

COMPANY REGISTRATION NUMBER: 06131576
CHARITY REGISTRATION NUMBER: 1120015

BETHSHAN (NORTH EAST)

Company Limited by Guarantee

UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MARCH 2021

BETHSHAN (NORTH EAST)

COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (INCORPORATING THE DIRECTOR'S REPORT)

YEAR ENDED 31 MARCH 2021

The trustees, who are also the directors and secretary for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 31 March 2021.

Reference and administrative details

Registered charity name Bethshan (North East)

Charity registration number 1120015

Company registration number 06131576

Principal office and registered office Top Club
Manor Road
Washington
Tyne and Wear
NE37 3BD

The trustees

Mr S J Burton
Dr T P Dunnett
Mr D J Spelman
Mr W C Todd

Company Secretary Mr N Anderson

Independent Examiner Alison Henshaw FCCA
Somerford Buildings
Norfolk Street
Sunderland
SR1 1EE

Bankers Lloyds Bank
54 Fawcett Street
Sunderland
SR1 1SF

BETHSHAN (NORTH EAST)

COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (INCORPORATING THE DIRECTOR'S REPORT)

(continued)

YEAR ENDED 31 MARCH 2021

Structure, governance and management

Bethshan (North East) is a charity which was registered with the Charity Commission on 11 July 2007, number 1120015. It is also a private company limited by guarantee with no share capital, registered with Companies House on 28 February 2007 under company number 06131576. Originally the charity was registered as Metro Church International both at Companies House and with the Charity Commission but the name was changed to Bethshan Pentecostal Church, then Bethshan (North East).

Trustees

The Directors of the charitable company (the charity) are its Trustees for the purpose of charity law. The Trustees and officers who served during the period and since the year end were:

Daniel Spelman
Timothy Dunnett
Warren Todd
Stephen Burton
Nathan Anderson

Senior staff members to whom the day-to-day management of the Charity is delegated are:

Timothy Dunnett
Joanne Dunnett

The charity is governed by Memorandum and Articles of Association incorporated 28 February 2007 as amended by Special Resolution passed 19 March 2007 and 24 February 2008.

Organisational Structure

- Senior Leaders - responsible for initiating and implementing new vision and strategy for the charity and congregations
- Apostolic Covering - responsible for providing accountability for the vision and strategy for the leadership of Bethshan
- Senior Leadership Team - responsible for governing the congregations, projects and programs in Bethshan Community
- Group of Elders - (currently 8) responsible for developing and providing accountability with the Senior Leaders for the vision and strategy of the congregations
- Trustees/Directors - responsible for providing financial accountability for the vision and strategy of the church. They are also responsible to ensure that everything the charity does meets all regulatory requirements, laws, etc

Permanent Staff Members

- Senior Leaders - Timothy & Joanne Dunnett
- Media Co-ordinator - Shaun Edmondston, responsible for all property, technical, media and computer issues
- Business Manager – Mark Taylor, responsible for all financial administration

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TRUSTEES' ANNUAL REPORT (INCORPORATING THE DIRECTOR'S REPORT)

(continued)

YEAR ENDED 31 MARCH 2021

- Administration Assistant – Sarahjane Spelman

- Children's Pastor – Zoe Robertson

Directors Recruitment and Appointment

The Directors are appointed from within the Church as and when the need arises. The Church Council shall appoint from time to time, as required, not less than three trustees.

Induction and training of Directors

The Church Council and existing directors shall ensure that new trustees are fully aware of their responsibilities and provide any necessary training.

Risk Management

The Trustees have identified the major risks to which the charity may be subject. Key risks are deemed to be exit or long-term absence of key staff and the cashflow position affordability of loan repayments. Systems have been established which are designed to mitigate all major risks. The trustees review their risk management strategy annually or more often if circumstances require.

Objectives and activities

Mission Statement

The advancement of the Christian faith and transformation of society through the good news of God concerning His Son Jesus Christ through demonstrations of his love in word and action.

We work under the practical mission statement of building our life around the person of Jesus, encountering His heart, being disciplined by His words, going on mission as His family and transforming society through His kingdom.

Principal Objects

The principal objects of the charity are as follows:

- 1 to advance the Christian faith in accordance with the Statement in such ways and in such parts of the United Kingdom or the world as the directors from time to time may think fit;
- 2 to relieve sickness and financial hardship and to promote and preserve good health by the provision of funds, goods or services of any kind including through the provision of counselling and support in such parts of the United Kingdom or the world as the directors from time to time think fit; and
- 3 to advance education in such ways and in such parts of the United Kingdom or the world as the directors from time to time may think fit.

