

KERITH COMMUNITY CHURCH

England & Wales - Charity number 1124519

Details

Status Registered

Legal form Charitable company

Company number [06585832](#)

Registered 2008-06-16

Register [View on the Charity Commission register](#)

Contact

Address Kerith Community Church
The Kerith Centre
Church Road
Bracknell
RG12 1EH

Phone 01344828861

Email info@kerith.church

Website www.kerith.church

Activities

Objects: 3.1 THE ADVANCEMENT OF THE CHRISTIAN FAITH IN ACCORDANCE WITH THE STATEMENT OF FAITH;3.2 THE RELIEF OF POVERTY3.3 THE ADVANCEMENT OF EDUCATION; AND3.4 THE ADVANCEMENT OF MENTAL AND PHYSICAL HEALTH OF FAMILIES AND INDIVIDUALS THROUGH THE PROVISION OF FINANCIAL AND PRACTICAL SUPPORT AND COUNSELLING SERVICES.

Activities: The Advancement of the Christian faith in accordance with the statement of faith.The relief of povertyThe advancement of educationThe advancement of mental and physical health of families and individuals through the provision of financial and practical support and counselling services.

Classification

- **How:** Makes Grants To Individuals, Makes Grants To Organisations, Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information
- **What:** Education/training, The Prevention Or Relief Of Poverty, Overseas Aid/famine Relief, Accommodation/housing, Religious Activities, Economic/community Development/employment, Human Rights/religious Or Racial Harmony/equality Or Diversity
- **Who:** Children/young People, Elderly/old People, People With Disabilities, Other Charities Or Voluntary Bodies, Other Defined Groups, The General Public/mankind

Geography

- **Area of benefit:** LOCAL AND OVERSEAS
- Bracknell Forest
- Hampshire
- Isle Of Wight
- Windsor And Maidenhead

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£2,324,728	£2,155,592	£4,178,304	39
2023-12-31	£2,041,171	£2,182,592	£4,009,168	41
2022-12-31	£2,230,373	£2,061,550	£4,150,589	42
2021-12-31	£1,633,617	£1,790,578	£3,981,766	27
2020-12-31	£1,889,927	£1,570,078	£4,138,727	25

Trustees

Name	Role	Appointed
JONATHAN RICHARD DAVIS	Chair	
Amy Horne		2026-02-19
DUNCAN ROBERT GORDON KLITGAARD		2015-10-24
Daniele Seidu		2017-02-09
JEFF WHITTON		2015-07-15
Jacqui Webber-Gant		2023-07-20
SIMON LATIMER BENHAM		

KERITH COMMUNITY CHURCH

England & Wales - Charity number 1124519

Accounts

Charity registration number 1124519 (England and Wales)

Company registration number 06585832

KERITH COMMUNITY CHURCH
(A COMPANY LIMITED BY GUARANTEE)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

KERITH COMMUNITY CHURCH

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	J Davis - Chair S Benham - Senior Pastor & Elder D Klitgaard - Elder D Seidu - Treasurer J M Whitton J Webber-Gant - Elder
Secretary	Mr C J Field
Charity number (England and Wales)	1124519
Company number	06585832
Registered office	The Kerith Centre Church Road Bracknell Berkshire RG12 1EH
Auditor	Xeinadin Audit Limited 5 Robin Hood Lane Sutton Surrey SM1 2SW
Bankers	HSBC Bank Plc 26 Broad Street Reading Berkshire RG1 2BU

KERITH COMMUNITY CHURCH

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KERITH COMMUNITY CHURCH

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2024

The trustees present their annual report and financial statements for the year ended 31 December 2024.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: 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)" (effective 1 January 2019).

Objectives and activities

Mission and Vision

Kerith Community Church's vision statement is "Helping people find their way back to God through communities growing in their love of God and their love for people". This is done through reaching out to these communities with the love of Christ through weekly meetings in our buildings, social justice activities and small group gatherings in the community as well as sowing into the wider national and international community with funds and resources.

Public benefit

The Trustees consider the Charity Commission guidance on public benefit and consider that the activities of the Charity meet its objectives and provide a benefit to the public.

Volunteers

Volunteers are an essential part of church life, with most activities being supported by volunteers. It is estimated that over 80% of the church attendance support the ministry of the church through volunteering with a significant number of new volunteers coming forward in 2024.

Achievements and performance

Bracknell

Attendance at the Bracknell site continued to grow throughout 2024. To accommodate this increase, the site now hosts two morning meetings each week, improving capacity both within the building and in the car park. Additionally the site hosts a monthly Sunday afternoon meeting for families with young children and a monthly Sunday evening meeting.

An energy audit was commissioned in late 2024 to assess energy usage across The Kerith Centre and K2 buildings. The findings will inform our strategy to enhance sustainability and reduce energy consumption. In line with this, we will commence voluntary Energy and Carbon reporting for 2024, ensuring transparency and accountability. Once the audit is complete, an annual Energy Reduction Plan will be established with clear targets to guide our efforts.

In July 2024, a second residential property owned by Kerith was sold. The proceeds were fully allocated to reducing the mortgage taken out to purchase the Caroline House building in Farnborough, which now has less than £94,000 outstanding

The Bracknell site has also continued to raise money to pay for some key building infrastructure projects. These include the replacement of over 150 halogen lightbulbs for LED alternatives (planned for June 2025) and the upgrade of the auditorium PA systems.

The Revive Social Justice team continued to provide crucial support to residents in and around Bracknell. In the final months of 2024, the team distributed approximately 15% fewer food packages compared to 2023. This reduction reflects a decline in demand, highlighting the team's success not only in providing food support but also in offering long-term assistance to help individuals move away from reliance on food banks.

KERITH COMMUNITY CHURCH

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

Farnborough

In line with trends across all Kerith sites, the Farnborough location experienced a steady increase in attendance throughout 2024.

A mid-week food pantry was launched in Farnborough, offering a subscription service that allows individuals to purchase food at a significantly reduced price. Throughout 2024, demand for this service has grown, accompanied by an increase in food donations and grant funding as awareness of the initiative spreads within the community. At the end of 2024, 122 households were signed up, which represents 212 adults and 169 children. The pantry also serves as a gateway to additional support services, such as Debt Coaches, providing holistic assistance to those in need.

The renovation project for the Caroline House building was officially introduced to the community in September 2024. Comprehensive renovation plans have been developed, with the total cost estimated at approximately £3 million. The project is structured into five distinct phases, with Phase 1 expected to commence towards the end of 2025. Community fundraising efforts raised £150,000 in the final three months of 2024, and a grant specialist has been appointed to help secure additional funding.

As part of our commitment to giving beyond Kerith, 10% of all funds raised for the Caroline House project are allocated to external initiatives, both locally and internationally.

Windsor

A continued increase in both midweek events and Sunday attendance throughout 2024 has necessitated several building alterations to accommodate growing demand.

In February, a commercial-grade coffee serving area was installed. While the long-term vision is to operate this as a commercial coffee shop, it currently serves the Sunday community and midweek events, staffed by trained volunteers. Work is ongoing to find a suitable individual or organisation to further its usage.

In November, the auditorium was reconfigured by rotating it 90 degrees to maximize usable space and improve sight lines. This significant project involved relocating AV equipment, making electrical modifications, and installing new access doors. Staffing levels at the Windsor site have been increased to align with other Kerith locations.

The site continues to generate additional income through building hire. Two regular organisations lease space throughout the year, and a small workshop at the rear of the building is sublet on a rolling one-year contract. This agreement has already been extended to April 2026.

Isle of Wight

To better reach the Island's population, the site relocated from the small town of Freshwater in the west to a more central and densely populated area in Carisbrooke, just outside Newport. From September 2024, Sunday services have been held at Carisbrooke CE Primary School. This move has already led to an increase in new attendees, with overall church attendance beginning to grow once again. They also officially renamed to Kerith Isle of Wight.

While a small office space is still rented in Freshwater, the team is actively seeking a more suitable location closer to Newport for the medium to long term.

With the site now in a more accessible location, there is a renewed focus on expanding social justice initiatives, aiming to replicate the success of similar programs at mainland sites and increase community impact.

Buildings

Kerith owns several properties, including The Kerith Centre, the nearby Studio, K2, Caroline House in Farnborough, and one residential property. In addition to these, we lease a small community hall in Dedworth, Windsor, which expires in June 2027. In November 2022, we secured 10-year leases on two warehouse units opposite the community hall, which expire in March 2031, further expanding our facilities. On the Isle of Wight, we maintain a small office space and hire a school hall for Sunday services, both under short-term agreements.

KERITH COMMUNITY CHURCH

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

Financial review

Kerith separate their core costs from those of the Revive ministry in order to have better oversight of their running costs.

Kerith Accounts

Income

In 2024, Kerith's financial position moved towards greater stability. While a deficit of £70,776 had been budgeted, the actual deficit was significantly lower at £35,064. This shortfall was covered by Kerith's financial reserves. Total income was £49,568 below budget; however, this was offset by a reduction in expenditure of £101,659, allowing us to finish the year in a stronger financial position than we had expected at the start of the year. Compared to 2023, income increased by £41,272, and we also saw the return of 'one-off' gifts to general giving.

Expenditure

Expenditure budgets were well managed across all departments, with only minor, well-justified overspends that were pre-approved. We continue to explore opportunities to increase income for Kerith. This includes maintaining transparency in financial reporting, teaching on financial stewardship within the Church, and identifying new revenue streams such as grants and building/service hire.

Revive Accounts:

Income

Revive had a very strong financial year. They had a budgeted deficit of £4,962, but they actually finished the year with a surplus of £20,885. Giving was nearly £20,000 higher than budgeted, but we did receive less money via other methods, such as grants, than anticipated.

Expenditure

The biggest savings were in Employment Costs due to a period of vacancies within the department. Outside of that, nearly all budgets continued to be well managed.

Building Funds

Over £250,000 was donated towards specific projects across Kerith sites. This included more than £150,000 for the Farnborough building project and £100,000 for infrastructure improvements in Bracknell. As part of our commitment to giving beyond Kerith, 10% of all the money raised by our site building funds is given away to external initiatives, both locally and internationally. As part of this in 2024 £10,000 was given to a waste management project in Nigeria, led by the charity Tearfund.

Funds and Balance Sheet

The net book value of tangible fixed assets at the end of the year was £3,652,524 (2023: £4,033,775) after deducting a depreciation charge of £163,235 for the year (2023: £174,559).

Cash at bank funds held at the year-end were £737,733 (2023: £555,984) of which £492,176 relates to restricted funds.

In view of the reduction in the forecast deficit for the year the trustees were satisfied with the year-end position in net income.

Reserves policy

The trustees have set a policy of building up general reserves to the value £300,000 to cover any unforeseeable needs of the church, based on the running costs of the organisation for 3 calendar months. The church is dependent upon its regular Sunday offerings, together with Tax reclaimed through Gift Aid and donations to fund ongoing ministries. As at 31st December 2024, the designated reserves stood at £245,000, following the decision to repay half of the mortgage. Any excesses within the funds accrued during the year will be used to cover our deficit losses and maintain our operating stability as well as reinvested into the organisation to maintain the infrastructure and facilities of the estate. The position is continually monitored by the trustees and adjusted as necessary.

KERITH COMMUNITY CHURCH

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

Going concern review

The Trustees acknowledge the difficult financial situation we have faced as result of Covid, the cost-of-living crisis and the purchase and lease of new buildings. Despite these challenges, the Trustees are confident in the going concern status of the charity for the foreseeable future, because of a number of factors:

- We have planned for a balanced budget in 2025. We feel this is achievable through a mixture of expenditure reductions, which have regularly gone underspent in previous years. We have also set sensible income budget targets, which are in step with what we saw between 2023 and 2024.
- Based on our performance in 2023 and 2024 where we have outperformed our predicted deficits, we believe we can return to surplus in 2025.
- Our Sunday attendance continues to increase year on year. The Elders and Trustees believe a further increase in numbers of around 40 regular attendees across our Bracknell, Farnborough, Windsor and Isle of Wight sites is achievable in the next 12 months, as a result of which we should be able to hit our income targets and be well positioned to finish in a surplus.
- Our expenditure base, whilst relatively fixed, could be reduced to keep expenditure levels down. We can choose not to replace staff or limit ministry activity in areas that are less utilised. Neither would be desirable, but both are levers at our disposal in the event that our ability to operate as a going concern, comes under pressure.

Funds

All funds include an accrual from the Income Tax Refund not yet received, which is expected to be received within the next 12 months. Funds are allocated from Offerings, Tax Refunds and Bank Interest, but not from Gift Day offerings.

Mission and Social Justice

8.3% of all general income was used to fund these activities which are made up of funds provided for Mission activity, Pastoral care, and Social Justice (ministry, salaries and expenses).

Donations are made to individuals and organisations; both in the UK and overseas, directly involved in Christian work, relief work, or work within the community and whose objectives the Elders consider to be in keeping with those of this church. Social Justice includes all activities where funds are provided to support those suffering financial hardship or similar social need. This includes grants made to members of the local community, as a result of requests made by local Social Services, and who have demonstrated a financial need.

Donations Policy

Kerith Community Church supports organisations and individuals (both domestic and foreign) and gifts are considered by the trustees on the basis of need whilst ensuring that the charity's objectives are met. There are no upper or lower limits of support but are reviewed and agreed upon by the elders subject to budgetary control and adequate reporting.

In addition, special collections are occasionally taken to support specific causes.

Other policies and procedures remained in place during the year.

Policies

- Safeguarding policy and procedures associated with children's and youth activities are overseen and managed by the church's Safeguarding Officer
- Equipment set up and set down, health and safety procedures associated with all the church's events, including Sunday services, ministry events and other events including specific and generic risk assessments held by the Estates department
- First aid, fire and evacuation procedures during Sunday meetings and ministry events overseen by the Estates department and building administrators
- Income protection and recording policies as advised in best practice through our auditors and insurers.
- Data back-up for Information Technology systems held by the Estates department
- Formal staff commitment setting process annually with Line Management including a 6-monthly review

KERITH COMMUNITY CHURCH

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

Investment policy

The Trustees agreed to continue utilising the large amount of reserves and other cash available across our bank accounts to their best capability by transferring much of these funds to higher interest accounts in line with the current BOE interest rates.

Risk Management

The Trustees continually review the risks and have a risk management strategy in place to ensure appropriate procedures are in place to identify, monitor and review these risks on a regular basis.

A continual review of the risks both financial and operational the charity may face is performed by the Operations Director in conjunction with the Trustees, enabling the establishment of systems and procedures to mitigate any risks that have been identified.

Procedures are implemented through consultation with the Trustees to minimise any potential impact on the charity should those risks materialise.

Major risks are considered to be those that may have a significant impact on:

- Operational performance, including risks to employees, volunteers, the children supported and reputation;
- Financial sustainability, including stability and security of income;
- The achievement of aims and objectives

Fundraising

In line with the reporting requirements included in the Charities Act 2016 the Trustees confirm that all fundraising is done in compliance with fundraising best practice. All fundraising activities are in line with the vision, values and mission of the Kerith Community Church. During 2024 we did not employ any professional fundraisers with all funds being received through general giving, gift day appeals and ministry specific grant applications. Kerith received no complaints or criticisms during the year about its fundraising activities or practices.

Plans for future periods

Over the next three years, the trustees will focus on achieving financial stability, with the aim of Kerith's finances breaking even by the end of 2025 and moving into surplus in 2026 and 2027. Alongside this, we are committed to increasing attendance across all four sites by actively engaging with our local communities. Key initiatives include:

- **Bracknell** – Continuing to expand Sunday meeting offerings while exploring new ways to host church gatherings throughout the week.
- **Farnborough** – Strengthening community impact by expanding social initiatives, including the growth of the Food Pantry, increasing the number of Christians Against Poverty debt coaches, and conducting community surveys to better understand local needs. Alongside this, seeing Farnborough move closer to starting Phase 1 of the building project.
- **Windsor** – Developing the Coffee Shop to operate midweek, providing a welcoming space for the Dedworth community. This initiative will not only increase access to social services but also create opportunities for people to connect with the church and attend services.
- **Isle of Wight** – Establishing a stronger presence in Newport and launching social justice ministries. A recent agreement to rent a nearby church building for midweek use will support these efforts.

Structure, governance and management

Governing document

The charity is controlled by its governing document, the Memorandum and Articles of Association, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

KERITH COMMUNITY CHURCH

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

J Davis - Chair

S Benham - Senior Pastor & Elder

D Klitgaard - Elder

D Seidu - Treasurer

J M Whitton

J Webber-Gant - Elder

Recruitment and appointment of new trustees

All Elders, with the exception of the Senior & Executive Pastor, are appointed from church members who display eldership characteristics and leadership skills. After going through a process to ascertain their suitability, the church is given a period of notice after which, subject to no sustainable objection, the candidate is recognised as an Elder and may be appointed a Trustee and Company Director.

In addition, trustees/company directors are also appointed from church members with professional experience and leadership skills, in areas such as finance, law, HR, facilities management etc.

Organisation

The primary responsibility for ensuring that Kerith Community Church fulfils its mission has been delegated by the Trustees to the Elders. The Trustees, who were comprised of three Elders and three other church members, meet at least three times a year.

The Elders meet monthly, under the chairmanship of the Senior Pastor. The Senior Pastor is responsible for the day to day running of the church. Under the oversight of The Elders, the day-to-day responsibilities for running much of the church activities and ministries are further delegated to the Co-Ordination Team, led by the Executive Pastor.

The Co-Ordination Team includes The Senior Pastor, Executive Pastor, Operations Director, Sites Director and Central Ministries Director.

Financial matters are dealt with at a monthly finance meeting between the Senior Pastor, Executive Pastor and Operations Director with actions cascaded to the Management Team.

Key management remuneration

Salaries and remuneration for key management personnel are set by the Trustees following consultation and guidance from the Salaries Review board of the Church Community with relevant experience in charity and commercial industry. Benchmarking is carried out every 3 - 5 years to ensure all salaries remain consistent with similar sized and focused organisations.

Statement of trustees' responsibilities

The trustees, who are also the directors of Kerith Community Church for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Auditor

In accordance with the company's articles, a resolution proposing that Xeinadin Audit Limited be reappointed as auditor of the company will be put at a General Meeting.

KERITH COMMUNITY CHURCH

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) *FOR THE YEAR ENDED 31 DECEMBER 2024*

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees' report was approved by the Board of Trustees.



D Seidu - Treasurer
Trustee

18 July 2025

KERITH COMMUNITY CHURCH

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF KERITH COMMUNITY CHURCH

Opinion

We have audited the financial statements of Kerith Community Church (the 'charity') for the year ended 31 December 2024 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

KERITH COMMUNITY CHURCH

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF KERITH COMMUNITY CHURCH

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the charity, we identified that the principal risks of non-compliance with laws and regulations related to employment and financial reporting legislation and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and the Charities Act 2011.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by making enquiries of management, considering the internal controls in place and discussion amongst the engagement team.

We determined that the principal risks were related to: management override of controls and management bias in accounting estimates.

In response to the risks identified we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- evaluating the company's internal controls;
- challenging significant accounting estimates such as valuation of stock and
- identifying and testing journal entries.

KERITH COMMUNITY CHURCH

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF KERITH COMMUNITY CHURCH

There are inherent limitations in the audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Paul Newton FCA (Senior Statutory Auditor)

For and on behalf of Xeinadin Audit Limited, Statutory Auditor

Accountants

5 Robin Hood Lane

Sutton

Surrey

SM1 2SW

Date: 1 August 2025...

KERITH COMMUNITY CHURCH

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2024

		Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
	Notes						
Income and endowments from:							
Donations and legacies	3	1,477,779	734,982	2,212,761	1,348,919	538,461	1,887,380
Charitable activities	4	64,006	-	64,006	140,271	-	140,271
Investments	5	13,255	-	13,255	13,520	-	13,520
Other income	6	34,706	-	34,706	-	-	-
Total income		1,589,746	734,982	2,324,728	1,502,710	538,461	2,041,171
Expenditure on:							
Charitable activities	7	1,690,010	465,582	2,155,592	1,755,708	426,884	2,182,592
Total expenditure		1,690,010	465,582	2,155,592	1,755,708	426,884	2,182,592
Net income/(expenditure)		(100,264)	269,400	169,136	(252,998)	111,577	(141,421)
Transfers between funds		65,239	(65,239)	-	69,887	(69,887)	-
Net movement in funds	10	(35,025)	204,161	169,136	(183,111)	41,690	(141,421)
Reconciliation of funds:							
Fund balances at 1 January 2024		3,721,152	288,016	4,009,168	3,904,263	246,326	4,150,589
Fund balances at 31 December 2024		3,686,127	492,177	4,178,304	3,721,152	288,016	4,009,168

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

KERITH COMMUNITY CHURCH

BALANCE SHEET

AS AT 31 DECEMBER 2024

	Notes	2024		2023	
		£	£	£	£
Fixed assets					
Tangible assets	14		3,652,524		4,033,775
Current assets					
Stocks	15	15,765		6,176	
Debtors	16	77,855		79,945	
Cash at bank and in hand		737,733		555,984	
		<u>831,353</u>		<u>642,105</u>	
Creditors: amounts falling due within one year	17	<u>54,562</u>		<u>96,259</u>	
Net current assets			<u>776,791</u>		<u>545,846</u>
Total assets less current liabilities			<u>4,429,315</u>		<u>4,579,621</u>
Creditors: amounts falling due after more than one year	18		<u>(251,011)</u>		<u>(570,453)</u>
Net assets			<u>4,178,304</u>		<u>4,009,168</u>
The funds of the charity					
Unrestricted funds	22		3,686,127		3,721,152
Restricted income funds	21		492,177		288,016
			<u>4,178,304</u>		<u>4,009,168</u>

The financial statements were approved by the trustees on 18 July 2025



J Davis - Chair
Trustee



D Seidu - Treasurer
Trustee

Company registration number 06585832 (England and Wales)

KERITH COMMUNITY CHURCH

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	2024 £	£	2023 £	£
Cash flows from operating activities					
Cash generated from operations	25		257,521		34,693
Investing activities					
Purchase of tangible fixed assets		(74,335)		(57,387)	
Proceeds from disposal of tangible fixed assets		327,057		3,900	
Investment income received		13,255		13,520	
Net cash generated from/(used in) investing activities			265,977		(39,967)
Financing activities					
Proceeds from borrowings		-		168,000	
Repayment of bank loans		(341,749)		(482,231)	
Net cash used in financing activities			(341,749)		(314,231)
Net increase/(decrease) in cash and cash equivalents			181,749		(319,505)
Cash and cash equivalents at beginning of year			555,984		875,489
Cash and cash equivalents at end of year			737,733		555,984

KERITH COMMUNITY CHURCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

Charity information

Kerith Community Church is a private company limited by guarantee incorporated in England and Wales. The registered office is The Kerith Centre, Church Road, Bracknell, Berkshire, RG12 1EH.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum & Articles of Association, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: 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)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Donated goods to the Foodbank are recognised when they are received and valued at £2.77 per kg.

