



SHOFAR CHRISTIAN CHURCH LTD

Report and Accounts

18 months ended 31 December 2020

SHOFAR CHRISTIAN CHURCH LTD
COMPANY INFORMATION
FOR THE 18 MONTHS ENDED 31 DECEMBER 2020

Directors/Trustees	H Titus E de Waal N Bain (appointed March 2021) S Mazibuko (appointed March 2021) J Duminy (resigned March 2021)
Key Staff	H Opperman
Governing Document	Memorandum and Articles of Association Dated 28 June 2005. Amended May 2009 and July 2020
Company Registration Number	05493001
Charity Registration Number	1111629
Registered Office	52 Havelock Road London SW19 8HD
Independent Examiner	Stephen Mathews FCA Stewardship 1 Lamb's Passage London EC1Y 8AB
Bankers	HSBC PUTNEY SW 172 Upper Richmond Rd SW15 2SH

Contents	Page
Company Information	1
Trustees' Annual Report	2-6
Independent Examiner's Report	7
Statement of Financial Activities	8
Balance Sheet	9
Notes to the Accounts	10-16
[Detailed Statement of Financial Activities with Comparatives]	17

SHOFAR CHRISTIAN CHURCH LTD
TRUSTEES' ANNUAL REPORT
(INCORPORATING Trustees' REPORT)
FOR THE 18 MONTHS ENDED 31 DECEMBER 2020

Shofar Christian Church Ltd (the Church), is registered with the Charity Commission in England and Wales (number 1111629) and is a Private Limited Company, governed by its Memorandum and Articles of Association and operates under the name of Shofar UK. The Trustees are collectively referred to as the Trustees in this report.

The Trustees present their report, incorporating the strategic report, together with the financial statements of the Church, for the period from 1 July 2019 to 31 December 2020.

Structure, Governance and Management

The organisational and management structure for this Church is built around accountability, transparency and communication. To achieve this, the Trustees includes members who represent the spirit, ethos and character of what the Church stands for and believes in and ensures an overall, holistic diagnosis of the Church's health and vitality.

Responsibility for setting policy and making operating decisions rests with the Trustees who meet regularly to monitor the activities of the Church. Responsibility for the day to day operations of the Church has been delegated to a pastoral team. New trustees are recruited and appointed by the existing trustees, by a majority vote.

Two new Trustees have recently been appointed to account for the ever present need to have active members in the church be present in board meetings. The two members are Mr. Nigel Bain and Mr. Sifiso Mazibuko and both of them have also served as spiritual leaders in the Church, for the past four years.

Strategic report

Objectives and Activities

The charity is a charitable company and is governed by its memorandum and articles of association. The objects of the charity, as set out in the governing document are:

- a) advance the Christian faith,
- b) advance education in accordance with Christian principles,
- c) relieve persons who are in conditions of need or hardship.

The Trustees note that the Church is not a building, but a gathering of ordinary people of different ages and backgrounds, whose lives have been changed by Jesus Christ, the Son of God. The New Testament reveals the Church as a community of people, properly taught and cared for, whom by loving and serving Jesus Christ, were also committed to love and care for each other and to bring a blessing to the area in which they lived. Shofar Christian Church; its trustees, elders and members are committed to the restoration of those New Testament principles. It is not alone in this, it is one of many Churches in the area, country and all over the world that is rediscovering the excitement of knowing Jesus Christ. The vision is to see the people of London, the wider UK and across Nations as opportunity permits, come into this experience of knowing Jesus as their Lord, Saviour and friend. Shofar UK is committed to enabling as many people as possible to worship at our church and to become part of their local congregation. Shofar Christian Church services are held on a Sunday in Wimbledon. However, due to constraints imposed by the COVID-19 pandemic we moved to predominantly online services from March 2020. This was supplemented with occasional socially distanced meetings at our venue and gatherings in permitted spaces such as local parks in accordance with Government guidelines.

SHOFAR CHRISTIAN CHURCH LTD
TRUSTEES' ANNUAL REPORT
(INCORPORATING Trustees' REPORT)

FOR THE 18 MONTHS ENDED 31 DECEMBER 2020

To further promote and support the objectives and vision of the Church as set out above, Shofar UK undertook various activities throughout the year. With unprecedented global circumstances pre-empting planned activities, there was considerable scope for innovation and an opportunity to explore other forms of community. At the end of March 2021 the church moved out of its rented venue in the YMCA building, which was required to allow scheduled renovations to the property. The impact of the move was not significant in terms of disruption as church activity was already being facilitated online. Nonetheless, we had mixed emotions tinged with sadness because of the time and love we'd poured into making the place our own, but also excited for the new season ahead.

