



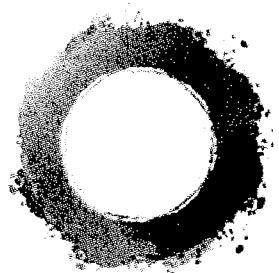
Riverside Church Annual Report & Financial Statements

For year ended December 2021

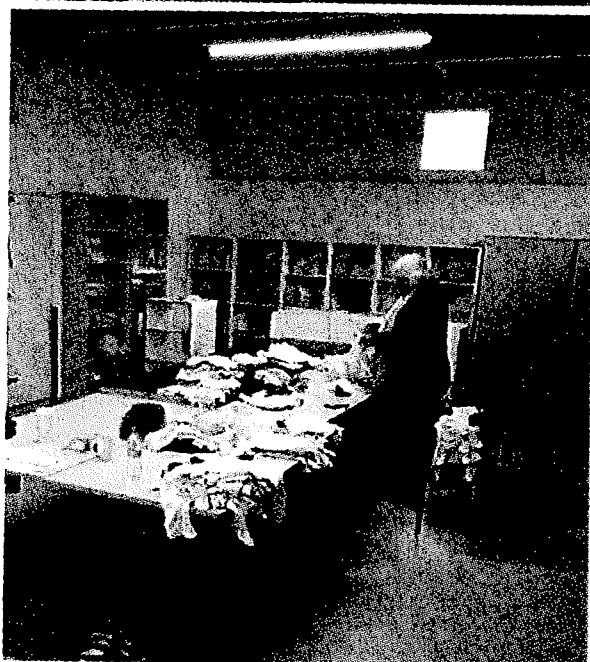
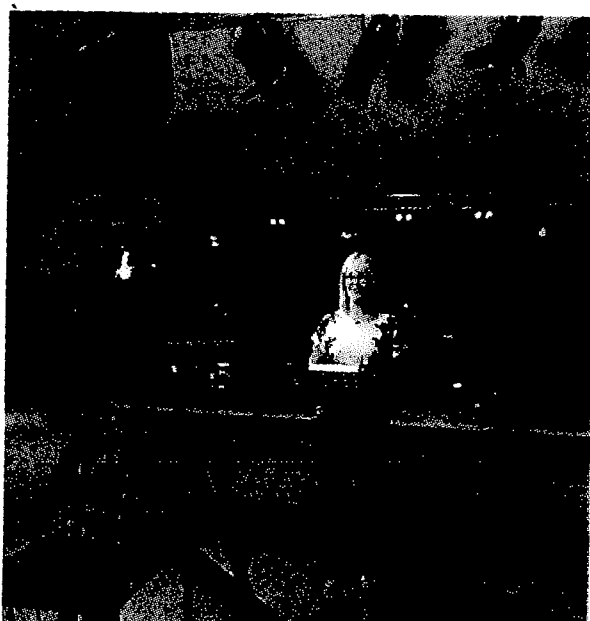
Registered charity no. 1131872

Company no. 6983393

This report covers the period 1 January 2021 to 30 December 2021



RIVERSIDE CHURCH



Riverside Church, Thanet Way, Whitstable, Kent CT5 3JQ www.riversideuk.org

Introduction

Riverside is a vibrant and growing church community of adults, children and young people meeting in Whitstable, Kent.

The church was established in 1925 and has been faithfully worshipping God and serving the local community for more than 90 years.

Our aim is to be a blessing to our community through sharing the love and compassion of God to those we meet.

Having our own building allows us to hire rooms to commercial and public-sector organisations during the week. This conference activity generates an income stream that supports our charitable activities.

We also have an on-site café which forms a community space right at the heart of the building. It provides a relaxed, friendly environment where everyone is welcome - old friends can come together, and new friendships can be made.

Our goal is to see the transformation of our communities through the goodness of Jesus.

We believe the goodness of Jesus is for everyone and we are passionate about helping people encounter his life-changing power.

Our broad aims continue to be the following:

- Creating spaces and opportunities for people to encounter the good news of Jesus and His transforming presence.
- Equipping and supporting people to do life well.
- Bringing practical and spiritual relief to the vulnerable and those in need.
- Doing things we **II**.



Review

2021 has been an eventful and challenging time for Riverside Church.

We began the year still under COVID lockdown restrictions, meaning the church was unable to gather together for services in our building. We continued to maintain connection during this period using online platforms for our services. We also developed initiatives like 'Coffee Chat' on our Instagram page to help communicate the ongoing life of the church.

In April we were able to gather again and we held our first services back in our building. We used a free ticketing system and two smaller services to help maintain a safe, socially distant environment.

Riverside café re-opened in May to the delight of the local community and we were able to provide a safe space for everyone to connect and enjoy.

Just as we were finding our 'new normal', the church suffered more adversity in August.