KERITH COMMUNITY CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

Grants payable are included when they have been approved by the trustees, the expenditure is committed and this has been communicated to the recipients.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold buildings	permanent: over 50 years; temporary: over 5 years
Leasehold improvements	over period of lease
Equipment	15% on cost
Fixtures and fittings	20% and 6.67% on cost
Computers	33.3% on cost
Motor vehicles	20% on cost

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Stocks

The stock of items held by the Foodbank is included at an estimate of £2.77 per kg.

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

KERITH COMMUNITY CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

(Continued)

1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

KERITH COMMUNITY CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Donations and gifts	1,213,200	380,375	1,593,575	1,105,376	241,011	1,346,387
Grants	-	123,984	123,984	-	58,900	58,900
Donated goods and services	-	183,869	183,869	-	205,005	205,005
Gift aid	264,579	46,754	311,333	243,543	33,545	277,088
	<u>1,477,779</u>	<u>734,982</u>	<u>2,212,761</u>	<u>1,348,919</u>	<u>538,461</u>	<u>1,887,380</u>

4 Charitable activities

	2024 £	2023 £
Ministry	14,659	102,598
Rent and other income	49,347	37,673
	<u>64,006</u>	<u>140,271</u>

5 Income from investments

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Interest receivable	13,255	13,520

KERITH COMMUNITY CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

6 Other income

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Net gain on disposal of tangible fixed assets	<u>34,706</u>	<u>-</u>

7 Charitable activities

	General church 2024 £	Revive 2024 £	Total 2024 £	General church 2023 £	Revive 2023 £	Total 2023 £
Staff costs	900,875	121,285	1,022,160	873,074	104,061	977,135
Depreciation and impairment	157,862	5,373	163,235	169,186	5,373	174,559
Ministry costs	616,120	203,213	819,333	700,741	211,513	912,254
	<u>1,674,857</u>	<u>329,871</u>	<u>2,004,728</u>	<u>1,743,001</u>	<u>320,947</u>	<u>2,063,948</u>
Grant funding of activities (see note 8)	121,812	-	121,812	92,588	-	92,588
Share of support costs (see note 9)	20,252	-	20,252	17,876	-	17,876
Share of governance costs (see note 9)	8,800	-	8,800	8,180	-	8,180
	<u>1,825,721</u>	<u>329,871</u>	<u>2,155,592</u>	<u>1,861,645</u>	<u>320,947</u>	<u>2,182,592</u>
Analysis by fund						
Unrestricted funds	1,650,840	39,170	1,690,010	1,651,647	104,061	1,755,708
Restricted funds	174,881	290,701	465,582	209,998	216,886	426,884
	<u>1,825,721</u>	<u>329,871</u>	<u>2,155,592</u>	<u>1,861,645</u>	<u>320,947</u>	<u>2,182,592</u>

KERITH COMMUNITY CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

8 Grants payable

	General church 2024 £	General church 2023 £
Grants to institutions:		
City Church, Lithuania	1,500	2,000
Lutsk AOG Church, Ukraine	1,500	6,034
Misioni Joshua, Albania	3,000	2,500
Emerge Advocacy	353	600
Vsi Razom	13,159	12,500
Compassion	3,189	5,000
Hope for Justice	1,200	-
Operation Mobilisation	1,500	1,000
Citizens Advice East Berks	27,947	-
Crowthorne Food Bank	1,605	-
Enable Foundation	-	3,142
Tearfund	12,000	2,971
Tehilia	-	600
Transforming Lives for Good	1,947	-
Shooting Star Children's Hospices	-	1,073
Mustard Seed Autism Trust	431	-
Isaiah 61	1,200	-
IOW Foodbank	500	-
Youth for Christ	600	-
Other	1,583	1,321
	<u>73,214</u>	<u>38,741</u>
Grants to individuals	<u>48,598</u>	<u>53,847</u>
	<u><u>121,812</u></u>	<u><u>92,588</u></u>

9 Support costs allocated to activities

	2024 £	2023 £
Finance and legal	5,545	4,180
HR	14,707	13,696
Governance costs	8,800	8,180
	<u>29,052</u>	<u>26,056</u>
Analysed between:		
General church	<u><u>29,052</u></u>	<u><u>26,056</u></u>

KERITH COMMUNITY CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

9 Support costs allocated to activities (Continued)

	2024	2023
	£	£
Governance costs comprise:		
Audit fees	6,700	6,180
Accountancy	2,100	2,000
	8,800	8,180
	8,800	8,180

10 Net movement in funds 2024 £ 2023 £

The net movement in funds is stated after charging/(crediting):

Fees payable for the audit of the charity's financial statements	6,700	6,180
Depreciation of owned tangible fixed assets	163,235	174,559
Profit on disposal of tangible fixed assets	(34,706)	-
	134,229	180,738
	134,229	180,738

11 Trustees

The trustee, S Benham, received remuneration of £58,066 (2023: £55,566) and pension contributions of £5,807 (2023: £5,557) were paid on his behalf in respect of his work as Senior Pastor. These payments are permitted by the Memorandum & Articles of Association of the church.

Two trustees were reimbursed £5,846 (2023: £2,965) for travel related expenses during the year.

12 Employees

The average monthly number of employees during the year was:

	2024	2023
	Number	Number
Ministry	22	20
Administration	17	21
	39	41
	39	41

	2024	2023
	£	£
Employment costs		
Wages and salaries	865,084	825,857
Social security costs	67,743	60,835
Other pension costs	84,848	82,705
	1,017,675	969,397
	1,017,675	969,397

There were no employees whose annual remuneration was more than £60,000.

KERITH COMMUNITY CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

12 Employees

(Continued)

Remuneration of key management personnel

The remuneration of key management personnel was as follows:

	2024 £	2023 £
Aggregate compensation	<u>202,107</u>	<u>182,642</u>

13 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

14 Tangible fixed assets

	Freehold buildings £	Leasehold improvements £	Fixtures, fittings and equipment £	Motor vehicles £	Total £
Cost					
At 1 January 2024	4,461,378	1,306,392	763,439	12,044	6,543,253
Additions	-	28,129	46,206	-	74,335
Disposals	(310,000)	-	(68,992)	-	(378,992)
At 31 December 2024	<u>4,151,378</u>	<u>1,334,521</u>	<u>740,653</u>	<u>12,044</u>	<u>6,238,596</u>
Depreciation and impairment					
At 1 January 2024	1,805,643	52,962	638,829	12,044	2,509,478
Depreciation charged in the year	95,942	21,676	45,617	-	163,235
Eliminated in respect of disposals	(37,200)	-	(49,441)	-	(86,641)
At 31 December 2024	<u>1,864,385</u>	<u>74,638</u>	<u>635,005</u>	<u>12,044</u>	<u>2,586,072</u>
Carrying amount					
At 31 December 2024	<u>2,286,993</u>	<u>1,259,883</u>	<u>105,648</u>	<u>-</u>	<u>3,652,524</u>
At 31 December 2023	<u>2,655,735</u>	<u>1,253,430</u>	<u>124,610</u>	<u>-</u>	<u>4,033,775</u>

15 Stocks

	2024 £	2023 £
Foodbank and bookshop stock	<u>15,765</u>	<u>6,176</u>

KERITH COMMUNITY CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

16 Debtors

	2024	2023
	£	£
Amounts falling due within one year:		
Other debtors	21,783	29,699
Prepayments and accrued income	27,072	21,246
	48,855	50,945
	2024	2023
	£	£
Amounts falling due after more than one year:		
Other debtors	29,000	29,000
Total debtors	77,855	79,945

17 Creditors: amounts falling due within one year

	2024	2023
	£	£
	Notes	
Bank loans	19	32,832
Other borrowings		-
Other taxation and social security		16,791
Trade creditors		26,703
Accruals and deferred income		19,933
	54,562	96,259

18 Creditors: amounts falling due after more than one year

	2024	2023
	£	£
	Notes	
Bank loans	19	402,453
Other borrowings		168,000
	251,011	570,453

KERITH COMMUNITY CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

19 Loans and overdrafts

	2024 £	2023 £
Bank loans	93,536	435,285
Other loans	168,000	168,000
	<u>261,536</u>	<u>603,285</u>
Payable within one year	10,525	32,832
Payable after one year	251,011	570,453
	<u>61,446</u>	<u>252,493</u>

Amounts included above which fall due after five years:

Payable by instalments	61,446	252,493
------------------------	--------	---------

The long-term loan is secured by a fixed charge over the land and buildings of the charity; The Kerith Centre, Church Road, Bracknell, RG12 1EH.

The carrying value of the assets charged was £1,512,923 at the balance sheet date (2023: £1,566,231).

The loan is repayable over 15 years, with a variable interest rate. The interest rate at the balance sheet date was 7.25%. The interest charged in the year was £22,450 (2023: £57,693).

20 Retirement benefit schemes

	2024 £	2023 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	84,848	82,705

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

KERITH COMMUNITY CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

21 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 January 2024	Income	Expenditure	Transfers	At 31 December 2024
	£	£	£	£	£
Restricted capital equipment	6,541	-	(5,373)	-	1,168
Other restricted funds	109,648	66,711	(96,466)	(37,681)	42,212
Revive (including Foodbank)	66,024	301,886	(300,828)	44,281	111,363
Trussell Trust CAB fund	-	79,439	(29,552)	-	49,887
Building funds	105,803	286,946	(33,363)	(71,839)	287,547
	<u>288,016</u>	<u>734,982</u>	<u>(465,582)</u>	<u>(65,239)</u>	<u>492,177</u>
Previous year:	At 1 January 2023	Income	Expenditure	Transfers	At 31 December 2023
	£	£	£	£	£
Restricted capital equipment	11,914	-	(5,373)	-	6,541
Kerith Vision Fund	1,000	-	(1,000)	-	-
Other restricted funds	98,961	170,967	(147,780)	(12,500)	109,648
Foodbank	72,532	205,005	(211,513)	-	66,024
Building funds	61,919	162,489	(61,218)	(57,387)	105,803
	<u>246,326</u>	<u>538,461</u>	<u>(426,884)</u>	<u>(69,887)</u>	<u>288,016</u>

Restricted capital equipment represents the value of capital assets held for restricted purposes.

Kerith Vision Fund represents monies given for the set up of new sites and for improvements to buildings and equipment in current use.

Other restricted funds are a group of restricted funds which represent monies received and expenses for varying other restricted purposes including; gifts made to other charities, assisting church members in need to pay for winter fuel, travel costs for youth pastor, assisting women's ministry in other countries and assisting churches and church plants in developing nations.

The Revive funds cover a number of restricted social justice ministries including Foodbank, Christians against Poverty (CAP) and the Food Pantry. It receives restricted grants, financial gifts and food donations.

The other building funds are restricted donations received to support specific building related projects at each of the church's sites.

The transfers relate to capital assets purchased and restricted gifts received used to reduce the mortgage liability balance.

KERITH COMMUNITY CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

22 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 January 2024	Income	Expenditure	Transfers	At 31 December 2024
	£	£	£	£	£
Properties and capital equipment	3,529,409	-	-	(129,063)	3,400,346
Designated reserve	274,462	-	(30)	(29,432)	245,000
General funds	(82,719)	1,589,746	(1,689,980)	223,734	40,781
	<u>3,721,152</u>	<u>1,589,746</u>	<u>(1,690,010)</u>	<u>65,239</u>	<u>3,686,127</u>
Previous year:	At 1 January 2023	Income	Expenditure	Transfers	At 31 December 2023
	£	£	£	£	£
Properties and capital equipment	3,215,177	-	-	314,232	3,529,409
Designated reserve	639,402	-	(1,440)	(363,500)	274,462
General funds	49,684	1,502,710	(1,754,268)	119,155	(82,719)
	<u>3,904,263</u>	<u>1,502,710</u>	<u>(1,755,708)</u>	<u>69,887</u>	<u>3,721,152</u>

Properties and capital equipment fund represents the value of all unrestricted capital assets, less the outstanding capital on the mortgage.

Designated reserve represents funds set aside in line with Charity Commission guidelines to ensure the smooth running of the charity should there be any interruption to operations.

23 Analysis of net assets between funds

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
At 31 December 2024:			
Tangible assets	3,651,356	1,168	3,652,524
Current assets/(liabilities)	285,782	491,009	776,791
Long term liabilities	(251,011)	-	(251,011)
	<u>3,686,127</u>	<u>492,177</u>	<u>4,178,304</u>

KERITH COMMUNITY CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

23 Analysis of net assets between funds

(Continued)

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
At 31 December 2023:			
Tangible assets	4,027,234	6,541	4,033,775
Current assets/(liabilities)	264,371	281,475	545,846
Long term liabilities	(570,453)	-	(570,453)
	<u>3,721,152</u>	<u>288,016</u>	<u>4,009,168</u>

24 Operating lease commitments

Lessee

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2024 £	2023 £
Within one year	68,173	68,210
Between two and five years	190,120	192,045
In over five years	140,326	203,499
	<u>398,619</u>	<u>463,754</u>

The expenditure on operating leases during the year was £79,255, (2023: £78,119)

25 Cash generated from operations

	2024 £	2023 £
Surplus/(deficit) for the year	169,136	(141,421)
Adjustments for:		
Investment income recognised in statement of financial activities	(13,255)	(13,520)
Gain on disposal of tangible fixed assets	(34,706)	(2,171)
Depreciation and impairment of tangible fixed assets	163,235	174,559
Movements in working capital:		
(Increase)/decrease in stocks	(9,589)	6,643
Decrease/(increase) in debtors	2,090	(758)
(Decrease)/increase in creditors	(19,390)	11,361
Cash generated from operations	<u>257,521</u>	<u>34,693</u>

KERITH COMMUNITY CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

26 Analysis of changes in net funds/(debt)

	At 1 January 2024 £	Cash flows £	At 31 December 2024 £
Cash at bank and in hand	555,984	181,749	737,733
Loans falling due within one year	(32,832)	22,307	(10,525)
Loans falling due after more than one year	(570,453)	319,442	(251,011)
	<u>(47,301)</u>	<u>523,498</u>	<u>476,197</u>

27 Related party transactions

Transactions with related parties

During the year the charity entered into the following transactions with related parties:

Employment costs of £21,477 (2023: £23,040) and pension costs of £1,709 (2023: £2,304) were paid to Mrs C Benham, the spouse of a trustee. This remuneration was in relation to her employment for the charity.

Employment costs of £18,640 (2023: £7,432) and pension costs of £1,365 (2023: £743) were paid to Mr M Webber-Gant, the spouse of Mrs J Webber-Gant. This remuneration was in relation to his employment for the charity.

Payments totalling £700 (2023: £636) were made to Wild SEO Agency, a company controlled by Mrs C Klitgaard, the daughter in law of a trustee.

Payments of £12,282 (2023: £11,212) were made to Rapid Commercial Cleaning Services Ltd, a company controlled by trustee, Mr J Whitton.

An interest free loan was received from a trustee, Mrs J Webber-Gant. The balance due at year end was £50,000.

KERITH COMMUNITY CHURCH

England & Wales - Charity number 1124519

Accounts

Charity registration number 1124519

Company registration number 06585832 (England and Wales)

KERITH COMMUNITY CHURCH
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

KERITH COMMUNITY CHURCH

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	J Davis - Chair S Benham - Senior Pastor D Klitgaard - Elder D Seidu - Treasurer J M Whitton J Webber-Gant	(Appointed 20 July 2023)
Secretary	G Scull	
Charity number	1124519	
Company number	06585832	
Registered office	The Kerith Centre Church Road Bracknell Berkshire RG12 1EH	
Auditor	Jacob Cavenagh & Skeet 5 Robin Hood Lane Sutton Surrey SM1 2SW	
Bankers	HSBC Bank Plc 26 Broad Street Reading Berkshire RG1 2BU	

KERITH COMMUNITY CHURCH

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KERITH COMMUNITY CHURCH

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2023

The trustees present their annual report and financial statements for the year ended 31 December 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: 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)" (effective 1 January 2019).

Objectives and activities

Mission and Vision

The churches vision statement is "Helping people find their way back to God through communities growing in their love of God and their love for people". This is done through reaching out to these communities with the love of Christ through weekly meetings in our buildings, social justice activities and small group gatherings in the community as well as sowing into the wider national and international community with funds and resources.

Public benefit

The Trustees consider the Charity Commission guidance on public benefit and consider that the activities of the Charity meet its objectives and provide a benefit to the public.

Volunteers

Volunteers are an essential part of church life, with most activities being supported by volunteers. It is estimated that over 80% of the church attendance support the ministry of the church through volunteering with a significant number of new volunteers coming forward to offer both community support to the Revive ministries and practical help towards the new building projects throughout 2023.

Achievements and performance

Bracknell

After the sale of one of the 3 Kerith owned residential properties located in Bracknell (30 Farnham Close) in 2022, funds from that sale were earmarked to fund the 2022 and 2023 deficit in income against expenditure (the deficit was largely due to the purchase of Caroline House in Farnborough, 10-year lease in Winsor and the increased associated building running costs). This provided insurance to cover these increased overheads whilst the sites grow to their full potential. In the final quarter of 2023 it became clear that our deficit would not be at the scale we anticipated and the funds from the Farnham Close sale were still available to us, it was therefore decided to use these funds to reduce the Caroline House (Farnborough) mortgage by around 50% which was actioned in late December 2023. The Trustees have also instructed the sale of our residential property in Lily Hill road, Bracknell for spring 2024 with the anticipated proceeds going to reduce the Caroline House Mortgage further still. Attendance at the Bracknell site continues to grow back towards pre COVID numbers, with the addition of a Sunday afternoon meeting in 2023. Continued pressure on the car park and building space for morning meetings has led to plans for two morning meetings in 2024. The Revive Social Justice ministries continue to grow, with both the Foodbank providing 7,710 clients with food (2022 6,162) and 61 tonnes of food given to clients (2022 54 tonnes). Several planned preventative maintenance projects in line with our commitment to the ongoing infrastructure of the Kerith Centre are in the planning stages including the replacement of the auditorium PA systems which are no longer fit for purpose and investigating initiatives that would impact our carbon footprint such as a move to full LED lighting across the site, recycling of rain water, possible installation of Solar panelling on the site and alternative heating solutions for the future. These initiatives are led by a team of Volunteers in conjunction with representatives from the staff team under the Creation Care focus and have included a full consultation review of the site from an external professional.

KERITH COMMUNITY CHURCH

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

Farnborough

Throughout 2023 we have seen the continued piecemeal redevelopment of the Caroline House, Farnborough Site to create more useable space within some of the previously dilapidated areas. An architect was engaged to draw up plans for the redevelopment of the site. The estimate for the cost of a complete rebuild of the building was of the order of £7,500,000 which the trustees did not consider to provide value for money given the limited size of the site. Investigative work has now begun on what could be achieved through a restoration of the existing building framework with a target budget of £1,500,000. The redevelopment works and architect's costs have been largely funded by continued financial gifts to the sites Vision funds promoted via our Vision fund gift days. Attendance at the site continues to grow back towards pre Covid numbers. A £10,000 grant was received from Rushmoor Borough Council towards to costs of opening a food pantry which will open in early 2024.

Windsor

Mid-week ministry on the site has continued to grow with weekly Sparklers (toddler group) gatherings as well as a growing Social Justice presence through various support groups throughout the week. Gift days throughout 2023 provided funds which will be used to build a coffee bar in early 2024. This will be used to support both Sunday meetings and midweek events. Regular Sunday attendance has increased throughout 2023 with the focus in 2024 turning to plans for accommodating increased numbers at Windsor.

