



SHOFAR CHRISTIAN CHURCH LTD

Report and Accounts

year ended 31 December 2021

SHOFAR CHRISTIAN CHURCH LTD
COMPANY INFORMATION
FOR THE 12 MONTHS ENDED 31 DECEMBER 2021

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

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SHOFAR CHRISTIAN CHURCH LTD
Trustees' ANNUAL REPORT
(INCORPORATING Trustees' REPORT)
FOR THE 12 MONTHS ENDED 31 DECEMBER 2021

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 January 2021 to 31 December 2021.

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.

In planning the activities the Trustees have applied the guidance on public benefit issued by the Charity Commission.

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. The Church services are held on a Sunday in Wimbledon. Following a period of no fixed abode and adjusting to online services during the COVID-19 pandemic, we officially moved to our new Wimbledon venue in September 2021. The church has returned to regular meetings every Sunday at the new location, supported by livestreamed sermons for members and visitors.

To further promote and support the objectives and vision of the Church as set out above, Shofar UK undertook various activities throughout the year. The shift in emphasis from online services to meeting person is reflected in the activities.

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The activities of the Church consisted mainly of the following:

- Maintaining God's perspective is always a primary objective of our Church with a definite intent to present the relevance of the gospel in every situation. Whenever the opportunity occurs, we trust the sovereignty of God and His faithfulness to us as a spiritual family.
- We're pleased to say that much of the online only activity from the previous year has been supplanted by public meetings. This includes small groups, teaching courses and other organised social events. Accountability groups that served to provide a much needed reference to Discipleship have been replaced by Disciple Making Ministry, with an evangelical focus on reaching the local community. This is a progressive development and a prayerfully considered response to the changing needs of the congregation.
- Online church on Sundays preceded a return to regular services at our new Wimbledon venue from September 2021. 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. As restrictions were lifted in line with Government recommendations, we resumed onsite activities whilst respecting the needs of individuals adjusting to the changing circumstances.
- At the heart of our focus is an established culture of prayer. We don'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.
- 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 facilitated the transition to online services during the pandemic, as it was an extension of the service we were already providing and trying to establish.
- The Bible was integral to our activities as we continued working through the book of Acts every Friday morning. This was complemented by a series of sermons on Acts preached by various members of the leadership team. Opportunities to preach remains an integral part of the leadership development, which is an essential aspect of Shofar's mission statement and vision.

- The evidence of God's care and concern through financial provision is a testimony extending well beyond the needs identified during the austerity of the pandemic. Shofar members continued to support the needs of the congregation with direct financial assistance as well as inspired acts of giving in various forms. The essence of family in Christ remains at the epicentre of the Church's identity, unperturbed by adversity.
- Much of the hardship from previous years has carried over and remains today. Despite this, we know with certainty that God has never left us or forsaken us at any stage of the journey. We look forward with confidence to the year ahead, proclaiming Jesus Christ as our Lord and Saviour over everything we encounter.
- While we continue adjusting to the post pandemic political and spiritual landscape, we are faced with an altogether different challenge. The absence of meeting in person for a sustained period fostered a culture of reticence, brought on by convenience and on going concerns about the situation. The inertia that ensued was a natural consequence of all that went before, but we appreciate that it's not unique to our congregation.

Achievements and Performance

- 2021 required a maximising of systems and processes in the Church for a fluid and confident approach to the work of the ministry. Matthew 16:18 says "And I also say to you that you are Peter, and on this rock I will build My church, and the gates of Hades shall not prevail against it." The revelation Peter has of Jesus as the Christ is the foundation to which us as Trustees found great comfort and courage to approach the year and perform to the best of our ability as a Church body and Charity. The scripture above is pivotal in understanding the Charity's determined faith and belief in God's plan for His church. We echo the victory of Christ in His church. It is He who builds it.
- The following provides some highlights from 2021:

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- Social media and meeting virtually have been great resources for us as a body of Christ. We are thankful for the means to keep ministering and serving our community through these platforms.
- As Shofar Christian Church we are passionate about Jesus and about serving people. This we achieved through mobilising our church resources to continue supporting members of the body that were hit harder by COVID-19.
- Study of the word, preparation for sharing the gospel and sharing the vision of our churches mandate were some of the many things we focused on during this year.
- As restrictions on meeting publicly lifted, we were able to resume meeting face to face at Hillside Church in Wimbledon. We praise the Lord God Almighty and know this venue to be a part of His plan in impacting Wimbledon. Hillside Church sits on the corner of Worple Road and Francis Grove Road. We believe this location to be a strategic point from which God wants to use us to impact the immediate and surrounding regions of Wimbledon.
- As Shofar Christian Church we are passionate about Jesus and passionate about serving people in and around our community (Wimbledon). As Trustees we have witnessed the church be propelled forward by the Great Commission found in Matthew 28:18-20 "And Jesus came and spoke to them, saying, "All authority has been given to Me in heaven and on earth. Go therefore and make disciples of all the nations, baptising them in the name of the Father and of the Son and of the Holy Spirit, teaching them to observe all things that I have commanded you; and lo, I am with you always, even to the end of the age." Amen. Thus meaning that the momentum of the church, out of lock down and isolation, could rest of a resolution to honour the calling we have and move out into the streets doing street evangelism and outreach.
- We made concerted efforts towards spreading the Gospel and making disciples
- We continued partnering with The Turning movement and the church from Reading UK The Gate.
- Worship in the church has grown with the different shifts in the tools used to facilitate worship. In this period we relied of pre-recorded songs, audio track and even YouTube lyric videos. This is testament to the commitment of the church to continue worshiping the King of kings no matter our circumstances.
- We saw growth in our congregants (and therefore the church) in thinking outside of themselves to reach the lost.

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 charity plans to establish its presence at the new venue. The use of a space has allowed for easy set up and set down for services each week. The flow of church services has now been cemented which allows for the logistics to not be the focus anymore but really hearing from God for the next step. The plan for a Men's ministry is exciting even as it is still in incubation and prayer.
- We are steadfast in engaging more with our community through our Outreach programs, prayer and evangelism playing a big part in mobilising our footprint around Wimbledon.

SHOFAR CHRISTIAN CHURCH LTD
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(INCORPORATING Trustees' REPORT)
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Financial review

The Church's financial year-end was changed in 2020 (from June to December). This change in year-end means the prior year figures in the accounts, include 18 months of actuals from 1 July 2019 to 31 December 2020. A conversion factor of 12/18 has therefore been applied in the comparisons below, to ensure a like for like comparison with the 12-month period of these 2021 accounts.

Donations received during the period were £76,364. This is a 13% increase compared with donations received in the prior year, using a like-for-like comparative amount of £67,477. The Trustees are grateful for the handful of faithful givers during this period, as well as the ongoing generosity from Shofar Netherlands.

This was the second full financial year with only one congregation in London (the Guildford branch was closed during the 2018/19 financial year). This period demonstrated that the Church income has stabilized since the restructuring.

Expenditure totalled £69,575 and compared to the prior period on a twelve-month equivalent basis (£79,793), was a reduction of 13%. This reduction in expenditure was mainly due to savings on office and venue rental costs. In February 2021, the Church was asked to vacate the premises it rented for over 3 years. This was due to a planned demolition of the building, in which the Church rented office space. For 6 months the congregation got creative and had Sunday services in various locations, including parks. Since August 2021, the same venue has been used. This is for Sunday services only, which creates further cost savings for the Church.

The Church ended the year with net current assets, totalling £9,219. This was £11,804 improvement on the prior year results (£2,585 deficit). This provided much comfort and hope in God's provision for this Church, after ending with net current liabilities over the prior three reporting years. An element of this finance was used to provide loans to H Opperman to enable him to remain in the UK to fulfil his leadership of the church and also his wider apostolic leadership of churches in the Shofar family across Europe. As a result of this the loans have been guaranteed by Shofar South Africa and Shofar Netherlands, including that, should the funds be unexpectedly needed in advance of the loan repayments then these will be provided to ensure that the operation of the charity is not hindered.

