

ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST MARCH 2022

**SKYLARK CHURCH**

(A company limited by guarantee)

CHARITY REGISTRATION NUMBER 1109961

COMPANY REGISTRATION NUMBER: 05442866

# SKYLARK CHURCH

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# SKYLARK CHURCH

## REFERENCE AND ADMINISTRATIVE DETAILS

<b>WORKING NAME</b>	Skylark Church
<b>CHARITY REGISTRATION NUMBER</b>	1109961
<b>COMPANY NUMBER</b>	05442866
<b>START OF FINANCIAL YEAR</b>	1st April 2021
<b>END OF FINANCIAL YEAR</b>	31st March 2022

John Grayston  
Peter Sims  
Nicola Sims  
Charles Kemp  
Wendy Ward  
Wayne Bishop

The existing directors appoint any new directors, following the provisions laid out in the Articles of Association.

<b>LEGAL STATUS</b>	Company Limited by Guarantee
<b>GOVERNING INSTRUMENT</b>	Registered as a Company on 4th May 2005 and as a charity on 10th June 2005.

### OBJECTS

The advance of the Christian faith in Essex and other parts of the United Kingdom or the World as the Directors may from time to time think fit and other such purposes which are exclusively charitable according to the law in England and Wales and are connected with the charitable work of the Charity.

<b>REGISTERED AND MAIN ADDRESS</b>	Unit 4 Hanbury Way Chelmsford Essex CM1 3AE
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<b>BANKERS</b>	HSBC 99 High Street Chelmsford CM1 1EQ
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<b>INDEPENDENT EXAMINERS</b>	Fisher Michael The Old Grange Lordship Road Writtle Chelmsford Essex, CM1 3WT
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<b>LENDERS</b>	Kingdom Bank Ruddington Fields Business Park Mere Way Ruddington Nottingham, NG11 6JS
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**SKYLARK CHURCH**  
**INDEPENDENT EXAMINERS' REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2022**

I report on the accounts of the company for the year ended 31 March 2022, which are set out on pages 8 to 19.

**Respective responsibilities of trustees and examiner**

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this period under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England and Wales (ICAEW).

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- to follow the procedures laid down in the general directions given to me by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention

**Basis of independent examiner's report**

My examination was carried out in accordance with the general directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

**Independent examiners statements**

In connection with my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with section 386 of the Companies Act 2006; and
- to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities; and
- that the accounts have not been prepared in accordance with the Charities SORP (FRS 102)

have not been met; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

*Andrea Kaley*

Andrea Kaley  
Chartered Accountant  
for and on behalf of Fisher Michael  
The Old Grange  
Warren Estate  
Writtle  
Chelmsford  
Essex, CM1 3WT

Date: 22/12/2022

**SKYLARK CHURCH  
DIRECTORS REPORT  
FOR THE YEAR ENDED 31ST MARCH 2022**

The Board of Trustees, who are also directors of the Company for the purpose of the Companies Act 2006, present their annual report and financial statements of the Charity for the year ended 31 March 2022.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities (FRS 102) (effective 1 January 2015).

**Structure, Governance and Management**

The Memorandum and Articles of Association administered by a Board of Directors govern the Centre. During the year these Directors were:

John Grayston  
Charles Kemp  
Peter Sims  
Nicola Sims  
Wendy Ward  
Wayne Bishop

Other Officers of the Centre are:

Secretary: Lesley Kemp  
Administrator: Eddie Lawless/Naomi Raggett  
Treasurer: Marcus Ward

The Charity is a Public Benefit Entity

**Organisational structure and appointment of trustees**

Newly appointed directors are provided with an informal induction to the charity and mentoring by established directors.

The company endeavours to maintain a balance of skills and expertise when seeking new or replacement directors. New directors undergo an induction process which involves meeting with directors and senior trust staff and are provided with an information pack detailing their responsibilities, governance, financial and other information relating to the structure and operation of the company. All directors are invited to attend a range of training events relating to both governance issues and specific areas of the charity's work.

