



SHOFAR CHRISTIAN CHURCH LTD

Report and Accounts

year ended 31 December 2022

SHOFAR CHRISTIAN CHURCH LTD
COMPANY INFORMATION
FOR THE 12 MONTHS ENDED 31 DECEMBER 2022

Directors/Trustees	H Titus N Bain (appointed March 2021) S Mazibuko (appointed March 2021) J Duminy (resigned March 2021) E de Waal (resigned March 2023)
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	120 Busbridge Lane Godalming GU71QJ
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 2022

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 2022 to 31 December 2022.

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.

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 observe that the Church is a collection of common people from all walks of life, transformed by the life-altering work of God's Son, Jesus Christ, rather than a physical structure. According to the New Testament, the Church was a group of individuals who were well-taught and looked after, and who, in addition to loving and serving Jesus Christ, were dedicated to looking out for one another and being a blessing to their community. The elders, members, and trustees of Shofar Christian Church are dedicated to restoring those New Testament values. It is only one of many churches in the region, the nation, and the globe that are rediscovering the joy of knowing Jesus Christ. It is not alone in this. The goal is to see as many people as possible in London, the United Kingdom, and other countries come to know Jesus as their Lord, Saviour, and friend. Our mission at Shofar UK is to make it possible for as many people as possible to join their local congregation and worship at our church. On Sundays, services are held at the Shofar Christian Church.

Beginning in December 2023, the church will meet in Merton Park Baptist Church in Raynes Park, replacing its previous location at Hillside Church in Wimbledon. As Trustees, we think this is the best course of action for Shofar UK since it keeps the church true to its stated goal of spreading the faith. The new facility heralds a new season for the church's outreach focus for the borough of Merton, London, and beyond, while also enabling deeper fellowship within the current church.

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Shofar UK may now look back on its Trustee report from the previous year and be proud of the progress it has made in developing as a community, changing its community, and living for the community to see the arrival of God's Kingdom on earth. As part of its mission to reach people across countries and generations, Shofar UK maintained its core operations and added new ones. Among our main activities were:

- Gathering for Sunday services at Hillside Church in Wimbledon
- Holding weekly small group meetings
- Joining together in prayer during our Monday-night intercession prayer gatherings
- Weekly mothers' group meetings
- The Kids Church ministry diligently serving and instructing each Sunday
- Bible school on Tuesdays
- Thanksgiving service (food was gathered for the Foodbank)
- A service on Christmas Eve
- The Turning outreach
- Prayer for Guildford
- The start of prayer services in Guildford

The church went one step further in advancing the faith by continuing to support and participate in The Turning Mission, a programme led by The Gate Church in Reading. This made it possible for Shofar UK to expand in the areas of outreach and engagement, evangelism and evangelism training, and church partnership across denominations throughout the United Kingdom. In addition to strengthening Shofar UK's basic values—which are to reach nations and generations through leadership development, church planting, and disciple-making—we think this partnership gives this church a clear purpose in the modern world: to work in tandem with the larger body of Christ in pursuing a shared objective—that is, to make disciples of Jesus; and Shofar UK has been actively involved in outreach and street evangelism in 2022 as a result. As part of a team that organised weekly outreach events in Wimbledon, Shofar UK members contributed their dedication as people who care about the lost and the gospel of truth. In addition to being driven by a divine conviction to start a church in Guildford, the church broadened its mission to encompass these initiatives because they embodied the movement's ethos and goal of bringing the gospel to every corner of the globe.

Achievements and Performance

The Trustees appreciate that despite the challenge of practical obstacles, Shofar UK has been able to perform effectively and even surpass expectations in terms of the aims, dreams, and visions that have been placed before it. New initiatives have remained steadfast and continue bearing fruit. We have seen people step forward and support various church activities, including outreach and evangelism, worship, Kids Church, audio and visual, hospitality, and intercession.

- We began 2022 with 21 days of prayer and consecration, focusing on God and His plans for the year ahead
- Facilitated the Alpha course with 2 visitors completing the series and sharing their testimony of the experience
- Collaborated with three churches in Ukraine via Relief Life to offer practical aid, financial support, and consolation to families impacted by the conflict
- In accordance with our stated focus on leadership development, we had two more fellowship members deliver the main message on a Sunday for the first time
- We also delivered our Destiny Encounter course, which focused on helping participants rediscover who they are, redeem their past, and embrace their destiny
- We also conducted a special service to celebrate the Queen's Platinum Jubilee and to honour her significant national service