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 5 years, it has not been possible to rebuild the reserves to an appropriate level. The leadership proactively 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

- Uncertainties within a small charity will come about through financial running costs for the charity, but we are aware of this as a board of Trustees. We have and will continue to commit this need to the Lord and trust in His guidance towards providing for this particular church.
- The venue currently used is hired on a rolling monthly contract. The Church has however proven agility over the last few years. Whilst the Church is still small, a change can be easily managed. Our in person meetings form the basis of our belief and practise as Christians. This is an essential risk to take with the experience we have as a small church to adapt and mitigate possible strain.
- Hercules Opperman as key staff member along with his family, will apply for indefinite leave to remain in the UK at the end of 2022. They do however have the support of a wide network of people supporting their cause financially.
- The Loan to the key staff member, currently forms a significant portion of the asset base of the Church. The Trustees are monitoring the repayments and the terms will be actively reviewed. In the event finances are needed due to unplanned costs, the international church governing bodies from the Shofar Church Global family is also committed to provide support.

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Going concern

The increased donations over the period and the measures taken to reduce expenditure, resulted in the Church reporting a net asset balance (£9,219). This is a positive turn around from the reported net current liabilities from the previous three periods. The Trustees are confident that the Church will be able to continue to operate and the financial statements have been prepared on the going concern basis. Cash flows are monitored closely but if the need arises, other Shofar member churches can be asked for further support, so that the Church 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:

Nigel Bain

Nigel Bain

Date: 1 September 2022

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 2021 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 assets £9,219 and there remains 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.

Stephen Mathews

Stephen Mathews FCA

Stewardship
1 Lamb's Passage
London
EC1Y 8AB

Date: 2 September 2022

SHOFAR CHRISTIAN CHURCH LTD
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE 12 MONTHS ENDED 31 DECEMBER 2021

		12 months to 31 December 2021			18 months to 31 December 2020
	Note	Unrestricted Funds £	Restricted Funds £	Total Funds £	Total Funds £
INCOME AND ENDOWMENTS FROM:					
Donations and legacies	3	73,985	2,379	76,364	101,215
Donations in kind	3	-	-	-	13,500
Charitable activities		5,016	-	5,016	7,190
Total income and endowments		79,001	2,379	81,379	121,905
EXPENDITURE ON:					
Charitable activities	4	67,766	1,808	69,575	119,690
Total expenditure		67,766	1,808	69,575	119,690
Net movement in funds		11,234	571	11,805	2,215
Reconciliation of funds:					
Total funds brought forward		(5,350)	2,764	(2,586)	(4,801)
Total funds carried forward	10	5,884	3,335	9,219	(2,585)

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 2021

		31 December 2021			31 December 2020	
		Unrestricted	Restricted	Total	Total	
		Funds	Funds	Funds	Funds	
	Note	£	£	£	£	
CURRENT ASSETS						
Debtors	6	7,581	-	7,581	954	
Cash at bank and in hand	7	1,748	3,336	5,084	2,171	
		9,330	3,336	12,665	3,125	
CREDITORS: Amounts falling due within one year	8	(3,446)	-	(3,446)	(5,711)	
Net current assets / (liabilities)		5,884	3,336	9,219	(2,585)	
TOTAL NET ASSETS		5,884	3,336	9,219	(2,585)	
FUND BALANCES	10					
Unrestricted Funds						
General funds		5,884	-	5,884	(5,349)	
		5,884	-	5,884	(5,349)	
Restricted Funds		-	3,336	3,336	2,764	
		5,884	3,336	9,219	(2,585)	

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the period ended 31 December 2021.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2021 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 and were signed on its behalf by:

Nigel Bain

1 September 2022

Nigel Bain

Date

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 12 MONTHS ENDED 31 DECEMBER 2021

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.