In fulfilment of the principle objects the following activities are undertaken:

- 1 Public meetings throughout the week and on a weekend advancing Christian discipleship and providing pastoral care
- 2 Training of leaders and conferences that transform society for the good
- 3 Children & youth programmes that support families and engage positive role models

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TRUSTEES' ANNUAL REPORT (INCORPORATING THE DIRECTOR'S REPORT)

(continued)

YEAR ENDED 31 MARCH 2021

- 4 Therapeutic schools that impacts the most difficult of disengaged youth
- 5 Debt management services that work alongside public services
- 6 Job Club & Life skill courses that works alongside public services
- 7 Counselling, addiction support groups, underpinning a wellbeing centre
- 8 Prayer room that intercedes for the region and provides a place for personal prayer
- 9 Marriage support groups
- 10 Young adult support groups
- 11 Food bank and parcels for care leavers
- 12 Relational cooking courses to improve family life around mealtimes
- 13 Missionary work overseas
- 14 A mother and baby home
- 15 School educational programs
- 16 Prison chaplaincy

Achievements and performance

This year has been an unprecedented year during the pandemic with multiple lockdowns. We have continued to develop our vision to transform the North East of England by impacting lives and communities. We operate under the name Bethshan North East and have evolved to meet many of the needs of our community online.

Bethshan Church has had to reshape its vision of multiple types of gatherings because of COVID restrictions and as a consequence has developed a more comprehensive website and app to coordinate weekly activities throughout the year. These have included prayers meetings, leadership meetings, pastoral care, worship online gatherings, recorded podcasts & vlogs. Some of the smaller gatherings have continued as restrictions have allowed and we have conducted some outdoor gatherings. Our Eritrean & Ethiopian congregation has continued to meet whenever possible under the Bethshan banner.

We work under the mission statement of building our life around Jesus, encountering his heart, being disciplined by his words, going on mission as a family and transforming society through his kingdom.

This year, despite the restrictions, we have continued to improve the Top Club, Washington to serve the local community of Sulgrave. We have commenced the next wave of work which includes the refurbishment of a community café. Work on the roof has been completed and the internal remodelling and repurposing will be completed in 2021. The administration of the regional charity has almost exclusively worked from home this year and internal activities using the building for community activities have had to close with the lockdown COVID restrictions. We hope as lockdown eases next year for these to be able to resume as the guidelines change.

The Park Road church building is currently leased to Oasis Aquila and functions as a resource centre for homelessness in Sunderland with great success. There are no plans to change this, and the building is actively used for the city well.

BETHSHAN (NORTH EAST)

COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (INCORPORATING THE DIRECTOR'S REPORT)

(continued)

YEAR ENDED 31 MARCH 2021

The CAP program has been reviewed and decided to be wound down this year, as a result of changes to its model and the pandemic itself. It formally closed in August after 10 years serving the people of Sunderland in regard to debt management and debt relief. We are very grateful for the great work over this period of time, sowed into our region. We look forward to new opportunities in its place.

Hopespring has been formally separated this year as a charity planted and includes the two specialist school provisions in Newcastle & Sunderland as well as the Mother & Baby Home in Sunderland. The focus of this new charity is children in care, and it continues to do exceptional work which is highly praised in the city.

Prayer room has continued this year, fully online, and a new pattern established which we believe will grow into the future. There have been no conferences in person this year as a result of the pandemic, but more are planned for next year as the restrictions ease. Our worship director Luke Finch has moved to Glasgow with his family after many years of service for which we are very appreciative. We have employed a children's pastor part time for the first time this year and look forward to developing a program that impacts local children of the North East.

Overall, our finances have remained remarkably constant throughout the pandemic, as a consequence of the faithful support of our donor base. This has been very encouraging, and we are very thankful. We have had the opportunity to raise some great offerings to sow into the local schools and projects supporting children in care. We look forward to consolidating what we have learned throughout this difficult period and growing into the future.