West Wight

West Wight continues to support a small community in the Freshwater area of the Isle of Wight through the rental of a town hall space in Freshwater on a Sunday and as required at other times. Attendance at the site continues to grow. Plans are being developed to move to a more central and densely populated area of the island in September 2024.

Continued impact of Covid and the cost-of-living challenge

2023 was a difficult year financially for Kerith, as it was for many churches. Firstly, the ongoing impact of the covid virus has been felt in terms of people taking time to 'come back to church'. Secondly the cost-of-living crisis has increased our costs due to the high rates of inflation, at the same time as squeezing people's disposable incomes and their ability to increase their giving. Added to this for the last two years we have faced a deficit caused by the purchase of Caroline House, taking on the 10-year lease on the Windsor warehouse and the associated increases in costs on both buildings. Because of this we went into 2023 budgeting for a deficit of £179,127. The actual deficit was £31,680 'better' than this at £141,421. If offerings had come in on budget, then this deficit would have turned into a surplus, but actual offerings were £151,674 below budget. Kerith has been blessed that we had the money from the sale of the Farnborough Close house to cover this deficit. The Trustees continue to closely monitor our income and expenditure as we look towards a return to normality.

Buildings

The Kerith Centre, nearby Studio, K2, Caroline House Farnborough Site and two freehold residential properties are owned by Kerith Community Church. In addition to this we lease a small community hall in Dedworth Windsor, and in November 2022 were also able to secure a full 10-year lease on the 2 warehouse units opposite the community hall.

KERITH COMMUNITY CHURCH

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

Financial review

Income/ Expenditure

Total income for the year was £2,041,171 a decrease of 8% compared to 2022 (£2,230,373). £1,105,376 of this income was received from the church community as general giving (2022: £1,138,633) a decrease of 3%.

Overall expenditure for the year increased by 6% coupled with a decrease in income for general and gift day funds, has resulted in a net expenditure of £141,421 (2022: £168,823 net income).

Funds and Balance Sheet

The net book value of tangible fixed assets at the end of the year was £4,033,775 (2022: £4,152,676) after deducting a depreciation charge of £174,559 for the year (2022: £176,996).

Cash at bank funds held at the year-end were £555,984 (2022: £875,489) of which £288,016 relates to restricted funds.

In view of the reduction in the forecast deficit for the year the trustees were satisfied with the year-end position in net income.

Reserves policy

The trustees have set a policy of building up general reserves to the value £300,000 to cover any unforeseeable needs of the church, based on the running costs of the organisation for 3 calendar months. The church is dependent upon its regular Sunday offerings, together with Tax reclaimed through Gift Aid and donations to fund ongoing ministries. As at 31st December 2023, the designated reserves stood at £274,462, following the decision to repay half of the mortgage. Any excesses within the funds accrued during the year will be used to cover our deficit losses and maintain our operating stability as well as reinvested into the organisation to maintain the infrastructure and facilities of the estate. The position is continually monitored by the trustees and adjusted as necessary.

Going concern review

The Trustees acknowledge the difficult financial situation we have faced as result of Covid, the cost of living crisis and the purchase and lease of new buildings. Despite these challenges, the Trustees are confident in the going concern status of the charity for the foreseeable future, because of a number of factors.

- The budgeted deficit for 2024 is significantly smaller than that for 2023 at £65,588, partly as the result of the decision to reduce the mortgage and partly through a continued focus on managing costs.
- Based on our performance in 2022 and 2023 there is a high probability that our actual deficit in 2024 will be smaller than we have budgeted for.
- Our Sunday attendance continues to increase year on year. The Elders and Trustees believe a further increase in numbers of around 100 regular attenders across our Bracknell, Farnborough and Windsor sites is achievable in the next 2 years. This should result in a sufficient growth in offerings by 2025 to eradicate the deficit and return us to surplus.
- Our expenditure base, whilst relatively fixed, could be reduced to keep expenditure levels down. We can choose not to replace staff or limit ministry activity in areas that are less utilised. Neither would be desirable, but both are levers at our disposal in the event that our ability to operate as a going concern, comes under pressure.

Funds

All funds include an accrual from the Income Tax Refund not yet received, which is expected to be received within the next 12 months. Funds are allocated from Offerings, Tax Refunds and Bank Interest, but not from Gift Day offerings.

KERITH COMMUNITY CHURCH

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

Mission and Social Justice

6.1% of all general income was used to fund these activities which are made up of funds provided for Mission activity, Acts 2 (pastoral community care), and Social Justice (ministry, salaries and expenses).

Donations are made to individuals and organisations; both in the UK and overseas, directly involved in Christian work, relief work, or work within the community and whose objectives the Elders consider to be in keeping with those of this church. Social Justice includes all activities where funds are provided to support those suffering financial hardship or similar social need. This includes grants made to members of the local community, as a result of requests made by local Social Services, and who have demonstrated a financial need.

Donations Policy

Kerith Community Church supports organisations and individuals (both domestic and foreign) and gifts are considered by the trustees on the basis of need whilst ensuring that the charity's objectives are met. There are no upper or lower limits of support but are reviewed and agreed upon by the elders subject to budgetary control and adequate reporting.

In addition, special collections are occasionally taken to support specific causes.

Other policies and procedures remained in place during the year.

- Safeguarding policy and procedures associated with children's and youth activities overseen and managed by the church's Safeguarding Officer
- Equipment set up and set down, health and safety procedures associated with all the church's events, including Sunday services, ministry events and other events including specific and generic risk assessments held by the Estates department
- First aid, fire and evacuation procedures during Sunday meetings and ministry events overseen by the Site Services department and building administrators
- Income protection and recording policies as advised in best practice through our auditors and insurers.
- Data back-up for Information Technology systems held by the Estates department
- Formal staff commitment setting process annually with Line Management including a 6-monthly review

Investment policy

In October 2023 the Trustees agreed to utilise the large amount of reserves and other cash available across our bank accounts to their best capability by transferring much of these funds to higher interest accounts in line with the current increase in BOE interest rates.

Risk Management

The Trustees continually review the risks and have a risk management strategy in place to ensure appropriate procedures are in place to identify, monitor and review these risks on a regular basis.

A continual review of the risks both financial and operational the charity may face is performed by the Operations Director in conjunction with the Trustees, enabling the establishment of systems and procedures to mitigate any risks that have been identified.

Procedures are implemented through consultation with the Trustees to minimise any potential impact on the charity should those risks materialise.

Major risks are considered to be those that may have a significant impact on:

- Operational performance, including risks to employees, volunteers, the children supported and reputation;
- Financial sustainability, including stability and security of income;
- The achievement of aims and objectives

Fundraising

In line with the reporting requirements included in the Charities Act 2016 the Trustees confirm that all fundraising is done in compliance with fundraising best practice. All fundraising activities are in line with the vision, values and mission of the Kerith Community Church. During 2023 we did not employ any professional fundraisers with all funds being received through general giving, gift day appeals and ministry specific grant applications. Kerith received no complaints or criticisms during the year about its fundraising activities or practices.

KERITH COMMUNITY CHURCH

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

Plans for future periods

The trustees priorities for the coming 3 years will be focussed on the making of any necessary adjustments to enable the return of the Kerith finances to a breakeven point based on regular giving income and operating expenditure (by 2025) Alongside this will be a push for weekly attendance growth across all sites with a focus on the following, The planned return to multiple Sunday meetings on the Bracknell site, The building redevelopment project of the Farnborough Site, Auditorium redevelopment and new refreshments area for the Windsor Site and continuing investigation into the launch of the West Wight Site in a more densely populated and central area of the Island. Where such developments require additional funding (renovation projects and relocation) these projects will seek to raise such funds through additional site specific gift days.

Structure, governance and management

Governing document

The charity is controlled by its governing document, the Memorandum and Articles of Association, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

J Davis - Chair

S Benham - Senior Pastor

D Klitgaard - Elder

D Seidu - Treasurer

J M Whitton

J Webber-Gant

(Appointed 20 July 2023)

Recruitment and appointment of new trustees

All Elders, with the exception of the Senior & Executive Pastor, are appointed from church members who display eldership characteristics and leadership skills. After going through a process to ascertain their suitability, the church is given a period of notice after which, subject to no sustainable objection, the candidate is recognised as an Elder and may be appointed a Trustee and Company Director.

In addition, trustees/company directors are also appointed from church members with professional experience and leadership skills, in areas such as finance, law, HR, facilities management etc.

Salaries and other staff benefits are agreed by the Salary Review Group, who meet as required, but at least once a year. This group is made up of one Trustee, the HR Manager and currently three members of the church.

Organisation

The primary responsibility for ensuring that Kerith Community Church fulfils its mission has been delegated by the Company Directors and Charity Trustees to the Elders. The Trustees are comprised of three Elders and three other church members, who meet at least three times a year.

The Elders meet monthly, under the chairmanship of the Senior Pastor. The Senior Pastor is responsible for the day to day running of the church. Under the oversight of The Elders, the day-to-day responsibilities for running much of the church activities and ministries are further delegated to the Co-Ordination Team, led by the Executive Pastor. The Co-Ordination Team includes The Senior Pastor, Operations Director, Sites Director and Central Ministries Director.

Financial matters are dealt with at a monthly finance meeting between the Senior Pastor, Executive Pastor and Operations Director with actions cascaded to the Senior Management Team.

Key management remuneration

Salaries and remuneration for key management personnel are set by the Trustees following consultation and guidance from the Salaries Review board of the Church Community with relevant experience in charity and commercial industry. Benchmarking is carried out every 3 - 5 years to ensure all salaries remain consistent with similar sized and focused organisations.

KERITH COMMUNITY CHURCH

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

Statement of trustees' responsibilities

The trustees, who are also the directors of Kerith Community Church for the purpose of company law, are responsible for preparing the Trustees' 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 affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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

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

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

In accordance with the company's articles, a resolution proposing that Jacob Cavenagh & Skeet be reappointed as auditor of the company will be put at a General Meeting.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees' report was approved by the Board of Trustees.

S Benham - Senior Pastor
Trustee

30 April 2024

KERITH COMMUNITY CHURCH

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF KERITH COMMUNITY CHURCH

Opinion

We have audited the financial statements of Kerith Community Church (the 'charity') for the year ended 31 December 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

KERITH COMMUNITY CHURCH

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF KERITH COMMUNITY CHURCH

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the charity, we identified that the principal risks of non-compliance with laws and regulations related to employment and financial reporting legislation and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and the Charities Act 2011.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by making enquiries of management, considering the internal controls in place and discussion amongst the engagement team.

We determined that the principal risks were related to: management override of controls and management bias in accounting estimates.

In response to the risks identified we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- evaluating the company's internal controls;
- challenging significant accounting estimates such as valuation of stock and
- identifying and testing journal entries.

KERITH COMMUNITY CHURCH

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF KERITH COMMUNITY CHURCH

There are inherent limitations in the audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

KERITH COMMUNITY CHURCH

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF KERITH COMMUNITY CHURCH

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Paul Newton FCA (Senior Statutory Auditor)
for and on behalf of Jacob Cavenagh & Skeet

3 May 2024
.....

Chartered Accountants
Statutory Auditor

5 Robin Hood Lane
Sutton
Surrey
SM1 2SW

KERITH COMMUNITY CHURCH

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2023

		Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
	Notes						
Income from:							
Donations and legacies	3	1,348,919	538,461	1,887,380	1,387,016	483,409	1,870,425
Charitable activities	4	140,271	-	140,271	108,660	-	108,660
Investments	5	13,520	-	13,520	2,478	-	2,478
Surplus on disposal of property		-	-	-	248,810	-	248,810
Total income		1,502,710	538,461	2,041,171	1,746,964	483,409	2,230,373
Expenditure on:							
Charitable activities	6	1,755,708	426,884	2,182,592	1,677,349	384,201	2,061,550
Total expenditure		1,755,708	426,884	2,182,592	1,677,349	384,201	2,061,550
Net income/(expenditure)		(252,998)	111,577	(141,421)	69,615	99,208	168,823
Transfers between funds		69,887	(69,887)	-	-	-	-
Net movement in funds		(183,111)	41,690	(141,421)	69,615	99,208	168,823
Reconciliation of funds:							
Fund balances at 1 January 2023		3,904,263	246,326	4,150,589	3,834,648	147,118	3,981,766
Fund balances at 31 December 2023		3,721,152	288,016	4,009,168	3,904,263	246,326	4,150,589

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

KERITH COMMUNITY CHURCH

BALANCE SHEET

AS AT 31 DECEMBER 2023

		2023		2022	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	12		4,033,775		4,152,676
Current assets					
Stocks	13	6,176		12,819	
Debtors	14	79,945		79,187	
Cash at bank and in hand		555,984		875,489	
		<u>642,105</u>		<u>967,495</u>	
Creditors: amounts falling due within one year	15	<u>96,259</u>		<u>100,607</u>	
Net current assets			<u>545,846</u>		<u>866,888</u>
Total assets less current liabilities			<u>4,579,621</u>		<u>5,019,564</u>
Creditors: amounts falling due after more than one year	16		<u>(570,453)</u>		<u>(868,975)</u>
Net assets			<u>4,009,168</u>		<u>4,150,589</u>
The funds of the charity					
Unrestricted funds	19	3,721,152		3,904,263	
Restricted income funds	20	288,016		246,326	
		<u>4,009,168</u>		<u>4,150,589</u>	

The financial statements were approved by the trustees on 30 April 2024

J Davis - Chair
Trustee

S Benham - Senior Pastor
Trustee

Company registration number 06585832 (England and Wales)

KERITH COMMUNITY CHURCH

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash generated from operations	22		34,693		273,993
Investing activities					
Purchase of tangible fixed assets		(57,387)		(7,169)	
Proceeds from disposal of tangible fixed assets		3,900		122,202	
Investment income received		13,520		2,478	
Net cash (used in)/generated from investing activities			(39,967)		117,511
Financing activities					
Proceeds from borrowings		168,000		-	
Repayment of bank loans		(482,231)		(51,553)	
Net cash used in financing activities			(314,231)		(51,553)
Net (decrease)/increase in cash and cash equivalents			(319,505)		339,951
Cash and cash equivalents at beginning of year			875,489		535,538
Cash and cash equivalents at end of year			<u>555,984</u>		<u>875,489</u>

KERITH COMMUNITY CHURCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

Charity information

Kerith Community Church is a private company limited by guarantee incorporated in England and Wales. The registered office is The Kerith Centre, Church Road, Bracknell, Berkshire, RG12 1EH.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum & Articles of Association, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: 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)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Donated goods to the Foodbank are recognised when they are received and valued at £2.37 per kg.

KERITH COMMUNITY CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

Grants payable are included when they have been approved by the trustees, the expenditure is committed and this has been communicated to the recipients.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	permanent: over 50 years; temporary: over 5 years
Leasehold land and buildings	over period of lease
Equipment	15% on cost
Motor vehicles	20% on cost

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Stocks

The stock of items held by the Foodbank is included at an estimate of £2.37 per kg.

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

KERITH COMMUNITY CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

KERITH COMMUNITY CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Donations and gifts	1,105,376	241,011	1,346,387	1,138,633	213,117	1,351,750
Grants	-	58,900	58,900	-	35,000	35,000
Donated goods and services	-	205,005	205,005	-	203,377	203,377
Gift days and special offerings	243,543	33,545	277,088	248,383	31,915	280,298
	1,348,919	538,461	1,887,380	1,387,016	483,409	1,870,425

4 Charitable activities

	2023 £	2022 £
Ministry	102,598	71,899
Rent and other income	37,673	36,761
	140,271	108,660

5 Income from investments

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Interest receivable	13,520	2,478

KERITH COMMUNITY CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

6 Charitable activities

	General church 2023 £	Revive 2023 £	Total 2023 £	General church 2022 £	Revive 2022 £	Total 2022 £
Staff costs	873,074	104,061	977,135	866,884	73,045	939,929
Depreciation and impairment	169,186	5,373	174,559	171,623	5,373	176,996
Ministry costs	700,741	211,513	912,254	645,810	223,014	868,824
	<u>1,743,001</u>	<u>320,947</u>	<u>2,063,948</u>	<u>1,684,317</u>	<u>301,432</u>	<u>1,985,749</u>
Grant funding of activities (see note 8)	92,588	-	92,588	51,464	-	51,464
Share of support costs (see note 7)	17,876	-	17,876	15,837	-	15,837
Share of governance costs (see note 7)	8,180	-	8,180	8,500	-	8,500
	<u>1,861,645</u>	<u>320,947</u>	<u>2,182,592</u>	<u>1,760,118</u>	<u>301,432</u>	<u>2,061,550</u>
Analysis by fund						
Unrestricted funds	1,651,647	104,061	1,755,708	1,572,684	104,665	1,677,349
Restricted funds	209,998	216,886	426,884	187,434	196,767	384,201
	<u>1,861,645</u>	<u>320,947</u>	<u>2,182,592</u>	<u>1,760,118</u>	<u>301,432</u>	<u>2,061,550</u>

7 Support costs allocated to activities

	2023 £	2022 £
Finance and legal	4,180	3,123
HR	13,696	12,714
Governance costs	8,180	8,500
	<u>26,056</u>	<u>24,337</u>
Analysed between:		
General church	<u>26,056</u>	<u>24,337</u>
Governance costs comprise:		
Audit fees	6,180	5,880
Accountancy	2,000	2,620
	<u>8,180</u>	<u>8,500</u>

KERITH COMMUNITY CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

8 Grants payable

	General church 2023 £	General church 2022 £
Grants to institutions:		
City Church, Lithuania	2,000	6,500
Skinia Church, Ukraine	-	1,500
Lutsk AOG Church, Ukraine	6,034	1,174
Misioni Joshua, Albania	2,500	2,903
Emerge Advocacy	600	4,000
Vsi Razom	12,500	-
Compassion	5,000	-
Enable Foundation	3,142	-
Operation Mobilisation	1,000	-
Shoot Academy	-	3,000
Tearfund	2,971	2,000
Tehilia	600	1,600
Shooting Star Children's Hospices	1,073	-
Renova	-	1,920
Hope & Vision	-	1,920
Mustard Seed Autism Trust	-	2,227
Restored	-	1,000
Ryde Youth Work Project	-	2,000
Driven Forward	-	600
Foodshare	-	1,170
Other	1,321	-
	<u>38,741</u>	<u>33,514</u>
Grants to individuals	53,847	17,950
	<u>92,588</u>	<u>51,464</u>

9 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

10 Trustees

The trustee, S Benham, received remuneration of £55,566 (2022:£54,766) and pension contributions of £5,557 (2022:£5,477) were paid on his behalf in respect of his work as Senior Pastor. These payments are permitted by the Memorandum & Articles of Association of the church.

Two trustee were reimbursed £2,965 (2022: One trustee £3,767) for travel related expenses during the year.

KERITH COMMUNITY CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

11 Employees

The average monthly number of employees during the year was:

	2023	2022
	Number	Number
Ministry	20	21
Administration	21	21
	<hr/>	<hr/>
Total	41	42
	<hr/> <hr/>	<hr/> <hr/>

Employment costs	2023	2022
	£	£
Wages and salaries	825,857	804,896
Social security costs	60,835	58,864
Other pension costs	82,705	76,169
	<hr/>	<hr/>
	969,397	939,929
	<hr/> <hr/>	<hr/> <hr/>

Redundancy costs of £nil (2022:£2,261) were paid during the year and included in wages and salaries costs above.

There were no employees whose annual remuneration was more than £60,000.

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2023	2022
	£	£
Aggregate compensation	182,642	180,077
	<hr/> <hr/>	<hr/> <hr/>

KERITH COMMUNITY CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

12 Tangible fixed assets

	Freehold land and buildings	Leasehold land and buildings	Fixtures, fittings and equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 January 2023	4,421,666	1,306,392	805,323	20,694	6,554,075
Additions	39,712	-	17,675	-	57,387
Disposals	-	-	(59,559)	(8,650)	(68,209)
At 31 December 2023	4,461,378	1,306,392	763,439	12,044	6,543,253
Depreciation and impairment					
At 1 January 2023	1,698,624	35,308	648,502	18,965	2,401,399
Depreciation charged in the year	107,019	17,654	49,886	-	174,559
Eliminated in respect of disposals	-	-	(59,559)	(6,921)	(66,480)
At 31 December 2023	1,805,643	52,962	638,829	12,044	2,509,478
Carrying amount					
At 31 December 2023	2,655,735	1,253,430	124,610	-	4,033,775
At 31 December 2022	2,723,042	1,271,084	156,821	1,729	4,152,676

13 Stocks

	2023 £	2022 £
Foodbank and bookshop stock	6,176	12,819

14 Debtors

	2023 £	2022 £
Amounts falling due within one year:		
Other debtors	29,699	27,341
Prepayments and accrued income	21,246	22,846
	50,945	50,187
Amounts falling due after more than one year:		
Other debtors	29,000	29,000
Total debtors	79,945	79,187

KERITH COMMUNITY CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

15 Creditors: amounts falling due within one year

	Notes	2023 £	2022 £
Bank loans	17	32,832	48,541
Other taxation and social security		16,791	17,979
Trade creditors		26,703	21,112
Accruals and deferred income		19,933	12,975
		<u>96,259</u>	<u>100,607</u>

16 Creditors: amounts falling due after more than one year

	Notes	2023 £	2022 £
Bank loans	17	402,453	868,975
Other borrowings		168,000	-
		<u>570,453</u>	<u>868,975</u>

17 Loans and overdrafts

	2023 £	2022 £
Bank loans	435,285	917,516
Other loans	168,000	-
	<u>603,285</u>	<u>917,516</u>
Payable within one year	32,832	48,541
Payable after one year	570,453	868,975

Amounts included above which fall due after five years:

Payable by instalments	<u>252,493</u>	<u>650,723</u>
------------------------	----------------	----------------

The long-term loan is secured by a fixed charge over the land and buildings of the charity; The Kerith Centre, Church Road, Bracknell, RG12 1EH.