The Board is constituted with a number of directors to bring a blend of different experience and capacities to make good judgement and contributions. New directors may be recruited from leaders within the church, key personnel of Skylark International, members of others churches in the locality or Christians in the local business community. Following proposal by one of the existing directors, new directors are appointed after review by the whole board, and are subject to induction training and continuous involvement in viewing the activities of the charity and understanding of its objectives.

The directors present the attached financial statements for the year ended 31st March 2022.

**Activities, Achievements and Performance**

When reviewing the aims and objectives of the centre and when planning future activities, we have referred to the guidance contained in the Charity Commission's general guidance on public benefit.

The aims of the Centre are to advance the Christian faith, to further Christian education, to relieve persons in need and to provide facilities for the community. Following the reduction of Covid-19 infection levels we have been able to return to more normal and face-to-face operations and seen a steady growth in attendance and activity, both in-person and online using our new 'hybrid' service model.

Towards advancing the Christian faith, following a return to in-person services (with a gradual reduction in Covid restrictions) we have moved to a 'hybrid' church model allowing for an active online congregation to join us for services and events via Livestream. We were able to run multiple Christmas Cafe Church services which were well attended and received by regular church members and visitors alike.

**SKYLARK CHURCH**  
**DIRECTORS REPORT (continued)**  
**FOR THE YEAR ENDED 31ST MARCH 2022**

**Activities, Achievements and Performance (continued)**

We are engaging in overseas mission, drawing on the resources and experience of several congregational members. We continue to support the overseas mission of Cherish Uganda and partnered with Big Love Charity to help fund food boxes in Romania and begin to send financial and gift assistance to Romania following the outbreak of the war in Ukraine.

Towards furthering Christian education, Life Groups are the principle mid-week meetings for Church and are mainly meeting physically again although some remain online to facilitate older people or families with young children. These provide a smaller forum with emphasis on detailed study based on the previous week's sermon and enable the congregation to grow together in their education. The groups are flexible in style and content, to cater for a wide range of needs and we have seen a rapid growth of new groups to cope with the increased need as people seek deeper connection following Covid isolation.

Within this framework, one group, DNA, exists for the benefit of new members, to give them an overview of the various events and ministries happening within the church and also to find out our core vision and values and since returning to in-person has had a large number of attendees as the church has seen an increasing influx of new members post-pandemic, in part due to the wealth of community outreach during the Covid-19 pandemic as well as the move to online livestreaming.

The senior generation, being the most vulnerable, have yet to return to in-person meetings and are served by a fortnightly praise CD which is recorded and sent to their homes, along with a message recorded by a member of the Church, to allow those who are less able to access our online hybrid services to continue to engage with Church. Our deaf congregation have begun to meet in-person again and have roughly 20 attendees, as well as monthly BSL interpreted online services being produced.

Skylark Kids has returned to facilitate kids work in line with Sunday services, and Little Ones toddler group has resumed on a Thursday morning, with more than 50 young children and parents/carers attending. There remains over 190 children on our register at present.

Skylark Youth continues to meet both during Sunday services and weekly on Sunday evenings at our second site, providing a vital link for youth within the Church as well as from our wider local community. We have also started a regular Young Adult's group for 18-30s and a transitional group called "The Gap" which aims to help youth transition into young adults within the church.

Regular welfare checks as well as monthly meals have restarted at Duke's Orchard, a local care home.

For those who are in financial need, the church gives gifts to members and others locally on an ad-hoc basis in response to known circumstances. Meals are also delivered to people who have had new babies, moved house, are unwell to mental or physical sickness or just having a difficult time. Whilst the provision of pre-paid supermarket cards has slowed with the decrease in Covid-19 levels, these are still given out where necessary and provision of food boxes to bless those most vulnerable, highlighted to us by local schools, continues to grow.

The church's pastoral and counselling services have been able to continue with a mix of online and face-to-face appointments, and continue to operate at high volume due to the increased mental health burden from Covid-19. We were also able to continue running online marriage courses to help people invest into their marital health. Flourish and Shine, self-esteem courses working with teenage girls and female victims of domestic violence respectively, have been able to restart and Flourish has been able to run in 3 schools with several more keen to start courses.