Financial review

Reserves

During the period under review the accumulated reserves amount to £325,545 (2020: £213,995) which are represented by unrestricted funds of £252,802 (2020: £181,671), designated funds of £59,918 (2020: £25,375) and restricted funds of £12,825 (2020: £6,949). Unrestricted funds consist of general funds - revaluation of £10,129 (2020: £10,129) due to a revaluation of investment property and other unrestricted funds of £242,673 (2020: £171,542). The target free reserves for the charity is 1 months expenditure, estimated at £30k, actual free reserves are a deficit of £30,866 (2020: deficit of £65,308). The charity is working to make each project individually sustainable to build free reserves.

The property at Longbenton was last valued at £85,000 (March 2020) and the property at Sulgrave is included at a purchase cost of £225,000 with an outstanding joint mortgage of £315,395 (Kingdom Bank). The property at Park Road, Sunderland was last valued at £335,947 (March 2020) with an outstanding mortgage of £117,145 (Lloyds Bank).

Main Funders

All funding is raised from within the church. This comprises normal weekly/monthly offerings together with special appeals for projects, which we undertake.

Investment policy

The directors have the power to invest in such assets as they see fit.

The charity sometimes needs to react quickly to particular needs and has a policy of keeping surplus liquid funds in short term deposits which can be accessed readily.

BETHSHAN (NORTH EAST)

COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (INCORPORATING THE DIRECTOR'S REPORT)

(continued)

YEAR ENDED 31 MARCH 2021

Plans for future periods

This year we intend to finish the refitting of a community café in Sulgrave and open a Mother and Toddler Home for the local area. We intend to expand our family programmes accordingly from this facility and build regional night prayer.

We aim to grow the community across the region as restrictions change with the pandemic, incorporating online connection into a regular pattern of community alongside in person gatherings.

We plan to support our new sister charity Hopespring as it continues to grow.

Prayer will continue to be expanded, as possible within the guidelines as they change.

We will continue to look to expand our children ('Fireschool') and youth programmes and are anticipating investing financially more in these areas, as well as expanding our successful 'Kid's Club' school holiday provision.

We have a number of conferences planned this year (COVID dependent) that we intend to be fully self-financing.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The trustees' annual report was approved on 25.11.21..... and signed on behalf of the board of trustees by:



Dr T P Dunnett
Trustee

BETHSHAN (NORTH EAST)

COMPANY LIMITED BY GUARANTEE

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF BETHSHAN (NORTH EAST)

YEAR ENDED 31 MARCH 2021

I report to the trustees on my examination of the financial statements of Bethshan (North East) ('the charity') for the year ended 31 March 2021.

Responsibilities and basis of report

As the trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements 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 the 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

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Association of Chartered Certified Accountants, which is one of the listed bodies.

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 charity as required by section 386 of the 2006 Act; or
2. the financial statements do not accord with those records; or
3. the financial statements 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 financial statements 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).

BETHSHAN (NORTH EAST)

COMPANY LIMITED BY GUARANTEE

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF BETHSHAN (NORTH EAST) *(continued)*

YEAR ENDED 31 MARCH 2021

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.



Alison Henshaw FCCA
Independent Examiner

Somerford Buildings
Norfolk Street
Sunderland
SR1 1EE

Date: 29 - 11 - 21

BETHSHAN (NORTH EAST)**COMPANY LIMITED BY GUARANTEE****STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)****YEAR ENDED 31 MARCH 2021**

		2021			2020
	Note	Unrestricted funds £	Designated funds £	Restricted funds £	Total funds £
Income and endowments					
Donations and legacies	5	26,773	—	—	26,773
Charitable activities	6	320,457	9,416	13,153	343,026
Investment income	7	2	—	—	2
Other income	8	22,800	48,668	—	71,468
Total income		<u>370,032</u>	<u>58,084</u>	<u>13,153</u>	<u>441,269</u>
Expenditure					
Expenditure on charitable activities	9,10	<u>311,306</u>	<u>11,330</u>	<u>7,083</u>	<u>329,719</u>
Total expenditure		<u>311,306</u>	<u>11,330</u>	<u>7,083</u>	<u>329,719</u>
Net gains on investments	12	—	—	—	—
Net income		<u>58,726</u>	<u>46,754</u>	<u>6,070</u>	<u>111,550</u>
Transfer between funds		12,405	(12,211)	(194)	—
Transfer to Hopespring Charity Number 1183771		—	—	—	(17,123)
Net movement in funds		<u>71,131</u>	<u>34,543</u>	<u>5,876</u>	<u>111,550</u>
Reconciliation of funds					
Total funds brought forward		181,671	25,375	6,949	213,995
Total funds carried forward		<u>252,802</u>	<u>59,918</u>	<u>12,825</u>	<u>325,545</u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 13 to 27 form part of these financial statements.

