

REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020
FOR
CALVARY KOREAN CHURCH

GJH Accountancy and Taxation Services
24 Brickfield Avenue
Leverstock Green
Hemel Hempstead
Hertfordshire
HP3 8NP

CALVARY KOREAN CHURCH

CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

	Page
Report of the Trustees	1 to 2
Independent Examiner's Report	3
Statement of Financial Activities	4
Balance Sheet	5
Notes to the Financial Statements	6 to 11
Detailed Statement of Financial Activities	12

CALVARY KOREAN CHURCH
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2020

The trustees present their report with the financial statements of the charity for the year ended 31 December 2020. The trustees have adopted the provisions of 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

Objectives and aims

The principal objective of the charity is to advance the Christian faith and the worship of God in particular for Korean nationals in England and Wales, including the provision of Church Services and Christian counselling and the support of Christian missions in developing countries as well as the identified needs within the community.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

How our Activities deliver Public benefit

There are services held on every Wednesday, Saturday and Sunday, and the congregation has various group meetings every Tuesday and Friday. In addition, regular support to missionaries have organised to follow the footsteps of Jesus Christ and the result of missionary activities is regularly shared for congregation's awareness and future support.

The church premises have also been offered for community activities as well as educational conferences, which are organised by the council or external meetings for the local community and religious organisation.

The church has no volunteers at present, however a junior pastor continues to be employed for future growth.

ACHIEVEMENT AND PERFORMANCE

Investment performance

The charity has no investments apart from Bank Deposits and the trustees consider deposit accounts to be the most appropriate vehicle for its funds at the present time.

FINANCIAL REVIEW

Principal funding sources

The church's principal funding source is donations for its members.

In addition, the charity will engage with the community and explore various strategies to prevent annual deficits and promote sustainable growth.

Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Calvary Korean Church is a registered charity, number 1075861, and is constituted under a Trust deed dated 22 April 1999. There have been no changes on the objects since the last annual report.

Recruitment and appointment of new trustees

The management of the Charity is the responsibility of the Trustees who are elected and co-opted by a resolution of the Trustees passed at a special meeting called under clause K of the Trust deed.

Organisational structure

The trustees delegate the day to day running of the church affairs to the Pastor and the church officers.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

1075861

CALVARY KOREAN CHURCH
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2020

Principal address

132 Kingston Road
New Malden
Surrey
KT3 3ND

Trustees

J S Seo
S Y Choi
Y G Lee

Independent Examiner

Gary Harding
FCA
GJH Accountancy and Taxation Services
24 Brickfield Avenue
Leverstock Green
Hemel Hempstead
Hertfordshire
HP3 8NP

Approved by order of the board of trustees on19 MAR 22..... and signed on its behalf by:


.....
S Y Choi - Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
CALVARY KOREAN CHURCH**

Independent examiner's report to the trustees of Calvary Korean Church

I report to the charity trustees on my examination of the accounts of Calvary Korean Church (the Trust) for the year ended 31 December 2020.

Responsibilities and basis of report

As the charity trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Trust's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement - matters of concern identified

I have completed my examination.

The amount of tax recoverable on Gift Aid receipts was overstated in earlier years. This has now been corrected as a prior year adjustment.

I confirm that no other matters have come to my attention that give me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
2. except for the matter of concern noted above the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

I confirm that there are no other matters to which your attention should be drawn to enable a proper understanding of the accounts to be reached.

Gary Harding
FCA
GJH Accountancy and Taxation Services
24 Brickfield Avenue
Leverstock Green
Hemel Hempstead
Hertfordshire
HP3 8NP

Date:

CALVARY KOREAN CHURCH

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020 Unrestricted fund £	2019 Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies		54,563	57,046
Investment income	2	-	235
Total		54,563	57,281
 EXPENDITURE ON			
Charitable activities			
Unrestricted activity		72,928	78,810
 NET INCOME/(EXPENDITURE)		(18,365)	(21,529)
 RECONCILIATION OF FUNDS			
Total funds brought forward		525,980	547,509
 TOTAL FUNDS CARRIED FORWARD		507,615	525,980

The notes form part of these financial statements

CALVARY KOREAN CHURCH

BALANCE SHEET
31 DECEMBER 2020

	Notes	2020 Unrestricted fund £	2019 Total funds £
FIXED ASSETS			
Tangible assets	5	648,610	660,213
CURRENT ASSETS			
Debtors	6	1,901	1,901
Cash at bank		36,889	62,855
		<hr/>	<hr/>
		38,790	64,756
CREDITORS			
Amounts falling due within one year	7	(47,998)	(57,853)
		<hr/>	<hr/>
NET CURRENT ASSETS		(9,208)	6,903
		<hr/>	<hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES		639,402	667,116
CREDITORS			
Amounts falling due after more than one year	8	(131,787)	(141,136)
		<hr/>	<hr/>
NET ASSETS		507,615	525,980
		<hr/>	<hr/>
FUNDS	10		
Unrestricted funds		507,615	525,980
		<hr/>	<hr/>
TOTAL FUNDS		507,615	525,980
		<hr/>	<hr/>

The financial statements were approved by the Board of Trustees and authorised for issue on 19 Mar 22 and were signed on its behalf by:


S Y Choi, Trustee

CALVARY KOREAN CHURCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount can be measured reliably.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party. It is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and the depreciation charges allocated on the portion of the asset's use.

