

**ANNUAL REPORT AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31ST DECEMBER 2021**

FOLLY'S END FELLOWSHIP TRUST

CHARITY REGISTRATION No: 1092505

COMPANY REGISTRATION No: 4416528

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

**FOLLY'S END FELLOWSHIP TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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**FOLLY'S END FELLOWSHIP TRUST
(A COMPANY LIMITED BY GUARANTEE)**

LEGAL AND ADMINISTRATIVE INFORMATION

CHARITY NUMBER 1092505

COMPANY REGISTRATION NUMBER 4416528

DATE OF INCORPORATION 15th April 2002

START OF FINANCIAL YEAR 1st January 2021

END OF FINANCIAL YEAR 31st December 2021

**TRUSTEE DIRECTORS WHO SERVED
DURING THE YEAR TO 31ST
DECEMBER 2021** Frank Stonelake
Katherine Valdes nee Kitchen (resigned 7 March 2021)
Mary Fish
David Williams (appointed 22 January 2021)
Dr Christian Wilcock (appointed 22 January 2021, resigned 23 February 2022)

GOVERNING DOCUMENT Memorandum and Articles of Association

OBJECTS

To advance the Christian faith in accordance with the statement of beliefs in Croydon and in such other parts of the United Kingdom or the world as the Trustees may from time to time think fit and other such purposes which are exclusively charitable according to the law of England and Wales and are connected with the charitable work of the charity.

REGISTERED ADDRESS 3 Ulstan Close
Woldingham
Caterham
CR3 7EH

BANKERS Barclays Bank Plc
1 North End
Croydon
Surrey

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

**FOLLY'S END FELLOWSHIP TRUST
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**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31ST DECEMBER 2021**

The trustees who are also directors of the charity for the purposes of the Companies Act present their report together with the financial statements of the charity for the year ended 31st December 2021.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's governing document, applicable law and the requirements of the Statement of Recommended Practice "Accounting and Reporting by Charities" applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1st January 2015) - (Charities SORP (FRS102)) and the Charities Act 2011.

Structure, Governance and Management

The charity is a company limited by guarantee and was formed on 15th April 2002. It is governed by its memorandum and articles of association.

Methods of Appointment or Election of Trustees

The management of the Company is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association.

New Trustees are mentored by existing Trustees and training carried out through attendance on appropriate courses where considered necessary.

Risk Management

The Trust works on a general basis of risk awareness. We operate a management accounting system that allows good understanding of our financial affairs. The Trust has in place a programme to review all of its risks and continues to improve its methods of wider risk assessment.

Objectives and Activities for Public Benefit

The Charity's main object as set out in the memorandum and articles of association is to advance the Christian faith in accordance with the statement of beliefs in Croydon and in such other parts of the United Kingdom or the world as the Trustees may from time to time think fit and other such purposes which are exclusively charitable according to the law of England and Wales and are connected with the charitable work of the charity.

The principal aims of the Charity are the worship of God, the instruction of Christians, the care and Christian instruction of young people and children, the evangelisation of non-Christians, the relief of sickness and poverty and the advancement of the Christian faith generally.

Review of Activities

2021 was another year of significant disruption to both activity and development of our planned new offering due to the Coronavirus Pandemic. Lockdowns continued until July 2021 with restrictions continuing until March 2022. During Lockdowns the day-to-day activities of the Trust remained reduced with our staff furloughed where necessary.

Once the UK restrictions started to lift and life returned to nearer normal, we were finally allowed to view properties in person and our search for an appropriate nursery premises increased. We identified a large unused school premises to the south of Croydon which was for sale and our offer to purchase the site was accepted, subject to contract. We were considerably close to completion however, after having conducted a number of very positive feasibility studies for the site, the Trustees were forced to withdraw from the purchase due to the discovery of a covenant over the land which would have made the site unsuitable for a day nursery. It was a disappointment to the Trustees, and everyone involved in the project, that we were forced to withdraw at such a late stage.

