

**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

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

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# KERITH COMMUNITY CHURCH

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# KERITH COMMUNITY CHURCH

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

### FOR THE YEAR ENDED 31 DECEMBER 2023

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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

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### **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 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

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### 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

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### **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

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### 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

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### 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

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#### 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

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#### **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**

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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

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#### 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**  
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**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						
<b>Income from:</b>							
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
<b>Total income</b>		<b>1,502,710</b>	<b>538,461</b>	<b>2,041,171</b>	<b>1,746,964</b>	<b>483,409</b>	<b>2,230,373</b>
<b>Expenditure on:</b>							
Charitable activities	6	1,755,708	426,884	2,182,592	1,677,349	384,201	2,061,550
<b>Total expenditure</b>		<b>1,755,708</b>	<b>426,884</b>	<b>2,182,592</b>	<b>1,677,349</b>	<b>384,201</b>	<b>2,061,550</b>
<b>Net income/(expenditure)</b>		<b>(252,998)</b>	<b>111,577</b>	<b>(141,421)</b>	<b>69,615</b>	<b>99,208</b>	<b>168,823</b>
Transfers between funds		69,887	(69,887)	-	-	-	-
<b>Net movement in funds</b>		<b>(183,111)</b>	<b>41,690</b>	<b>(141,421)</b>	<b>69,615</b>	<b>99,208</b>	<b>168,823</b>
<b>Reconciliation of funds:</b>							
Fund balances at 1 January 2023		3,904,263	246,326	4,150,589	3,834,648	147,118	3,981,766
<b>Fund balances at 31 December 2023</b>		<b>3,721,152</b>	<b>288,016</b>	<b>4,009,168</b>	<b>3,904,263</b>	<b>246,326</b>	<b>4,150,589</b>

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

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 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	22		34,693		273,993
<b>Investing activities</b>					
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	
<b>Net cash (used in)/generated from investing activities</b>			(39,967)		117,511
<b>Financing activities</b>					
Proceeds from borrowings		168,000		-	
Repayment of bank loans		(482,231)		(51,553)	
<b>Net cash used in financing activities</b>			(314,231)		(51,553)
<b>Net (decrease)/increase in cash and cash equivalents</b>			(319,505)		339,951
Cash and cash equivalents at beginning of year			875,489		535,538
<b>Cash and cash equivalents at end of year</b>			555,984		875,489



# KERITH COMMUNITY CHURCH

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

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### 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

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### 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

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### 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
	<u>1,348,919</u>	<u>538,461</u>	<u>1,887,380</u>	<u>1,387,016</u>	<u>483,409</u>	<u>1,870,425</u>

### 4 Charitable activities

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

### 5 Income from investments

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Interest receivable	<u>13,520</u>	<u>2,478</u>

# 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>
<b>Analysis by fund</b>						
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>
<b>Analysed between:</b>		
General church	<u>26,056</u>	<u>24,337</u>
<b>Governance costs comprise:</b>		
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	-
	<b>38,741</b>	<b>33,514</b>
Grants to individuals	<b>53,847</b>	<b>17,950</b>
	<b>92,588</b>	<b>51,464</b>

### 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 Number	2022 Number
Ministry	20	21
Administration	21	21
Total	41	42

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
	969,397	939,929

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

# 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
	£	£	£	£	£
<b>Cost</b>					
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
<b>Depreciation and impairment</b>					
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
<b>Carrying amount</b>					
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 £
<b>Amounts falling due within one year:</b>		
Other debtors	29,699	27,341
Prepayments and accrued income	21,246	22,846
	50,945	50,187
<b>Amounts falling due after more than one year:</b>		
Other debtors	29,000	29,000
<b>Total debtors</b>	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>
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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>
<b>Previous year:</b>	<b>At 1 January 2022</b>	<b>Income</b>	<b>Expenditure</b>	<b>Transfers</b>	<b>At 31 December 2022</b>
	£	£	£	£	£
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 £
<b>Fund balances at 31 December 2023 are represented by:</b>			
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 £
<b>Fund balances at 31 December 2022 are represented by:</b>			
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)
<b>Cash generated from operations</b>	<u>34,693</u>	<u>273,993</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

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### 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)