BETHSHAN (NORTH EAST)
COMPANY LIMITED BY GUARANTEE
STATEMENT OF FINANCIAL POSITION
31 MARCH 2021

	Note	2021 £	£	2020 £
Fixed Assets				
Tangible fixed assets	17		265,481	245,919
Investments	18		420,947	420,947
			<u>686,428</u>	<u>666,866</u>
Current Assets				
Debtors	19	4,864		15,332
Cash at bank and in hand		82,911		10,349
		<u>87,775</u>		<u>25,681</u>
Creditors: amounts falling due within one year	20	<u>35,769</u>		<u>48,536</u>
Net Current Assets			<u>52,006</u>	<u>(22,855)</u>
Total Assets Less Current Liabilities			<u>738,434</u>	<u>644,011</u>
Creditors: amounts falling due after more than one year	21		<u>412,889</u>	<u>430,016</u>
Net Assets			<u>325,545</u>	<u>213,995</u>
Funds of the Charity				
Designated funds			59,918	25,375
Restricted funds			12,825	6,949
Unrestricted funds:				
Revaluation		10,129		10,129
General funds		<u>242,673</u>		<u>171,542</u>
Total unrestricted funds		<u>252,802</u>		<u>181,671</u>
Total charity funds	24		<u>325,545</u>	<u>213,995</u>

For the year ending 31 March 2021 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

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

The statement of financial position
continues on the following page.
The notes on pages 13 to 27 form part of these financial statements.

BETHSHAN (NORTH EAST)

COMPANY LIMITED BY GUARANTEE

STATEMENT OF FINANCIAL POSITION *(continued)*

31 MARCH 2021

These financial statements were approved by the board of trustees and authorised for issue on ~~25.11.21~~ and are signed on behalf of the board by:



Dr T P Dunnett
Trustee

The notes on pages 13 to 27 form part of these financial statements.

BETHSHAN (NORTH EAST)
COMPANY LIMITED BY GUARANTEE
STATEMENT OF CASH FLOWS
YEAR ENDED 31 MARCH 2021

	2021	2020
	£	£
Cash Flows from Operating Activities		
Net income	111,550	14,852
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	9,986	11,009
Net gains on investments	—	(10,129)
Other interest receivable and similar income	(2)	—
Accrued expenses/(income)	233	(2,680)
<i>Changes in:</i>		
Trade and other debtors	10,468	(2,474)
Trade and other creditors	(13,491)	13,544
Deferred income	—	(7,075)
Cash generated from operations	118,744	17,047
Interest received	2	—
Net cash from operating activities	<u>118,746</u>	<u>17,047</u>
Cash Flows from Investing Activities		
Purchase of tangible assets	(29,548)	(20,227)
Net cash used in investing activities	<u>(29,548)</u>	<u>(20,227)</u>
Cash Flows from Financing Activities		
Proceeds from borrowings	(16,636)	(17,940)
Net cash used in financing activities	<u>(16,636)</u>	<u>(17,940)</u>
Net Increase/(Decrease) in Cash and Cash Equivalents	72,562	(21,120)
Transfer to Hopespring Charity Number 1183771		(17,123)
Cash and Cash Equivalents at Beginning of Year	10,349	48,592
Cash and Cash Equivalents at End of Year	<u>82,911</u>	<u>10,349</u>

The notes on pages 13 to 27 form part of these financial statements.

BETHSHAN (NORTH EAST)
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2021

1. General Information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Top Club, Manor Road, Washington, Tyne and Wear, NE37 3BD.

2. Statement of Compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting Policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

BETHSHAN (NORTH EAST)

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 MARCH 2021

3. Accounting Policies *(continued)*

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

BETHSHAN (NORTH EAST)

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 MARCH 2021

3. Accounting Policies *(continued)*

Operating leases *(continued)*

Lease income is recognised in income or expenditure on a straight line basis over the lease term. The aggregate cost of lease incentives are recognised as a reduction to income over the lease term on a straight-line basis. Costs, including depreciation, incurred in earning the lease income are recognised as an expense. Any initial direct costs incurred in negotiating and arranging the operating lease are added to the carrying amount of the lease and recognised as an expense over the lease term on the same basis as the lease income.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Freehold property	- 2% straight line
Fixtures and fittings	- 25% reducing balance