During the lock-down periods we took the opportunity to undertake a full review of the Trust's policies and procedures, which included our banking and bank mandate arrangements.

We also undertook a full review of our governing documents, with significant input from interested parties. We formulated a new mission to guide the Trust in its future work and the revision of our governing documents will reflect this. We have invested a great deal of time and careful consideration in this process and together with our law firm, Mishcon de Reya, we have rewritten our governing documents. We are delighted to report that these documents have been agreed with the Charity Commission. We intend to adopt the new governing documents during 2022 and we are excited about the Trust's future.

We also completed the re-publishing of the Folly's End's teaching materials in digital format. This has been a long process, but the entire back catalogue is now re-launched and available as a Christian learning resource. The Folly's End archive is a record of the ministry of Folly's End Church and is a freely available resource in digital format- which may be of particular interest to those who have been involved in the ministry of the Church over its 35 year history.

**FOLLY'S END FELLOWSHIP TRUST
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**REPORT OF THE DIRECTORS (Continued)
FOR THE YEAR ENDED 31ST DECEMBER 2021**

Review of Activities (continued)

We also worked on the completion and illustration of short series of children's books written by Dave Markee in the later years of his ministry. We are planning to publish the first of these books in 2022.

Financial Review

In 2021 we recorded a deficit of income over expenditure of £227,992 (2020: surplus of £1,704,384).

Total reserves at 31st December 2021 were £3,078,665 of which £2,978 were restricted funds and £3,075,687 unrestricted.

Going Concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Company 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.

Reserves Policy

The Trust maintains reserves and investments primarily for specific uses, e.g. building funds. There is no intention to build reserves and investments without specific immediate uses.

Plans for Future Periods

At the time the Pandemic first struck in early 2020 we had just sold our building in Central Croydon with the intention of re-investing in new pre-school education and conference facilities. Our plans, and consequently the activities of the Trust, have therefore been put on hold during the various lockdowns and business interruptions of 2020 and 2021. We were unfortunate to have to withdraw from what we regarded as a very promising new premises for our pre-school project during 2021 and despite considering a number of further possible sites towards the end of the year, we were unable to identify a suitable one by the year end.

The Trust have formulated a new plan in order to secure a new building and we are sure we will be able move the project forward in 2022.

Statement of Directors' Responsibilities:

The Charities Act and the Companies Act require the Board of Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity as at the end of the financial year and of the surplus or deficit of the charity. In preparing those financial statements the Board is required to :-

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business and;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements.

The trustees are also responsible for maintaining adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which are sufficient to show and explain the charity's transactions and enable them to ensure that the financial statements comply with the Companies Act 2006 and comply with regulations made under the Charities Act. 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.

The trustees are also responsible for the contents of the trustees' report, and the responsibility of the independent examiner in relation to the trustees' report is limited to examining the report and ensuring that, on the face of the report, there are no inconsistencies with the figures disclosed in the financial statements.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

I approve the attached statement of financial activities and balance sheet for the year ended 31st December 2021 and confirm that I have made available all information necessary for its preparation.

Approved by the Directors on the 9. 11. 2022

Signed on their behalf by Director 

Print Name: MR D WILLIAMS

FOLLY'S END FELLOWSHIP TRUST
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST DECEMBER 2021

(Incorporating Income & Expenditure Account)

	Notes	Unrestricted Funds £	Designated Funds £	Restricted Funds £	TOTAL 2021 £	TOTAL 2020 £
INCOME AND ENDOWMENTS FROM:						
Donations and Legacies	3a	24,288	-	-	24,288	4,134
Investment Income	3b	57	-	-	57	-
Charitable Activities	3c	18,666	-	-	18,666	35,691
Other Income	3d	-	-	-	-	600
Donated Services	9	-	-	-	-	-
TOTAL		43,011	-	-	43,011	40,425
EXPENDITURE ON:						
Charitable Activities	4a	271,003	-	-	271,003	881,382
TOTAL		271,003	-	-	271,003	881,382
NET INCOME/(EXPENDITURE)		(227,992)	-	-	(227,992)	(840,957)
Transfers Between Funds	5	300,000	(300,000)	-	-	-
OTHER RECOGNISED GAINS/(LOSSES)						
Gain on Sale of Fixed Asset			-	-	-	2,545,341
NET MOVEMENT IN FUNDS		72,008	(300,000)	-	(227,992)	1,704,384
Reconciliation of funds:						
Total Funds Brought Forward		3,003,679	300,000	2,978	3,306,657	1,602,273
TOTAL FUNDS CARRIED FORWARD		3,075,687	-	2,978	3,078,665	3,306,657

