

Charity Registration No. 1131352

Company Registration No. 06977062 (England and Wales)

THE APEX CHURCH
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

THE APEX CHURCH

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mrs J Groves Mr M Anderson Mr R Ganly Mr A Sansom Mr M Thornett Mr M Groves
Charity number	1131352
Company number	06977062
Principal address	The Apex Church St Faith's Road Cowes Isle of Wight PO31 7HH
Registered office	13 Pine Tree Close Cowes Isle of Wight PO31 8DX
Independent examiner	Moore (South) LLP 9 St Johns Place Newport Isle of Wight PO30 1LH

THE APEX CHURCH

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THE APEX CHURCH

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2021

The trustees present their report and financial statements for the Year ended 31 March 2021.

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 church'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

The church's main object is to advance the Christian faith.

The church's strategy is to promoting faith and belief through local meetings and activities. The church also supports individuals and groups in local and overseas aid projects.

The trustees have paid due regard to guidance issued by the Charity Commission, particularly with reference to public benefit, in deciding what activities the church should undertake.

The main activities are Christian worship and outreach. The church aims to serve the local community and wider, to relieve sickness and financial hardship and to promote, preserve good health and social welfare. The church also provides mid-week activities for carers, toddlers and seniors.

The church makes regular donations and grant giving support to local charities and missions further afield, including:

- Regions beyond
- Hope for tomorrow Global
- Isle of Wight street Pastors

The church benefits from contributions from members and five voluntary trustees plus one employed trustee. Church members and trustees donated countless hours of time without charge, serving the church, and the local and wider communities.

Achievements and performance

Due to the COVID-19 pandemic, all church activities abruptly stopped in March 2020. Services were recorded and accessed through YouTube and the church website. DVDs were produced and distributed to people who did not have tablets, PCs, technology etc., or possess the skills to operate the equipment.

During lockdown, church members delivered food, collected prescriptions, made phone calls, supported vulnerable and isolated people in the church locality and wider community.

Zoom and on line sessions were frequently used for mid-week groups, activities and trustee meetings, and children's activities were access through the website.

Financial review

The church reported a surplus of £1,516 (2020 - £8,969) in the year, which is pleasing, considering the effects of COVID-19 and is due entirely to the generosity of church members.

Unrestricted funds were boosted by the revaluation of the church's property by £64,587, as the buildings were professionally revalued at £423,792. The unrestricted funds increased reserves to £141,949 (2020 - £140,433), with the revaluation reserve increasing to £324,587. Free reserves available to the church are defined as those undesignated funds not tied up in assets amounted to £37,983 (2020 - £27,602), which represented approximately six months church running costs.

It is the policy of the church that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees considers that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the church's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the Year.

The trustees has assessed the major risks to which the church is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

THE APEX CHURCH

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

Structure, governance and management

The church is a company limited by guarantee under number 06977062, registered in England and Wales. It is also a registered charity under number 1131352. The charity is looking to re-register the charity as a Charitable Incorporated Organisation, which will offer benefits to the charity, and reduce the dual filing obligation.

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:

Mrs J Groves

Mr M Anderson

Mr R Ganly

Mr A Sansom

Mr M Thornett

Mr M Groves

Trustees are appointed from the church membership.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

The church is run by the Trustee body, which meets frequently throughout the year. The church has two Elders, one of whom is a Trustee, plus currently five trustees. The church is affiliated to the Regions Beyond family of churches (formerly New Frontiers), and is a member of the Evangelical Alliance.

Trustees are provided with an induction to their roles and ongoing training as a charity Trustee.

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



Mr M Thornett

Trustee

Dated: 21 September 2021

THE APEX CHURCH

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE APEX CHURCH

I report to the trustees on my examination of the financial statements of The Apex Church (the church) for the Year ended 31 March 2021.

Responsibilities and basis of report

As the trustees of the church (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the church are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the church's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the church as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.



Kevin R Cooper BA FCA DChA
Moore (South) LLP

9 St Johns Place
Newport
Isle of Wight
PO30 1LH

Dated: 7 December 2021

THE APEX CHURCH

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2021

		Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
	Notes						
Income from:							
Donations and legacies	3	88,213	11,353	99,566	91,422	6,717	98,139
Charitable activities	4	745	-	745	7,179	-	7,179
Other trading activities	5	-	-	-	88	-	88
Investments	6	7	-	7	27	-	27
Total income		88,965	11,353	100,318	98,716	6,717	105,433
Expenditure on:							
Charitable activities							
The Apex Church	7	69,964	-	69,964	73,823	-	73,823
Outreach and grants	7	17,485	11,353	28,838	15,924	6,717	22,641
Total charitable expenditure		87,449	11,353	98,802	89,747	6,717	96,464
Net incoming resources		1,516	-	1,516	8,969	-	8,969
Other recognised gains and losses							
Revaluation of tangible fixed assets		64,587	-	64,587	-	-	-
Net movement in funds		66,103	-	66,103	8,969	-	8,969
Fund balances at 1 April 2020		400,433	-	400,433	391,464	-	391,464
Fund balances at 31 March 2021		466,536	-	466,536	400,433	-	400,433

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.

THE APEX CHURCH

BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	10		428,553		372,831
Current assets					
Debtors	11	17,481		18,848	
Cash at bank and in hand		22,988		10,015	
		40,469		28,863	
Creditors: amounts falling due within one year	12	(2,486)		(1,261)	
Net current assets			37,983		27,602
Total assets less current liabilities			466,536		400,433
Income funds					
<u>Unrestricted funds</u>					
General unrestricted funds		141,949		140,433	
Revaluation reserve		324,587		260,000	
			466,536		400,433
			466,536		400,433


The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the Year ended 31 March 2021.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the Year in question in accordance with section 476.