Investment property

Investment property is initially recorded at cost, which includes purchase price and any directly attributable expenditure. Investment property is revalued to its fair value at each reporting date and any changes in fair value are recognised in profit or loss.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

BETHSHAN (NORTH EAST)

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 MARCH 2021

3. Accounting Policies *(continued)*

Defined contribution plans *(continued)*

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

4. Limited by Guarantee

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

5. Donations and Legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Donations			
Donations	1,773	—	1,773
Grants			
Grants receivable	25,000	—	25,000
	<u>26,773</u>	<u>—</u>	<u>26,773</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Donations			
Donations	10,000	—	10,000
Grants			
Grants receivable	—	18,000	18,000
	<u>10,000</u>	<u>18,000</u>	<u>28,000</u>

BETHSHAN (NORTH EAST)**COMPANY LIMITED BY GUARANTEE****NOTES TO THE FINANCIAL STATEMENTS (continued)****YEAR ENDED 31 MARCH 2021****6. Charitable Activities**

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds 2021 £
Tithes and offerings/gift aid	291,099	—	—	291,099
Events	—	—	—	—
House of Prayer Europe	—	—	10,734	10,734
Mother and Baby Home	—	—	—	—
CAP	—	—	1,519	1,519
Hopespring	5,122	9,416	—	14,538
TLG	—	—	—	—
Corona Virus Support Centre	—	—	900	900
	<u>24,236</u>	<u>—</u>	<u>—</u>	<u>24,236</u>
	<u>320,457</u>	<u>9,416</u>	<u>13,153</u>	<u>343,026</u>

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds 2020 £
Tithes and offerings/gift aid	300,170	—	—	300,170
Events	10,194	—	—	10,194
House of Prayer Europe	—	—	1,487	1,487
Mother and Baby Home	—	—	62,738	62,738
CAP	—	—	3,836	3,836
Hopespring	—	—	39,459	39,459
TLG	—	—	65,118	65,118
Corona Virus Support Centre	—	—	225	225
	<u>44,127</u>	<u>—</u>	<u>—</u>	<u>44,127</u>
	<u>354,491</u>	<u>—</u>	<u>172,863</u>	<u>527,354</u>

7. Investment Income

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Bank interest receivable	<u>2</u>	<u>2</u>	<u>—</u>	<u>—</u>

8. Other Income

	Unrestricted Funds £	Designated Funds £	Total Funds 2021 £
Rent Income	22,800	—	22,800
Property Income	—	48,668	48,668
	<u>22,800</u>	<u>48,668</u>	<u>71,468</u>

BETHSHAN (NORTH EAST)**COMPANY LIMITED BY GUARANTEE****NOTES TO THE FINANCIAL STATEMENTS (continued)****YEAR ENDED 31 MARCH 2021****8. Other Income (continued)**

	Unrestricted Funds £	Designated Funds £	Total Funds 2020 £
Rent Income	20,100	–	20,100
Property Income	–	5,375	5,375
	<u>20,100</u>	<u>5,375</u>	<u>25,475</u>

9. Expenditure on Charitable Activities by Fund Type

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds 2021 £
Events and conferences	1,023	–	–	1,023
Centre	203,278	–	–	203,278
TLG	–	–	–	–
Mother and Baby Home	–	–	–	–
CAP	–	–	5,823	5,823
House of Prayer Europe	–	–	135	135
Hopespring	–	–	–	–
Let's Eat	–	–	–	–
Coronavirus Support	–	–	1,125	1,125
School Meals & Hopespring Appeal	–	10,685	–	10,685
Top Club Development	–	645	–	645
Support costs	107,005	–	–	107,005
	<u>311,306</u>	<u>11,330</u>	<u>7,083</u>	<u>329,719</u>

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds 2020 £
Events and conferences	16,737	–	–	16,737
Centre	206,131	–	–	206,131
TLG	–	–	75,787	75,787
Mother and Baby Home	–	–	11,976	11,976
CAP	–	–	20,222	20,222
House of Prayer Europe	–	–	257	257
Hopespring	–	–	8,037	8,037
Let's Eat	–	–	300	300
Coronavirus Support	–	–	–	–
School Meals & Hopespring Appeal	–	–	–	–
Top Club Development	–	–	–	–
Support costs	139,719	–	96,940	236,659
	<u>362,587</u>	<u>–</u>	<u>213,519</u>	<u>576,106</u>