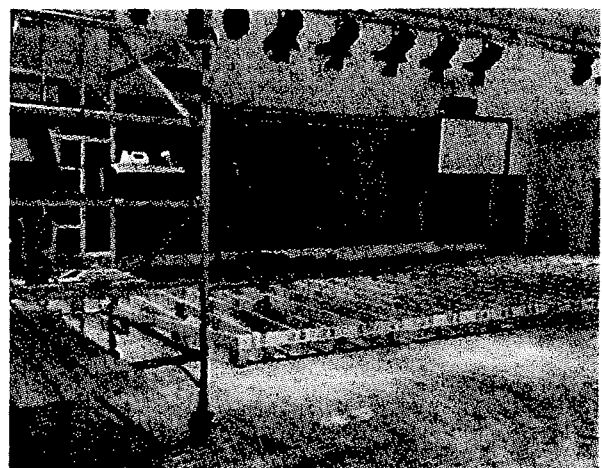
A major sewer running through the Riverside site became blocked during a night of heavy rain. This resulted in a large amount of contaminated water entering our building. Our auditorium was flooded, meaning we could no longer use it to hold our Sunday services.

We adapted our café space to hold two smaller services so the damaged areas could be assessed and restoration works could begin. This was still ongoing at the end of December 2021.

Our café services proved to be a great success and provided an intimate setting for people to re-engage after the isolation and anxiety experienced during the pandemic.

Even though we have faced large challenges, we are pleased to report that the church has not just survived these adversities, but in many ways has flourished.

We have continued to be a valued resource to our community, providing a welcome place to gather and connect.



Objective 1: Advance the Gospel

Creating spaces and opportunities for people to encounter the good news of Jesus and His transforming presence...

At the beginning of 2021, our services continued to be online only. We invested time and resources to ensure that our online content was of a high quality and carried the same ethos and values of our gathered church.

We gained more experience in video editing and production during this time and found Riverside Online was an effective way of conveying the good news of Jesus to our church family and to those further afield.

Our onsite services returned in April and we began by holding two smaller socially distanced gatherings. The flood in August rendered our auditorium unusable so we looked for creative ways to continue to gather.

We decided to meet in our café space, holding two smaller morning services. These were very well attended by the church family who adapted very well to the change.

During this period we rebranded and re-launched our children's ministry 'Riverside Kids' with the help of a new volunteer team leader. Our under 5s group became 'Dragonflies' and our 5-11s became Kingfishers. We also launched new initiatives like 'Pray-Ground' to help the children learn to pray for others from an early age.

We welcomed Dr Steve Burnhope to one of our Senior Leadership Team and Trustee meetings. Steve came to talk about his new book 'How to Read the Bible Well' and gave the team valuable insights into conveying the Gospel message.

Towards the end of 2021 we began to explore the process of transitioning Riverside to become a fully affirming and inclusive church for the LGBTQ+ community.

2021 ended with us hosting a Christmas fair and three carol services with many people from the local community attending.



Objective 2: Improve Life

Equipping and supporting people to do life well...

Each Sunday we run a morning service with teaching and worship in an informal and relaxed atmosphere. We provide practical, biblical teaching using a variety of gifted speakers. Our children and youth have age-related teaching in their groups and also meet in their programmes during the week.

During the Covid pandemic our services moved online to provide a consistent weekly point of connection for the church. Some Small Groups continued to meet over Zoom and we introduced new initiatives like 'Coffee Chat' to help people feel connected with church life.

A new mental health support group for men was started at Riverside called 'MenTalk' in conjunction with MIND.

We said goodbye to our long running TOTs project due to an ageing volunteer team who were less confident following the pandemic.

We began to host events and conferences again in July when Covid restrictions were lifted.

Many of our long standing interest and support groups returned to Riverside and we continued to welcome new organisations who use our various spaces for training purposes.

We also hosted four weddings during 2021 ranging in size, dependent upon the social gathering legislation in force at the time.

The Riverside team made sure each couple had a unique and special day.



Objective 3: Bring Relief

Bringing practical and spiritual relief to the vulnerable and those in need...

Our biggest compassion ministry operating during 2021 was Pantry Project, due largely to the Covid pandemic.

Collaborating with local community partners we continued to provide high-quality food and essential items to those in need. Liaising with social workers and school family liaison officers we helped to feed hundreds of local families and individuals. This year, we also distributed Christmas dinner hampers and children's presents to the neediest families in the area.

Growbaby, which provides excellent quality, new and second-hand, baby clothes and equipment free of charge, continued to help those impacted by the pandemic.