**SKYLARK CHURCH**  
**DIRECTORS REPORT (continued)**  
**FOR THE YEAR ENDED 31ST MARCH 2022**

**Activities, Achievements and Performance (continued)**

This year we have continued our work alongside Tesco to regularly distribute food to those in need, including some refugee families, Safer Places Women's Refuge and to Chess, a Chelmsford local homeless charity, along with our food parcels and vouchers. We still maintain our support of Lighthouse Centre, an independent charity responding to need in the area of crisis pregnancy and loss.

The church is in healthy relationship with Skylark International, (formerly CGI), a growing organisation currently overseeing a number of churches in the UK and overseas as well as other Christian ministries. The church draws support, encouragement, inspiration from Skylark International and is pleased to give a minimum of 10% of its offering to it to help facilitate the work of our wider movement.

The church remains dependent on volunteers for a great number of its activities. It is impossible to gauge the financial benefits of such acts of service, but the spiritual returns are exponentially greater. Without the volunteers the church would not be able to function at its current level of output and the directors wish to take this opportunity to express their heartfelt thanks to all who have given freely of their time, talents, resources and energy, and for those who have stepped into new challenges and volunteering roles following the pandemic, at a time when many churches and charities have been struggling for volunteers.

**Future Plans**

Since taking ownership of the building in Hanbury Road we have assessed the suitability of the building for our future requirements and a number of improvements to the building. Further improvements may take place depending on funding.

We will continue to develop our relationships with partner schools and organisations throughout our city and wider community now that our face-to-face community activities have restarted. We are partnering with Restored charity to become a "Beacon Church", training Core members of the church and a new team on how to support and respond to victims of domestic abuse. We intend to continue the development of our Hybrid Church model to include live worship streamed to our online congregation.

**Major Risks and Controls**

The major risk is in respect of the value and volatility of income, as the charity is dependant on voluntary giving. This is partly managed through cash flow monitoring and altering the timing of expenditure to reflect that on the income.

**Financial Review**

The Centre's funds are applied to support Christian Mission through local teaching and worship, Christian missionary work in the UK and abroad.

In the year ended 31st March 2022 major expenses were applied as follows:

In support of full and part time staff £255,285

By way of a tithe to Skylark International £37,200

Maintenance of premises for worship and teaching locally, including mortgage interest of £27,113

In support of Christian Ministry workers in the UK and abroad £18,860

During the year there was a small surplus of £4,190.

Accounting practices remained unchanged for the financial year. The reserves policy is stated in note 15 to the financial statements. Sundry restricted funds were continued during the past financial year for the purposes of raising funds for specified individuals and circumstances, as detailed in the notes to the financial statements.

**SKYLARK CHURCH**  
**DIRECTORS REPORT (continued)**  
**FOR THE YEAR ENDED 31ST MARCH 2022**

**Statement of Directors' Responsibilities**

The trustees ( who are also directors of Skylark Church for the purposes of company law) are responsible for the overall management of the Charity, ensuring compliance with the Charity's objects and relevant legislation and also to define and agree the strategic aims and objectives of the Charity.

The trustees are responsible for preparing the Annual Report and Financial Statements in accordance with applicable law and 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 charitable Company's financial activities during the year and its financial position at the end of the year.

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

- Select suitable accounting policies and apply them consistently;
- Observe the methods and principles in the Charities SORP 2015
- Make judgments and accounting estimates that are reasonable and prudent;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue to operate

The trustees confirm that they have complied with the above requirements in preparing the financial statements.

The trustees are responsible for ensuring that proper accounting records are kept which disclose with reasonable accuracy at any time the financial position of the charitable Company 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.

**Statement as to Disclosure of Information to Independent Examiners**

So far as the Directors are aware, there is no relevant audit information (as defined by section 418 of the Companies Act 2006) of which the charities independent examiner's are unaware, and each director has taken all the steps they ought to have taken as director in order to make themselves aware of any relevant examination information and to establish that the charity's independent examiners are aware of that information.

**Approval of Annual Report**

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by the Board of Directors on 22/12/2022 .....