BETHSHAN (NORTH EAST)**COMPANY LIMITED BY GUARANTEE****NOTES TO THE FINANCIAL STATEMENTS** *(continued)***YEAR ENDED 31 MARCH 2021****10. Expenditure on Charitable Activities by Activity Type**

	Activities undertaken directly	Support costs	Total funds 2021	Total fund 2020
	£	£	£	£
Events and conferences	1,023	40	1,063	16,737
Centre	203,278	62,805	266,083	296,926
TLG	—	36	36	109,261
Mother and Baby Home	—	1,080	1,080	37,303
CAP	5,823	—	5,823	20,222
House of Prayer Europe	135	—	135	257
Hopespring	—	—	—	46,175
Let's Eat	—	—	—	300
Coronavirus Support	1,125	—	1,125	—
School Meals & Hopespring Appeal	10,685	—	10,685	—
Top Club Development	645	—	645	—
Governance costs	—	43,044	43,044	48,925
	<u>222,714</u>	<u>107,005</u>	<u>329,719</u>	<u>576,106</u>

11. Taxation

The charity is exempt from tax on income and gains falling within Section 505 of the Taxes Act 1988 or Section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

12. Net Gains on Investments

	Unrestricted Funds	Total Funds 2021	Unrestricted Funds	Total Funds 2020
	£	£	£	£
Gains/(losses) on investment property	—	—	10,129	10,129

13. Net Income

Net income is stated after charging/(crediting):

	2021	2020
	£	£
Depreciation of tangible fixed assets	<u>9,986</u>	<u>11,009</u>

14. Independent Examination Fees

	2021	2020
	£	£
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>4,913</u>	<u>3,900</u>

BETHSHAN (NORTH EAST)

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 MARCH 2021

15. Staff Costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2021	2020
	£	£
Wages and salaries	135,953	231,834
Social security costs	11,197	15,501
Employer contributions to pension plans	6,705	12,343
	<u>153,855</u>	<u>259,678</u>

The average head count of employees during the year was 7 (2020: 11).

No employee received employee benefits of more than £60,000 during the year (2020: Nil).

Key Management Personnel

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the charity. The total compensation paid to key management personnel for services provided to the charity was £47,039 (2020: £46,945).

16. Trustee Remuneration and Expenses

During the year T Dunnett, a trustee of the charitable company, received a gross salary of £40,685 (2020: £40,685) and employer pension contributions of £2,034 (2020: £2,034) for their services to the charitable company.

The trustee above received remuneration during the year for their services to the charitable company, under their contracts of employment. No other trustee received any remuneration for professional or other services supplied by the charity (2020: nil).

The aggregate amount of travelling and subsistence expenses reimbursed to the trustees during the year was £nil (2020: £2,218). The number of persons reimbursed was nil (2020: 2).

During the year the charity paid trustee's indemnity insurance of £359 (2020: £359).

BETHSHAN (NORTH EAST)

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 MARCH 2021

17. Tangible Fixed Assets

	Freehold property £	Fixtures and fittings £	Total £
Cost			
At 1 April 2020	238,670	154,734	393,404
Additions	25,528	4,020	29,548
At 31 March 2021	264,198	158,754	422,952
Depreciation			
At 1 April 2020	8,333	139,152	147,485
Charge for the year	5,085	4,901	9,986
At 31 March 2021	13,418	144,053	157,471
Carrying amount			
At 31 March 2021	250,780	14,701	265,481
At 31 March 2020	230,337	15,582	245,919

18. Investments

	Investment properties £
Valuation	
At 1 April 2020 and 31 March 2021	420,947
Impairment	
At 1 April 2020 and 31 March 2021	
Carrying amount	
At 31 March 2021	420,947
At 31 March 2020	420,947

All investments shown above are held at valuation.

Investment properties

The fair value of the investment property has been arrived at on the basis of a valuation carried out at 31 March 2021 by the trustees. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties.

The Longbenton property was acquired in 2000 for £68,500 and the Sunderland property was acquired in 2003 for £131,253.

The charity has pledged its investment property shown above as security over its bank loans and overdrafts.