The carrying value of the assets charged was £1,566,231 at the balance sheet date (2022: £1,619,540).

The loan is repayable over 15 years, with a variable interest rate. The interest rate held at the balance sheet date was 5.25%. The interest charged in the year was £57,693 (2022: £39,690).

KERITH COMMUNITY CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

18 Retirement benefit schemes

Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £82,705 (2022 - £76,169).

19 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 January 2023	Income	Expenditure	Transfers	At 31 December 2023
	£	£	£	£	£
Properties and capital equipment	3,215,177	-	-	314,232	3,529,409
Designated reserve	639,402	-	(1,440)	(363,500)	274,462
General funds	49,684	1,502,710	(1,754,268)	119,155	(82,719)
	<u>3,904,263</u>	<u>1,502,710</u>	<u>(1,755,708)</u>	<u>69,887</u>	<u>3,721,152</u>
Previous year:	At 1 January 2022	Income	Expenditure	Transfers	At 31 December 2022
	£	£	£	£	£
Properties and capital equipment	3,443,807	-	-	(228,630)	3,215,177
Designated reserve	287,676	-	-	351,726	639,402
General funds	103,165	1,746,964	(1,677,349)	(123,096)	49,684
	<u>3,834,648</u>	<u>1,746,964</u>	<u>(1,677,349)</u>	<u>-</u>	<u>3,904,263</u>

Properties and capital equipment fund represents the value of all unrestricted capital assets, less the outstanding capital on the mortgage.

Designated reserve represents funds set aside in line with Charity Commission guidelines to ensure the smooth running of the charity should there be any interruption to operations.

KERITH COMMUNITY CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

20 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 January 2023	Income	Expenditure	Transfers	At 31 December 2023
	£	£	£	£	£
Restricted capital equipment	11,914	-	(5,373)	-	6,541
Kerith Vision Fund	1,000	-	(1,000)	-	-
Other restricted funds	98,961	170,967	(147,780)	(12,500)	109,648
Foodbank	72,532	205,005	(211,513)	-	66,024
Building funds	61,919	162,489	(61,218)	(57,387)	105,803
	<u>246,326</u>	<u>538,461</u>	<u>(426,884)</u>	<u>(69,887)</u>	<u>288,016</u>
Previous year:	At 1 January 2022	Income	Expenditure	Transfers	At 31 December 2022
	£	£	£	£	£
Restricted capital equipment	17,287	-	(5,373)	-	11,914
Kerith Vision Fund	1,000	-	-	-	1,000
Other restricted funds	78,734	143,694	(128,384)	4,917	98,961
Foodbank	48,863	229,614	(205,945)	-	72,532
Building funds	1,234	110,101	(44,499)	(4,917)	61,919
	<u>147,118</u>	<u>483,409</u>	<u>(384,201)</u>	<u>-</u>	<u>246,326</u>

Restricted capital equipment represents the value of capital assets held for restricted purposes.

Kerith Vision Fund represents monies given for the set up of new sites and for improvements to buildings and equipment in current use.

Other restricted funds are a group of restricted funds which represent monies received and expenses for varying other restricted purposes including; gifts made to other charities, assisting church members in need to pay for winter fuel, travel costs for youth pastor, assisting women's ministry in other countries and assisting churches and church plants in developing nations.

The Foodbank fund supports the operation of the Foodbank and receives restricted grants, donations and food donations.

The other building funds are restricted donations received to support specific building related projects at each of the church's sites.

The transfers relate to capital assets purchased and restricted gifts received used to reduce the mortgage liability balance.

KERITH COMMUNITY CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

21 Analysis of net assets between funds

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Fund balances at 31 December 2023 are represented by:			
Tangible assets	4,027,234	6,541	4,033,775
Current assets/(liabilities)	264,371	281,475	545,846
Long term liabilities	(570,453)	-	(570,453)
	<u>3,721,152</u>	<u>288,016</u>	<u>4,009,168</u>

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Fund balances at 31 December 2022 are represented by:			
Tangible assets	4,140,762	11,914	4,152,676
Current assets/(liabilities)	632,476	234,412	866,888
Long term liabilities	(868,975)	-	(868,975)
	<u>3,904,263</u>	<u>246,326</u>	<u>4,150,589</u>

22 Cash generated from operations

	2023 £	2022 £
(Deficit)/surplus for the year	(141,421)	168,823
Adjustments for:		
Investment income recognised in statement of financial activities	(13,520)	(2,478)
Gain on disposal of tangible fixed assets	(2,171)	-
Depreciation and impairment of tangible fixed assets	174,559	176,996
Movements in working capital:		
Decrease/(increase) in stocks	6,643	(11,774)
(Increase) in debtors	(758)	(51,152)
Increase/(decrease) in creditors	11,361	(6,422)
Cash generated from operations	<u><u>34,693</u></u>	<u><u>273,993</u></u>

KERITH COMMUNITY CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

23 Analysis of changes in net (debt)/funds

	At 1 January 2023 £	Cash flows £	At 31 December 2023 £
Cash at bank and in hand	875,489	(319,505)	555,984
Loans falling due within one year	(48,541)	15,709	(32,832)
Loans falling due after more than one year	(868,975)	298,522	(570,453)
	<u>(42,027)</u>	<u>(5,274)</u>	<u>(47,301)</u>

24 Related party transactions

Transactions with related parties

During the year the charity entered into the following transactions with related parties:

Employment costs of £23,040 (2022: £22,440) and pension costs of £2,304 (2022: £2,244) were paid to Mrs C Benham, the spouse of a trustee. This remuneration was in relation to her employment for the charity.

Mrs J Webber-Gant was appointed as a trustee. From the date of appointment, employment costs of £7,432 and pension costs of £743 were paid to Mr M Webber-Gant, the spouse of Mrs J Webber-Gant. This remuneration was in relation to his employment for the charity.

Payments totalling £636 (2022: £3,510) were made to Wild SEO Agency, a company controlled by Mrs C Klitgaard, the daughter in law of a trustee.

Payments of £11,212 (2022: £9,443) were made to Rapid Commercial Cleaning Services Ltd, a company controlled by trustee, Mr J Whitton.

An interest free loan was received from a trustee, Mrs J Webber-Gant. The balance due at year end was £50,000.

KERITH COMMUNITY CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

25 Operating lease commitments

Lessee

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2023	2022
	£	£
Within one year	68,210	68,174
Between two and five years	192,045	193,962
In over five years	203,499	266,499
	<u>463,754</u>	<u>528,635</u>

The expenditure on operating leases during the year was £78,119, (2022: £68,173)

KERITH COMMUNITY CHURCH

England & Wales - Charity number 1124519

Accounts

Charity registration number 1124519

Company registration number 06585832 (England and Wales)

KERITH COMMUNITY CHURCH
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

KERITH COMMUNITY CHURCH

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	J Davis - Chair S Benham - Senior Pastor D Klitgaard - Elder D Seidu - Treasurer J M Whitton
Secretary	G Scull
Charity number	1124519
Company number	06585832
Registered office	The Kerith Centre Church Road Bracknell Berkshire RG12 1EH
Auditor	Jacob Cavenagh & Skeet 5 Robin Hood Lane Sutton Surrey SM1 2SW
Bankers	HSBC Bank Plc 26 Broad Street Reading Berkshire RG1 2BU

KERITH COMMUNITY CHURCH

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KERITH COMMUNITY CHURCH

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2022

The trustees present their annual report and financial statements for the year ended 31 December 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: 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)" (effective 1 January 2019).

Objectives and activities

Mission and Vision

The church's vision statement is "Helping people find their way back to God through communities growing in their love of God and their love for people". This is done through reaching out to these communities with the love of Christ through weekly meetings in our buildings, social justice activities and small group gatherings in the community as well as sowing into the wider national and international community with funds and resources.

Public benefit

The Trustees consider the Charity Commission guidance on public benefit and consider that the activities of the Charity meet its objectives and provide a benefit to the public.

Volunteers

Volunteers are an essential part of church life, with most activities being supported by volunteers. It is estimated that over 80% of the church attendance support the ministry of the church through volunteering with a significant number of new volunteers coming forward to offer both community support to the Revive ministries and practical help towards the new building projects throughout 2022.

Achievements and performance

Bracknell

In early 2022 the Trustees took the decision to sell one of the 3 Kerith owned residential properties located in Bracknell (30 Farnham Close) The primary use of the property had historically been to house international students on Keriths Academy program however this program ceased in 2017 and the sporadic rental of rooms within the house since that time has been insufficient to cover its running costs. In view of the forecast deficit in income against expenditure (largely to support the purchase of Caroline House in Farnborough, 10-year lease in Winsor and the increased associated building running costs) for 2022 and 2023 the Trustees took the decision to release the asset and secure its funds in reserves as insurance to cover these increased overheads whilst the sites grow to their full potential.

Farnborough

Throughout 2022 we have seen the continued piecemeal redevelopment of the Caroline House, Farnborough Site to create more useable space within some of the previously dilapidated areas, whilst also planning the longer term rebuilding of the Site which has included the engagement of an architect to draw up feasibility plans for a new or redeveloped building, carrying out initial surveys to support any potential planning issues involved and mapping out a long term fundraising strategy and initiative to support the works. These initial works and costs have been largely funded by continued financial gifts to the sites Vision funds promoted via our Vision fund gift days.

Windsor

2022 saw the completion of the phase 2 redevelopment of the Windsor site again funded through their Site Vision fund gift days, culminating in the installation of new automatic double doors at the front of the building as well as the removal of some internal walls and associated redecoration to create an open plan welcome area and reception as well as a more straightforward visitor journey through to the auditorium area. Mid-week ministry work on the site has continued to grow with weekly Sparklers (toddler group) gatherings as well as a growing Social Justice presence through various support groups throughout the week. Regular Sunday attendance has also increased throughout 2022 with the focus in 2023 turning to plans for accommodating increased numbers both at Windsor and across the other mainland sites.

KERITH COMMUNITY CHURCH

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

West Wight

West Wight continues to support a small community in the Freshwater area of the Isle of Wight through the rental of a town hall space in Freshwater on a Sunday and as required at other times. Summer 2022 saw a change of leadership in the site as its founding pastor moved on to new ventures and the sites existing assistant pastor stepped into the role. In the following months discussions began on the future of Kerith on the island and how we could reach more people through our ministry. As part of these discussions' options are being investigated for expanding the site in 2023 to a more central and densely populated area of the island.

Continued impact of Covid: 2022 continued to be a difficult and unprecedented year for all organisations and communities following the arrival of the Covid virus in 2020 and whilst we continued to see the community return in greater numbers to physical gatherings, progress has been slow and the impact of 2 years of Covid and sporadic lockdowns has greatly effective the speed of growth at each of the new sites we had anticipated and forecast pre-pandemic. As a result, the Trustees continued to closely monitor our income and expenditure in line with the constant changing circumstance and subsequent uncertainty for return to relative normality. Alongside this the Site and Central teams worked hard to adapt to the constant changing needs of both the Church and community whilst planning next steps in a revised understanding of what Church post Covid may need to look like and how it would function. Despite this uncertainty God continued to bless us with resource and finances through our communities which enabled us to both meet our planned and budgeted obligations and exceed our year end expectations based on a fairly high deficit forecast.

Buildings: The Kerith Centre, nearby Studio, K2, Caroline House Farnborough Site and two freehold residential properties are owned by Kerith Community Church. In addition to this we lease a small community hall in Dedworth Windsor, and in November 2022 were also able to secure a full 10-year lease on the 2 warehouse units opposite the community hall.

Financial review

Income/ Expenditure

Total income for the year was £2,230,373 an increase of 36% compared to 2021 (£1,633,617). £1,835,425 of this income was received from the church community as general giving (2021: £1,469,731) an increase of 25% and £248,810 was the surplus on disposal of a property.

Overall expenditure for the year increased by 7% however, coupled with the increase in income for general and gift day funds, has resulted in a surplus net income of £168,823 (2021: net deficit £156,961).

Funds and Balance Sheet

The net book value of tangible fixed assets at the end of the year were £4,152,676 (2021: £4,444,705)

Cash at bank funds held at the year-end were £875,489 (2021: £535,538) of which £234,412 relates to restricted funds. Total funds at the year end were £4,150,589 of which £254,395 were restricted.

In view of the reduction in the forecast deficit for the year the trustees were satisfied with the year-end position in net income.

Reserves policy

The trustees have set a policy of building up general reserves to the value of £300,000 to cover any unforeseeable needs of the church, based on the running costs of the organisation for 3 calendar months. The church is dependent upon its regular Sunday offerings, together with Tax reclaimed through Gift Aid and donations to fund ongoing ministries, as at 31st December 2022, the designated reserve stood at £639,402 following the sale of the Kerith owned residential property 30 Farnham Close (£372,000 after costs). The Trustees took the decision to sell this property and secure the funds in reserves in light of the anticipated further deficit in income against expenditure forecast for 2022 (£180,000). Any excesses within the funds accrued during the year will be used to cover our deficit losses and maintain our operating stability as well as reinvested into the organisation to maintain the infrastructure and facilities of the estate. The position is continually monitored by the trustees and adjusted as necessary.

The church has general reserves of £41,615 (2021:£88,623) after restricted and designated reserves are considered.

KERITH COMMUNITY CHURCH

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Going concern review

The Trustees acknowledge that the full extent and duration of the impact of COVID 19 and its subsequent impact on pre-pandemic forecast growth is currently unknown, and depends on future developments that are uncertain and unpredictable, and have considered this in performing their going concern assessment. Despite the impact of COVID 19, the Trustees are confident in the going concern status of the charity for the foreseeable future, because of a number of factors.

- The budget for next year does show a large deficit. However, this is a planned drawing down on cash reserves that were at a very high level at the end of this year, due to the sale of the residential property in Bracknell, 30 Farnham Close. We are therefore likely to have reserves well in excess of our reserves policy throughout next year and the following year.
- Both our site numbers and subsequent income continues to increase year on year with 2022 being no exception. The Elders and Trustees believe a further increase in numbers and associated regular giving of around 100 regular attenders at both the Windsor and Farnborough sites is achievable in the next 2 years through growth investment which will result in sufficient income at those sites by 2025 to offset their expenditure and eradicate the existing deficit.
- Our expenditure base, whilst relatively fixed, could be reduced to keep expenditure levels down. We can choose not to replace staff or limit ministry activity in areas that are less utilised. Neither would be desirable, but both are levers at our disposal in the event that our ability to operate as a going concern, comes under pressure.
- We also have further residential property at our disposal that we could use, in the event of liquidity issues.

Funds

All funds include an accrual from the Income Tax Refund not yet received, which is expected to be received within the next 12 months. Funds are allocated from Offerings, Tax Refunds and Bank Interest, but not from Gift Day offerings.

Money given away (including Revive)

6.1% of all general income was given away to other causes including Revive ministry, Acts 2 (pastoral community care), and other pastoral community support.

Donations are made to individuals and organisations; both in the UK and overseas, directly involved in Christian work, relief work, or work within the community and whose objectives the Elders consider to be in keeping with those of this church. Social Justice includes all activities where funds are provided to support those suffering financial hardship or similar social need. This includes grants made to members of the local community, as a result of requests made by local Social Services, and who have demonstrated a financial need.

Donations Policy

Kerith Community Church supports organisations and individuals (both domestic and foreign) and gifts are considered by the trustees on the basis of need whilst ensuring that the charity's objectives are met. There are no upper or lower limits of support but are reviewed and agreed upon by the elders subject to budgetary control and adequate reporting.

In addition, special collections are occasionally taken to support specific causes.

Other policies and procedures remained in place during the year.

1. Safeguarding policy and procedures associated with children's and youth activities overseen and managed by the church's Safeguarding Officer
2. Equipment set up and set down, health and safety procedures associated with all the church's events, including Sunday services, ministry events and other events including specific and generic risk assessments held by the Estates department
3. First aid, fire and evacuation procedures during Sunday meetings and ministry events overseen by the Site Services department and building administrators
4. Income protection and recording policies as advised in best practice through our auditors and insurers.
5. Data back-up for Information Technology systems held by the Estates department
6. Formal staff commitment setting process annually with Line Management including a 6-monthly review

KERITH COMMUNITY CHURCH

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Investment policy

Due to the relatively short time period between the receipt of funds and their expenditure, all the funds, are held in cash.

Risk Management

The Trustees continually review the risks and have a risk management strategy in place to ensure appropriate procedures are in place to identify, monitor and review these risks on a regular basis.

A continual review of the risks both financial and operational the charity may face is performed by the Operations Director in conjunction with the Trustees, enabling the establishment of systems and procedures to mitigate any risks that have been identified.

Procedures are implemented through consultation with the Trustees to minimise any potential impact on the charity should those risks materialise.

Major risks are considered to be those that may have a significant impact on:

- Operational performance, including risks to employees, volunteers, the children supported and reputation;
- Financial sustainability, including stability and security of income;
- The achievement of aims and objectives

Fundraising

In line with the reporting requirements included in the Charities Act 2016 the Trustees confirm that all fundraising is done in compliance with fundraising best practice. All fundraising activities are in line with the vision, values and mission of the Kerith Community Church.. During 202 we did not employ any professional fundraisers with all funds being received through general giving, gift day appeals and ministry specific grant applications. Kerith received no complaints or criticisms during the year about it fundraising activities or practices.

Plans for future periods

The trustees priorities for the coming 3 years will be focussed on the making of any necessary adjustments to enable the return of the Kerith finances to a breakeven point based on regular giving income and operating expenditure (by 2025) Alongside this will be a push for weekly attendance growth across all sites with a focus on the following, The planned return to multiple Sunday meetings on the Bracknell site, The building redevelopment project of the Farnborough Site, Auditorium redevelopment and new refreshments area for the Windsor Site and continuing investigation into the launch of the West Wight Site in a more densely populated and central area of the Island. Where such developments require additional funding (renovation projects and relocation) these projects will seek to raise such funds through additional site specific gift days.

Structure, governance and management

Governing document

The charity is controlled by its governing document, the Memorandum and Articles of Association, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

J Davis - Chair
S Benham - Senior Pastor
D Klitgaard - Elder
D Seidu - Treasurer
J M Whitton

KERITH COMMUNITY CHURCH

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) *FOR THE YEAR ENDED 31 DECEMBER 2022*

Recruitment and appointment of new trustees

All Elders, with the exception of the Senior & Executive Pastor, are appointed from church members who display eldership characteristics and leadership skills. After going through a process to ascertain their suitability, the church is given a period of notice after which, subject to no sustainable objection, the candidate is recognised as an Elder and may be appointed a Trustee and Company Director.

In addition, trustees/company directors are also appointed from church members with professional experience and leadership skills, in areas such as finance, law, HR, facilities management etc. They are not required to have any specific training for their role as a trustee, but would be expected to familiarise themselves with the Articles of Association and in particular confirm their acceptance of Part H - Statement of Faith. In addition they would be directed to CC3 - "The essential trustee - What you need to know" from the Charity Commission website, which is a comprehensive guide to what trustees do and need to know.

Salaries and other staff benefits are agreed by the Salary Review Group, who meet as required, but at least once a year. This group is made up of one Trustee, the HR Manager and currently three members of the church.

Organisation

The primary responsibility for ensuring that Kerith Community Church fulfils its mission has been delegated by the Company Directors and Charity Trustees to the Elders. The Trustees are comprised of two Elders and three other church members, who meet at least three times a year, assisted by the Company Secretary/Operations Director and Executive Pastor.

The Elders meet monthly, under the chairmanship of the Senior Pastor. The Senior Pastor is responsible for the day to day running of the church. Under the oversight of The Elders, the day-to-day responsibilities for running much of the church activities and ministries are further delegated to the Coordination Team, led by the Executive Pastor. The Coordination Team comprises, The Senior Pastor, Executive Pastor, Operations Director, Sites Director and Ministries Director.

Financial matters are also dealt with at a monthly finance meeting between the Coordination Team with actions cascaded to the Management Team.

Key management remuneration

Salaries and remuneration for key management personnel are set by the Trustees following consultation and guidance from the Salaries Review board of the Church Community with relevant experience in charity and commercial industry. Benchmarking is carried out every 3 - 5 years to ensure all salaries remain consistent with similar sized and focused organisations.

KERITH COMMUNITY CHURCH

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Statement of trustees' responsibilities

The trustees, who are also the directors of Kerith Community Church for the purpose of company law, are responsible for preparing the Trustees' 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 affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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

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

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

In accordance with the company's articles, a resolution proposing that Jacob Cavenagh & Skeet be reappointed as auditor of the company will be put at a General Meeting.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees' report was approved by the Board of Trustees.