Movements on all reserves and all recognised gains and losses are shown above. All of the organisation's operations are classed as continuing.

The notes on pages 8 to 16 form part of these financial statements.

FOLLY'S END FELLOWSHIP TRUST
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COMPANY NO: 4416528

BALANCE SHEET
AS AT 31 DECEMBER 2021

	Note	Unrestricted Funds £	Restricted Funds £	31-Dec-21 Total £	31-Dec-20 Total £
Fixed Assets					
Tangible Assets	2	17,645	-	17,645	25,207
Current Assets					
Debtors & Prepayments	7	8,014	-	8,014	-
Cash at Bank and in Hand		3,129,130	2,978	3,132,108	3,306,996
Total Current Assets		3,137,144	2,978	3,140,122	3,306,996
Creditors: amounts falling due within one year	8	79,102	-	79,102	25,546
NET CURRENT ASSETS/(LIABILITIES)		3,058,042	2,978	3,061,020	3,281,450
TOTAL ASSETS less current liabilities		3,075,687	2,978	3,078,665	3,306,657
Creditors: amounts falling due in more than one year		-	-	-	-
NET ASSETS		3,075,687	2,978	3,078,665	3,306,657
Funds of the Charity					
General Funds		3,075,687	-	3,075,687	3,003,679
Designated Funds	6	-	-	-	300,000
Restricted Funds	5	-	2,978	2,978	2,978
Total Funds		3,075,687	2,978	3,078,665	3,306,657

Directors' Responsibilities:

The directors are satisfied that for the year ended on 31st December 2021 the charitable company was entitled to exemption from the requirement to obtain an audit under section 477 of the Companies Act 2006 and that no member or members have required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Act. However, in accordance with section 145 of the Charities Act 2011, the accounts have been examined by an Independent Examiner whose report appears on page 17.

The directors acknowledge their responsibility for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

The accounts have been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies regime and in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2015) - (Charities SORP (FRS102)).

The directors acknowledge their responsibility for ensuring that the company keeps proper accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and if its profit and loss for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

Approved by the Directors on the 9. 11. 2022

Signed on their behalf by Director 

Print Name: MR D WILLIAMS

FOLLY'S END FELLOWSHIP TRUST
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2021

1. ACCOUNTING POLICIES

Basis of Preparation

The accounts have been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies regime and 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.

Advantage has been taken of Section 396(5) of The Companies Act 2006 to allow the format of the financial statements to be adapted to reflect the special nature of the charity's operation and in order to comply with the requirements of the SORP.

The company has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement.

Folly's End Fellowship Trust meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost unless otherwise stated in the relevant accounting policy notes.

Preparation of accounts on a going concern basis

Preparation of the accounts is on a going concern basis. The Trustees are of the view that the level of reserves will support the charity going forward.

The particular accounting policies adopted are set out below.

Income

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

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

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 depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Company's objectives, as well as any associated support costs.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

Government Grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the Statement of financial activities over the expected useful lives of the assets concerned. Other grants are credited to the Statement of financial activities as the related expenditure is incurred.

FOLLY'S END FELLOWSHIP TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2021

1. ACCOUNTING POLICIES (Continued)

Governance Costs

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

Employee benefits

Short term benefits including holiday pay are recognised as an expense in the period in which the service is received.