BETHSHAN (NORTH EAST)

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 MARCH 2021

19. Debtors

	2021 £	2020 £
Trade debtors	—	1,000
Other debtors	4,864	14,332
	<u>4,864</u>	<u>15,332</u>

20. Creditors: amounts falling due within one year

	2021 £	2020 £
Bank loans and overdrafts	19,648	19,157
Trade creditors	—	301
Accruals and deferred income	4,914	4,681
Social security and other taxes	6,283	3,248
Other creditors	4,924	21,149
	<u>35,769</u>	<u>48,536</u>

Included within creditors due within one year is an amount of £19,648 (2020: £19,157) which is secured by:

- a legal charge from Bethshan (North East) over the freehold property at Longbenton Community Church, Somervyl Chapel, Chesters Avenue, Newcastle NE12 8UB;

- a legal charge from Bethshan (North East) over the freehold property at Top Club, Manor Road, Sulgrave, Washington Tyne & Wear NE37 3BD;

- a legal charge from Bethshan (North East) over the freehold property at Park Road Methodist Church, Park Road, Sunderland SR2 8HR.

21. Creditors: amounts falling due after more than one year

	2021 £	2020 £
Bank loans and overdrafts	<u>412,889</u>	<u>430,016</u>

Included within creditors: amounts falling due after more than one year is an amount of £342,986 (2020: £356,585) in respect of liabilities payable or repayable by instalments which fall due for payment after more than five years from the reporting date.

Included within creditors falling due in more than one year is an amount of £412,889 (2020: £430,016) which is secured by:

- a legal charge from Bethshan (North East) over the freehold property at Longbenton Community Church, Somervyl Chapel, Chesters Avenue, Newcastle NE12 8UB;

- a legal charge from Bethshan (North East) over the freehold property at Top Club, Manor Road, Sulgrave, Washington, Tyne & Wear NE37 3BD;

BETHSHAN (NORTH EAST)

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 MARCH 2021

21. Creditors: amounts falling due after more than one year *(continued)*

- a legal charge from Bethshan (North East) over the freehold property at Park Road Methodist Church, Park Road, Sunderland, SR2 8HR.

22. Deferred Income

	2021 £	2020 £
At 1 April 2020	—	7,075
Amount released to income	—	(7,075)
At 31 March 2021	—	—

23. Pensions and Other Post Retirement Benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £6,705 (2020: £12,343).

24. Analysis of Charitable Funds

Unrestricted funds

	At 1 Apr 2020 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 Mar 2021 £
General funds	171,542	370,032	(311,306)	12,405	—	242,673
General funds - revaluation	10,129	—	—	—	—	10,129
	<u>181,671</u>	<u>370,032</u>	<u>(311,306)</u>	<u>12,405</u>	<u>—</u>	<u>252,802</u>

	At 1 Apr 2019 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 Mar 2020 £
General funds	72,776	384,591	(362,587)	76,762	—	171,542
General funds - revaluation	—	—	—	—	10,129	10,129
	<u>72,776</u>	<u>384,591</u>	<u>(362,587)</u>	<u>76,762</u>	<u>10,129</u>	<u>181,671</u>

General funds - 'free reserves' after allowing for designated funds.

General reserve - revaluation - arising on revaluation of investment property.

BETHSHAN (NORTH EAST)**COMPANY LIMITED BY GUARANTEE****NOTES TO THE FINANCIAL STATEMENTS** *(continued)***YEAR ENDED 31 MARCH 2021****24. Analysis of Charitable Funds** *(continued)***Restricted funds**

	At 1 Apr 2020	Income	Expenditure	Transfers	Gains and losses	At 31 Mar 2021
	£	£	£	£	£	£
CAP Centre	5,494	1,519	(5,823)	(1,190)	—	—
House of Prayer Europe	1,230	10,734	(135)	996	—	12,825
Corona Virus Support	225	900	(1,125)	—	—	—
	<u>6,949</u>	<u>13,153</u>	<u>(7,083)</u>	<u>(194)</u>	<u>—</u>	<u>12,825</u>

	At 1 Apr 2019	Income	Expenditure	Transfers	Gains and losses	At 31 Mar 2020
	£	£	£	£	£	£
TLG	100,908	65,118	(109,262)	(56,764)	—	—
Let's Eat	300	—	(300)	—	—	—
1989 Willan Charitable Trust	—	5,000	(5,000)	—	—	—
Mother and Baby Home	19,992	62,738	(37,304)	(45,426)	—	—
Joicey Trust	2,290	—	(2,290)	—	—	—
Hopespring	—	39,459	(46,175)	6,716	—	—
CAP Centre	—	16,836	(12,931)	1,589	—	5,494
House of Prayer Europe	—	1,487	(257)	—	—	1,230
Corona Virus Support	—	225	—	—	—	225
	<u>123,490</u>	<u>190,863</u>	<u>(213,519)</u>	<u>(93,885)</u>	<u>—</u>	<u>6,949</u>

BETHSHAN (NORTH EAST)

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 MARCH 2021

24. Analysis of Charitable Funds *(continued)*

Restricted funds - comprise of gifts made to be used for specific purposes.