.....
S Benham - Senior Pastor
Trustee

Date: 6/8/23

KERITH COMMUNITY CHURCH

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF KERITH COMMUNITY CHURCH

Opinion

We have audited the financial statements of Kerith Community Church (the 'charity') for the year ended 31 December 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

KERITH COMMUNITY CHURCH

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF KERITH COMMUNITY CHURCH

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the charity, we identified that the principal risks of non-compliance with laws and regulations related to employment and financial reporting legislation and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and the Charities Act 2011.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by making enquiries of management, considering the internal controls in place and discussion amongst the engagement team.

We determined that the principal risks were related to: management override of controls and management bias in accounting estimates.

In response to the risks identified we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- evaluating the company's internal controls;
- challenging significant accounting estimates such as valuation of stock and
- identifying and testing journal entries.

KERITH COMMUNITY CHURCH

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF KERITH COMMUNITY CHURCH

There are inherent limitations in the audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Paul Newton FCA (Senior Statutory Auditor)
for and on behalf of Jacob Cavenagh & Skeet

15/08/2023

.....

Chartered Accountants
Statutory Auditor

5 Robin Hood Lane
Sutton
Surrey
SM1 2SW

KERITH COMMUNITY CHURCH

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2022

		Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
	Notes						
Income and endowments from:							
Donations and legacies	3	1,387,016	483,409	1,870,425	1,160,609	487,828	1,648,437
Charitable activities	4	108,660	-	108,660	110,052	-	110,052
Investments	5	2,478	-	2,478	1,466	-	1,466
Surplus on disposal of property		248,810	-	248,810	-	-	-
Other income	6	-	-	-	1,535	-	1,535
Total income		1,746,964	483,409	2,230,373	1,273,662	487,828	1,761,490
Expenditure on:							
Charitable activities	7	1,677,349	384,201	2,061,550	1,527,146	391,305	1,918,451
Gross transfers between funds		-	-	-	200,240	(200,240)	-
Net income/(expenditure) for the year/							
Net movement in funds		69,615	99,208	168,823	(53,244)	(103,717)	(156,961)
Reconciliation of funds							
Fund balances at 1 January 2022							
As originally reported		3,409,380	572,386	3,981,766	3,873,350	265,377	4,138,727
Prior year adjustment		425,268	(425,268)	-	-	-	-
As restated		3,834,648	147,118	3,981,766	3,873,350	265,377	4,138,727
Fund balances at 31 December 2022		3,904,263	246,326	4,150,589	3,820,106	161,660	3,981,766

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

All income and expenditure derive from continuing activities.

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

KERITH COMMUNITY CHURCH

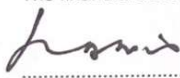
BALANCE SHEET

AS AT 31 DECEMBER 2022

	Notes	2022		2021	
		£	£	£	£
Fixed assets					
Tangible assets	12		4,152,676		4,444,705
Current assets					
Stocks	13	12,819		1,045	
Debtors	14	79,187		28,035	
Cash at bank and in hand		875,489		535,538	
			967,495		564,618
Creditors: amounts falling due within one year	15	(100,607)		(107,488)	
Net current assets			866,888		457,130
Total assets less current liabilities			5,019,564		4,901,835
Creditors: amounts falling due after more than one year	16		(868,975)		(920,069)
Net assets			4,150,589		3,981,766
Income funds					
Restricted funds	19		246,326		161,660
Unrestricted funds					
Designated funds	20	3,854,579		3,731,483	
General unrestricted funds		49,684		88,623	
			3,904,263		3,820,106
			4,150,589		3,981,766

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

The financial statements were approved by the Trustees on 20/7/23



J Davis - Chair
Trustee



S Benham - Senior Pastor
Trustee

Company registration number 06585832

KERITH COMMUNITY CHURCH

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Cash generated from operations	25		273,993		30,185
Investing activities					
Purchase of tangible fixed assets		(7,169)		(1,342,219)	
Proceeds from disposal of tangible fixed assets		122,202		-	
Investment income received		2,478		1,466	
Net cash generated from/(used in) investing activities			117,511		(1,340,753)
Financing activities					
Proceeds from new bank loans		-		995,000	
Repayment of bank loans		(51,553)		(25,931)	
Net cash (used in)/generated from financing activities			(51,553)		969,069
Net increase/(decrease) in cash and cash equivalents			339,951		(341,499)
Cash and cash equivalents at beginning of year			535,538		877,037
Cash and cash equivalents at end of year			875,489		535,538

KERITH COMMUNITY CHURCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

Charity information

Kerith Community Church is a private company limited by guarantee incorporated in England and Wales. The registered office is The Kerith Centre, Church Road, Bracknell, Berkshire, RG12 1EH.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum & Articles of Association, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: 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)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Donated goods to the Foodbank are recognised when they are received and valued at £2.37 per kg.

KERITH COMMUNITY CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

Grants payable are included when they have been approved by the trustees, the expenditure is committed and this has been communicated to the recipients.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	permanent: over 50 years; temporary: over 5 years
Leasehold land and buildings	over period of lease
Equipment	15% on cost
Fixtures and fittings	20% and 6.67% on cost
Computers	33.3% on cost
Motor vehicles	20% on cost

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Stocks

The stock of items held by the Foodbank is included at an estimate of £2.37 per kg.

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

KERITH COMMUNITY CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

KERITH COMMUNITY CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Donations and gifts	1,138,633	213,117	1,351,750	951,727	264,212	1,215,939
Grants	-	35,000	35,000	-	50,833	50,833
Donated goods and services	-	203,377	203,377	-	127,873	127,873
Gift days and special offerings	248,383	31,915	280,298	208,882	44,910	253,792
	<u>1,387,016</u>	<u>483,409</u>	<u>1,870,425</u>	<u>1,160,609</u>	<u>487,828</u>	<u>1,648,437</u>

4 Charitable activities

	2022 £	2021 £
Ministry	71,899	50,746
Rent and other income	36,761	59,306
	<u>108,660</u>	<u>110,052</u>

5 Investments

	Unrestricted funds 2022 £	Unrestricted funds 2021 £
Interest receivable	2,478	1,466
	<u>2,478</u>	<u>1,466</u>

KERITH COMMUNITY CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

6 Other income

	Total 2022 £	Unrestricted funds 2021 £
CJRS income	-	1,535

7 Charitable activities

	General church 2022 £	Revive 2022 £	Total 2022 £	Total 2021 £	Revive 2021 £	Total 2021 £
Staff costs	866,884	73,045	939,929	881,121	-	881,121
Depreciation and impairment	171,623	5,373	176,996	183,665	-	183,665
Ministry costs	645,810	223,014	868,824	688,868	127,873	816,741
	<u>1,684,317</u>	<u>301,432</u>	<u>1,985,749</u>	<u>1,753,654</u>	<u>127,873</u>	<u>1,881,527</u>
Grant funding of activities (see note 8)	51,464	-	51,464	21,118	-	21,118
Share of support costs (see note 9)	15,837	-	15,837	10,196	-	10,196
Share of governance costs (see note 9)	8,500	-	8,500	5,610	-	5,610
	<u>1,760,118</u>	<u>301,432</u>	<u>2,061,550</u>	<u>1,790,578</u>	<u>127,873</u>	<u>1,918,451</u>
Analysis by fund						
Unrestricted funds	1,572,684	104,665	1,677,349	1,527,146	-	1,527,146
Restricted funds	187,434	196,767	384,201	263,432	127,873	391,305
	<u>1,760,118</u>	<u>301,432</u>	<u>2,061,550</u>	<u>1,790,578</u>	<u>127,873</u>	<u>1,918,451</u>

KERITH COMMUNITY CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

8 Grants payable

	General church 2022 £	General church 2021 £
Grants to institutions (15 grants):		
City Church, Lithuania	6,500	2,017
Skinia Church, Ukraine	1,500	-
Lutsk AOG Church, Ukraine	1,174	-
Misioni Joshua, Albania	2,903	4,937
Emerge Advocacy	4,000	-
Shoot Academy	3,000	-
Tearfund	2,000	-
Tehilia	1,600	617
Renova	1,920	-
Hope & Vision	1,920	500
Mustard Seed Autism Trust	2,227	-
Restored	1,000	-
Ryde Youth Work Project	2,000	-
Driven Forward	600	-
Foodshare	1,170	-
Other	-	2,017
	<u>33,514</u>	<u>10,088</u>
Grants to individuals	17,950	11,030
	<u>51,464</u>	<u>21,118</u>

9 Support costs

	Support costs £	Governance costs £	2022 £	Support costs £	Governance costs £	2021 £
Finance and legal	3,123	-	3,123	2,028	-	2,028
HR	12,714	-	12,714	8,168	-	8,168
Audit fees	-	5,880	5,880	-	5,610	5,610
Accountancy	-	2,620	2,620	-	-	-
	<u>15,837</u>	<u>8,500</u>	<u>24,337</u>	<u>10,196</u>	<u>5,610</u>	<u>15,806</u>
Analysed between Charitable activities	<u>15,837</u>	<u>8,500</u>	<u>24,337</u>	<u>10,196</u>	<u>5,610</u>	<u>15,806</u>

KERITH COMMUNITY CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

10 Employees

The average monthly number of employees during the year was:

	2022	2021
	Number	Number
Ministry	21	20
Administration	21	21
	<hr/>	<hr/>
Total	42	41
	<hr/> <hr/>	<hr/> <hr/>

Employment costs

	2022	2021
	£	£
Wages and salaries	804,896	753,449
Social security costs	58,864	53,751
Other pension costs	76,169	73,921
	<hr/>	<hr/>
	939,929	881,121
	<hr/> <hr/>	<hr/> <hr/>

Redundancy costs of £2,261 (2021:£nil) were paid during the year and included in wages and salaries costs above.

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2022	2021
	Number	Number
£60,000 - £70,000	-	1
	<hr/>	<hr/>

11 Trustees

The trustee, S Benham, received remuneration of £54,766 (2021:£70,458) and pension contributions of £5,477 (2021:£6,299) were paid on his behalf in respect of his work as Senior Pastor. These payments are permitted by the Memorandum & Articles of Association of the church.

One trustee was reimbursed £3,767 (2021: £3,173) for travel related expenses during the year.

KERITH COMMUNITY CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

12 Tangible fixed assets

	Freehold land and buildings	Leasehold land and buildings	Fixtures, fittings and equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 January 2022	4,605,666	1,306,392	819,257	20,694	6,752,009
Additions	-	-	7,169	-	7,169
Disposals	(184,000)	-	(21,103)	-	(205,103)
At 31 December 2022	4,421,666	1,306,392	805,323	20,694	6,554,075
Depreciation and impairment					
At 1 January 2022	1,657,375	17,654	615,040	17,235	2,307,304
Depreciation charged in the year	103,047	17,654	54,565	1,730	176,996
Eliminated in respect of disposals	(61,798)	-	(21,103)	-	(82,901)
At 31 December 2022	1,698,624	35,308	648,502	18,965	2,401,399
Carrying amount					
At 31 December 2022	2,723,042	1,271,084	156,821	1,729	4,152,676
At 31 December 2021	2,948,292	1,288,738	86,767	3,459	4,444,705

13 Stocks

	2022 £	2021 £
Foodbank and bookshop stock	12,819	1,045

14 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Other debtors	27,341	22,290
Prepayments and accrued income	22,846	5,745
	50,187	28,035
Amounts falling due after more than one year:		
Other debtors	29,000	-
Total debtors	79,187	28,035

KERITH COMMUNITY CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

15 Creditors: amounts falling due within one year

	Notes	2022 £	2021 £
Bank loans	18	48,541	49,000
Other taxation and social security		17,979	15,429
Trade creditors		21,112	32,059
Accruals and deferred income		12,975	11,000
		<u>100,607</u>	<u>107,488</u>

16 Creditors: amounts falling due after more than one year

	Notes	2022 £	2021 £
Bank loans	18	868,975	920,069

17 Retirement benefit schemes

Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £76,169 (2021 - £73,921).

18 Loans and overdrafts

	2022 £	2021 £
Bank loans	917,516	969,069
Payable within one year	48,541	49,000
Payable after one year	868,975	920,069

Amounts included above which fall due after five years:

Payable by instalments	650,723	724,069
------------------------	---------	---------

The long-term loan is secured by a fixed charge over the land and buildings of the charity; The Kerith Centre, Church Road, Bracknell, RG12 1EH.

The carrying value of the assets charged was £1,619,540 at the balance sheet date (2021: £1,672,848).

The loan is repayable over 15 years, with a variable interest rate. The interest rate held at the balance sheet date was 4.25%. The interest charged in the year was £39,690 (2021: £26,579).

KERITH COMMUNITY CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

19 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds				Movement in funds				
	Balance at 1 January 2021	Income	Expenditure	Transfers	Balance at 1 January 2022	Income	Expenditure	Transfers	Balance at 31 December 2022
	£	£	£	£	£	£	£	£	£
Restricted capital equipment	37,835	-	(11,846)	5,840	17,287	-	(5,373)	-	11,914
Kerith Vision Fund	87,718	4,887	(38,462)	(53,143)	1,000	-	-	-	1,000
Pastor's discretionary fund	1,468	-	(1,343)	(125)	-	-	-	-	-
Other restricted funds	104,133	135,805	(154,319)	(6,885)	78,734	143,694	(128,384)	4,917	98,961
Foodbanks Emergency Fund	5,915	-	(2,052)	(3,863)	-	-	-	-	-
Foodbank	28,308	173,724	(154,524)	1,355	48,863	229,614	(205,945)	-	72,532
Farnborough building	-	173,412	(28,759)	(144,653)	-	-	-	-	-
Building funds	-	-	-	1,234	1,234	110,101	(44,499)	(4,917)	61,919
	<u>265,377</u>	<u>487,828</u>	<u>(391,305)</u>	<u>(200,240)</u>	<u>147,118</u>	<u>483,409</u>	<u>(384,201)</u>	<u>-</u>	<u>246,326</u>

KERITH COMMUNITY CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

19 Restricted funds

(Continued)

Restricted capital equipment represents the value of capital assets held for restricted purposes.

Kerith Vision Fund represents monies given for the set up of new sites and for improvements to buildings and equipment in current use.

Other restricted funds are a group of restricted funds which represent monies received and expenses for varying other restricted purposes including; gifts made to other charities, assisting church members in need to pay for winter fuel, travel costs for youth pastor, assisting women's ministry in other countries and assisting churches and church plants in developing nations.

The Foodbank fund supports the operation of the Foodbank and receives restricted grants, donations and food donations.

The Farnborough building fund received donations towards the purchase of a property which was achieved in 2021 and this is reflected in the transfer out of this fund.

The other building funds are restricted donations received to support specific building related projects at each of the church's sites.

KERITH COMMUNITY CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

20 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement in funds					Balance at 31 December 2022
	Balance at 1 January 2021	Income	Transfers	Balance at 1 January 2022	Transfers	
	£	£	£	£	£	£
Properties and capital equipment	3,248,316	-	195,491	3,443,807	(228,630)	3,215,177
Designated reserve	416,000	400	(128,724)	287,676	351,726	639,402
	<u>3,664,316</u>	<u>400</u>	<u>66,767</u>	<u>3,731,483</u>	<u>123,096</u>	<u>3,854,579</u>

Properties and capital equipment fund represents the value of all unrestricted capital assets, less the outstanding capital on the mortgage.

Designated reserve represents funds set aside in line with Charity Commission guidelines to ensure the smooth running of the charity should there be any interruption to operations.

21 Analysis of net assets between funds

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Fund balances at 31 December are represented by:						
Tangible assets	4,140,762	11,914	4,152,676	4,412,876	31,829	4,444,705
Current assets/(liabilities)	632,476	234,412	866,888	327,299	129,831	457,130
Long term liabilities	(868,975)	-	(868,975)	(920,069)	-	(920,069)
	<u>3,904,263</u>	<u>246,326</u>	<u>4,150,589</u>	<u>3,820,106</u>	<u>161,660</u>	<u>3,981,766</u>

22 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2022 £	2021 £
Within one year	68,174	68,174
Between two and five years	193,962	195,881
In over five years	266,499	329,499
	<u>528,635</u>	<u>593,554</u>

KERITH COMMUNITY CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

22 Operating lease commitments

(Continued)

The expenditure on operating leases during the year was £68,173, (2021: £67,215)

23 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2022	2021
	£	£
Aggregate compensation	<u>180,077</u>	<u>185,486</u>

Transactions with related parties

During the year the charity entered into the following transactions with related parties:

During the year employment costs of £22,440 (2021: £21,300) and pension costs of £2,244 (2021: £2,130) were paid to Mrs C Benham, the spouse of a trustee. This remuneration was in relation to her employment for the charity.

During the year payments of £3,510 (2021: £2,397) were made to Wild SEO Agency, a company controlled by Mrs C Klitgaard, the daughter in law of a trustee.

During the year payments of £9,443 (2021: £10,638) were made to Rapid Commercial Cleaning Services Ltd, a company controlled by trustee, Mr J Whitton.

24 Prior year adjustment

A prior year adjustment has been made to correct the presentation of restricted funds. A net amount of £425,268 has been transferred from the Restricted Capital Equipment fund to the general fund in relation to capital expenditure where the assets are not restricted.

The 2021 figures have also been amended to include £173,174 of income and expenditure representing donations of food given and received by the Foodbank during the year.

KERITH COMMUNITY CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

25	Cash generated from operations	2022	2021
		£	£
	Surplus/(deficit) for the year	168,823	(156,961)
	Adjustments for:		
	Investment income recognised in statement of financial activities	(2,478)	(1,466)
	Depreciation and impairment of tangible fixed assets	176,996	183,665
	Movements in working capital:		
	(Increase)/decrease in stocks	(11,774)	378
	(Increase) in debtors	(51,152)	(2,806)
	(Decrease)/increase in creditors	(6,422)	7,375
	Cash generated from operations	273,993	30,185
26	Analysis of changes in net (debt)/funds		
		At 1 January 2022	Cash flows At 31 December 2022
		£	£
	Cash at bank and in hand	535,538	339,951
	Loans falling due within one year	(49,000)	459
	Loans falling due after more than one year	(920,069)	51,094
		<u>(433,531)</u>	<u>391,504</u>
		<u><u>(433,531)</u></u>	<u><u>391,504</u></u>
			<u><u>875,489</u></u>
			<u><u>(48,541)</u></u>
			<u><u>(868,975)</u></u>
			<u><u>(42,027)</u></u>

KERITH COMMUNITY CHURCH

England & Wales - Charity number 1124519

Accounts

REGISTERED COMPANY NUMBER: 06585832 (England and Wales)
REGISTERED CHARITY NUMBER: 1124519

REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021
FOR
KERITH COMMUNITY CHURCH

Brindley Millen Ltd
Chartered Accountants and Statutory Auditors
167 Turners Hill
Cheshunt
Hertfordshire
EN8 9BH

KERITH COMMUNITY CHURCH

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for the Year Ended 31 December 2021

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KERITH COMMUNITY CHURCH

REPORT OF THE TRUSTEES **for the Year Ended 31 December 2021**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2021. The trustees have adopted the provisions of Accounting and Reporting by Charities: 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) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Mission and Vision

The churches vision statement is "Helping people find their way back to God through communities growing in their love of God and their love for people". This is done through reaching out to these communities with the love of Christ through weekly meetings in our buildings, social justice activities and small group gatherings in the community as well as sowing into the wider national and international community with funds and resources.

Organisation

The primary responsibility for ensuring that Kerith Community Church fulfils its mission has been delegated by the Company Directors and Charity Trustees to the Elders. The Trustees are comprised of two Elders and three other church members, who meet at least three times a year, assisted by the Company Secretary/Operations Director and Executive Pastor.

The Elders meet monthly, under the chairmanship of the Senior Pastor. The Senior Pastor is responsible for the day to day running of the church. Under the oversight of The Elders, the day-to-day responsibilities for running much of the church activities and ministries are further delegated to the Coordination Team, led by the Executive Pastor. The Coordination Team comprises, The Senior Pastor, Executive Pastor, Operations Director, Sites Director and Ministries Director.

Financial matters are also dealt with at a monthly finance meeting between the Coordination Team with actions cascaded to the Management Team.

Public benefit

The Trustees consider the Charity Commission guidance on public benefit and consider that the activities of the Charity meet its objectives and provide a benefit to the public.

FINANCIAL REVIEW

Financial position

Income/ Expenditure

Total income for the year was £1,633,617 compared to 2020 £1,889,927. £1,469,731 of this income was received from the church community as general giving (2020: £1,597,616).

Overall expenditure for the year increased from £1,570,078 to £1,790,578 and resulted in a deficit of £156,961 (2020:£319,849).

Funds and Balance Sheet

The net book value of tangible fixed assets at the end of the year of £4,444,705 (2020: £3,286,151) after deducting a depreciation charge of £183,665 for the year (2020: £171,971).

Cash at bank funds held at the year-end were £535,538 (2020: £877,037) of which £132,274 relates to restricted funds.

The trustees were satisfied with the year-end position, on the understanding that the identified loss for the period could be attributed to the previously unplanned investment in a permanent building for the Farnborough site.

Investment policy and objectives

Due to the relatively short time period between the receipt of funds and their expenditure, all the funds, are held in cash.