The activities of the Church consisted mainly of the following:

- Online church on Sundays (a combination of Livestream and pre-recorded uploads). The requirement to comply with Government guidelines posed a unique challenge to the culture and social makeup of Shofar Christian Church. This encouraged a dual focus of compliance alongside the necessity of providing an environment of faith, support and sustained vision.
 - We are blessed in the sense that our communication platforms have for some time involved the use of online and social media resources, such as Facebook, YouTube and Zoom. This made the transition to online services far less painful than it may otherwise have been. Essentially, it was an extension of the service we were already providing and trying to establish.
 - We were particularly sensitive to the needs of Shofar members to maintain community at a time when the general narrative was one of isolation, social distancing and restricted activities.
 - Awareness of God's perspective was something we focused on prayerfully and with a definite intent to present the relevance of the gospel in every situation. This was a unique opportunity to witness the sovereignty of God and His faithfulness to us as a church family. Needless to say, He did not let us down.
 - Utilising the online platforms was vital to our community focused approach, which included after service Zoom calls for ministry and social gatherings. This was further extended to our small groups, which continued in the same vein. Additionally, we introduced accountability groups that sort to provide a much needed reference to Discipleship and maintaining God focused objectives in the face of National confusion and uncertainty.
 - At the heart of our focus was an established culture of prayer. This was particularly prevalent during the first lockdown period when we introduced online intercession meetings at 6am every morning. We can't underestimate the importance of prioritising our relationship with the Father and providing the opportunity for members to participate collectively in seeking God and sharing in His vision for Shofar.
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- The Bible was integral to our activities as we explored the book of Daniel in depth through lockdown with weekly online meetings on Tuesday mornings. It wasn't difficult to appreciate the richness of God's word, which added to the whole experience of doing life together in testing times. What a privilege it is to know our God is so intimately involved in every aspect of our lives. In a similar vein, we are currently working through the book of Acts every Friday morning.
 - The evidence of God's care and concern was tangible in so many ways, none more so than the setup of the Body Serve donation appeal to serve members of Shofar and the local community in need. Shofar members contributed generously to the fund and money was distributed accordingly to its recipients and in accordance with the church's stewardship principles.
 - With all that's been said, it may appear there were few problems experienced by the church and we serenely soared over every hurdle. To imply as much would be misleading and it's therefore remiss not to mention the context for all the activities. The reality is that it was one of the toughest times for the church as we faced emotional, practical, relational and 'technical' difficulties all while trying to adjust to the ever changing circumstances. The good news is that Jesus Christ is Lord of all and He has been with us every step of the way.

SHOFAR CHRISTIAN CHURCH LTD
TRUSTEES' ANNUAL REPORT
(INCORPORATING Trustees' REPORT)
FOR THE 18 MONTHS ENDED 31 DECEMBER 2020

Achievements and Performance

With the aforementioned innovative approach inspired through adverse circumstances, the Church flourished in many respects during the past year; and this is reflected in the summary of achievements as follows:

- Shofar Christian Church had another successful new Bible School intake; this includes a new format that supports the discipleship culture we want to introduce. Using the online platforms, Europe and UK students can study together, which further exemplifies the community at heart within Shofar and extends fellowship opportunities with our sister church, Shofar Utrecht based in the Netherlands.
- The convenience of being able to conduct studies remotely has also improved attendance with students seemingly more enthusiastic to participate.
- Continuing the online theme we hosted our first Planted Camp on Zoom, which was a huge success. This event occurs annually over the August bank holiday from Friday to Monday and would normally take place at a hired venue with accommodation provided. It's pivotal to the direction of Shofar as it sets the tone prophetically in terms of God's vision for the church and focus for the year ahead. For similar reasons to the Bible School, it was extremely well attended online across the weekend. Participants included members from the UK, Netherlands, Germany and South Africa.
- The preclusion of regular church activity due to the pandemic was undoubtedly a catalyst for the development of our Social Media strategy. As mentioned, we were already using social media resources as part of our Service. However, this was precipitated to new levels as the learning curve veered acutely in an upward trajectory. Digital editing courses have been undertaken and new equipment is being purchased as we faithfully move forward in this regard.
- We are also proud of our Shofar UK website as it offers visitors a genuine window into the heart of the church and our values at its core.
- Other notable achievements include our burgeoning women's ministry, which delivered the online Awaken women's event in November to almost 50 participants. This has since been followed by several smaller events specifically for women, from social gatherings to focused ministry and teaching.
- There are so many other things we could mention, but at this point we'd like to take the opportunity to give thanks to God for His faithfulness throughout the past year. Without Him, we would not have been able to rejoice at the Visa extensions afforded to our Pastor and his family at the eleventh hour. The story continues and we look forward to journeying together as a church and family.