The Church has ended the year with total net assets of approximately £9,219 of which £5,884 are general funds which comprise £1,748 Cash at bank, debtors of £7,581 as detailed in note 6, less creditors of £3,446 as detailed in note 8, and 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. Whilst £6,846 of the staff loan is due after more than one year from the balance sheet date, this loan has been secured by guarantees from Shofar Netherlands and Shofar South Africa so that should the Church require funds before the due date of payment these will be provided by the guarantying parties. The Church also gratefully acknowledges the support of Shofar Utrecht. Measures are being taken to further reduce expenditure and increase income and the Trustees are confident that the Church will be able to improve net total assets 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.

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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.

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.

SHOFAR CHRISTIAN CHURCH LTD

NOTES TO THE ACCOUNTS

FOR THE 12 MONTHS ENDED 31 DECEMBER 2021

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).

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

	2021 (12 months) £	2020 (18 months) £
Donations of cash and similar	58,705	76,826
Donations in kind (note 3a)	-	13,500
Other grants receivable	4,688	5,691
Income tax recoverable	12,970	18,699
	<u>76,364</u>	<u>114,715</u>

3a Donations in kind comprise:

	2021 £	2020 £
Donated facilities	-	13,500
	<u>-</u>	<u>13,500</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.

4 Charitable expenditure

	2021 (12 months) £	2020 (18 months) £
a Costs incurred directly on specific activities		
Salaries, travel and expenses	48,778	72,970
Sunday venue, office rent & council taxes	2,787	17,093
Church running costs	11,280	17,163
Education Ministry	701	1,225
Missions Ministry	660	1,253
	<u>64,206</u>	<u>109,704</u>
Grants payable (note 8c)	733	2,671
	<u>64,938</u>	<u>112,375</u>

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b Costs incurred on support & administration

Governance costs		
Independent examiner's fee	1,680	1,898
	<u>1,680</u>	<u>1,898</u>
Printing, postage and stationery	1,375	2,161
Office supplies	789	661
Sundry expenses	18	821
Telephone	126	725
Bank fees	247	470
Insurance	401	578
	<u>4,637</u>	<u>7,314</u>
Total expenditure	<u><u>69,575</u></u>	<u><u>119,690</u></u>

The fee payable to the independent examiner for examining the accounts was £1,380 (2020: £1,800); in addition the charity paid £735 (2020: £699) to Stewardship for payroll bureau services provided.

c Grants payable

	Institutions	Individuals	2021
	£	£	£
Grants for UK and overseas mission	-	200	200
Grants for the relief of poverty	-	533	533
	<u>-</u>	<u>733</u>	<u>733</u>

The comparatives for the previous 18 months are as follows:

	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>

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

	2021	2020
	(12 months)	(18 months)
	£	£
Gross wages and salaries	45,600	68,400
Social security	1,074	2,518
Pension costs	1,368	2,052
	<u>48,042</u>	<u>72,970</u>

The average monthly number of employees during the year was 1 (2020: 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 12 months totalling £45,600 (2020: £68,400 over 18 months period) and pension contributions of £1,368 (2020: £2,052).

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

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6 Debtors

	2021 (12 months) £	2020 (18 months) £
Falling due within one year:		
Tax recoverable	735	853
Prepayments	-	102
	<u>735</u>	<u>954</u>
Falling due after one year		
Staff loan - see below	6,846	-
	<u>6,846</u>	<u>-</u>
Total debtors	<u><u>7,581</u></u>	<u><u>954</u></u>

The Church has made an interest-free staff loan to Hercules Opperman, pastor of the church and a key member of staff. The loan is for £6,846 and is repayable by instalments of £50 per month for 12 months, starting in January 2023. Repayments to increase to £150 per month thereafter. The balance of the loan will have to be settled on the 31st of December 2028 or a new loan determined by the directors for any outstanding amounts. The loan is secured by guarantees from Shofar Netherlands and Shofar South Africa.