Legal status of the charity

The charity is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

Donated Services and Facilities

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

Pension Scheme

The charity operates a government backed defined contribution pension scheme. Contributions are charged to the Statement of Financial Activities as they become payable in accordance with the rules of the scheme. The charity is under no further obligation to make any extra payments irrespective of how that pension fund performs.

Fixed Tangible Assets

Tangible fixed assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, on a reducing balance basis.

Depreciation is provided on the following bases:

Fixtures and Fittings	30%
Improvements to Flat	30%
Motor Vehicles	25%
Freehold Property	Not provided

No depreciation is charged to freehold property as the property is maintained to such a standard that the estimated residual value is not less than cost.

Liabilities

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

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 Company 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 donors or which have been raised by the Charitable Company 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.

FOLLY'S END FELLOWSHIP TRUST
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NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST DECEMBER 2021

2. TANGIBLE FIXED ASSETS

		Freehold Property	Improvements to Flat	Fixtures and Fittings	Motor Vehicles	Total
		£	£	£	£	£
Cost	01-Jan-21	-	-	142,420	23,753	166,173
Additions		-	-	-	-	-
Disposals		-	-	-	-	-
Cost at	31-Dec-21	-	-	142,420	23,753	166,173
Depreciation	01-Jan-21	-	-	139,468	1,498	140,966
Charge		-	-	885	6,677	7,562
Disposals		-	-	-	-	-
Depreciation at	31-Dec-21	-	-	140,353	8,175	148,528
Net Book Value	31-Dec-21	-	-	2,067	15,578	17,645
Net Book Value	31-Dec-20	-	-	2,952	22,255	25,207

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

31st December 2021: Nil

31st December 2020: Nil

3. INCOME

	Unrestricted Funds Church £	Restricted Funds Pre-School £	TOTAL 2021 £	TOTAL 2020 £
a) Donations and Legacies				
Grants Received - Other	-	-	-	2,500
Grants Received - HMRC Job Retention Scheme	24,288	-	24,288	1,634
	24,288	-	24,288	4,134
b) Investment Income				
Bank Interest	57	-	57	-
	57	-	57	-
c) Charitable Activities				
Costs Recharge	7,620	-	7,620	-
Early Years	-	-	-	31,706
Utilities Refund	10,601	-	10,601	-
Royalties	445	-	445	-
Tuition Fees	-	-	-	3,985
	18,666	-	18,666	35,691

FOLLY'S END FELLOWSHIP TRUST
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NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST DECEMBER 2021

3. INCOME

	Unrestricted Funds	Restricted Funds	TOTAL 2021	TOTAL 2020
	£	£	£	£
d) Other Income				
Contribution to Legal Fees	-	-	-	600
	-	-	-	600

4. EXPENDITURE

	Notes	Unrestricted Funds	Restricted Funds	TOTAL 2021	TOTAL 2020
		£	£	£	£
a) Charitable Activities					
Advertising & Publicity		78		78	-
Direct Project Costs (incl Archive Project)		15,090	-	15,090	12,777
Bank Charges and Interest		1,232	-	1,232	990
Building Repairs & Maintenance		-	-	-	9,085
Cleaning Costs		1,913	-	1,913	
Compensation payments to Leaseholders			-	-	213,475
Computer and Internet			-	-	2,739
Council Tax & Rates			-	-	3,105
Depreciation Expense		7,562	-	7,562	1,711
Equipment Costs		739	-	739	712
Gifts & Donations		6,000	-	6,000	18,207
Insurance Costs		732	-	732	3,341
License & Subscriptions		167	-	167	213
Grants	*	-	-	-	40,000
Office and General Administrative Expenses		3,063	-	3,063	-
Printing, Postage and Stationery			-	-	663
Salaries & Wages	10	63,177	-	63,177	321,377
Schools and Trips			-	-	284
Storage Costs		8,445	-	8,445	3,547
Sub Contractors Costs	10	133,957	-	133,957	114,908
Sundry Expenses		386	-	386	434
Telephone Costs		1,440	-	1,440	970
Travel & Subsistence		889	-	889	3,249
Utility Costs			-	-	5,307
Vehicle Expenses		795	-	795	1,661
Rent and Venue Hire		6,000	-	6,000	-
Governance:					
Audit and Accountancy		870	-	870	5,610
Legal and Professional Fees		18,468	-	18,468	117,017
		271,003	-	271,003	881,382