Most the Church's activities are undertaken by volunteers and the Church could not operate effectively without their efforts. In planning the activities the Trustees have applied the guidance on public benefit issued by the Charity Commission.

Plans for the future

The immediate plans for the future of the Church are naturally in keeping with the current circumstances. Having recently left our formal meeting venue, Shofar Christian Church is embarking on a journey with its members to find a new place to call home.

We expect to continue with the established online format in combination with informal social gatherings for the foreseeable future. This will be interspersed with church services held at temporary venues as opportunities arise.

With respect to the operational practices of the Church and its future plans in this regard, they are defined by our core values and vision, which remains the same in principle.

SHOFAR CHRISTIAN CHURCH LTD
TRUSTEES' ANNUAL REPORT
(INCORPORATING Trustees' REPORT)
FOR THE 18 MONTHS ENDED 31 DECEMBER 2020

Financial review

The Church's financial year-end was changed from June to December, in order to align reporting dates with the rest of the Shofar family of churches. This change in year-end means 2019/20 figures include 18 months of actuals from 1 July 2019 to 31 December 2020 (The 2018/19 accounts were for the 12 months period 1 July 2018 to 30 June 2019).

Donations received during the 18 month period were £101,215. To ensure a like-for-like comparison with donations received in the prior year, a twelve month equivalent would equate to £67,477 (2018/19 £86,756). The 22% decline in donations reflects the reality that this was the first full financial year with only one congregation in London (the Guildford branch was closed during the 2018/19 financial year). The indebtedness to Shofar Utrecht (in the Netherlands) of £4,834 detailed in Note 9 to the accounts, has been confirmed as written off by that church as a gift to Shofar UK in April 2020. The Trustees are extremely grateful for this support.

Expenditure totalled £119,690 in the period. On a twelve month equivalent basis (£79,793) this was a reduction of 28% from £111,325 in 2018/19. The significant reduction in costs were largely due to reduced rental costs. The YMCA has been very supportive of the church through out the three years, which included £21,000 in donated facilities and services in 2018/19 as described in Note 3 to the accounts. It should also be noted that the building in which the Church rented office space, is being demolished and this was the only reason why the Church was asked to vacate the premises in February 2021.

Funds in deficit

The position of the church finances remains a significant concern although the Church is currently able to both pay the current levels of operating costs but also meet its debts as they fall due under the agreed arrangements. Net current liabilities at the balance sheet date stood at approximately £2,585. This was an improvement on the prior year results (£5,040 deficit).

Reserves policy

The Trustees recognise the urgency to restore the reserves of The Church. Various measures implemented historically and continued in the current year to appropriately reduce the cost structure. Initiatives continue to ensure that an appropriate cost structure is in place to commensurate with current income levels. Given the stabilisation in congregation numbers this will also allow focus on rebuilding reserves for future initiatives.

Due to the challenging financial situation of the last 4 years, it has not been possible to rebuild the reserves to an appropriate level. The leadership closely manages the expenditures dependent upon income and, taken together with the commitment to ongoing support from other Shofar congregations, the Church can be managed on very low levels of operating reserves. Debts are being paid as they fall due or as agreed with suppliers.

Key risks and uncertainties

The Church has a few risks: Financial autonomy and debt management are an on-going concern. The Church is without a venue at present and does not have a place to call home. This is not a spiritual conclusion, as the members of Shofar Christian Church trust that God Almighty will provide them a natural venue to continue growing as a body of Christ.

In the meantime, we are conscious of the potential impact of feeling displaced and the necessity of maintaining a sense of community within the congregation. Our efforts to mitigate this risk are explained in detail in the above sections.

The uncertainty evoked by the COVID-19 pandemic affects some decisions of the Church and the conditions under which it's able to conduct its usual business. These risks are accepted as precarious to the normal order of things and are undertaken with due care by the board and its members.