7 Cash at Bank and in Hand

	2021 (12 months) £	2020 (18 months) £
Cash at bank with immediate access	5,084	2,171
	<u><u>5,084</u></u>	<u><u>2,171</u></u>

8 Creditors: liabilities falling due within one year

	2021 (12 months) £	2020 (18 months) £
Trade creditors	600	2,300
Other creditors	-	653
Accruals	2,846	2,758
	<u><u>3,446</u></u>	<u><u>5,711</u></u>

9 Pension and rental commitments

During the year employer's pension contributions totalling £3,192 (2020: £4,788 over an 18 months period) were payable to defined contribution personal pension schemes. Pension contributions of £266 (2020: £532) were owing at the balance sheet date.

The rental commitment at the balance sheet date, are outstanding payments due from the contract that ended in March 2021.

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10 Funds

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

	Opening balance 2021 £	Incoming resources 2021 £	Outgoing resources 2021 £	Transfers in the year 2021 £	Gains and losses 2021 £	Closing balance 2021 £
<i>General Unrestricted Funds</i>	(5,350)	79,001	(67,766)	-		5,884
Total Unrestricted Funds	(5,350)	79,001	(67,766)	-	-	5,884
<i>Restricted Funds</i>						
Missions account	315	441	(615)	-	-	141
AV Fund	825	50	(533)	-	-	343
Body Serve	1,625	138	(627)	-	-	1,136
Building Fund	-	1,750	(34)	-	-	1,716
	2,765	2,379	(1,808)	-	-	3,336
Aggregate of funds	(2,585)	81,379	(69,575)	-	-	9,220

Analysis of net assets by fund

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

	<u>Unrestricted Funds</u>		Restricted funds	2021
	General funds	Designated funds	funds	
	£	£	£	£
Debtors	7,581			7,581
Cash at bank and in hand	1,748	-	3,336	5,084
Creditors falling due within one year	(3,446)			(3,446)
	5,884	-	3,336	9,219

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NOTES TO THE ACCOUNTS

FOR THE 12 MONTHS ENDED 31 DECEMBER 2021

In the previous 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

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

	<u>Unrestricted Funds</u>		Restricted funds	2020 £
	General funds £	Designated 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)
	(5,349)	-	2,764	(2,585)

- The Mission Account fund exists to channel funds towards mission activities
- The AV fund has been established to assist the church with the costs of audio visual equipment
- The Body Serve Fund has been established to assist those in the church and in the local community suffering financial
- The Building fund is a fund established to assist with church expenditure on buildings, whether leased, rented or owned in the future

11 Transactions with related parties

During the year the charity:

- a) received donations totalling £20,178 (2020: £32,818) from related parties (which includes Trustees, any other members of key management and anyone closely connected to them).
- b) No expenses (2019: £nil) were paid to, or for, the Trustees.

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

- c) Over the 12 month period, casual wages totaling £320 (2020: £480) were paid to members of the Opperman family, who helped edit sermon recordings during the lockdown period caused by Covid-19.

12 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 12 MONTHS ENDED 31 DECEMBER 2021

		12 months to 31 December 2021			18 months to 31 December 2020		
		Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
		2021	2021	2021	2020	2020	2020
Note		£	£	£	£	£	£
INCOME AND ENDOWMENTS FROM:							
Donations and legacies	3	73,985	2,379	76,364	96,286	4,930	101,215
Donations in kind	3	-		-	13,500		13,500
Charitable activities		5,016		5,016	7,190		7,190
Total income and endowments		79,001	2,379	81,379	116,976	4,930	121,905
EXPENDITURE ON:							
Charitable activities:	4	67,766	1,808	69,575	116,569	3,120	119,690
Total Expenditure		67,766	1,808	69,575	116,569	3,120	119,690
Net income/(expenditure)		11,234	571	11,805	406	1,809	2,215
Transfers between funds	10	-	-	-	-	-	-
		11,234	571	11,805	406	1,809	2,215
Reconciliation of funds:							
Total funds brought forward		(5,350)	2,764	(2,586)	(5,756)	955	(4,801)
Total funds carried forward	10	5,884	3,335	9,219	(5,350)	2,764	(2,585)