Peter Sims  
Signed on behalf of the Board of Directors



**SKYLARK CHURCH**  
**(Company number 5442866)**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**(Incorporating an Income and Expenditure Account)**  
**FOR THE YEAR ENDED 31ST MARCH 2022**

		Unrestricted	Restricted	Total to 31	Total to 31
	Notes	Funds	Funds	March	March
		£	£	2022	2021
				£	£
<b>INCOME</b>					
<b>Incoming resources from generated funds</b>					
Donations and legacies	2a	422,221	10,699	432,921	465,659
Other trading activities	2b	21,674	-	21,674	18,495
Investment income	2c	8	3	11	40
<b>TOTAL INCOMING RESOURCES</b>	<b>2</b>	<b>443,904</b>	<b>10,702</b>	<b>454,606</b>	<b>484,194</b>
<b>EXPENDITURE</b>					
<b>Cost of generating funds</b>					
Charitable activities	3a	405,265	36,457	441,722	500,458
Governance costs	3b	8,693	-	8,693	8,094
<b>TOTAL RESOURCES EXPENDED</b>	<b>3</b>	<b>413,958</b>	<b>36,457</b>	<b>450,415</b>	<b>508,552</b>
<b>NET (OUTGOING) / INCOMING RESOURCES BEFORE TRANSFERS</b>		<b>29,946</b>	<b>( 25,755)</b>	<b>4,190</b>	<b>( 24,359)</b>
Transfers between funds	4	( 12,837)	12,837	-	-
<b>NET (OUTGOING) INCOMING RESOURCES FOR YEAR</b>		<b>17,109</b>	<b>( 12,918)</b>	<b>4,190</b>	<b>( 24,359)</b>
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward	4	348,689	85,229	433,918	458,276
<b>TOTAL FUNDS CARRIED FORWARD</b>	<b>4</b>	<b>365,798</b>	<b>72,310</b>	<b>438,108</b>	<b>433,918</b>

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

**SKYLARK CHURCH**  
**(Company number 5442866)**  
**BALANCE SHEET**  
**AS AT 31ST MARCH 2022**

	Notes	Unrestricted Funds £	Restricted Funds £	Total 31 March 2022 £	Total 31 March 2021 £
<b>FIXED ASSETS</b>					
Tangible Assets	6	295,556	508,134	803,690	822,097
<b>CURRENT ASSETS</b>					
Debtors	9	7,273		7,273	8,474
Cash at bank and in hand	10	69,097	44,345	113,442	102,923
<b>TOTAL CURRENT ASSETS</b>		<u>76,370</u>	<u>44,345</u>	<u>120,715</u>	<u>111,397</u>
<b>LIABILITIES</b>					
Creditors: amounts falling due within one year	11	6,128	13,313	19,443	19,239
<b>NET CURRENT ASSETS</b>		<u>70,242</u>	<u>31,032</u>	<u>101,272</u>	<u>92,158</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>365,799</u>	<u>539,165</u>	<u>904,963</u>	<u>914,256</u>
Creditors: amounts falling due after one year	12	-	53,259	53,259	50,504
Creditors: amounts falling due after five years	12	-	413,596	413,596	429,834
<b>NET ASSETS</b>		<u>365,799</u>	<u>72,310</u>	<u>438,108</u>	<u>433,918</u>
<b>THE FUNDS OF THE CHARITY</b>					
Unrestricted income funds	4	365,798	-	365,798	348,689
Restricted income funds	4	-	72,310	72,310	85,229
<b>TOTAL CHARITY FUNDS</b>	4	<u>365,798</u>	<u>72,310</u>	<u>438,108</u>	<u>433,918</u>

The charitable company is entitled to exemption from audit under section 477 of the Companies Act 2006 for the year ended 31st March 2022.

The members have not required the charitable company to obtain an audit for its financial statements for the financial year ended 31st March 2022 in accordance with section 476 of the Companies Act 2006

The trustees acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and its surplus or deficit for each 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 financial statements, so far as applicable to the company

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies.

22/12/2022

Approved by the Board of Directors on .....



Peter Sims

Signed on behalf of the Board of Directors

The notes on pages 10 to 19 form part of these financial statements

**SKYLARK CHURCH**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST MARCH 2022**

**1. ACCOUNTING POLICIES**

**Accounting Convention**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

**Fund Accounting**

Unrestricted funds are available for use at the discretion of the trustees in the furtherance of the general activities of the charity.