* The charity made a payment to the trustee, Mr F Stonelake, during the previous year to reimburse him for a loan made to the charity many years ago that was not recorded in the financial statements of the charity. The Trustees agreed in principle to make the payment of £40,000 in their meeting dated 8 September 2020 pending legal advice and approval from the Charity Commission. The permission was forthcoming and the payment was ratified by the independent trustees on 11 December 2020.

FOLLY'S END FELLOWSHIP TRUST
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NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST DECEMBER 2021

5. RESTRICTED FUNDS

	THIS YEAR			
	Balance 01-Jan-21 £	Income £	Expenditure £	Balance 31-Dec-21 £
Church Centre, Complex Fund	1,150	-	-	1,150
Reachout Project	1,828	-	-	1,828
	2,978	-	-	2,978

	LAST YEAR			
	Balance 01-Jan-20 £	Income (incl gain on sale of assets) £	Expenditure £	Balance 31-Dec-20 £
Church Centre, Complex Fund	1,150	-	-	1,150
Reachout Project	1,828	-	-	1,828
Preschool Fund	14,495	44,325	59,804	984
	17,473	44,325	59,804	2,978

The restricted funds are wholly represented by current assets.

The Church Centre, Complex Fund is a long standing fund, the balance of which has been held for over 10 years. These monies were held for the purpose of funding of separate Church, Centre and Complex sites. The funds continue to be held with that long term aim.

The Reachout Project Fund is a long standing fund, the balance of which has been held for over 10 years. It represents monies received from members specifically for the "Reachout" project for the support of local homeless people.

6. DESIGNATED FUNDS

	THIS YEAR			
	Balance 01-Jan-21 £	Income £	Expenditure £	Balance 31-Dec-21 £
Education Fund	300,000	-	-	(300,000)
	300,000	-	-	(300,000)

	LAST YEAR			
	Balance 01-Jan-20 £	Income £	Expenditure £	Balance 31-Dec-20 £
Education Fund	300,000	-	-	-
	300,000	-	-	300,000

The education fund represents the funds specifically raised to purchase a property in Selhurst Road. They have been shown as a separate designated fund since the School property was sold in 2015. The Trustees have agreed to lift the designation at the end of this financial year and transfer the funds back to the general unrestricted fund, in anticipation of the purchase of a property which is due to complete in 2022.

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NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST DECEMBER 2021

7. DEBTORS AND PREPAYMENTS

	Unrestricted Fund £	Restricted Fund £	Total 31-Dec-21 £	Total 31-Dec-20 £
HMRC PAYE and NI Overpaid	61	-	61	-
Salaries Overpaid *	333	-	333	-
Trade Debtors	7,620	-	7,620	-
	8,014	-	8,014	-

* During the financial year, a prudent estimate of net salaries payable each month had to be made in advance, whilst the banking mandate was being updated, and before the payroll for each month had been calculated. This meant that on occasions, small discrepancies occurred. At the end of the financial year, employee net salaries had been overpaid by a total of £332.66. This amount was repaid to the charity during the following financial year.

8. CREDITORS AND ACCRUALS: AMOUNTS FALLING DUE WITHIN ONE YEAR

Note	Unrestricted Fund £	Restricted Fund £	Total 31-Dec-21 £	Total 31-Dec-20 £
Trade Creditors	9,828	-	9,828	18,904
Other Creditors	1,572	-	1,572	1,009
Accruals and Deferred Income	870	-	870	5,610
VAT Liability	-	-	-	23
Backdated pay outstanding	66,832	-	66,832	-
	79,102	-	79,102	25,546

9. DONATED SERVICES AND FACILITIES

The Trust received the following donated services during the year:

	Unrestricted Fund £	Restricted Fund £	Total 31-Dec-21 £	Total 31-Dec-20 £
<u>Paid by CEL on behalf of the Charity:</u>				
Premises upkeep and maintenance	-	-	-	3,000
Staff time (reception and caretaking services)	-	-	-	12,000
Executive leadership	-	-	-	12,000
	-	-	-	27,000

FOLLY'S END FELLOWSHIP TRUST
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST DECEMBER 2021

10. STAFF COSTS

	2021	2020
	TOTAL	TOTAL
	£	£
Gross Wages & Salaries	59,654	296,504
Social Security	1,815	23,994
Social Security (2020 liability)	438	-
Pension Contributions	1,270	879
	<u>63,177</u>	<u>321,377</u>

Included in wages and salaries is £0 (2020: £19,154) paid in respect of redundancy payments to four individuals who were employees of the pre-school which closed operations in 2020.

The average monthly head count of full-time equivalent employees (including casual and part-time staff) during the year were as follows:

	2021	2020
Project Staff	1	7
Administrative Support	2	1

No employees received emoluments in excess of £60,000 (2020: None). Staff are paid through the PAYE system and some contractors are also paid on a self employed basis.

Key Management Personnel

The key management personnel are considered to be the Trustees, the CEO and Ministry Leaders. Some key management personnel are paid through the PAYE system and some are self employed contractors engaged for finance and ministry leadership work. The aggregate remuneration (which includes employer national insurance and employer pension contributions) and self employed contractor fees of the key management personnel of the charity (including payments to Trustees, which are detailed in note 11 below) amounted to £194,282. This also includes a liability for unpaid backdated pay for the sum of £66,832 as explained below.

Amounts paid through the PAYE system	60,325
Amounts paid as Self employed contractors	<u>133,957</u> see breakdown below
	<u>194,282</u>

Subcontractors paid on a self employed basis

Amount paid to Key Management Personnel	27,125 for financial services rendered
Amount paid to Key Management Personnel	40,000 for leaders fees
Amount paid to Key Management Personnel	<u>66,832</u> for leaders fees (accrued amount outstanding)
	<u>133,957</u>
Amounts paid to Other Subcontractors	<u>11,950</u> for project work

The founders of the charity, David and Rosina Markee, either did not receive a salary or had a reduced payment for over a decade for their role as the founders and pastors of the church. This was because the church had insufficient funds. David and Rosina both played a significant and vital part in enabling the Trust to continue its mission during this period and it is the firm view of The Trustees, that without their input the Trust would not have survived; The Trust remain incredibly grateful to David and Rosina for their sacrifices and dedication over many years. The Estate of Rosina Markee received a salary back-payment that was approved by the Trustees, following legal advice, to reflect the years of non-payment or reduced salary. The total underpayment covering this period that was paid in 2021 amounted to £40,000. At the end of this financial year, the amount outstanding to the Estate of Rosina Markee in respect of unpaid and backdated pay was £66,832. This is shown as a creditor in note 8.

FOLLY'S END FELLOWSHIP TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST DECEMBER 2021

11. TRUSTEES AND OTHER RELATED PARTIES

During the year, one or more Trustees has been paid remuneration or has received other benefits from an employment or contract for services with the Company. The remuneration relates to the administrative and financial services provided to the charity and not for acting as trustee. The value of Trustees' remuneration, contract for services and other benefits was as follows:

Name of trustee	Legal authority	Amounts paid or benefit value			
		Remuneration	Contract	2021	2020
			for services	TOTAL	TOTAL
		£	£	£	£
F Stonelake	Governing document	5,000	0	5,000	6,000
D Williams *	Governing document	0	27,125	27,125	0
		5,000	27,125	32,125	6,000

* Payments were made to Avron Limited, a company of which Trustee D Williams is a director.

At the start of the year there were loans outstanding of £1,203 from Conference Events Limited, a company of which Trustee D Williams is a director. A total amount of £497 was repaid against the loan during 2021, leaving a balance of £706 owing to Conference Events Limited at 31st December 2021.