Reserves policy

The trustees have set a policy of building up general reserves to the value £300,000 to cover any unforeseeable needs of the church, based on the running costs of the organisation for 3 calendar months. The church is dependent upon its regular Sunday offerings, together with Tax reclaimed through Gift Aid and donations to fund ongoing ministries, as at 31st December 2021, the designated reserve stood at £288,000. Any previous excesses within the funds accrued during the year have been reinvested into the organisation to maintain the infrastructure and facilities of the estate. The position is continually monitored by the trustees who have committed 2.5% of the monthly income to build up the reserves to the budgeted level.

KERITH COMMUNITY CHURCH

REPORT OF THE TRUSTEES **for the Year Ended 31 December 2021**

FINANCIAL REVIEW

Funds

All funds include an accrual from the Income Tax Refund not yet received, which is expected to be received within the next 12 months. Funds are allocated from Offerings, Tax Refunds and Bank Interest, but not from Gift Day offerings.

Mission and Social Justice

12.6% of all income was used to fund these activities which are made up of funds provided for Mission activity, acts 2 (pastoral community care), national and international partnerships and Social Justice (Revive) ministries.

Donations are made to individuals and organisations; both in the UK and overseas, directly involved in Christian work, relief work, or work within the community and whose objectives the Elders consider to be in keeping with those of this church. Social Justice includes all activities where funds are provided to support those suffering financial hardship or similar social need. This includes grants made to members of the local community, as a result of requests made by local Social Services, and who have demonstrated a financial need.

Donations Policy

Kerith Community Church supports organisations and individuals (both domestic and foreign) and gifts are considered by the trustees on the basis of need whilst ensuring that the charity's objectives are met. There are no upper or lower limits of support but are reviewed and agreed upon by the elders subject to budgetary control and adequate reporting.

In addition, special collections are occasionally taken to support specific causes.

Other policies and procedures remained in place during the year:

1. Safeguarding policy and procedures associated with children's and youth activities overseen and managed by the church's Safeguarding Officer
2. Equipment set up and set down health and safety procedures associated with all the church's events, including Sunday services, ministry events and other events including specific and generic risk assessments held by the Site Services department
3. First aid, fire and evacuation procedures during Sunday meetings and ministry events overseen by the Site Services department and building administrators
4. Income protection and recording policies as advised in best practice through our auditors and insurers.
5. Data back-up for Information Technology systems held by the Site Services department
6. Formal staff commitment setting process annually with Line Management including a 6 monthly review

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, the Memorandum and Articles of Association, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Recruitment and appointment of new trustees

All Elders, with the exception of the Senior & Executive Pastor, are appointed from church members who display eldership characteristics and leadership skills. After going through a process to ascertain their suitability, the church is given a period of notice after which, subject to no sustainable objection, the candidate is recognised as an Elder and may be appointed a Trustee and Company Director.

In addition, trustees/company directors are also appointed from church members with professional experience and leadership skills, in areas such as finance, law, HR, facilities management etc.

Salaries and other staff benefits are agreed by the Salary Review Group, who meet as required, but at least once a year. This group is made up of one Trustee, the HR Manager and currently three members of the church.

Buildings: The Kerith Centre, nearby Studio, K2 and three freehold residential properties are owned by Kerith Community Church. In addition to this we lease a small community hall in Dedworth Windsor, and in September 2020 were also able to secure a full 10-year lease on the 2 warehouse units opposite the community hall.

KERITH COMMUNITY CHURCH

REPORT OF THE TRUSTEES **for the Year Ended 31 December 2021**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Bracknell

A number of changes to accommodate our Revive (Social Justice) Ministries were carried out in the K2 building and K2 house on our Bracknell site throughout 2021, these included re purposing and developing the formally residential K2 house into a Revive learning centre including newly fitted life skills training kitchen, meeting room, offices, counselling room and client shower room. In addition to this the Foodbank stores were permanently rehomed to the rear of K2 and K2 house gardens with the installation of 2 portacabin storage units in the grounds and converted sorting area to the rear of the K2 hall.

These changes have meant that all Revive ministries can now run out of one area and centre around a weekday café in the K2 building.

Farnborough

In March 2021 Kerith purchased a disused Warehouse in Farnborough to redevelop as a permanent home for its Farnborough Site, throughout 2021 Phase one of the redevelopment of this building took place, encompassing an initial fund-raising initiative to meet the costs of change of use, building design plans, making the building safe and fit for purpose, basic decoration and redevelopment of first phase usable areas and installation of security and production equipment.

The primary works carried out during this phase were, the installation of audio visual equipment to facilitate Sunday meetings including LED screen, PA and IT equipment, Renovation of 3 areas to provide Kids break out rooms, including new carpets, paint, toys and equipment and lighting, Replacement of broken windows, redecoration of toilet areas, New water main and associated plumbing works, electrical re wiring of usable areas and new PCB boards, Installation of new Intruder alarm system, Fire detection system and CCTV, New external doors, Removal of asbestos present in currently unused area of building, repositioning of front gates, new external signage and waste clearance from site. The building was granted change of use and signed off by building control in the first week of December 2021 and the first Sunday meeting held the following Sunday. Throughout 2022 the site team, Elders and Trustees will begin to plan the Phase 2 redevelopment including long term objectives and fundraising requirements.

Windsor

In addition to the works on the new Farnborough building, we now have a medium-term permanent home for our Windsor site offering all the space we require to carry out a wide range of ministry activities in addition to our Sunday gatherings. In 2021 significant redevelopment also took place at the new Windsor site to include re carpeting and re painting of public welcome and kids' areas and installing new technical equipment, heating and additional insulation measures to the main meeting areas and kids spaces.

Impact of Covid: 2021 continued to be a difficult and unprecedented year for all organisations and communities following the arrival of the Covid virus in 2020 and subsequent Government led lockdowns. As a result, the Trustees continued to closely monitor our income and expenditure in line with the constant changing circumstance and subsequent uncertainty for return to relative normality and full in person gatherings. Alongside this the Site and Central teams worked hard to adapt to the constant changing needs of both the Church and community whilst planning next steps in a revised understanding of what Church post Covid may need to look like and how it would function. Despite this uncertainty God continued to bless us with resource and finances through our communities which enabled us to both meet our planned and budgeted obligations and have sufficient funds in reserves to enable the un-budgeted purchase of the building in Farnborough.

Volunteers are an essential part of church life, with most activities being supported by volunteers. It is estimated that over 80% of the church attendance support the ministry of the church through volunteering with a significant number of new volunteers coming forward to offer both community support to the Revive ministries and practical help towards the new building projects throughout 2022.

Key management remuneration

Salaries and remuneration for key management personnel are set by the Trustees following consultation and guidance from the Salaries Review board of the Church Community with relevant experience in charity and commercial industry. Benchmarking is carried out every 3 - 5 years to ensure all salaries remain consistent with similar sized and focused organisations.

KERITH COMMUNITY CHURCH

REPORT OF THE TRUSTEES **for the Year Ended 31 December 2021**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Risk Management

The Trustees continually review the risks and have a risk management strategy in place to ensure appropriate procedures are in place to identify, monitor and review these risks on a regular basis.

A continual review of the risks both financial and operational the charity may face is performed by the Operations Director in conjunction with the Trustees, enabling the establishment of systems and procedures to mitigate any risks that have been identified.

Procedures are implemented through consultation with the Trustees to minimise any potential impact on the charity should those risks materialise.

Major risks are considered to be those that may have a significant impact on:

- Operational performance, including risks to employees, volunteers, the children supported and reputation;
- Financial sustainability, including stability and security of income;
- The achievement of aims and objectives

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

06585832 (England and Wales)

Registered Charity number

1124519

Registered office

The Kerith Centre
Church Road
Bracknell
Berkshire
RG12 1EH

Trustees

J Davis Chair
S Benham Senior Pastor
D Klitgaard Elder
Mrs D Seidu Treasurer
J M Whitton

Company Secretary

G Scull

Auditors

Brindley Millen Ltd
Chartered Accountants and Statutory Auditors
167 Turners Hill
Cheshunt
Hertfordshire
EN8 9BH

Bankers

HSBC Bank plc
26 Broad Street
Reading
Berkshire
RG1 2BU

KERITH COMMUNITY CHURCH

REPORT OF THE TRUSTEES
for the Year Ended 31 December 2021

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures that must be disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, Brindley Millen Ltd, will be stepping down at the forthcoming Annual General Meeting.

May 31, 2022

Approved by order of the board of trustees on and signed on its behalf by:



Simon Benham (May 31, 2022 16:38 GMT+1)

.....
S Benham - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF KERITH COMMUNITY CHURCH

Opinion

We have audited the financial statements of Kerith Community Church (the 'charitable company') for the year ended 31 December 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
KERITH COMMUNITY CHURCH**

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:


We obtained an understanding of the legal and regulatory frameworks that are applicable to the charity and determined that the most significant are those covered by the Statement of Recommended Practice for Charities (SORP 2019) and the Charities Act 2011. We assessed the risk of material misstatement in respect of fraud by making enquiries of management and trustees and by testing the implementation of accounting controls in place.

Based on the results of our risk assessment we designed our audit procedures to identify non-compliance with such laws and regulations identified above by making enquiries with key personnel and reviewing relevant documentation such as minutes of Trustee meetings and correspondence with regulatory bodies. We considered the risk of fraud through management override by incorporation testing of journal entries and reviewing any requirements to meet performance targets. We also considered, and tested for, the possibility of unauthorised payments to related parties.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.


[mwbrindley \(Jun 1, 2022 12:21 GMT+1\)](#)

Maurice Brindley BSc FCA (Senior Statutory Auditor)
for and on behalf of Brindley Millen Ltd
Chartered Accountants and Statutory Auditors
167 Turners Hill
Cheshunt
Hertfordshire
EN8 9BH

Date: Jun 1, 2022
Date:

KERITH COMMUNITY CHURCH

STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
for the Year Ended 31 December 2021

	Notes	Unrestricted funds £	Restricted funds £	31.12.21 Total funds £	31.12.20 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	1,160,609	309,122	1,469,731	1,597,616
Charitable activities					
Church Ministries	4	109,571	-	109,571	126,506
Mission Support and Social Justice		-	50,833	50,833	122,732
Bookshop		481	-	481	1,447
Investment income	3	1,466	-	1,466	3,338
Other income		1,535	-	1,535	38,288
Total		<u>1,273,662</u>	<u>359,955</u>	<u>1,633,617</u>	<u>1,889,927</u>
EXPENDITURE ON					
Charitable activities					
Church Ministries	5	1,434,829	154,490	1,589,319	1,435,101
Mission Support and Social Justice		28,029	172,638	200,667	134,423
Bookshop		592	-	592	554
Total		<u>1,463,450</u>	<u>327,128</u>	<u>1,790,578</u>	<u>1,570,078</u>
NET INCOME/(EXPENDITURE)		<u>(189,788)</u>	<u>32,827</u>	<u>(156,961)</u>	<u>319,849</u>
Transfers between funds	17	<u>(196,093)</u>	<u>196,093</u>	<u>-</u>	<u>-</u>
Net movement in funds		<u>(385,881)</u>	<u>228,920</u>	<u>(156,961)</u>	<u>319,849</u>
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>3,795,260</u>	<u>343,467</u>	<u>4,138,727</u>	<u>3,818,878</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>3,409,379</u></u>	<u><u>572,387</u></u>	<u><u>3,981,766</u></u>	<u><u>4,138,727</u></u>


BALANCE SHEET


31 December 2021

	Notes	Unrestricted funds £	Restricted funds £	31.12.21 Total funds £	31.12.20 Total funds £
FIXED ASSETS					
Tangible assets	11	3,035,525	1,409,180	4,444,705	3,286,151
CURRENT ASSETS					
Stocks	12	1,045	-	1,045	1,423
Debtors	13	28,035	-	28,035	25,229
Cash at bank and in hand		403,264	132,274	535,538	877,037
		<u>432,344</u>	<u>132,274</u>	<u>564,618</u>	<u>903,689</u>
CREDITORS					
Amounts falling due within one year	14	(58,489)	(48,999)	(107,488)	(51,113)
		<u>373,855</u>	<u>83,275</u>	<u>457,130</u>	<u>852,576</u>
NET CURRENT ASSETS					
		<u>3,409,380</u>	<u>1,492,455</u>	<u>4,901,835</u>	<u>4,138,727</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
CREDITORS					
Amounts falling due after more than one year	15	-	(920,069)	(920,069)	-
		<u>3,409,380</u>	<u>572,386</u>	<u>3,981,766</u>	<u>4,138,727</u>
NET ASSETS					
FUNDS					
Unrestricted funds	17			3,409,380	3,795,260
Restricted funds				572,386	343,467
				<u>3,981,766</u>	<u>4,138,727</u>
TOTAL FUNDS					

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

The financial statements were approved by the Board of Trustees and authorised for issue on May 31, 2022 and were signed on its behalf by:


Simon Benham (May 31, 2022 16:38 GMT+1)
 S Benham - Trustee


Jonathan Davis (May 31, 2022 16:59 GMT+1)
 J Davis - Trustee

KERITH COMMUNITY CHURCH

CASH FLOW STATEMENT

for the Year Ended 31 December 2021

	Notes	31.12.21 £	31.12.20 £
Cash flows from operating activities			
Cash generated from operations	1	57,048	488,057
Interest paid		(26,863)	(319)
Net cash provided by operating activities		<u>30,185</u>	<u>487,738</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(1,342,219)	(100,023)
Interest received		1,466	3,338
Net cash used in investing activities		<u>(1,340,753)</u>	<u>(96,685)</u>
Cash flows from financing activities			
New loans in year		995,000	-
Loan repayments in year		(25,931)	-
Net cash provided by financing activities		<u>969,069</u>	<u>-</u>
Change in cash and cash equivalents in the reporting period			
		(341,499)	391,053
Cash and cash equivalents at the beginning of the reporting period			
		<u>877,037</u>	<u>485,984</u>
Cash and cash equivalents at the end of the reporting period			
		<u><u>535,538</u></u>	<u><u>877,037</u></u>

The notes form part of these financial statements

KERITH COMMUNITY CHURCH

**NOTES TO THE CASH FLOW STATEMENT
for the Year Ended 31 December 2021**

1. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31.12.21	31.12.20
	£	£
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(156,961)	319,849
Adjustments for:		
Depreciation charges	183,665	171,971
Loss on disposal of fixed assets	-	545
Interest received	(1,466)	(3,338)
Interest paid	26,863	319
Decrease in stocks	378	121
Increase in debtors	(2,806)	(3,418)
Increase in creditors	7,375	2,008
Net cash provided by operations	<u>57,048</u>	<u>488,057</u>

2. ANALYSIS OF CHANGES IN NET FUNDS/(DEBT)

	At 1.1.21	Cash flow	At 31.12.21
	£	£	£
Net cash			
Cash at bank and in hand	<u>877,037</u>	<u>(341,499)</u>	<u>535,538</u>
	<u>877,037</u>	<u>(341,499)</u>	<u>535,538</u>
Debt			
Debts falling due within 1 year	-	(49,000)	(49,000)
Debts falling due after 1 year	-	(920,069)	(920,069)
	-	<u>(969,069)</u>	<u>(969,069)</u>
Total	<u>877,037</u>	<u>(1,310,568)</u>	<u>(433,531)</u>

KERITH COMMUNITY CHURCH

NOTES TO THE FINANCIAL STATEMENTS

for the Year Ended 31 December 2021

1. ACCOUNTING POLICIES

Basis of preparing the financial statements and assessment of going concern

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: 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) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The accounts are prepared on an accruals basis and include income and expenditure as they are earned or incurred.

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

The financial statements are presented in sterling (£).

Critical accounting judgements and key sources of estimation uncertainty

In preparing financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements. The following judgements and estimates are considered by the trustees to have most significant effect on amounts recognised in the financial statements.

Useful economic life of tangible fixed assets:

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Charitable activities

Support costs are allocated in direct relation to the allocation of the salary cost of each activity.

Tangible fixed assets

Only equipment costing £1,000 or over is capitalised, with depreciation charged at the following annual rates in order to write off each asset over its estimated useful life:

Freehold property	- permanent buildings over a 50 year period - temporary buildings over a 5 year period
Improvements to property	- 10% on cost
Equipment	- 15% on cost
Fixtures and Fittings	- 20% and 6.67% on cost
Motor Vehicles	- 20% on cost
Computer equipment	- 33.3% on cost

The carrying values are reviewed at the year end for impairment if circumstances indicate that the full carrying value may not be recoverable.

Stocks

Stock is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Net current assets

Debtors

Trade and other debtors are recognised at the settlement amount. Prepayments are valued at the amount prepaid.

Cash at bank and in hand

Cash at bank and in hand includes cash, current bank accounts and deposit bank accounts with no withdrawal limitations.

KERITH COMMUNITY CHURCH

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2021

1. ACCOUNTING POLICIES - continued

Net current assets

Creditors

Creditors are recognised where then charity has a present obligation resulting from a past event that will result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are recognised at their settlement amount.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Designated Funds, shown in the notes, principally represent funds set aside by the church on a regular basis to meet certain specific objectives together with the capital assets of the church. These are described in greater detail in the Trustees' Report.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Donated goods

Material donated goods and services are valued at current market value and are included in the financial statements as income and expenditure or assets.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially settled at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2. DONATIONS AND LEGACIES

	31.12.21	31.12.20
	£	£
Offerings & Donations	951,327	1,033,970
Gift Days & Special Offerings	264,612	252,968
Gift aid	253,792	281,317
Legacies	-	29,361
	<u>1,469,731</u>	<u>1,597,616</u>

3. INVESTMENT INCOME

	31.12.21	31.12.20
	£	£
Deposit account interest	<u>1,466</u>	<u>3,338</u>

KERITH COMMUNITY CHURCH

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2021**

4. INCOME FROM CHARITABLE ACTIVITIES

		31.12.21	31.12.20
	Activity	£	£
Ministry	Church Ministries	50,746	83,333
Rent and other income	Church Ministries	58,825	43,173
Ministry	Mission Support and Social Justice	-	10,000
Grants	Mission Support and Social Justice	50,833	112,732
Bookshop	Bookshop	481	1,447
		<u>160,885</u>	<u>250,685</u>

Grants received, included in the above, are as follows:

		31.12.21	31.12.20
		£	£
Albert Gubay Foundation		-	22,500
Alfa Chemicals		-	2,000
Berkshire Community Foundation		9,333	-
Bracknell Forest Borough Council		20,000	-
Christians Against Poverty		-	3,500
Groundwork UK		1,000	-
Defra		-	34,900
Englefield Charitable Trust		3,000	-
National Lottery Community Fund		-	3,000
Stewardship		-	20,000
St Joseph's		17,500	-
Trussell Trust		-	24,432
Other grants < £1,000		-	2,400
		<u>50,833</u>	<u>112,732</u>

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs	Support costs (see note 6)	Totals
	£	£	£
Church Ministries	1,554,818	34,501	1,589,319
Mission Support and Social Justice	200,667	-	200,667
Bookshop	592	-	592
	<u>1,756,077</u>	<u>34,501</u>	<u>1,790,578</u>

6. SUPPORT COSTS

	Governance costs
	£
Church Ministries	<u>34,501</u>

KERITH COMMUNITY CHURCH

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2021

7. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31.12.21	31.12.20
	£	£
Auditors' remuneration	5,610	5,610
Depreciation - owned assets	183,665	171,971
Deficit on disposal of fixed assets	-	545
	<u> </u>	<u> </u>

8. TRUSTEES' REMUNERATION AND BENEFITS

Total Trustees remuneration was £76,757. (2020: £73,130)

One trustee received the following sums under Contracts of Employment in respect of their work for the church:
S Benham £76,757 (Including Pension contributions of £6,299)

The charity consider its key management personnel to comprise the trustees, Executive Pastor and Operations Director. Total trustee remuneration and benefits for the year are £185,486 (2020: £156,660).

Trustees' expenses

The church has a Professional Liability policy with a limit of £1,000,000 for all claims in aggregate at a cost of £3,173 (2020: £2,941) and covering all Trustees.

Expenses either reimbursed to, or paid on behalf of, Directors and related parties amounted to £3,501 (2020: £2,704). Payments were mainly in respect of travel expenses, refreshments for pastoral meetings and conferences.

9. STAFF COSTS

	31.12.21	31.12.20
	£	£
Wages and salaries	753,449	754,363
Social security costs	53,751	52,979
Other pension costs	73,921	74,561
	<u> </u>	<u> </u>
	881,121	881,903
	<u> </u>	<u> </u>

The average monthly number of employees during the year was as follows:

	31.12.21	31.12.20
Ministry	15	14
Administration	12	11
	<u> </u>	<u> </u>
	27	25
	<u> </u>	<u> </u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	31.12.21	31.12.20
£60,001 - £70,000	1	1
	<u> </u>	<u> </u>

Pension costs represent the premiums paid to a non-contributory Group Personal Pension Plan offered to all eligible employees, to which the church contributes 10% of salary.