Restricted funds are subject to restrictions placed on their expenditure imposed by the donor.

There are no designated funds that the directors have earmarked for specific purposes.

Incoming resources are included in the Statement of Financial Activities (SOFA) when the charity becomes entitled to the resources, the directors are virtually certain they will receive the resources and the monetary value can be measured with sufficient reliability.

Where incoming resources have related expenditure (as with fundraising or contract income), the incoming resource and related expenditure are reported gross in the SOFA.

Grants and donations are only included in the SOFA when the charity has unconditional entitlement to the resource.

Incoming resources from tax reclaims are included in the SOFA at the same time as the gift to which they relate.

Gifts in kind are accounted for at a reasonable estimate of their value to the charity or amount actually realised. Gifts in kind for sale or distribution are included in the accounts as gifts only when sold or distributed by the charity. Gifts in kind for use by the charity are included in the SOFA as incoming resources when receivable.

Donated services and facilities are included in incoming resources (with an equivalent amount in resources expended), 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.

The value of volunteer help received is not included in the Financial Statements, but is described in the director's report.

Investment Income is included in the Financial Statements when receivable.

**Resources Expended and Creditors**

Liabilities are recognised when incurred or a commitment is made.

Governance costs include costs of the preparation and examination of statutory financial statements, the costs of director's meetings and legal advice to directors on governance or constitutional matters.

Where the charity has given a grant with conditions for its payment being a specific level of service or output to be provided, such grants are only recognised in the SOFA once the recipient of the grant has provided the specified service or output.

**SKYLARK CHURCH**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31ST MARCH 2022**

**1. ACCOUNTING POLICIES (Continued)**

**Resources Expended and Creditors (Cont.)**

Grants made or received without performance conditions are only recognised in the SOFA, when a commitment has been made and there are no conditions to be met relating to a grant which remain in the control of the charity.

Support costs including central functions have been allocated to activity cost categories on a basis consistent with the use of resources.

**Value Added Tax**

The Charity's activities are classified as exempt for the purposes of value added tax and the Charity is unable to reclaim the value added tax which it suffers on its expenses. Expenditure in these financial statements is therefore shown inclusive of value added tax.

**Tangible Fixed Assets**

Tangible fixed assets for use by the charity are capitalised if they can be used for more than one year and cost at least £500. They are valued at cost or if gifted at the value to the charity on receipt.

Depreciation is calculated at a rate to write off the cost of the tangible fixed asset on a straight line basis over their estimated useful life. The rates applied per annum are as follows:

<b>Fixed Asset Class</b>	<b>Depreciation Rate</b>
Freehold Land	0%
Freehold Buildings	2.5%
Fixtures, Fittings and Equipment	33%
Leasehold building improvements	33%
Motor Vehicles	25%

There has been no changes to the accounting policies ( valuation rules and methods of accounting) since last year. The legal, banking, valuation and other expenses related to the purchase are expensed rather than capitalised.

**Pension Scheme**

The charity contributes to a Skylark International group scheme with Royal London at rates set by the scheme actuary and advised to the board by the scheme administrator. The scheme is a multi employer charity Scheme and advice to the board is by the scheme actuary. In accordance with FRS17 the scheme is accounted for as a defined contribution scheme.

**Operating Leases**

Rentals payable under operating lease agreements are charged as expenditure on a straight line basis over the term of the lease.

**Debtors**

Short term debtors are measured at the transaction price, less any impairment.

**Financial Instruments**

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like other debtors, creditors, loans from banks.

**SKYLARK CHURCH**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31ST MARCH 2022**

**2. INCOME**

	Unrestricted Funds £	Restricted Funds £	Total to 31 March 2022 £	Total to 31 March 2021 £
<b>a) Donations and Legacies</b>				
General and Weekly Offerings	308,997	4,041	313,038	334,283
Donations and CAF Vouchers	17,232	6,658	23,890	59,310
Tax Recovered	69,969	-	69,969	66,633
Vision Offerings	26,023	-	26,023	5,433
	<u>422,221</u>	<u>10,699</u>	<u>432,921</u>	<u>465,659</u>
<b>b) Other Trading Activities</b>				
Fees Received	16,827	-	16,827	18,426
Sales	4,262	-	4,262	70
Rental Income	585	-	585	-
	<u>21,674</u>	<u>-</u>	<u>21,674</u>	<u>18,496</u>
<b>c) Investment Income</b>				
Bank Interest	<u>8</u>	<u>3</u>	<u>11</u>	<u>40</u>
	<u>8</u>	<u>3</u>	<u>11</u>	<u>40</u>
<b>d) Other Income</b>				
Current Account Adjustment	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>443,904</u>	<u>10,702</u>	<u>454,606</u>	<u>484,194</u>