A related party to the CEO was paid £8,750 for their services rendered in relation to project work undertaken. Office rental for 2021 totalling £4,200 was also paid following thorough research undertaken by the Trustees regarding available office space, whereby they deemed this arrangement financially advantageous and in the charity's best interests.

12. STATEMENT OF FUNDS

Statement of Funds - current year

	Balance 01-Jan-21 £	Income £	Expenditure £	Transfers £	Gain/Loss £	Balance 31-Dec-21 £
General funds	3,003,679	43,011	(271,003)	300,000	-	3,075,687
Designated funds						
Education Fund	300,000	-	-	(300,000)	-	-
Restricted funds						
Church Centre, Complex Fund	1,150	-	-	-	-	1,150
Reachout Project	1,828	-	-	-	-	1,828
	3,306,657	43,011	(271,003)	-	-	3,078,665

Statement of Funds - prior year

	Balance 01-Jan-20 £	Income £	Expenditure £	Transfers £	Gain/Loss £	Balance 31-Dec-20 £
General funds	1,284,800	3,100	(821,578)	(984)	2,538,341	3,003,679
Designated funds						
Education Fund	300,000	-	-	-	-	300,000
Restricted funds						
Church Centre, Complex Fund	1,150	-	-	-	-	1,150
Reachout Project	1,828	-	-	-	-	1,828
Preschool Fund	14,495	37,325	(59,804)	984	7,000	-
	1,602,273	40,425	(881,382)	-	2,545,341	3,306,657

FOLLY'S END FELLOWSHIP TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST DECEMBER 2021

13. SUMMARY OF FUNDS

Summary of funds - current year

	Balance 01-Jan-21 £	Income £	Expenditure £	Transfers £	Gain/Loss £	Balance 31-Dec-21 £
General funds	3,003,679	43,011	(271,003)	300,000	-	3,075,687
Designated funds	300,000	-	-	(300,000)	-	-
Restricted funds	2,978	-	-	-	-	2,978
	3,306,657	43,011	(271,003)	-	-	3,078,665

Summary of funds - previous year

	Balance 01-Jan-20 £	Income £	Expenditure £	Transfers £	Gain/Loss £	Balance 31-Dec-20 £
General funds	1,284,800	3,100	(821,578)	(984)	2,538,341	3,003,679
Designated funds	300,000	-	-	-	-	300,000
Restricted funds	17,473	37,325	(59,804)	984	7,000	2,978
	1,602,273	40,425	(881,382)	-	2,545,341	3,306,657

14. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Analysis of net assets between funds - current year

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	TOTAL 2021 £
Tangible Fixed Assets	17,645	-	-	17,645
Current Assets	3,137,144	-	2,978	3,140,122
Creditors due within one year	(79,102)	-	-	(79,102)
	3,075,687	-	2,978	3,078,665

Analysis of net assets between funds - prior year

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	TOTAL 2020 £
Tangible Fixed Assets	25,207	-	-	25,207
Current Assets	3,004,018	300,000	2,978	3,306,996
Creditors due within one year	(25,546)	-	-	(25,546)
	3,003,679	300,000	2,978	3,306,657

15. POST BALANCE SHEET EVENT

The charity completed the purchase of a property located in Woodcote Valley Road, Purley to house a new Christian nursery. The purchase price paid by the charity was £966,500 and the sale completed in June 2022.

INDEPENDENT EXAMINER'S REPORT ON THE ACCOUNTS

I report to the trustees on my examination of the accounts of the above charity for the year ended 31st December 2021.

As the charity's trustees (who are also the directors of the company for the purposes of company law), you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the Act").

Responsibilities and basis of report

I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 Act and in carrying out my examination, I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination which gives me cause to believe that in, any material respect:

- the accounting records were not kept in accordance with section 130 of the Charities Act; or
- the accounts did not accord with the accounting records; or
- the accounts did 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 have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Signed:  FCIE

Date: 11th January 2023

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