SHOFAR CHRISTIAN CHURCH LTD
TRUSTEES' ANNUAL REPORT
(INCORPORATING Trustees' REPORT)
FOR THE 18 MONTHS ENDED 31 DECEMBER 2020

Going concern

Although the Church has ended the year with net current liabilities of approximately £2,600, the Trustees are confident that the charity will be able to continue to operate and the financial statements have been prepared on the going concern basis. The charity also gratefully acknowledges the support of Shofar Utrecht, as detailed in Note 9. Measures are being taken to reduce expenditure and increase income and the Trustees are confident that the Church will be able to eliminate the net current liabilities referred to above over the next year. In the interim the Trustees are monitoring cash flows and will, if the need arises, liaise with other Shofar member churches for further support, so that the charity is able to settle its liabilities as they fall due.

Responsibilities of trustees under company law

The Trustees are responsible for preparing the Trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year. In preparing these financial statements, the trustees are required to:

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

The Trustees are responsible for keeping proper accounting records that 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approval

This report, which has been prepared in accordance with the provisions of the Companies Act 2006 relating to small companies, was approved by the Trustees and signed on their behalf by:

EdW

Eduard de Waal

Date: 25 September 2021

INDEPENDENT EXAMINER'S REPORT
TO THE TRUSTEES OF
SHOFAR CHRISTIAN CHURCH LTD
('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the period ended 31 December 2020 on pages 8 to 17 following, which have been prepared on the basis of the accounting policies set out on pages 10 to 12.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

The charity ended the year with net current liabilities of £2,585 and there is material uncertainty as to whether the charity is a going concern. I draw attention to Note 2 to the accounts and section headed 'Going Concern' in the directors' annual report, which sets out the directors' reasons for believing that the charity can continue to operate and for using the going concern basis in the preparation of these financial statements. On the basis for these representations, and after considering the directors' plans and expectations, I have not modified my statements in paragraphs 3 and 4 above in respect of this matter.

Other than the matter referred to in the above paragraph, 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 financial statements to be reached.

EdW

Stephen Mathews FCA

27 September 2021

Stewardship
1 Lamb's Passage
London
EC1Y 8AB

SHOFAR CHRISTIAN CHURCH LTD
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE 18 MONTHS ENDED 31 DECEMBER 2020

		18 months to 31 December 2020		12 months to 30 June 2019	
		Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
	Note	£	£	£	£
INCOME AND ENDOWMENTS FROM:					
Donations and legacies	3	96,286	4,930	101,215	86,756
Donations in kind	3	13,500		13,500	21,612
Charitable activities		7,190	-	7,190	6,352
Other income		-	-	-	1,415
Total income and endowments		116,975	4,930	121,905	116,135
EXPENDITURE ON:					
Charitable activities	4	116,569	3,120	119,690	111,325
Total expenditure		116,569	3,120	119,690	111,325
Net movement in funds		406	1,809	2,215	4,810
Reconciliation of funds:					
Total funds brought forward		(5,756)	955	(4,801)	(9,611)
Total funds carried forward	11	(5,350)	2,764	(2,586)	(4,801)

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

All income and expenditure derive from continuing operations.

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

The notes on page 10-16 form part of these accounts.

SHOFAR CHRISTIAN CHURCH LTD

BALANCE SHEET

AS AT 31 DECEMBER 2020

		31 December 2020			30 June 2019
		Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
	Note	£	£	£	£
CURRENT ASSETS					
Debtors	7	954	-	954	3,725
Cash at bank and in hand	8	<u>(593)</u>	<u>2,764</u>	<u>2,171</u>	<u>2,918</u>
		361	2,764	3,125	6,643
CREDITORS: Amounts falling due within one year	9	<u>(5,711)</u>	-	<u>(5,711)</u>	<u>(11,444)</u>
Net current assets / (liabilities)		<u>(5,350)</u>	<u>2,764</u>	<u>(2,585)</u>	<u>(4,801)</u>
TOTAL NET ASSETS		<u>(5,350)</u>	<u>2,764</u>	<u>(2,585)</u>	<u>(4,801)</u>
FUND BALANCES	11				
Unrestricted Funds					
General funds		<u>(5,350)</u>	-	<u>(5,350)</u>	<u>(5,756)</u>
		(5,350)	-	(5,350)	(5,756)
Restricted Funds		-	<u>2,764</u>	<u>2,764</u>	<u>955</u>
		<u>(5,350)</u>	<u>2,764</u>	<u>(2,585)</u>	<u>(4,801)</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the period ended 31 December 2020.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2020 in accordance with Section 476 of the Companies Act 2006 however, in accordance with Section 145 of the Charities Act 2011, the accounts have been examined by an independent examiner and their report has been included in these financial statements.