Charitable activities and Governance costs are costs incurred in the charity's religious and educational operations, including support costs and costs relating to the governance of the charity apportioned to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 50% on cost
Fixtures and fittings	- 33% on cost

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

CALVARY KOREAN CHURCH

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

1. ACCOUNTING POLICIES - continued

Fund accounting

Investment income, gains and losses are allocated to the appropriate fund.

Pension costs and other post-retirement benefits

The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayment are valued at the amount prepaid net of any trade discounts due.

Cash at bank and in hand

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

Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost during the effective interest method.

2. INVESTMENT INCOME

	2020	2019
	£	£
Investment income- other foreign investments	-	235
	<u> </u>	<u> </u>

3. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2020 nor for the year ended 31 December 2019.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2020 nor for the year ended 31 December 2019.

4. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £
INCOME AND ENDOWMENTS FROM	
Donations and legacies	57,046
Investment income	235
Total	<u>57,281</u>

EXPENDITURE ON

Charitable activities

Unrestricted activity

78,810

CALVARY KOREAN CHURCH

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

4. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted fund £
NET INCOME/(EXPENDITURE)	(21,529)
 RECONCILIATION OF FUNDS	
Total funds brought forward	
As previously reported	575,667
Prior year adjustment	(28,158)
As restated	547,509
 TOTAL FUNDS CARRIED FORWARD	<u>525,980</u>

5. TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures and fittings £	Totals £
COST			
At 1 January 2020	753,087	26,608	779,695
Additions	-	1,434	1,434
	<u>753,087</u>	<u>28,042</u>	<u>781,129</u>
At 31 December 2020	753,087	28,042	781,129
 DEPRECIATION			
At 1 January 2020	93,660	25,822	119,482
Charge for year	12,128	909	13,037
	<u>105,788</u>	<u>26,731</u>	<u>132,519</u>
At 31 December 2020	105,788	26,731	132,519
 NET BOOK VALUE			
At 31 December 2020	<u>647,299</u>	<u>1,311</u>	<u>648,610</u>
At 31 December 2019	<u>659,427</u>	<u>786</u>	<u>660,213</u>

Included in land and buildings is freehold land at cost £147,043 (2019 - £147,043) which is not depreciated.

CALVARY KOREAN CHURCH

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Prepayments and accrued income	1,901	1,901
	<u>1,901</u>	<u>1,901</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Bank loans and overdrafts (see note 9)	9,000	9,000
Other creditors	38,998	48,853
	<u>47,998</u>	<u>57,853</u>

8. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2020	2019
	£	£
Other creditors	131,787	141,136
	<u>131,787</u>	<u>141,136</u>

9. LOANS

An analysis of the maturity of loans is given below:

	2020	2019
	£	£
Amounts falling due within one year on demand:		
Bank loans	9,000	9,000
	<u>9,000</u>	<u>9,000</u>
Amounts falling between one and two years:		
Other loans - 1-2 years	131,787	141,136
	<u>131,787</u>	<u>141,136</u>

In 2021 the charity entered into a loan repayment with Barclays Bank PLC in the sum of £203,000, which is being repaid over 240 monthly repayments as a rate of £4.45% above Barclays base rate per annum. The loan is secured against the land and buildings asset and currently represents 22% (2019 -23%) of the value of the asset at year end.

At the end of the year there is a sum in the region of £89,880 (2019 - £98,578) due after more than 5 years based on expected repayments.

10. MOVEMENT IN FUNDS

	At 1.1.20	Net movement in funds	At 31.12.20
	£	£	£
Unrestricted funds			
General fund	525,980	(18,365)	507,615
	<u>525,980</u>	<u>(18,365)</u>	<u>507,615</u>
TOTAL FUNDS	<u>525,980</u>	<u>(18,365)</u>	<u>507,615</u>

CALVARY KOREAN CHURCH

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2020

	2020	2019
	£	£
INCOME AND ENDOWMENTS		
Donations and legacies		
Gifts	1	-
Donations	54,562	57,046
	<u>54,563</u>	<u>57,046</u>
Investment income		
Investment income- other foreign investments	-	235
	<u>-</u>	<u>235</u>
Total incoming resources	54,563	57,281
EXPENDITURE		
Charitable activities		
Wages	35,627	35,626
Pensions	656	604
Premises costs	2,115	3,176
Services	1,066	1,200
Missions (includes advertising	6,045	1,228
Fellowship	749	3,163
Administration and professional costs	1,550	1,801
Utilities, repairs and maint	3,371	4,604
Sundries	116	861
Freehold property	12,128	12,128
Fixtures and fittings	909	746
Bank interest	6,700	7,990
	<u>71,032</u>	<u>73,127</u>
Support costs		
Governance costs		
Independent examination	1,800	3,500
Independent examination -prior year under accrual	-	1,250
Payroll and support	96	933
	<u>1,896</u>	<u>5,683</u>
Total resources expended	72,928	78,810
Net expenditure	<u>(18,365)</u>	<u>(21,529)</u>

This page does not form part of the statutory financial statements