**SKYLARK CHURCH**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31ST MARCH 2022**

**3. EXPENDITURE**

	Note	Unrestricted Funds £	Restricted Funds £	Total to March 2022 £	Total to March 2021 £
<b>a) Costs of Charitable Activities</b>					
Salaries National Insurance and Pensions	5)	255,285	-	255,285	268,217
Training and Education		3,370	-	3,370	1,975
Mission and Support Grants:	3 c)	56,060	-	56,060	64,507
Building Mortgage interest		27,113	-	27,113	27,780
Building Repairs and Maintenance		9,893	-	9,893	3,647
Cleaning		4,508	-	4,508	1,378
Security and Safety		2,106	-	2,106	2,250
Water, Heat and Light		12,364	-	12,364	7,149
Bank Charges		475	-	475	439
Books, CD's and DVDs		559	-	559	542
Computer and Internet		988	-	988	1,328
Depreciation		6,346	18,328	24,674	23,545
Entertainment and Catering		2,174	-	2,174	-
Equipment and Materials		3,697	1,249	4,946	1,495
Food and Accommodation		4,182	5,213	9,395	13,685
Hire of Facilities		300	-	300	882
Insurances		8,430	-	8,430	8,266
Outside Support Services		10,897	1,600	12,497	21,291
Pastoral Gifts and Expenses		1,453	10,058	11,512	36,841
Postage and Courier		-	-	-	382
Printing and Stationery		2,765	9	2,774	3,313
Outside Speakers		650	-	650	2,050
Telephone and Fax		10,826	-	10,826	7,644
Travel Costs		31	-	31	76
Vehicle Running Costs		603	-	603	775
Grant Refund		-	-	-	1,000
Bank Charges refunded		( 19,811)	-	( 19,811)	
		<u>405,265</u>	<u>36,457</u>	<u>441,722</u>	<u>500,458</u>
<b>b) Governance Costs</b>					
Subscriptions and Licenses		6,493	-	6,493	5,982
Independent Examination fees - current year		2,200	-	2,200	2,113
		<u>8,693</u>	<u>-</u>	<u>8,693</u>	<u>8,095</u>
		<u>413,958</u>	<u>36,457</u>	<u>450,415</u>	<u>508,553</u>

**SKYLARK CHURCH**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31ST MARCH 2022**

**3 c) Mission and Support Grants:**

	Unrestricted Funds	Restricted Funds	Total to 31 March 2022	Total to 31 March 2021
Local and UK Organisations				
Skylark International	37,200	-	37,200	40,687
Mrs Race	-	-	-	4,620
Lighthouse Family Trust	1,200	-	1,200	1,200
CHESS	1,200	-	1,200	-
Care for the Family	1,200	-	1,200	1,200
Kintsugi Hope	3,000	-	3,000	3,500
ROC	-	-	-	1,200
Mothers Union	-	-	-	500
Overseas Mission Organisations				
Cherish a Child	6,760	-	6,760	6,600
Outstretched Hands	5,000	-	5,000	5,000
Centrum Rampa	500	-	500	-
	<u>56,060</u>	<u>-</u>	<u>56,060</u>	<u>64,507</u>

The mission and support grants are for the following purposes:

- The tithe to Skylark International is towards supporting the movement to which SC belongs.
- Lighthouse Family Trust is a pregnancy advice service operating in Chelmsford.
- CHESS is a charity providing shelter and support for the homeless.
- Care for the Family's aim is to promote strong family life and to help those who face family difficulties.
- Kintsugi Hope exists to create safe and supportive spaces for those experiencing mental and emotional health challenges
- Cherish a Child supports AIDs orphans in Uganda.
- Outstretched Hands is a charity working with the poor in Romania.
- Centrum Rampa is a charity based in Poland seeking to work with the disadvantaged - the gift this year was towards their work with Ukranian refugees.