The directors (who are the charitable company's trustees for the purposes of charity law) acknowledge their responsibilities for:

- ensuring that the charitable company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its net income or expenditure 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 charitable company.

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

The financial statements were approved by the Board of Directors on [.....] and were signed on its behalf by:

Eduard de Waal

Company number: 05493001

Charity number: 1111629

The notes on page 10-16 form part of these accounts.

SHOFAR CHRISTIAN CHURCH LTD
NOTES TO THE ACCOUNTS
FOR THE 18 MONTHS ENDED 31 DECEMBER 2020

1 Statutory Information

The charity is a charitable company limited by guarantee and is incorporated in the United Kingdom. The company's registered number and registered office address can be found on the Company Information page.

2 Accounting Policies

These financial statements are prepared on a going concern basis, under the historical cost convention.

These financial statements have been prepared in accordance with the "Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) ("the Charities SORP"), with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland ("FRS 102"), with the Companies Act 2006 and with the Charities Act 2011. The charity meets the definition of a public benefit entity as set out in FRS 102.

The principles adopted in the preparation of the financial statements are set out below.

a) Going concern

The trustees (who are the charitable company's directors for the purposes of company law) have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the trustees have considered the charity's forecasts and projections and the possible implications should projected income and / or expenditure vary unexpectedly. The trustees have concluded that there is a reasonable expectation that the charity has adequate resources to continue to operate for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements. In making this assessment the trustees have considered how Covid-19 might affect projections.

Although the Church has ended the year with net current liabilities of approximately £2,585, the Trustees are confident that the charity will be able to continue to operate and the financial statements have been prepared on the going concern basis. The charity also gratefully acknowledges the support of Shofar Utrecht, as detailed in Note 9. Measures are being taken to reduce expenditure and increase income and the Trustees are confident that the Church will be able to eliminate the net current liabilities referred to above over the next year. In the interim the Trustees are monitoring cash flows and will, if the need arises, liaise with other Shofar member churches for further support, so that the charity is able to settle its liabilities as they fall due.

b) Income

Income including investment income is recognised in the period in which the charity becomes entitled to receipt, the amount receivable can be measured with reasonable certainty, and receipt is probable. For the most part, income is generally recognised when it is received. Income is only deferred when the charity has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period.

Income from donations and legacies includes:

- i) Recoverable gift aid. This is recognised when the related donation is received. Gift aid that has not been recovered by the balance sheet date is included as a debtor.

The charity relies on volunteers to carry out many of its activities. However, in accordance with the SORP, the value of these services has not been included in these financial statements as they cannot be reliably measured.

When donated goods, services and facilities are distributed or consumed, an expense in respect of those items is included in the Statement of Financial Activities. At the year end any goods that have not been distributed or consumed are recognised as stock; donated fixed assets are capitalised.

Income from charitable activities represents income receivable from goods, services and facilities supplied in furtherance of the charity's charitable objects. It includes income from church retreats and other events and courses.

c) Expenditure

Expenditure, including irrecoverable VAT, is recognised when it is incurred or, if earlier, when a legal or constructive obligation for a payment arises provided that it is probable that settlement will be required and the amount of the obligation can be measured reliably.

SHOFAR CHRISTIAN CHURCH LTD
NOTES TO THE ACCOUNTS
FOR THE 18 MONTHS ENDED 31 DECEMBER 2020

The charity makes grants to other institutions and individuals to further its charitable objectives. Grants payable are recognised as constructive obligations arise, which is generally when the charity expresses a commitment to the recipient that can be measured reliably and then only to the extent that any conditions associated with the grant are outside of the control of the charity.

The cost of raising funds is not significant and has not been separately disclosed.

Governance costs, which are included in expenditure on charitable activities but are identified separately in the notes to the accounts, includes costs associated with the independent examination of the financial statements, compliance with constitutional and statutory requirements and any other expenditure incurred on the strategic management of the charity.

d) 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. Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. Restricted funds are donations which are to be used in accordance with specific restrictions imposed by donors; they include donations received from appeals for specific activities or projects.

e) Tangible fixed assets

Items purchased or donated for the charity's own use are capitalised when the cost of purchased items, or the fair value of donated items, is more than £1,000 and the item is expected to benefit the charity over more than one accounting period. Depreciation is charged on a straight line basis so as to write down the value of each asset to its estimated residual value (if any) over its expected useful economic life. To achieve this objective the following rates of depreciation are charged:

Motor vehicles	25% reducing balance
Furniture and office equipment	25% straight line

The carrying values of tangible fixed assets are reviewed for impairment in periods when events or changes in circumstances indicate that the carrying value may not be recoverable.

g) Leased assets

Leases for assets that transfer to the charity substantially all the risks and rewards of ownership are classified as finance leases. Assets under finance leases are recognised as assets of the charity at the inception of the lease at their fair value or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation. Lease payments are apportioned between a finance expense and a reduction of the lease obligation so as to achieve a constant rate of interest on the liability.

