £
Relief International:					
Jeevan Asha	15,436	11,101	(8,000)	-	18,537
Kibera development	3,372	16,469	(16,783)	-	3,058
Kibera feeding programme	5,262	5,389	(4,384)	-	6,267
Missionary maintenance services	5,629	11,940	(14,544)	-	3,025
School of ministry	7,554	29,443	(23,594)	-	13,403
Relief local:					
Central hall fund	1,415	1,162	(1,461)	-	1,116
Hardship fund	6,065	6,330	(3,782)	-	8,613
Rest and recoup fund	430,452	-	(7,774)	(22,434)	400,244
SO14	114,207	3,750	(28,322)	(7,455)	82,180
Hope School	-	-	(762)	762	-
Special Guardians	-	50	-	-	50
Sholing baby bank	121	402	(523)	-	-
Minor restricted funds	-	679	-	-	679
	<u>589,513</u>	<u>86,715</u>	<u>(109,929)</u>	<u>(29,127)</u>	<u>537,172</u>

NEW COMMUNITY NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

21 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total £
Fund balances at 31 August 2021 are represented by:			
Property, plant and equipment	1,228,651	-	1,228,651
Current assets/(liabilities)	257,097	390,478	647,575
Long term liabilities	(541,679)	-	(541,679)
	<u>944,069</u>	<u>390,478</u>	<u>1,334,547</u>
	Unrestricted funds £	Restricted funds £	Total £
Fund balances at 31 August 2020 are represented by:			
Property, plant and equipment	1,274,288	-	1,274,288
Current assets/(liabilities)	(8,431)	537,172	528,741
Long term liabilities	(623,160)	-	(623,160)
	<u>642,697</u>	<u>537,172</u>	<u>1,179,869</u>

NEW COMMUNITY NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

23 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

2021	2020
£	£
137,071	131,273

Billy Kennedy is a trustee of New Community Network and is also a paid employee (Chief Executive). He was paid a salary and pension contributions of £43,887 during the year ended 31 August 2021 (2020: £38,588). Billy Kennedy's wife, Caroline Kennedy, was also employed by the charity and received a salary and pension contributions of £6,778 during the year ended 31 August 2021 (2020: £7,821).

Billy Kennedy is a trustee of Pioneer Trust. During the year ended 31 August 2021, New Community Network made sales to Pioneer Trust of £1,555 (2020: £7,025), and made purchases of £1,135 (2020: £Nil) New Community Network also paid grants amounting to £14,200 (2020: £14,250) to Pioneer Trust during the year.

Shelly-Ann Frame is a trustee of New Community Network and a director of Etch UK. During the year ended 31 August 2021 New Community Network purchased £84 (2020: £5,844) of services from Etch UK. Etch also provided pro bono support to New Community Network during the year valued at £nil (2020: £31,830).

The trustees and their close family or associated companies have donated an aggregate sum of £43,145 (2020: £52,401) to the charity.

Transactions with group companies

New Community Network was owed £122,709 from New Community Ventures Limited at 31 August 2021. New Community Ventures Limited invoiced New Community Network for services supplied and internal recharges for £56,557 in the year.

NEW COMMUNITY NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

24 Subsidiary undertakings

New Community Enterprise Limited (NCE) (no. 06458693) is was wholly owned trading subsidiary of New Community Network. NCE ceased trading at 31 March 2020.

	2021 £	2020 £
Gross income	-	11,339
Expenditure	-	(10,539)
Surplus	-	800
Total assets	-	-
Total liabilities	-	-
Equity	-	-

New Community Ventures Limited (no. 10586696) is a wholly owned trading subsidiary of New Community Network. It runs Central Hall as an events venue. Below is a summary of its financial results and position.

	2021 £	2020 £
Gross income	542,862	336,180
Expenditure	(271,576)	(338,213)
Surplus/(Deficit)	271,286	(2,033)
Distributions to parent charity under gift aid	(218,232)	-
Surplus after distributions	53,054	(2,033)
Total assets	177,843	73,185
Total liabilities	(173,208)	(121,604)
Equity	4,635	(48,419)