KERITH COMMUNITY CHURCH

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2021

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	1,299,621	297,995	1,597,616
Charitable activities			
Church Ministries	126,506	-	126,506
Mission Support and Social Justice	-	122,732	122,732
Bookshop	1,447	-	1,447
Investment income	3,338	-	3,338
Other income	38,288	-	38,288
Total	1,469,200	420,727	1,889,927
EXPENDITURE ON			
Charitable activities			
Church Ministries	1,383,770	51,331	1,435,101
Mission Support and Social Justice	22,308	112,115	134,423
Bookshop	554	-	554
Total	1,406,632	163,446	1,570,078
NET INCOME	62,568	257,281	319,849
Transfers between funds	113,750	(113,750)	-
Net movement in funds	176,318	143,531	319,849
RECONCILIATION OF FUNDS			
Total funds brought forward	3,618,942	199,936	3,818,878
TOTAL FUNDS CARRIED FORWARD	3,795,260	343,467	4,138,727

11. TANGIBLE FIXED ASSETS

	Freehold property £	Long leasehold £	Improvements to property £	Equipment £
COST				
At 1 January 2021	4,528,815	-	71,011	224,923
Additions	5,841	1,306,392	-	29,986
At 31 December 2021	4,534,656	1,306,392	71,011	254,909
DEPRECIATION				
At 1 January 2021	1,543,547	-	7,101	143,196
Charge for year	99,626	17,654	7,101	24,946
At 31 December 2021	1,643,173	17,654	14,202	168,142
NET BOOK VALUE				
At 31 December 2021	2,891,483	1,288,738	56,809	86,767
At 31 December 2020	2,985,268	-	63,910	81,727

KERITH COMMUNITY CHURCH

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2021

11. TANGIBLE FIXED ASSETS - continued

	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST				
At 1 January 2021	554,154	20,694	10,193	5,409,790
Additions	-	-	-	1,342,219
At 31 December 2021	554,154	20,694	10,193	6,752,009
DEPRECIATION				
At 1 January 2021	405,306	14,296	10,193	2,123,639
Charge for year	31,399	2,939	-	183,665
At 31 December 2021	436,705	17,235	10,193	2,307,304
NET BOOK VALUE				
At 31 December 2021	117,449	3,459	-	4,444,705
At 31 December 2020	148,848	6,398	-	3,286,151

12. STOCKS

	31.12.21 £	31.12.20 £
Stocks	1,045	1,423

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.21 £	31.12.20 £
Other debtors	5,981	2,917
Gift aid receivable	16,309	16,226
Prepayments	5,745	6,086
	28,035	25,229

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.21 £	31.12.20 £
Bank loans and overdrafts (see note 16)	49,000	-
Trade creditors	32,059	26,298
Social security and other taxes	15,429	16,703
Other creditors	-	24
Accrued expenses	11,000	8,088
	107,488	51,113

KERITH COMMUNITY CHURCH

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2021

15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31.12.21	31.12.20
	£	£
Bank loans (see note 16)	920,069	-
	<u>920,069</u>	<u>-</u>

16. LOANS

An analysis of the maturity of loans is given below:

	31.12.21	31.12.20
	£	£
Amounts falling due within one year on demand:		
Bank loans	49,000	-
	<u>49,000</u>	<u>-</u>
Amounts falling between one and two years:		
Bank loans - 1-2 years	49,000	-
	<u>49,000</u>	<u>-</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	147,000	-
	<u>147,000</u>	<u>-</u>
Amounts falling due in more than five years:		
Repayable by instalments:		
Bank loans more 5 yr by instalments	724,069	-

17. MOVEMENT IN FUNDS

	At 1.1.21	Net movement	Transfers between	At
	£	in funds	funds	31.12.21
		£	£	£
Unrestricted funds				
General fund	209,035	(55,486)	(67,369)	86,180
Properties and capital equipment	3,170,225	(134,701)	-	3,035,524
Designated reserve	416,000	400	(128,724)	287,676
	<u>3,795,260</u>	<u>(189,787)</u>	<u>(196,093)</u>	<u>3,409,380</u>
Restricted funds				
Restricted capital equipment	115,925	(75,543)	393,889	434,271
Kerith Vision Fund	87,718	(33,575)	(53,143)	1,000
Pastor's discretionary fund	1,468	(1,343)	(125)	-
Other restricted funds	132,441	686	3,988	137,115
Foodbanks Emergency Fund	5,915	(2,052)	(3,863)	-
Farnborough Building	-	144,653	(144,653)	-
	<u>343,467</u>	<u>32,826</u>	<u>196,093</u>	<u>572,386</u>
TOTAL FUNDS	<u>4,138,727</u>	<u>(156,961)</u>	<u>-</u>	<u>3,981,766</u>

KERITH COMMUNITY CHURCH

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2021

17. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,273,262	(1,328,748)	(55,486)
Properties and capital equipment	-	(134,701)	(134,701)
Designated reserve	400	-	400
	<u>1,273,662</u>	<u>(1,463,449)</u>	<u>(189,787)</u>
Restricted funds			
Restricted capital equipment	-	(75,543)	(75,543)
Kerith Vision Fund	4,887	(38,462)	(33,575)
Pastor's discretionary fund	-	(1,343)	(1,343)
Other restricted funds	181,656	(180,970)	686
Foodbanks Emergency Fund	-	(2,052)	(2,052)
Farnborough Building	173,412	(28,759)	144,653
	<u>359,955</u>	<u>(327,129)</u>	<u>32,826</u>
TOTAL FUNDS	<u><u>1,633,617</u></u>	<u><u>(1,790,578)</u></u>	<u><u>(156,961)</u></u>

Comparatives for movement in funds

	At 1.1.20 £	Net movement in funds £	Transfers between funds £	At 31.12.20 £
Unrestricted funds				
General fund	98,506	207,076	(96,547)	209,035
Properties and capital equipment	3,287,136	(144,508)	27,597	3,170,225
Designated reserve	233,300	-	182,700	416,000
	<u>3,618,942</u>	<u>62,568</u>	<u>113,750</u>	<u>3,795,260</u>
Restricted funds				
Restricted capital equipment	71,507	(28,008)	72,426	115,925
Kerith Vision Fund	69,237	162,642	(144,161)	87,718
Pastor's discretionary fund	4,783	(13,315)	10,000	1,468
Other restricted funds	54,409	102,256	(24,224)	132,441
Foodbanks Emergency Fund	-	33,706	(27,791)	5,915
	<u>199,936</u>	<u>257,281</u>	<u>(113,750)</u>	<u>343,467</u>
TOTAL FUNDS	<u><u>3,818,878</u></u>	<u><u>319,849</u></u>	<u><u>-</u></u>	<u><u>4,138,727</u></u>

KERITH COMMUNITY CHURCH**NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2021****17. MOVEMENT IN FUNDS - continued**

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,469,200	(1,262,124)	207,076
Properties and capital equipment	-	(144,508)	(144,508)
	<u>1,469,200</u>	<u>(1,406,632)</u>	<u>62,568</u>
Restricted funds			
Restricted capital equipment	-	(28,008)	(28,008)
Kerith Vision Fund	201,223	(38,581)	162,642
Pastor's discretionary fund	-	(13,315)	(13,315)
Other restricted funds	172,163	(69,907)	102,256
Foodbanks Emergency Fund	47,341	(13,635)	33,706
	<u>420,727</u>	<u>(163,446)</u>	<u>257,281</u>
TOTAL FUNDS	<u><u>1,889,927</u></u>	<u><u>(1,570,078)</u></u>	<u><u>319,849</u></u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.1.20 £	Net movement in funds £	Transfers between funds £	At 31.12.21 £
Unrestricted funds				
General fund	98,506	151,590	(163,916)	86,180
Properties and capital equipment	3,287,136	(279,209)	27,597	3,035,524
Designated reserve	233,300	400	53,976	287,676
	<u>3,618,942</u>	<u>(127,219)</u>	<u>(82,343)</u>	<u>3,409,380</u>
Restricted funds				
Restricted capital equipment	71,507	(103,551)	466,315	434,271
Kerith Vision Fund	69,237	129,067	(197,304)	1,000
Pastor's discretionary fund	4,783	(14,658)	9,875	-
Other restricted funds	54,409	102,942	(20,236)	137,115
Foodbanks Emergency Fund	-	31,654	(31,654)	-
Farnborough Building	-	144,653	(144,653)	-
	<u>199,936</u>	<u>290,107</u>	<u>82,343</u>	<u>572,386</u>
TOTAL FUNDS	<u><u>3,818,878</u></u>	<u><u>162,888</u></u>	<u><u>-</u></u>	<u><u>3,981,766</u></u>

KERITH COMMUNITY CHURCH

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2021

17. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	2,742,462	(2,590,872)	151,590
Properties and capital equipment	-	(279,209)	(279,209)
Designated reserve	400	-	400
	<hr/>	<hr/>	<hr/>
	2,742,862	(2,870,081)	(127,219)
Restricted funds			
Restricted capital equipment	-	(103,551)	(103,551)
Kerith Vision Fund	206,110	(77,043)	129,067
Pastor's discretionary fund	-	(14,658)	(14,658)
Other restricted funds	353,819	(250,877)	102,942
Foodbanks Emergency Fund	47,341	(15,687)	31,654
Farnborough Building	173,412	(28,759)	144,653
	<hr/>	<hr/>	<hr/>
	780,682	(490,575)	290,107
TOTAL FUNDS	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
	3,523,544	(3,360,656)	162,888

Unrestricted funds

Properties and capital equipment fund represents the value of all unrestricted capital assets.

Conveyancing designated fund represented monies set aside by the trustees for the Sandhurst site pastor's house move, this fund was spent in the year.

Designated reserve represents monies set aside in line with Charity Commission guidelines to ensure smooth running of the charity should there be any interruption to operations.

Flow Church Designated fund represents monies set aside for Flow church plant.

Restricted funds

Restricted capital equipment represents the value of capital assets purchased with restricted monies, these assets are depreciated on an annual basis.

Kerith Vision Fund represents monies given for the set up of new sites and for improvements to buildings and equipment in current use.

Other restricted funds are a group of restricted funds which represent monies received and expenses for varying other restricted purposes including; gifts made to other charities, assisting church members in need to pay for winter fuel, travel costs for youth pastor, assisting women's ministry in other countries and assisting churches and church plants in developing nations.

Transfers between funds

During the year the following transfers were made:

All additions and disposals of capital items have been transferred to either the Properties and capital equipment fund or the Restricted capital equipment fund, dependent upon whether the asset was purchased with restricted funding, this included purchases made with the General and Vision fund.

KERITH COMMUNITY CHURCH

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2021

18. RELATED PARTY DISCLOSURES

During the year employment costs of £21,300 (2020: £29,930) and pension costs of £2,130 (2020: £2,973) were paid to Mrs C Benham, the spouse of a trustee. This remuneration was in relation to her employment for the charity.

KERITH COMMUNITY CHURCH

England & Wales - Charity number 1124519

Accounts

REGISTERED COMPANY NUMBER: 06585832 (England and Wales)
REGISTERED CHARITY NUMBER: 1124519

REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020
FOR
KERITH COMMUNITY CHURCH

Brindley Millen Ltd
Chartered Accountants and Statutory Auditors
167 Turners Hill
Cheshunt
Hertfordshire
EN8 9BH

KERITH COMMUNITY CHURCH

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for the Year Ended 31 December 2020

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KERITH COMMUNITY CHURCH

REPORT OF THE TRUSTEES **for the Year Ended 31 December 2020**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2020. The trustees have adopted the provisions of Accounting and Reporting by Charities: 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) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Mission and Vision

The churches vision statement is "Helping people find their way back to God through communities growing in their love of God and their love for people". This is done through reaching out to these communities with the love of Christ through weekly meetings in our buildings, social justice activities and small group gatherings in the community as well as sowing into the wider national and international community with funds and resources.

Organisation

The primary responsibility for ensuring that Kerith Community Church fulfils its mission has been delegated by the Company Directors and Charity Trustees to the Elders. The Trustees are comprised of two Elders and three other church members, who meet at least three times a year, assisted by the Company Secretary/Operations Director and Executive Pastor.

The Elders meet monthly, under the chairmanship of the Senior Pastor. The Senior Pastor is responsible for the day to day running of the church. Under the oversight of The Elders, the day-to-day responsibilities for running much of the church activities and ministries are further delegated to the Coordination Team, led by the Executive Pastor. The Coordination Team comprises, The Senior Pastor, Executive Pastor, Operations Director, Sites Director and Ministries Director.

Financial matters are also dealt with at a monthly finance meeting between the Coordination Team with actions cascaded to the Management Team.

Public benefit

The Trustees consider the Charity Commission guidance on public benefit and consider that the activities of the Charity meet its objectives and provide a benefit to the public.

FINANCIAL REVIEW

Financial position

Income/ Expenditure

Total income for the year was £1,889,927 an increase of 26% compared to 2019 (£1,498,912). £1,597,616 of this income was received from the church community as general giving (2019: £1,377,399) an increase of 16%

Overall expenditure for the year decreased from £1,676,526 to £1,570,078 and resulted in a surplus of £319,849 (2019: Deficit £177,614).

Funds and Balance Sheet

The net book value of tangible fixed assets at the end of the year of £3,286,151 (2019: £3,358,644) after deducting a depreciation charge of £171,971 for the year (2019: £167,921).

Cash at bank funds held at the year-end were £877,037 (2019: £485,984) of which £227,5429 relates to restricted funds.

The trustees were satisfied with the year-end position in net income.

Investment policy and objectives

Due to the relatively short time period between the receipt of funds and their expenditure, all the funds, are held in cash.

Reserves policy

The trustees have set a policy of building up general reserves to the value £300,000 to cover any unforeseeable needs of the church, based on the running costs of the organisation for 3 calendar months. The church is dependent upon its regular Sunday offerings, together with Tax reclaimed through Gift Aid and donations to fund ongoing ministries, as at 31st December 2020, the designated reserve stood at £416,000. Any excesses within the funds accrued during the year will be reinvested into the organisation to maintain the infrastructure and facilities of the estate. The position is continually monitored by the trustees who have committed 2.5% of the monthly income to build up the reserves to the budgeted level.

KERITH COMMUNITY CHURCH

REPORT OF THE TRUSTEES **for the Year Ended 31 December 2020**

FINANCIAL REVIEW

Funds

All funds include an accrual from the Income Tax Refund not yet received, which is expected to be received within the next 12 months. Funds are allocated from Offerings, Tax Refunds and Bank Interest, but not from Gift Day offerings.

Mission and Social Justice

16.2% of all general income was used to fund these activities which are made up of funds provided for Mission activity, Acts 2 (pastoral community care), Oversees academy student sponsorship, and Social Justice (ministry, salaries and expenses).

Donations are made to individuals and organisations; both in the UK and overseas, directly involved in Christian work, relief work, or work within the community and whose objectives the Elders consider to be in keeping with those of this church. Social Justice includes all activities where funds are provided to support those suffering financial hardship or similar social need. This includes grants made to members of the local community, as a result of requests made by local Social Services, and who have demonstrated a financial need.

Donations Policy

Kerith Community Church supports organisations and individuals (both domestic and foreign) and gifts are considered by the trustees on the basis of need whilst ensuring that the charity's objectives are met. There are no upper or lower limits of support but are reviewed and agreed upon by the elders subject to budgetary control and adequate reporting.

In addition, special collections are occasionally taken to support specific causes.

Other policies and procedures remained in place during the year:

1. Safeguarding policy and procedures associated with children's and youth activities overseen and managed by the church's Safeguarding Officer
2. Equipment set up and set down health and safety procedures associated with all the church's events, including Sunday services, ministry events and other events including specific and generic risk assessments held by the Site Services department
3. First aid, fire and evacuation procedures during Sunday meetings and ministry events overseen by the Site Services department and building administrators
4. Income protection and recording policies as advised in best practice through our auditors and insurers.
5. Data back-up for Information Technology systems held by the Site Services department
6. Formal staff commitment setting process annually with Line Management including a 6 monthly review

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, the Memorandum and Articles of Association, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

KERITH COMMUNITY CHURCH

REPORT OF THE TRUSTEES **for the Year Ended 31 December 2020**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Recruitment and appointment of new trustees

All Elders, with the exception of the Senior & Executive Pastor, are appointed from church members who display eldership characteristics and leadership skills. After going through a process to ascertain their suitability, the church is given a period of notice after which, subject to no sustainable objection, the candidate is recognised as an Elder and may be appointed a Trustee and Company Director.

In addition, trustees/company directors are also appointed from church members with professional experience and leadership skills, in areas such as finance, law, HR, facilities management etc.

Salaries and other staff benefits are agreed by the Salary Review Group, who meet as required, but at least once a year. This group is made up of one Trustee, the HR Manager and currently three members of the church.

Buildings: The Kerith Centre, nearby Studio, K2 and three freehold residential properties are owned by Kerith Community Church. In addition to this we lease a small community hall in Dedworth Windsor, and in September 2020 were also able to secure a full 5 year lease on the 2 warehouse units opposite the community hall (which we had previously rented for a few hours on a Sunday for our Windsor meetings) This means we now have a medium term permanent home for our Windsor site offering all the space we require to carry out a wide range of ministry activities in addition to our Sunday gatherings. In March 2021 Kerith also purchased a disused Warehouse in Farnborough to redevelop as a permanent home for its Blackwater Valley Site

Impact of Covid: 2020 was a difficult and unprecedented year for all organisations and communities following the arrival of the Covid virus and subsequent Government led lockdowns. As a result the Trustees met more frequently throughout the year (on a monthly basis March - September) to ensure that all necessary strategic planning was implemented to negotiate this turbulent time. In addition to this the Management team quickly and effectively restructured Ministry activities to ensure that Kerith's outreach to the community remained in place despite the obstacles presented by social distancing and other associated restrictions, this included moving Sunday meetings online and a drive through Foodbank provision to maintain this vital service to the local community. Due to the inability to meet physically we were not able to see the growth we had hoped and budgeted for in our individual sites and as a result our regular monthly income for the year stayed relatively flat, We did however make necessary changes to our expenditure to accommodate the below expected income with large savings in both site rentals and salaries costs through appropriate use of the government Furlough scheme and a freeze on recruitment for any vacant positions. This meant that we ended the year in a strong financial position and were able to increase our reserves in preparation for any further financial challenges in 2021.

Volunteers are an essential part of church life, with most activities being supported by volunteers. It is estimated that over 80% of the church attendance support the ministry of the church through volunteering.

Key management remuneration

Salaries and remuneration for key management personnel are set by the Trustees following consultation and guidance from the Salaries Review board of the Church Community with relevant experience in charity and commercial industry. Benchmarking is carried out every 3 - 5 years to ensure all salaries remain consistent with similar sized and focused organisations.

Risk Management

The Trustees continually review the risks and have a risk management strategy in place to ensure appropriate procedures are in place to identify, monitor and review these risks on a regular basis.

A continual review of the risks both financial and operational the charity may face is performed by the Operations Director in conjunction with the Trustees, enabling the establishment of systems and procedures to mitigate any risks that have been identified.

Procedures are implemented through consultation with the Trustees to minimise any potential impact on the charity should those risks materialise.

Major risks are considered to be those that may have a significant impact on:

- Operational performance, including risks to employees, volunteers, the children supported and reputation;
- Financial sustainability, including stability and security of income;
- The achievement of aims and objectives

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

06585832 (England and Wales)

KERITH COMMUNITY CHURCH

REPORT OF THE TRUSTEES
for the Year Ended 31 December 2020

Registered Charity number
1124519

Registered office

The Kerith Centre
Church Road
Bracknell
Berkshire
RG12 1EH

Trustees

J Davis Chair
L Osunkoya Elder (resigned 1.3.20)
S Benham Senior Pastor
D Klitgaard Elder
Mrs D Seidu Treasurer
J M Whitton

Company Secretary

G Scull

Auditors

Brindley Millen Ltd
Chartered Accountants and Statutory Auditors
167 Turners Hill
Cheshunt
Hertfordshire
EN8 9BH

Bankers

HSBC Bank plc
26 Broad Street
Reading
Berkshire
RG1 2BU

KERITH COMMUNITY CHURCH

REPORT OF THE TRUSTEES
for the Year Ended 31 December 2020

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures that must be disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, Brindley Millen Ltd, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on^{Sep 24, 2021} and signed on its behalf by:



Simon Benham (Sep 24, 2021 10:20 GMT+1)

.....
S Benham - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF KERITH COMMUNITY CHURCH

Opinion

We have audited the financial statements of Kerith Community Church (the 'charitable company') for the year ended 31 December 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion. We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and the provisions available for small entities, in the circumstances set out in the notes to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF KERITH COMMUNITY CHURCH

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the legal and regulatory frameworks that are applicable to the charity and determined that the most significant are those covered by the Statement of Recommended Practice for Charities (SORP 2019) and the Charities Act 2011. We assessed the risk of material misstatement in respect of fraud by making enquiries of management and trustees and by testing the implementation of accounting controls in place.