**SKYLARK CHURCH**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31ST MARCH 2022**

**4. FUNDS OF THE CHARITY**

	Opening Balance at 1 April 2021 £	Incoming Resources £	Resources Expended £	Transfers £	Closing Balance at 31 March 2022 £
<b>Restricted Funds</b>					
Community Fund	30,825	957	(3,638)	16,801	44,945
Pastoral Fund	19,304	9,743	(14,481)	-	14,566
Petchey Achievement Awards	3,176	-	(839)	-	2,338
Other	31,923	-	(17,500)	(3,964)	10,459
	<u>85,229</u>	<u>10,702</u>	<u>(36,457)</u>	<u>12,837</u>	<u>72,310</u>
<b>Unrestricted Fund</b>	348,689	443,904	(413,958)	(12,837)	365,798
	<u>433,918</u>	<u>454,606</u>	<u>(450,415)</u>	<u>0</u>	<u>438,108</u>

The Community fund covers work that Skylark Church performs in and for the Community and includes assets transferred from ROC Chelmsford.

The Pastoral fund holds donations for pastoral care of individuals within the Church and to support individuals in the community and homes run by local charities.

The Petchey achievement awards scheme is to support monthly awards to youth groups.

The Other category contains restricted funds for items related to buildings.

**5. STAFF COSTS AND NUMBERS**

	31-Mar-22 £	31-Mar-21 £
Gross Wages and Salaries	221,188	231,761
Employer's National Insurance	12,058	12,951
Employer's Pension Contribution	22,039	23,505
	<u>255,285</u>	<u>268,217</u>

The average number of employees who were engaged in the year is as follows:

	31-Mar-22	31-Mar-21
Activities in furtherance of organisation's objects	13	13
Full time equivalent	8	7

The charity operates a PAYE scheme to pay all employed members of staff. No individual employee received emoluments over £60,000.

The charity contributes to a Pension Fund with Royal London (previously branded as Scottish Life). Contributions are made by the employees at 4% and the employer at 10% for those employees



**SKYLARK CHURCH**  
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**FOR THE YEAR ENDED 31ST MARCH 2022**

**6. TANGIBLE FIXED ASSETS**

	Freehold Land and Buildings £	Building Renovations £	Fixtures Fittings and Equipment £	Total £
<b>Cost</b>				
At 31st March 2021	965,074	22,916	109,863	1,098,854
Additions		2,357	3,910	6,267
Disposals				-
As at 31st March 2022	965,074	25,273	113,773	1,105,121
<b>Depreciation</b>				
As at 1st April 2021	153,642	22,376	99,738	276,757
Charge for the year	17,500	1,130	6,043	24,674
Elimination on disposals				0
As at 31st March 2022	171,142	23,506	105,781	301,431
<b>Net Book Value</b>				
At 1st April 2021	811,432	540	10,125	822,097
At 31st March 2022	793,932	1,767	7,992	803,690

The freehold land and buildings comprise of the chapel on Chignal Road, Chelmsford and Unit 4 on Hanbury Road, Chelmsford. The unit at Hanbury Road was purchased for £845,000 in June 2012. The directors have allocated £145,000 to land and £700,000 to the building, with the building being depreciated. Both premises are used for the charity's activities and therefore are included at cost. As there are few similar properties in the area the market value is difficult to calculate. As part of the purchase of Hanbury Road the chapel was valued by the bank securing the loan against it and the directors believe that the valuation is similar to the £120,000 which is included in the above.

The additions this year relate to a replacement office front door and the purchase of lighting and video equipment to support online broadcasting of services.

**7. COMMITMENTS UNDER OPERATING LEASES**

The Charity had a rental and copy charges on a photocopier in the office for five years which started in 2017 and was due to expire in April 2022. A renewal of the photocopier rental was agreed in October 2020 with the lease commencing in November 2020. The new lease is due to expire in November 2025. The Charity also had a rental charge on a cloud telephone system for five years which was due to expire in April 2024. This was paid off early in July 2021 and a new system purchased outright with a monthly rental to cover running costs.