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 21 September 2021


Mrs J Groves
Trustee


Mr M Thornett
Trustee

Company Registration No. 06977062

THE APEX CHURCH

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

Charity information

The Apex Church is a private company limited by guarantee incorporated in England and Wales. The registered office is 13 Pine Tree Close, Cowes, Isle of Wight, PO31 8DX.

1.1 Accounting convention

The financial statements have been prepared in accordance with the church'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)". The church is a Public Benefit Entity as defined by FRS 102.

The church has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

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

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. 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 church 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.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the church.

1.4 Income

Income is recognised when the church 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 church 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 church 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.

Where material gifts and services are valued and included within the accounts.

THE APEX CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised in the periods for which it relates, and includes outreach donations as they are committed and paid. Expenditure for other costs are reflected when the service is incurred on an accruals basis.

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	2% on cost or valuation on a straight line basis
Fixtures and fittings	20% reducing balance basis

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 net income/(expenditure) for the year.

1.7 Impairment of fixed assets

At each reporting end date, the church 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 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.

1.9 Financial instruments

The church 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 church's balance sheet when the church 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.

THE APEX CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

Derecognition of financial liabilities

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

1.10 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 church is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

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

2 Critical accounting estimates and judgements

In the application of the church'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	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2021 £	2021 £	2021 £	2020 £	2020 £	2020 £
Donations and gifts	88,213	11,353	99,566	91,422	6,717	98,139

THE APEX CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

4 Charitable activities

	Church activities 2021 £	Church activities 2020 £
Income from church activities	430	5,803
Hire of church buildings	120	819
Other income	195	557
	<u>745</u>	<u>7,179</u>

5 Other trading activities

	Total 2021 £	Unrestricted funds 2020 £
Fundraising events	-	88
	<u>-</u>	<u>88</u>

6 Investments

	Unrestricted funds 2021 £	Unrestricted funds 2020 £
Interest receivable	7	27
	<u>7</u>	<u>27</u>

THE APEX CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

7 Charitable activities

	The Apex Church 2021 £	Outreach and grants 2021 £	Total 2021 £	The Apex Church 2020 £	Outreach and grants 2020 £	Total 2020 £
Staff costs	43,725	-	43,725	42,178	-	42,178
Upkeep of services including training costs	575	-	575	2,703	-	2,703
Conference, travel and subsistence	-	-	-	12,069	-	12,069
Church running costs including utilities	5,812	-	5,812	4,265	-	4,265
Church maintenance	2,722	-	2,722	5,159	-	5,159
Support costs	3,533	-	3,533	3,328	-	3,328
Governance	1,813	-	1,813	715	-	715
Depreciation	11,784	-	11,784	3,406	-	3,406
Regions Beyond	-	9,995	9,995	-	13,100	13,100
Hope for Tomorrow Global (Burundi)	-	7,450	7,450	-	330	330
Other outreach charities	-	4,193	4,193	-	2,011	2,011
Benevolent gifts and donations	-	7,200	7,200	-	7,200	7,200
	69,964	28,838	98,802	73,823	22,641	96,464
	69,964	28,838	98,802	73,823	22,641	96,464
Analysis by fund						
Unrestricted funds	69,964	17,485	87,449	73,823	15,924	89,747
Restricted funds	-	11,353	11,353	-	6,717	6,717
	69,964	28,838	98,802	73,823	22,641	96,464

8 Trustees

One of the Trustees, was paid remuneration by the Charity in the year of £32,364 (2020 - £31,270). Approval for the payment of a Trustee was given by the Charity Commission.

THE APEX CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

9 Employees

The average monthly number of employees during the Year was:

	2021 Number	2020 Number
	2	2
	<u>2</u>	<u>2</u>
Employment costs	2021	2020
	£	£
Wages and salaries	39,897	38,382
Other pension costs	3,828	3,796
	<u>43,725</u>	<u>42,178</u>

10 Tangible fixed assets

	Freehold land and buildings £	Fixtures and fittings £	Total £
Cost or valuation			
At 1 April 2020	359,205	45,983	405,188
Additions	-	2,919	2,919
Revaluation	64,587	-	64,587
	<u>423,792</u>	<u>48,902</u>	<u>472,694</u>
At 31 March 2021	423,792	48,902	472,694
Depreciation and impairment			
At 1 April 2020	-	32,357	32,357
Depreciation charged in the Year	8,476	3,308	11,784
	<u>8,476</u>	<u>35,665</u>	<u>44,141</u>
At 31 March 2021	8,476	35,665	44,141
Carrying amount			
At 31 March 2021	415,316	13,237	428,553
	<u>415,316</u>	<u>13,237</u>	<u>428,553</u>
At 31 March 2020	359,205	13,626	372,831
	<u>359,205</u>	<u>13,626</u>	<u>372,831</u>

Land and buildings with a carrying amount of £423,792 were revalued at April 2021 by Daniells Harrison, Chartered Surveyors, independent valuers not connected with the church on the basis of the depreciated replacement cost.

At 31 March 2021, had the revalued assets been carried at historic cost less accumulated depreciation and accumulated impairment losses, their carrying amount would have been approximately £90,729 (2020 - £90,729).

The revaluation surplus is reflected on the Statement of Financial Activities and included with a separate revaluation reserve.

THE APEX CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

11 Debtors

	2021	2020
	£	£
Amounts falling due within one year:		
Other debtors	16,904	17,618
Prepayments and accrued income	577	1,230
	<u>17,481</u>	<u>18,848</u>

12 Creditors: amounts falling due within one year

	2021	2020
	£	£
Other taxation and social security	686	786
Accruals and deferred income	1,800	475
	<u>2,486</u>	<u>1,261</u>

13 Related party transactions

There were no disclosable related party transactions during the Year (2020 - none).