Based on the results of our risk assessment we designed our audit procedures to identify non-compliance with such laws and regulations identified above by making enquiries with key personnel and reviewing relevant documentation such as minutes of Trustee meetings and correspondence with regulatory bodies. We considered the risk of fraud through management override by incorporation testing of journal entries and reviewing any requirements to meet performance targets. We also considered, and tested for, the possibility of unauthorised payments to related parties.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
KERITH COMMUNITY CHURCH**

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

mwbrindley

[mwbrindley \(Sep 24, 2021 12:39 GMT+1\)](#)

Maurice Brindley BSc FCA (Senior Statutory Auditor)
for and on behalf of Brindley Millen Ltd
Chartered Accountants and Statutory Auditors
167 Turners Hill
Cheshunt
Hertfordshire
EN8 9BH

Date: Sep 24, 2021

KERITH COMMUNITY CHURCH

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
for the Year Ended 31 December 2020**

	Notes	Unrestricted funds £	Restricted funds £	31.12.20 Total funds £	31.12.19 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	1,299,621	297,995	1,597,616	1,377,399
Charitable activities					
Church Ministries	4	126,506	-	126,506	102,749
Social Justice		-	122,732	122,732	12,000
Bookshop		1,447	-	1,447	2,085
Investment income	3	3,338	-	3,338	3,579
Other income		38,288	-	38,288	1,100
Total		<u>1,469,200</u>	<u>420,727</u>	<u>1,889,927</u>	<u>1,498,912</u>
EXPENDITURE ON					
Charitable activities					
Church Ministries	5	1,383,770	51,331	1,435,101	1,578,302
Mission Support		22,308	28,573	50,881	51,093
Social Justice		-	83,542	83,542	46,065
Bookshop		554	-	554	1,066
Total		<u>1,406,632</u>	<u>163,446</u>	<u>1,570,078</u>	<u>1,676,526</u>
NET INCOME/(EXPENDITURE)		<u>62,568</u>	<u>257,281</u>	<u>319,849</u>	<u>(177,614)</u>
Transfers between funds	15	<u>113,750</u>	<u>(113,750)</u>	<u>-</u>	<u>-</u>
Net movement in funds		<u>176,318</u>	<u>143,531</u>	<u>319,849</u>	<u>(177,614)</u>
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>3,618,942</u>	<u>199,936</u>	<u>3,818,878</u>	<u>3,996,492</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>3,795,260</u></u>	<u><u>343,467</u></u>	<u><u>4,138,727</u></u>	<u><u>3,818,878</u></u>

The notes form part of these financial statements

KERITH COMMUNITY CHURCH (REGISTERED NUMBER: 06585832)

BALANCE SHEET

31 December 2020

	Notes	Unrestricted funds £	Restricted funds £	31.12.20 Total funds £	31.12.19 Total funds £
FIXED ASSETS					
Tangible assets	11	3,170,226	115,925	3,286,151	3,358,644
CURRENT ASSETS					
Stocks	12	1,423	-	1,423	1,544
Debtors	13	25,229	-	25,229	21,811
Cash at bank and in hand		649,495	227,542	877,037	485,984
		<u>676,147</u>	<u>227,542</u>	<u>903,689</u>	<u>509,339</u>
CREDITORS					
Amounts falling due within one year	14	(51,113)	-	(51,113)	(49,105)
		<u>625,034</u>	<u>227,542</u>	<u>852,576</u>	<u>460,234</u>
NET CURRENT ASSETS					
		<u>3,795,260</u>	<u>343,467</u>	<u>4,138,727</u>	<u>3,818,878</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		<u>3,795,260</u>	<u>343,467</u>	<u>4,138,727</u>	<u>3,818,878</u>
NET ASSETS					
		<u>3,795,260</u>	<u>343,467</u>	<u>4,138,727</u>	<u>3,818,878</u>
FUNDS					
Unrestricted funds	15			3,795,260	3,618,942
Restricted funds				343,467	199,936
				<u>4,138,727</u>	<u>3,818,878</u>
TOTAL FUNDS					
				<u>4,138,727</u>	<u>3,818,878</u>

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

The financial statements were approved by the Board of Trustees and authorised for issue on ^{Sep 24, 2021}..... and were signed on its behalf by:



Simon Benham (Sep 24, 2021 10:20 GMT+1)

S Benham - Trustee



Jonathan Davis (Sep 24, 2021 10:34 GMT+1)

J Davis - Trustee

KERITH COMMUNITY CHURCH

CASH FLOW STATEMENT

for the Year Ended 31 December 2020

	Notes	31.12.20 £	31.12.19 £
Cash flows from operating activities			
Cash generated from operations	1	488,057	(4,869)
Interest paid		(319)	(416)
		<u>487,738</u>	<u>(5,285)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(100,023)	(105,340)
Sale of tangible fixed assets		-	1,100
Interest received		3,338	3,579
		<u>(96,685)</u>	<u>(100,661)</u>
Change in cash and cash equivalents in the reporting period			
		391,053	(105,946)
Cash and cash equivalents at the beginning of the reporting period			
		<u>485,984</u>	<u>591,930</u>
Cash and cash equivalents at the end of the reporting period			
		<u>877,037</u>	<u>485,984</u>

The notes form part of these financial statements

KERITH COMMUNITY CHURCH

NOTES TO THE CASH FLOW STATEMENT
for the Year Ended 31 December 2020

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31.12.20	31.12.19
	£	£
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	319,849	(177,614)
Adjustments for:		
Depreciation charges	171,971	167,921
Loss/(profit) on disposal of fixed assets	545	(1,100)
Interest received	(3,338)	(3,579)
Interest paid	319	416
Decrease in stocks	121	601
(Increase)/decrease in debtors	(3,418)	2,686
Increase in creditors	2,008	5,800
	<hr/>	<hr/>
Net cash provided by/(used in) operations	488,057	(4,869)
	<hr/> <hr/>	<hr/> <hr/>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.20	Cash flow	At 31.12.20
	£	£	£
Net cash			
Cash at bank and in hand	485,984	391,053	877,037
	<hr/>	<hr/>	<hr/>
	485,984	391,053	877,037
	<hr/>	<hr/>	<hr/>
Total	485,984	391,053	877,037
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

KERITH COMMUNITY CHURCH

NOTES TO THE FINANCIAL STATEMENTS **for the Year Ended 31 December 2020**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements and assessment of going concern

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: 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) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The accounts are prepared on an accruals basis and include income and expenditure as they are earned or incurred.

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

The financial statements are presented in sterling (£).

Critical accounting judgements and key sources of estimation uncertainty

In preparing financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements. The following judgements and estimates are considered by the trustees to have most significant effect on amounts recognised in the financial statements.

Useful economic life of tangible fixed assets:

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Charitable activities

Support costs are allocated in direct relation to the allocation of the salary cost of each activity.

Tangible fixed assets

Only equipment costing £1,000 or over is capitalised, with depreciation charged at the following annual rates in order to write off each asset over its estimated useful life:

Freehold property	- permanent buildings over a 50 year period - temporary buildings over a 5 year period
Improvements to property	- 10% on cost
Equipment	- 15% on cost
Fixtures and Fittings	- 20% and 6.67% on cost
Motor Vehicles	- 20% on cost
Computer equipment	- 33.3% on cost

The carrying values are reviewed at the year end for impairment if circumstances indicate that the full carrying value may not be recoverable.

Stocks

Stock is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

KERITH COMMUNITY CHURCH

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2020

1. ACCOUNTING POLICIES - continued

Net current assets

Debtors

Trade and other debtors are recognised at the settlement amount. Prepayments are valued at the amount prepaid.

Cash at bank and in hand

Cash at bank and in hand includes cash, current bank accounts and deposit bank accounts with no withdrawal limitations.

Creditors

Creditors are recognised where then charity has a present obligation resulting from a past event that will result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are recognised at their settlement amount.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Designated Funds, shown in the notes, principally represent funds set aside by the church on a regular basis to meet certain specific objectives together with the capital assets of the church. These are described in greater detail in the Trustees' Report.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Donated goods

Material donated goods and services are valued at current market value and are included in the financial statements as income and expenditure or assets.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially settled at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2. DONATIONS AND LEGACIES

	31.12.20	31.12.19
	£	£
Offerings & Donations	1,033,970	979,398
Gift Days & Special Offerings	252,968	155,582
Gift aid	281,317	242,419
Legacies	29,361	-
	<u>1,597,616</u>	<u>1,377,399</u>

KERITH COMMUNITY CHURCH

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2020**

3. INVESTMENT INCOME

	31.12.20	31.12.19
	£	£
Deposit account interest	3,338	3,579
	<u>3,338</u>	<u>3,579</u>

4. INCOME FROM CHARITABLE ACTIVITIES

	31.12.20	31.12.19
	£	£
Ministry	83,333	71,794
Rent and other income	43,173	30,955
Ministry	10,000	-
Grants	112,732	12,000
Bookshop	1,447	2,085
	<u>250,685</u>	<u>116,834</u>

Grants received, included in the above, are as follows:

	31.12.20	31.12.19
	£	£
Albert Gubay Foundation	22,500	-
Alfa Chemicals	2,000	-
Christians Against Poverty	3,500	-
Cinnnamon Network	-	2,000
Groundwork UK	-	2,000
Defra	34,900	-
National Lottery Community Fund	3,000	8,000
Stewardship	20,000	-
Trussell Trust	24,432	-
Other grants < £1,000	2,400	-
	<u>112,732</u>	<u>12,000</u>

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 6) £	Totals £
Church Ministries	1,421,078	14,023	1,435,101
Mission Support	50,881	-	50,881
Social Justice	83,542	-	83,542
Bookshop	554	-	554
	<u>1,556,055</u>	<u>14,023</u>	<u>1,570,078</u>

KERITH COMMUNITY CHURCH

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2020**

6. SUPPORT COSTS

		Governance costs £ <u>14,023</u>
Church Ministries		

7. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31.12.20	31.12.19
	£	£
Auditors' remuneration	5,610	5,610
Depreciation - owned assets	171,971	167,921
(Deficit)/surplus on disposal of fixed assets	545	(1,100)
	<u>178,126</u>	<u>172,431</u>

8. TRUSTEES' REMUNERATION AND BENEFITS

Total Trustees remuneration was £73,130. (2019: £62,627)

One trustee received the following sums under Contracts of Employment in respect of their work for the church:
S Benham £73,130 (Including Pension contributions of £6,630)

The charity consider its key management personnel to comprise the trustees, Executive Pastor and Operations Director. Total trustee remuneration and benefits for the year are £156,660 (2019: £148,501).

Trustees' expenses

The church has a Professional Liability policy with a limit of £1,000,000 for all claims in aggregate at a cost of £2,941 (2019: £2,986) and covering all Trustees.

Expenses either reimbursed to, or paid on behalf of, Directors and related parties amounted to £2,704 (2019: £4,008). Payments were mainly in respect of travel expenses, refreshments for pastoral meetings and conferences.

9. STAFF COSTS

	31.12.20	31.12.19
	£	£
Wages and salaries	754,363	702,321
Social security costs	52,979	46,633
Other pension costs	74,561	70,395
	<u>881,903</u>	<u>819,349</u>

The average monthly number of employees during the year was as follows:

	31.12.20	31.12.19
Ministry	14	16
Administration	11	11
	<u>25</u>	<u>27</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	31.12.20	31.12.19
£60,001 - £70,000	1	1
	<u>1</u>	<u>1</u>

KERITH COMMUNITY CHURCH

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2020

9. STAFF COSTS - continued

Pension costs represent the premiums paid to a non-contributory Group Personal Pension Plan offered to all eligible employees, to which the church contributes 10% of salary.

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	1,193,595	183,804	1,377,399
Charitable activities			
Church Ministries	102,749	-	102,749
Social Justice	-	12,000	12,000
Bookshop	2,085	-	2,085
Investment income	3,579	-	3,579
Other income	1,100	-	1,100
Total	1,303,108	195,804	1,498,912
EXPENDITURE ON			
Charitable activities			
Church Ministries	1,472,661	105,641	1,578,302
Mission Support	29,744	21,349	51,093
Social Justice	-	46,065	46,065
Bookshop	1,066	-	1,066
Total	1,503,471	173,055	1,676,526
NET INCOME/(EXPENDITURE)	(200,363)	22,749	(177,614)
Transfers between funds	105,946	(105,946)	-
Net movement in funds	(94,417)	(83,197)	(177,614)
RECONCILIATION OF FUNDS			
Total funds brought forward	3,713,359	283,133	3,996,492
TOTAL FUNDS CARRIED FORWARD	3,618,942	199,936	3,818,878

KERITH COMMUNITY CHURCH

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2020**

11. TANGIBLE FIXED ASSETS

	Freehold property £	Improvements to property £	Equipment £
COST			
At 1 January 2020	4,499,803	-	269,214
Additions	29,012	71,011	-
Disposals	-	-	(44,291)
	<hr/>	<hr/>	<hr/>
At 31 December 2020	4,528,815	71,011	224,923
	<hr/>	<hr/>	<hr/>
DEPRECIATION			
At 1 January 2020	1,445,089	-	165,154
Charge for year	98,458	7,101	21,788
Eliminated on disposal	-	-	(43,746)
	<hr/>	<hr/>	<hr/>
At 31 December 2020	1,543,547	7,101	143,196
	<hr/>	<hr/>	<hr/>
NET BOOK VALUE			
At 31 December 2020	2,985,268	63,910	81,727
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 31 December 2019	3,054,714	-	104,060
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST				
At 1 January 2020	627,279	20,694	10,193	5,427,183
Additions	-	-	-	100,023
Disposals	(73,125)	-	-	(117,416)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2020	554,154	20,694	10,193	5,409,790
	<hr/>	<hr/>	<hr/>	<hr/>
DEPRECIATION				
At 1 January 2020	439,585	9,557	9,154	2,068,539
Charge for year	38,846	4,739	1,039	171,971
Eliminated on disposal	(73,125)	-	-	(116,871)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2020	405,306	14,296	10,193	2,123,639
	<hr/>	<hr/>	<hr/>	<hr/>
NET BOOK VALUE				
At 31 December 2020	148,848	6,398	-	3,286,151
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 31 December 2019	187,694	11,137	1,039	3,358,644
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

KERITH COMMUNITY CHURCH

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2020

12. STOCKS

	31.12.20	31.12.19
	£	£
Stocks	1,423	1,544

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.20	31.12.19
	£	£
Other debtors	2,917	100
Gift aid receivable	16,226	17,528
Prepayments	6,086	4,183
	<u>25,229</u>	<u>21,811</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.20	31.12.19
	£	£
Trade creditors	26,298	26,388
Social security and other taxes	16,703	15,720
Other creditors	24	-
Accrued expenses	8,088	6,000
Income in advance	-	997
	<u>51,113</u>	<u>49,105</u>

15. MOVEMENT IN FUNDS

	At 1.1.20	Net movement in funds	Transfers between funds	At 31.12.20
	£	£	£	£
Unrestricted funds				
General fund	98,506	207,076	(96,547)	209,035
Properties and capital equipment	3,287,136	(144,508)	27,597	3,170,225
Designated reserve	233,300	-	182,700	416,000
	<u>3,618,942</u>	<u>62,568</u>	<u>113,750</u>	<u>3,795,260</u>
Restricted funds				
Restricted capital equipment	71,507	(28,008)	72,426	115,925
Kerith Vision Fund	69,237	162,642	(144,161)	87,718
Pastor's discretionary fund	4,783	(13,315)	10,000	1,468
Other restricted funds	54,409	102,256	(24,224)	132,441
Foodbanks Emergency Fund	-	33,706	(27,791)	5,915
	<u>199,936</u>	<u>257,281</u>	<u>(113,750)</u>	<u>343,467</u>
TOTAL FUNDS	<u>3,818,878</u>	<u>319,849</u>	<u>-</u>	<u>4,138,727</u>

KERITH COMMUNITY CHURCH**NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2020****15. MOVEMENT IN FUNDS - continued**

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,469,200	(1,262,124)	207,076
Properties and capital equipment	-	(144,508)	(144,508)
	<u>1,469,200</u>	<u>(1,406,632)</u>	<u>62,568</u>
Restricted funds			
Restricted capital equipment	-	(28,008)	(28,008)
Kerith Vision Fund	201,223	(38,581)	162,642
Pastor's discretionary fund	-	(13,315)	(13,315)
Other restricted funds	172,163	(69,907)	102,256
Foodbanks Emergency Fund	47,341	(13,635)	33,706
	<u>420,727</u>	<u>(163,446)</u>	<u>257,281</u>
TOTAL FUNDS	<u><u>1,889,927</u></u>	<u><u>(1,570,078)</u></u>	<u><u>319,849</u></u>

Comparatives for movement in funds

	At 1.1.19 £	Net movement in funds £	Transfers between funds £	At 31.12.19 £
Unrestricted funds				
General fund	108,084	(13,988)	4,410	98,506
Properties and capital equipment	3,387,477	(145,770)	45,429	3,287,136
Designated reserve	215,300	(38,107)	56,107	233,300
Flow Church Designated Fund	2,498	(2,498)	-	-
	<u>3,713,359</u>	<u>(200,363)</u>	<u>105,946</u>	<u>3,618,942</u>
Restricted funds				
Restricted capital equipment	33,747	(22,151)	59,911	71,507
Kerith Vision Fund	194,757	39,057	(164,577)	69,237
Pastor's discretionary fund	-	4,783	-	4,783
Other restricted funds	54,629	1,060	(1,280)	54,409
	<u>283,133</u>	<u>22,749</u>	<u>(105,946)</u>	<u>199,936</u>
TOTAL FUNDS	<u><u>3,996,492</u></u>	<u><u>(177,614)</u></u>	<u><u>-</u></u>	<u><u>3,818,878</u></u>

KERITH COMMUNITY CHURCH

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2020

15. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,303,108	(1,317,096)	(13,988)
Properties and capital equipment	-	(145,770)	(145,770)
Designated reserve	-	(38,107)	(38,107)
Flow Church Designated Fund	-	(2,498)	(2,498)
	<u>1,303,108</u>	<u>(1,503,471)</u>	<u>(200,363)</u>
Restricted funds			
Restricted capital equipment	-	(22,151)	(22,151)
Kerith Vision Fund	141,179	(102,122)	39,057
Pastor's discretionary fund	7,500	(2,717)	4,783
Other restricted funds	47,125	(46,065)	1,060
	<u>195,804</u>	<u>(173,055)</u>	<u>22,749</u>
TOTAL FUNDS	<u><u>1,498,912</u></u>	<u><u>(1,676,526)</u></u>	<u><u>(177,614)</u></u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.1.19 £	Net movement in funds £	Transfers between funds £	At 31.12.20 £
Unrestricted funds				
General fund	108,084	193,088	(92,137)	209,035
Properties and capital equipment	3,387,477	(290,278)	73,026	3,170,225
Designated reserve	215,300	(38,107)	238,807	416,000
Flow Church Designated Fund	2,498	(2,498)	-	-
	<u>3,713,359</u>	<u>(137,795)</u>	<u>219,696</u>	<u>3,795,260</u>
Restricted funds				
Restricted capital equipment	33,747	(50,159)	132,337	115,925
Kerith Vision Fund	194,757	201,699	(308,738)	87,718
Pastor's discretionary fund	-	(8,532)	10,000	1,468
Other restricted funds	54,629	103,316	(25,504)	132,441
Foodbanks Emergency Fund	-	33,706	(27,791)	5,915
	<u>283,133</u>	<u>280,030</u>	<u>(219,696)</u>	<u>343,467</u>
TOTAL FUNDS	<u><u>3,996,492</u></u>	<u><u>142,235</u></u>	<u><u>-</u></u>	<u><u>4,138,727</u></u>

KERITH COMMUNITY CHURCH

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2020

15. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	2,772,308	(2,579,220)	193,088
Properties and capital equipment	-	(290,278)	(290,278)
Designated reserve	-	(38,107)	(38,107)
Flow Church Designated Fund	-	(2,498)	(2,498)
	<u>2,772,308</u>	<u>(2,910,103)</u>	<u>(137,795)</u>
Restricted funds			
Restricted capital equipment	-	(50,159)	(50,159)
Kerith Vision Fund	342,402	(140,703)	201,699
Pastor's discretionary fund	7,500	(16,032)	(8,532)
Other restricted funds	219,288	(115,972)	103,316
Foodbanks Emergency Fund	47,341	(13,635)	33,706
	<u>616,531</u>	<u>(336,501)</u>	<u>280,030</u>
TOTAL FUNDS	<u>3,388,839</u>	<u>(3,246,604)</u>	<u>142,235</u>

Unrestricted funds

Properties and capital equipment fund represents the value of all unrestricted capital assets.

Conveyancing designated fund represented monies set aside by the trustees for the Sandhurst site pastor's house move, this fund was spent in the year.

Designated reserve represents monies set aside in line with Charity Commission guidelines to ensure smooth running of the charity should there be any interruption to operations.

Flow Church Designated fund represents monies set aside for Flow church plant.

Restricted funds

Restricted capital equipment represents the value of capital assets purchased with restricted monies, these assets are depreciated on an annual basis.

Kerith Vision Fund represents monies given for the set up of new sites and for improvements to buildings and equipment in current use.

Other restricted funds are a group of restricted funds which represent monies received and expenses for varying other restricted purposes including; gifts made to other charities, assisting church members in need to pay for winter fuel, travel costs for youth pastor, assisting women's ministry in other countries and assisting churches and church plants in developing nations.

Transfers between funds

During the year the following transfers were made:

All additions and disposals of capital items have been transferred to either the Properties and capital equipment fund or the Restricted capital equipment fund, dependent upon whether the asset was purchased with restricted funding, this included purchases made with the General and Vision fund.

KERITH COMMUNITY CHURCH

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2020

16. RELATED PARTY DISCLOSURES

During the year employment costs of £29,930 (2019: £30,635) and pension costs of £2,973 (2019: £3,063) were paid to Mrs C Benham, the spouse of a trustee. This remuneration was in relation to her employment for the charity.