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- We delivered our Freedom seminar, which addressed the question of what it means to be truly free and the role that Jesus plays in achieving that goal
- Helped YWAM launch their new base in Wimbledon and joined their outreaches, evangelism sessions, and worship evenings
- Joined the Love All Serve All team for the annual Wimbledon tennis outreach, with a focus on prayer walks in the area, serving the queuing visitors with light relief and sharing the Gospel
- Women's ministry met for brunch and a country walk in Surrey, featuring testimonies and special guest speakers
- Consecrated Wimbledon with a five-kilometre prayer walk
- Pastor Hercules provided context, insight, and understanding to several difficult and frequently misunderstood scriptures as we worked through the Book of Revelation in a series of Sunday service messages
- We supported hub venues for the annual Turning Mission week, taking part in the launch evening, prayer meetings, encounter and testimony evenings, and outreaches in the Wimbledon area
- We launched our Soul Winning regular outreach initiative in Wimbledon, with members eager to maintain the momentum gained during the Turning Mission week
- In addition to the aforementioned, we celebrated the arrival of new members and observed the ongoing spiritual development of our Guildford church plant
- We wrapped up the year with formalities at our AGM and festivities at our Thanksgiving and Christmas Eve services

Most of 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

We believe there will undoubtedly be a new season for Shofar Christian Church UK now that it has a new location in Merton Park Baptist Church. The practical difficulties this church faces and the ensuing learning opportunities will be covered in greater detail in the remaining sections of this report. Although those difficulties have arisen in the past, we can confirm that this church's future depends on its ability to learn and grow in all areas. We firmly believe that stability is essential, and our plans aim to achieve this objective. We're committed to taking lessons from both our setbacks and victories. We are determined to follow the Lord wherever He leads and unwavering in our pursuit of Him in everything we do.

Financial review

Donations received during the period were £66,306, plus a further £6,864 of income arising from the activities undertaken. The Trustees are grateful for the handful of faithful givers during this period maintaining their support in the midst of significant cost of living issues, as well as the ongoing generosity from Shofar Utrecht (Netherlands), helping the Church through this difficult period.

Expenditure totalled £76,823 which was a 10% rise over the previous year, which reflects the costs issues faced by virtually all UK charities and partly due to the 2021 expenditure had exceptional 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).

This resulted in a small deficit for the year.

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 assets at the balance sheet date stood at approximately £5,500. Whilst this is a reduction on 2021, this is £8,000 improvement on the 2020 position (£2,585 deficit).

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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 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

As of the report from the previous year, the Church's primary concerns are debt control and financial independence. The ambiguities around stability and strength of finances continue to pose inevitable difficulties. Due to financial constraints, the Church is severely challenged to fulfil its mission and goal of serving the community and establishing new churches and congregations. The goal of the Church is to be able to serve as a base church and develop leaders who will be sent out to establish new churches and share the gospel with people all over the world. Shofar UK is fortunate to have the continued assistance of the greater network of churches based out of South Africa, as well as the support and financial contributions of our neighbouring church in Utrecht, Netherlands.

Due to the strain on South Africa's generosity caused by the UK's exchange rate, this approach cannot be sustained. This has less of an impact for our Dutch brothers and sisters because the Euro is better positioned to provide assistance with modest reductions once the exchange rate takes effect. Shofar London understands that Shofar Utrecht is not a dependable income source. For Shofar UK to be a financially successful institution that can help others, it requires a steady stream of revenue. Having said that, we acknowledge the situation we find ourselves in and are grateful for the grace shown to us as a church in need.

Our hope is to be able to bless others in the same way that we have been blessed one day. As a church, we recognise the apparent practical difficulties of operating a ministry without a designated office space or staff. This puts the church at risk because volunteers handle the organization's work, and must balance the demands of the church with depth and skill, alongside any personal needs or issues they may be dealing with.

We acknowledge this difficulty with soberness and do not wish to establish this model as the perfect form of government, but we also recognise that in order for the church to thrive in spite of these shortcomings, it must establish a strong internal support system and effective lines of communication until external help is provided. As Trustees, we recognise this as a prayerful area of considerable need for the church. The Trustees accept responsibility for the church's present financial predicament and pledge to pray and look for answers that will benefit the congregation, staff, volunteers, and ministers.

We give thanks to the Lord because He has been faithful in guiding Shofar UK through many trials and financial difficulties.

Going concern

Over the last few years, measures have been taken to reduce expenditure and increase income, which resulted in the Church reporting a net asset balance (£5,500). This is a positive turn around from the reported net current liabilities from earlier 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. Further changes have been made during 2023 and 2024 to contain expenditure. 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.

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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:

Sifiso Mazibuko

Date:

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 2022 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 of £5,766 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.