Leases which do not transfer substantially all the risks and rewards of ownership to the charity are classified as operating leases. Operating lease payments are recognised as an expense on a straight-line basis over the lease term (unless another systematic basis is more representative of use).

Receipts of lease incentives are spread on a straight-line basis over the term of the lease; at the balance sheet date the amount of the incentive to be allocated to future accounting periods is carried forward as deferred income.

h) Pension scheme arrangements

The charity operates defined contribution pension schemes for its employees. Obligations for contributions to these schemes are recognised as an expense when the liability arises. The assets of these schemes are held separately from those of the charity in independently administered funds.

i) Taxation

The company is a registered charity; it has taken advantage of the various reliefs from taxation available to charities and no tax is payable on the charity's income.

j) Financial instruments

The charity's financial assets and financial liabilities all qualify as basic financial instruments, as defined by FRS102. Except for loans, creditors and debtors are measured at their expected settlement value (normally the amount of cash that the charity expects to pay or receive). The charity recognises liabilities for the principal of those loans that remains outstanding at the year end (i.e. the liabilities exclude any interest chargeable on the loans in future years).

SHOFAR CHRISTIAN CHURCH LTD
NOTES TO THE ACCOUNTS
FOR THE 18 MONTHS ENDED 31 DECEMBER 2020

k) Foreign currency translation

These financial statements are presented in sterling, which is the charity's functional currency.

- i) Income and expenditure denominated in a foreign currency is translated into sterling at the exchange rate prevailing on the date of the transaction.
- ii) Monetary assets and liabilities denominated in a foreign currency are re-translated at the exchange rate prevailing at the balance sheet date.
- iii) Non-monetary assets are measured at historic cost at the rate of exchange prevailing on the date of the transaction and are not subsequently re-translated.

All differences arising from the application of the above policy are charged (or credited) to the Statement of Financial Activities.

l) Exemption from preparing a cashflow statement

The charity has taken advantage of an exemption conferred by the Charities SORP and has not prepared a cash flow statement.

m) Critical accounting estimates and areas of judgement

The trustees do not consider that there are any material sources of estimation or uncertainty at the balance sheet date that could result in a material adjustment to the carrying values of assets and liabilities in the next reporting period.

3 Donations and legacies

	2020 (18 months) £	2019 (12 months) £
Donations of cash and similar	76,826	66,230
Donations in kind (note 3a)	13,500	21,612
Other grants receivable	5,691	5,555
Income tax recoverable	18,699	14,971
	<u>114,715</u>	<u>108,368</u>

3a Donations in kind comprise:

	2020 £	2019 £
Donated services	-	3,000
Donated facilities	13,500	18,612
	<u>13,500</u>	<u>21,612</u>

Donated facilities comprise of rental charges for the rental property that that has been made available at a reduced rent by the YMCA for the church's various activities. See Note 12 for more details of donated services in 2020. Donated services in 2019 comprise the services of Stewardship who donated £3,000 of their normal fees to assist the charity.

4 Charitable expenditure

	2020 (18 months) £	2019 (12 months) £
a Costs incurred directly on specific activities		
Salaries, travel and expenses	72,970	50,027
Sunday venue, office rent & council taxes	17,093	32,006
Church running costs	17,163	12,930
Education Ministry	1,225	806
Missions Ministry	1,253	1,907
	<u>109,704</u>	<u>97,676</u>
Grants payable (note 8c)	2,671	1,970
	<u>112,375</u>	<u>99,646</u>

SHOFAR CHRISTIAN CHURCH LTD

NOTES TO THE ACCOUNTS

FOR THE 18 MONTHS ENDED 31 DECEMBER 2020

b Costs incurred on support & administration

Governance costs		
Independent examiner's fee	1,898	3,800
	<u>1,898</u>	<u>3,800</u>
Printing, postage and stationery	2,161	1,589
Office supplies	661	1,450
Sundry expenses	821	177
Telephone	725	593
Bank fees	470	174
Provisions for bad debt (see Note 11)	-	3,585
Insurance	578	312
	<u>7,314</u>	<u>11,679</u>
Total expenditure	<u>119,690</u>	<u>111,325</u>