TLG (The Lighthouse Group) - funds were received in the prior year in order to convert the church's building at Longbenton, and to run a project to enable excluded children to continue to receive education.

Let's Eat - funds from Sunderland City Council were received in the prior year to support our Let's Eat project which helps to provide healthy eating resources and education to young families in the city in the prior year.

CAP Centre, Joseph Brough Charitable Trust Fund, 1989 Willan Charitable Trust and Joicey Trust - grants were gratefully received from the 1989 Willan Charitable Trust and the Joseph Brough Charitable Trust towards the cost of continuing and expanding the Sunderland Christians Against Poverty (CAP) Centre, due to increasing demand for its free debt counselling service.

Mother and Baby Home - funds received in the prior year to run a project to provide 24/7 supported living to enable young mothers in bonding with their child and break the cycle of care.

Hopespring - funds received in the prior year to support vulnerable young people in the region.

House of Prayer Europe - funds received towards prayer room hosting live prayer and worship.

Corona Virus Support - funds received in order to support those effected by Corona Virus.

Transfers between funds represent projects coming to an end in the current year and amounts misallocated between funds.

Designated funds

	At 1 Apr 2020 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 Mar 2021 £
Designated Fund	25,375	58,084	(11,330)	(12,211)	—	59,918

	At 1 Apr 2019 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 Mar 2020 £
Designated Fund	20,000	5,375	—	—	—	25,375

£59,918 has been designated to be utilised towards the planned café project within the Washington Property.

BETHSHAN (NORTH EAST)**COMPANY LIMITED BY GUARANTEE****NOTES TO THE FINANCIAL STATEMENTS** *(continued)***YEAR ENDED 31 MARCH 2021****25. Analysis of Net Assets Between Funds**

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds 2021 £
Tangible fixed assets	265,481	–	–	265,481
Investments	420,947	–	–	420,947
Current assets	15,032	59,918	12,825	87,775
Creditors less than 1 year	(35,769)	–	–	(35,769)
Creditors greater than 1 year	(412,889)	–	–	(412,889)
Net assets	252,802	59,918	12,825	325,545

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds 2020 £
Tangible fixed assets	245,919	–	–	245,919
Investments	420,947	–	–	420,947
Current assets	(6,643)	25,375	6,949	25,681
Creditors less than 1 year	(48,536)	–	–	(48,536)
Creditors greater than 1 year	(430,016)	–	–	(430,016)
Net assets	181,671	25,375	6,949	213,995

26. Analysis of Changes in Net Debt

	At 1 Apr 2020 £	Cash flows £	At 31 Mar 2021 £
Cash at bank and in hand	10,349	72,562	82,911
Debt due within one year	(19,157)	(491)	(19,648)
Debt due after one year	(430,016)	17,127	(412,889)
	(438,824)	89,198	(349,626)

27. Operating Lease Commitments**As lessee**

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2021 £	2020 £
Not later than 1 year	9,255	7,695
Later than 1 year and not later than 5 years	24,069	27,307
	2,006	8,023
	35,330	43,025

BETHSHAN (NORTH EAST)

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 MARCH 2021

27. Operating Lease Commitments *(continued)*

As lessor

The total future minimum lease payments receivable under non-cancellable operating leases are as follows:

	2021	2020
	£	£
Not later than 1 year	<u>2,700</u>	<u>16,600</u>

28. Related Parties

In the prior year the charity worked in partnership with TLG "the education charity", in running the TLG Education Centre in Longbenton. TLG received 100% of the Education Income and after taking a 30% fee for training, education and legal services, invoiced 70% to the charity to cover the running costs of the School. Income for the year from TLG was £nil (2020: £65,118). There were no outstanding balances owed to TLG at the year end (2020: £nil). The TLG School was transferred to Hopespring Charity, and Bethshan North East's formal partnership with the TLG National Charity ended on 31/12/2019.