Stephen Mathews FCA

March 2024

Stewardship
1 Lamb's Passage
London
EC1Y 8AB

SHOFAR CHRISTIAN CHURCH LTD
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE 12 MONTHS ENDED 31 DECEMBER 2022

		12 months to 31 December 2022			12 months to 31 December 2021
	Note	Unrestricted Funds £	Restricted Funds £	Total Funds £	Total Funds £
INCOME AND ENDOWMENTS FROM:					
Donations and legacies	3	64,883	1,423	66,306	76,364
Charitable activities	4	6,864	-	6,864	5,016
Total income and endowments		71,747	1,423	73,170	81,379
EXPENDITURE ON:					
Charitable activities	5	74,679	1,944	76,623	69,575
Total expenditure		74,679	1,944	76,623	69,575
Net movement in funds		(3,051)	(402)	(3,453)	11,805
Reconciliation of funds:					
Total funds brought forward		5,884	3,335	9,219	(2,586)
Total funds carried forward	11	2,833	2,933	5,766	9,219

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 2022

		31 December 2022		31 December 2021	
		Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
	Note	£	£	£	£
CURRENT ASSETS					
Debtors	7	8,089	-	8,089	7,581
Cash at bank and in hand	8	410	2,933	3,343	5,084
		8,499	2,933	11,432	12,665
CREDITORS: Amounts falling due within one year	9	(5,666)	-	(5,666)	(3,446)
Net current assets / (liabilities)		<u>2,833</u>	<u>2,933</u>	<u>5,766</u>	<u>9,219</u>
TOTAL NET ASSETS		<u>2,833</u>	<u>2,933</u>	<u>5,766</u>	<u>9,219</u>
FUND BALANCES	11				
Unrestricted Funds					
General funds		2,833	-	2,833	5,884
		2,833	-	2,833	5,884
Restricted Funds		-	2,933	2,933	3,335
		<u>2,833</u>	<u>2,933</u>	<u>5,766</u>	<u>9,219</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the period ended 31 December 2022.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2022 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:

- (a) ensuring that the charitable company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) 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:

Sifiso Mazibuko

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 2022

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 £5,766 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. 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.

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.

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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).

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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

	2022 £	2021 £
Donations of cash and similar	51,811	59,321
Other grants receivable	4,050	4,688
Income tax recoverable	10,445	12,970
	<u>66,306</u>	<u>76,980</u>

4 Income from charitable activities

	2021 £	2020 £
Church retreats and events	574	
Consultancy and training services	6,290	
	<u>6,864</u>	<u>-</u>

5 Charitable expenditure

	2022 £	2021 £
a Costs incurred directly on specific activities		
Salaries, travel and expenses	48,506	48,778
Sunday venue, office rent & council taxes	9,650	2,787
Church running costs	13,649	11,281
Education Ministry	397	701
Missions Ministry	236	659
	<u>72,438</u>	<u>64,206</u>
Grants payable (note 4c)	-	733
	<u>72,438</u>	<u>64,939</u>

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b Costs incurred on support & administration

Governance costs		
Accounts and Independent examination	1,720	1,680
	<u>1,720</u>	<u>1,680</u>
Printing, postage and stationery	1,441	1,375
Office supplies	12	789
Sundry expenses	180	18
Telephone	95	126
Bank fees	367	247
Insurance	369	401
	<u>4,185</u>	<u>4,636</u>
Total expenditure	<u><u>76,623</u></u>	<u><u>69,575</u></u>

The fee payable to the independent examiner for examining and assistance on the accounts was £1,600 (2020: £1,800).

c Grants payable

	Institutions £	Individuals £	2022 £
Grants for UK and overseas mission	-	-	-
Grants for the relief of poverty	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>

The comparatives for the previous year are as follows:

	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>

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

	2022 £	2021 £
Gross wages and salaries	45,600	45,600
Social security	1,074	1,074
Pension costs	1,368	1,368
	<u>48,042</u>	<u>48,042</u>

The average monthly number of employees during the year was 1 (2021: 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 (2021: £45,600) and pension contributions of £1,368 (2021: £1,368).

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

SHOFAR CHRISTIAN CHURCH LTD
NOTES TO THE ACCOUNTS
FOR THE 12 MONTHS ENDED 31 DECEMBER 2022

7 Debtors

	2022 £	2021 £
Falling due within one year:		
Tax recoverable	353	735
Other Receivables	899	-
	<u>1,252</u>	<u>735</u>
Falling due after one year		
Staff loan	6,837	6,846
	<u>6,837</u>	<u>6,846</u>
Total debtors	<u>8,089</u>	<u>7,581</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 was for £6,846 and is repayable by instalments and by December 2023 had been reduced by £1,300 . Repayments to increase thereafter with the expectation of the loan being fully repaid during 2024 with the requirement the loan will have to be settled by the 31st of December 2028. The loan is secured by guarantees from Shofar Netherlands and Shofar South Africa.