The fee payable to the independent examiner for examining the accounts was £1,800 (2019: £3,600 of which £3,000 was waived); in addition the charity paid £699 (2019: £575) to Stewardship for payroll bureau.

c Grants payable

	Institutions £	Individuals £	2020 £
Grants for UK and overseas mission	269	756	1,024
Grants for the relief of poverty	-	1,577	1,577
	<u>269</u>	<u>2,332</u>	<u>2,601</u>

The comparatives for the previous year are as follows:

	Institutions £	Individuals £	2019 £
Grants for UK and overseas mission	200	1,770	1,970
	<u>200</u>	<u>1,770</u>	<u>1,970</u>

5 Analysis of staff costs, the cost of key management personnel and trustee remuneration and expenses

	2020 £	2019 £
Gross wages and salaries	68,400	45,267
Social security	2,518	2,123
Pension costs	2,052	2,637
	<u>72,970</u>	<u>50,027</u>

The average monthly number of employees during the year was 1 (2019: 1). Most of the charity's activities are carried out by volunteers.

No staff received salaries at a rate of more than £60,000 per annum.

Key management staff comprises of H Opperman, who was employed as senior pastor and received employment benefits for the 18 months totalling £68,400 (2019: £45,600) and pension contributions of £2,052 (2019: £2,367).

No trustees received employment benefits in either the current or preceding year.

SHOFAR CHRISTIAN CHURCH LTD
NOTES TO THE ACCOUNTS
FOR THE 18 MONTHS ENDED 31 DECEMBER 2020

6 Acting as agent

On occasion the Church receives money on behalf of other charities or individuals, which it banks and then pays out to these charities or individuals. This income is received as agent for these other charities or individuals and the income, and the related payments, are excluded from the Statement of Financial Activities; any money that has not been distributed by the year end is recognised as a creditor.

During the year the Church acted as agent for funds received from overseas churches in the Shofar family for visa related costs of the Opperman family (Hercules Opperman is a member of key management for the church). In that capacity:

a) received £14,516 (2019: £0) and paid £10,627 (2019: £0)

7 Debtors

	2020	2019
	£	£
Falling due within one year:		
Tax recoverable	853	702
Other debtors	-	100
Prepayments	102	894
	<u>954</u>	<u>1,695</u>
Falling due after one year		
Staff loan	-	2,030
	<u>-</u>	<u>2,030</u>
Total debtors	<u>954</u>	<u>3,725</u>

8 Cash at Bank and in Hand

	2020	2019
	£	£
Cash at bank with immediate access	2,171	2,918
	<u>2,171</u>	<u>2,918</u>

9 Creditors: liabilities falling due within one year

	2020	2019
	£	£
Trade creditors	2,300	6,010
Other creditors	653	
Accruals	2,758	600
Amounts owed to Shofar Christian Church (Utrecht) - see below	-	4,834
	<u>5,711</u>	<u>11,444</u>

In April 2020 Shofar Christian Church (Utrecht) confirmed that the indebtedness of £4,834 would not be required to be repaid and can be treated as a gift to the UK charity.

10 Pension and rental commitments

During the year employer's pension contributions totalling £4,788 (2019: £2,637) were payable to defined contribution personal pension schemes. Pension contributions of £532 (2019: £798) were owing at the balance sheet date.

The rental commitment at the balance sheet date has been subject to discussion with the landlord and was agreed at £300 per month from 1 October 2019 until the landlord asked the charity to vacate from March 2021. There are ongoing discussions over the amount payable and no commitments have been made by the charity in this regard.

SHOFAR CHRISTIAN CHURCH LTD
NOTES TO THE ACCOUNTS
FOR THE 18 MONTHS ENDED 31 DECEMBER 2020

11 Funds

During the year the movements in the charity's funds were as follows:

	Opening balance 2020 £	Incoming resources 2020 £	Outgoing resources 2020 £	Transfers in the year 2020 £	Gains and losses 2020 £	Closing balance 2020 £
<i>General Unrestricted Funds</i>	(5,756)	116,975	(116,569)	-		(5,350)
Total Unrestricted Funds	(5,756)	116,975	(116,569)	-	-	(5,350)
<i>Restricted Funds</i>						
Missions account	955	786	(1,427)	-	-	315
AV Fund	-	958	(134)	-	-	825
Body Serve	-	3,185	(1,560)	-	-	1,625
	955	4,930	(3,120)	-	-	2,764
Aggregate of funds	(4,801)	121,905	(119,690)	-	-	(2,586)