	31-Mar-22 £	31-Mar-21 £
Obligation per annum:		
Within One Year	873	1,543
Between one and five years	3,200	4,460
	<u>4,073</u>	<u>6,003</u>

**SKYLARK CHURCH**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31ST MARCH 2022**

**8. TAXATION**

As a charity, Skylark Church is exempt from tax on income and gains falling within section 478 of the Corporation Tax Act 2010 (CTA 2010) to the extent that these are applied to its charitable objects. No tax charges have arisen in the Charity.

**9. DEBTORS AND PREPAYMENTS**

	31-Mar-22	31-Mar-21
	£	£
Tax Recoverable	5,437	7,497
Sundry Debtors and Prepayments	1,836	977
	<u>7,273</u>	<u>8,474</u>

**10. CASH AT BANK AND IN HAND**

	31-Mar-22	31-Mar-21
Current Account	20,594	15,519
Deposit Account	48,434	35,629
Community Account	44,345	51,731
Cash	69	44
	<u>113,442</u>	<u>102,923</u>

**11. CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31-Mar-22	31-Mar-21
	£	£
Accruals	1,362	1,311
Audit and Accountancy	2,100	2,100
Credit Cards	2,666	3,202
Mortgage payable within one year	13,315	12,626
	<u>19,443</u>	<u>19,239</u>

**12. CREDITORS AMOUNTS FALLING DUE AFTER ONE YEAR**

	31-Mar-22	31-Mar-21
	£	£
Mortgage repayable over 30 years to June 2042 due as follows:		
Between one and five years	53,259	50,504
In more than five years	413,596	429,834
	<u>466,855</u>	<u>480,338</u>

The mortgage is a repayment loan and bears a interest which is currently 5.5%.

**SKYLARK CHURCH**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31ST MARCH 2022**

**13. RISK ASSESSMENT**

The directors actively review the major risks which the charity faces on a regular basis and believe that maintaining the free reserves stated, combined with the annual review of the controls over key financial systems carried out, will provide sufficient resources in the event of adverse conditions. The directors have also examined other operational and business risks which they face and confirm that they have established systems to mitigate the significant risks.

**14. RELATED PARTIES**

The following amounts were paid to or on behalf of related parties:

Related Party	Salary	Pension contributions	Grant	Other	Total to 31 March 2022	Total to 31 March 2021
	£	£	£	£	£	£
Peter & Nicola Sims	66,500	6,650	-	559	73,709	73,491
Lesley Kemp	5,400	540	-		5,940	8,910
Skylark International	-	-	37,200	-	37,200	40,687
	<u>71,900</u>	<u>7,190</u>	<u>37,200</u>	<u>559</u>	<u>116,849</u>	<u>123,088</u>

Subject to certain conditions, the Memorandum of association permits directors who offer their services to the Charity as a religious pastor, to be remunerated out of income or property of the charity.

In the Related Party list above, Peter & Nicola Sims are Pastors & Trustees, Lesley Kemp is the wife of Charles Kemp who is a trustee.

Skylark International is a charity which supports a network of churches and ministries, organising joint events, leadership conferences and training. Its primary funding comes from contributions made by the churches within the Skylark International network. Skylark Church is one of these churches.

Peter & Nicola Sims are also Leaders & Trustees of Skylark International

Two of the directors have received payment for travel, subsistence and study expenses of £559 (prior year £341) in relation to services provided to the Company.

During the year the following amounts were received from related parties:

Related Party	Total to March 2022	Total to March 2021
Skylark International - Payment for Admin Support	12,307	11,109
	<u>12,307</u>	<u>11,109</u>

**SKYLARK CHURCH**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31ST MARCH 2022**

**15. RESERVES POLICY**

The directors have considered the level of reserves they wish to retain, appropriate to the charity's needs. The directors consider it appropriate to retain a level of reserves held in liquid assets equal to one week of running costs. This is based on the charity's size and the level of commitments held. The directors aim to ensure the charity will be able to continue to fulfil their charitable objectives even if there is a temporary shortfall in income. The directors will endeavour to not 'sit' on funds unnecessarily.