8 Cash at Bank and in Hand

	2022 £	2021 £
Cash at bank with immediate access	3,343	5,084
	<u>3,343</u>	<u>5,084</u>

9 Creditors: liabilities falling due within one year

	2022 £	2021 £
Trade creditors	3,800	600
Other creditors	-	-
Accruals	1,866	2,846
	<u>5,666</u>	<u>3,446</u>

10 Pension and rental commitments

During the year employer's pension contributions totalling £1,368 (2021: £1,368) were payable to defined contribution personal pension schemes. Pension contributions of £266 (2021: £266) were owing at the balance sheet date.

SHOFAR CHRISTIAN CHURCH LTD
NOTES TO THE ACCOUNTS
FOR THE 12 MONTHS ENDED 31 DECEMBER 2022

11 Funds

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

	Opening balance 2022 £	Incoming resources 2022 £	Outgoing resources 2022 £	Transfers in the year 2022 £	Gains and losses 2022 £	Closing balance 2022 £
<i>General Unrestricted Funds</i>	5,884	71,747	(74,679)	(119)		2,833
Total Unrestricted Funds	5,884	71,747	(74,679)	(119)	-	2,833
<i>Restricted Funds</i>						
Missions account	141	(24)	(236)	119	-	-
AV Fund	343	125	(365)	-	-	103
Body Serve	1,136	(100)	(35)	-	-	1,001
Building Fund	1,716	-	-	-	-	1,716
Ukraine Fund	-	653	(653)	-	-	-
Visa Fund	-	769	(656)	-	-	113
	3,336	1,423	(1,945)	119	-	2,933
Aggregate of funds	9,220	73,170	(76,624)	-	-	5,766

Analysis of net assets by fund

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

	<u>Unrestricted Funds</u>		Restricted funds	2022
	General funds	Designated funds	funds	£
	£	£	£	
Debtors	8,089			8,089
Cash at bank and in hand	410	-	2,933	3,343
Creditors falling due within one year	(5,666)			(5,666)
	2,833	-	2,933	5,766

SHOFAR CHRISTIAN CHURCH LTD
NOTES TO THE ACCOUNTS
FOR THE 12 MONTHS ENDED 31 DECEMBER 2022

In the previous 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	(69,574)	-	-	9,220

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	2021 £
	General funds £	Designated funds £	funds £	
Debtors	7,581			7,581
Cash at bank and in hand	1,749	-	3,335	5,084
Creditors falling due within one year	(3,446)			(3,446)
	5,884	-	3,335	9,219

12 Transactions with related parties

During the year the charity:

- a) received donations totalling £14,406 (2021: £20,178) from related parties (which includes trustees, any other members of key management and anyone closely connected to them).
- b) No expenses (2021: £nil) were paid to, or for, the trustees.

Except as disclosed in note 5 'Analysis of staff costs' and Note 7 'Debtors' there have been no other transactions with related parties during the year other than those noted below.

- c) Over the 12 month period, payments totalling £50 (2021: £320) were paid to members of the Opperman family, who helped edit sermon recordings during the lockdown period caused by Covid-19.

13 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 2022

	Note	<u>Unrestricted fund</u>			<u>Unrestricted funds</u>		
		General 2022 £	Restricted 2022 £	Total 2022 £	General 2021 £	Restricted 2021 £	Total 2021 £
INCOME AND ENDOWMENTS FROM:							
Donations and legacies	3	64,883	1,423	66,306	73,985	2,379	76,364
Donations in kind	3	-		-	-		-
Charitable activities		6,864		6,864	5,016		5,016
Other income		-		-	-		-
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total income and endowments		71,747	1,423	73,170	79,001	2,379	81,379
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
EXPENDITURE ON:							
Charitable activities:	5	74,679	1,944	76,623	67,766	1,808	69,575
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Expenditure		74,679	1,944	76,623	67,766	1,808	69,575
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Net income/(expenditure)		(2,932)	(521)	(3,453)	11,234	571	11,805
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Transfers between funds	11	(119)	119	-	-	-	-
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
		(3,051)	(402)	(3,453)	11,234	571	11,805
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Reconciliation of funds:							
Total funds brought forward		5,884	3,335	9,219	(5,350)	2,764	(2,586)
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total funds carried forward	11	2,833	2,933	5,766	5,884	3,335	9,219
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>