Analysis of net assets by fund

The assets and liabilities of the various funds were as follows:

	<u>Unrestricted Funds</u>		Restricted	2020
	General funds £	Designated funds £	funds £	£
Debtors	954			954
Cash at bank and in hand	(593)	-	2,764	2,171
Creditors falling due within one year	(5,711)			(5,711)
	(5,350)	-	2,764	(2,585)

SHOFAR CHRISTIAN CHURCH LTD

NOTES TO THE ACCOUNTS

FOR THE 18 MONTHS ENDED 31 DECEMBER 2020

In the previous year the movements in the charity's funds were as follows:

	Opening balance 2019 £	Incoming resources 2019 £	Outgoing resources 2019 £	Transfers in the year 2019 £	Gains and losses 2019 £	Closing balance 2019 £
<i>General Unrestricted Funds</i>	(10,607)	113,453	(108,602)	-	-	(5,756)
Total Unrestricted Funds	(10,607)	113,453	(108,602)	-	-	(5,756)
<i>Restricted Funds</i>						
Missions account	426	529	-		-	955
Salaries	-	2,153	(2,153)		-	-
Farewell gifts	570	-	(570)		-	-
	996	2,682	(2,723)	-	-	955
Aggregate of funds	(9,611)	116,135	(111,325)	-	-	(4,801)

Analysis of net assets by fund

In the previous year, the assets and liabilities of the various funds were as follows:

	<u>Unrestricted Funds</u>			
	General funds £	Designated funds £	Restricted funds £	2019 £
Debtors	3,725			3,725
Cash at bank and in hand	1,963	-	955	2,918
Creditors falling due within one year	(11,444)			(11,444)
	(5,756)	-	955	(4,801)

12 Contingent liabilities

The Church is in ongoing dialog with the landlord regarding the rental fees payable at 31 December 2020. The Landlord has consistently expressed their desire to support The Church and as in previous years, has donated a large part of the rental charges which could not be afforded by The Church. See Note 3 - Donated facilities. Due to the current development underway at the rental location, no legal confirmation has been attained. Therefore to date, there is a contingent liability of £13,500 for the year ending 31 December 2020, which The Church does not believe would be payable.

13 Transactions with related parties

During the year the charity:

- received donations totalling £32,818 (2019: £13,531) from related parties (which includes trustees, any other members of key management and anyone closely connected to them).
- No expenses (2019: £nil) were paid to, or for, the trustees.

Except as disclosed in note 5 'Analysis of staff costs' and Note 6 'Acting as agent' there have been no other transactions with related parties during the year other than those noted below.

- During the year ended 31 December 2020 charges were made to the charity by "Dawn Creations", a business owned by close relatives of H Opperman, key management of the charity, for specialist website management of £1,105 (2019 £1,300).
- Over the 18 month period, casual wages totaling £480 were paid to members of the Opperman family, who helped edit sermon recordings during the lockdown period caused by Covid-19.

14 Members

Each member of the company commits to contribute if the charity is wound up an amount of £10.

SHOFAR CHRISTIAN CHURCH LTD
DETAILED STATEMENT OF FINANCIAL ACTIVITIES WITH COMPARATIVES
FOR THE 18 MONTHS ENDED 31 DECEMBER 2020

		<u>Unrestricted funds</u>				<u>Unrestricted funds</u>		
		General	Restricted	Total		General	Restricted	Total
		2020	2020	2020		2019	2019	2019
Note		£	£	£		£	£	£
INCOME AND ENDOWMENTS FROM:								
Donations and legacies	3	96,286	4,930	101,215		84,074	2,682	86,756
Donations in kind	3	13,500		13,500		21,612		21,612
Charitable activities		7,190		7,190		6,352		6,352
Other income		0		0		1,415		1,415
Total income and endowments		116,975	4,930	121,905		113,453	2,682	116,135
EXPENDITURE ON:								
Charitable activities:	4	116,569	3,120	119,690		108,602	2,723	111,325
Total Expenditure		116,569	3,120	119,690		108,602	2,723	111,325
Net income/(expenditure)		406	1,809	2,215		4,851	(41)	4,810
Transfers between funds	11	-	-	-		-	-	-
		406	1,809	2,215		4,851	(41)	4,810
Reconciliation of funds:								
Total funds brought forward		(5,756)	955	(4,801)		(10,607)	996	(9,611)
Total funds carried forward	11	(5,350)	2,764	(2,585)		(5,756)	955	(4,801)