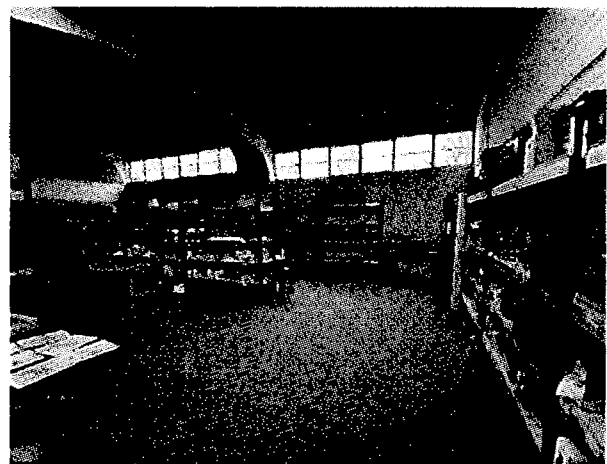
We received large numbers of donations which were sorted and cleaned and re-distributed to those in need.

We support several local projects with finances and volunteers:

- Street Pastors - a caring night-time presence on the streets of Whitstable and Herne Bay.
- Christians Against Poverty - a debt centre providing debt counselling service and advice free of charge.
- Haven - a project providing care and support for the homeless and vulnerable in the area.

We also support the work of several overseas ministries including Mission Aviation Fellowship (MAF) who fly charity relief organisations all over the world, Open Doors, supporting the persecuted church worldwide and the Grass Roots Trust who work with the impoverished in Romania.

We also continued to support a member of Riverside who is serving a custodial sentence. Riverside Café also operates a "Pay It Forward" scheme where anyone can donate an extra meal or drink for someone in need.



Doing Things Well

This involves everything, from the way we relate to people, to the way we manage our facility & develop our organisation...

Staffing: During this period we welcomed Chris Graham onto our staff team in a Site Support role.

We also welcomed Holly Fulcher onto our café team.

Site: In September, Canterbury Food Bank moved off site and we re-located Pantry Project into the side warehouse to enable the refurbishment of the lower part of the building following the flood.

The restoration works by BW May, in conjunction with Martello, were still ongoing at the end of 2021. Our aim was to be back in our auditorium in early January 2022.

Events: Our conferencing began to return to normal from mid 2021, with regular clients returning and new clients using us for the first time.

On-Site Partners: CXK uses Riverside as a local hub for their staff as they provide career guidance and training programmes to help young people build the skills and confidence they need to find a job.

Volunteers: We actively encourage people to volunteer their time and get involved, serving in some capacity.

Riverside could not operate at the level we do without their generosity and dedication particularly through this difficult period.



Connected Charities & Partner Projects



Riverside continues to be an active supporter of Churches Together in Whitstable (CTiW).



Riverside provides a space for this charity to support carers across East Kent.



CTiW provide Street Pastors who patrol every Friday night providing a caring and reassuring presence on the streets.



CXX is a charity which supports children, young people, adults, and families and is one of our rental partners at Riverside.

Haven is a joint church initiative to create a warm friendly place for the homeless in the area. Based at St John's Methodist Hall it provides hot drinks, snacks, laundry, and shower facilities.



Riverside supports the work of Mission Aviation Fellowship which enables over 2,000 aid, development, and mission organisations to bring medical care, emergency relief, long-term development, and Christian hope to thousands of communities.



CTiW jointly support a local Christians Against Poverty (CAP) centre. CAP provides free debt counselling and additional life skills services.



OpenDoors

60 years of serving persecuted Christians

Riverside supports the work of Open Doors which is an international ministry serving persecuted Christians and churches worldwide.

Canterbury Christian



Schools Work Trust

Canterbury Christian Schools' Work Trust works with primary and secondary schools with the SMSC framework.



Working in Romania to alleviate poverty, though partnership with churches.

We work in conjunction with MIND to host groups at Riverside prompting better mental health.



Strategic Report

Business Review

Riverside Church is in a stable position both financially and in terms of attendance.

Our total source of income from all sources was £537,293.

Our expenditure totalled £485,128.

Our room hiring and cafe income generated income of £59,082.

Our financial statements at the rear of this report provide more information.

Risk Management

We have systems of internal control which are designed to provide reasonable, but not absolute assurance against material misstatement or loss. They include: -

- an annual budget approved by the Trustees.
- regular consideration by the Trustees of financial reports.
- delegation of authority and segregation of duties.
- identification and management of risks.

We aim to review the main risks the church faces on a regular basis. The Trustees consider the key risks to a church like ours to be finances, safeguarding, health and safety and human resources. We employ staff with key skills in these areas. We also engage third party experts for advice when needed.

We believe that our internal financial controls conform to the guidelines issued by the Charity Commission.

Investment Powers and Policy

Our Articles authorise us to invest our funds. Cash balances are currently held with HSBC Bank and Charity Bank. We operate a policy of keeping available funds within interest-bearing deposit accounts. We maintain a level of free reserves to mitigate against the risk that the charity experiences an unexpected event which would put us in financial difficulty.

This might include an event which would bring Riverside Church into disrepute; the premises being forced to close for an extended period of time; or a serious decline in the economic environment we operate in.

Plans for the future

We believe the appropriate level of unrestricted reserves should be based upon a proportion of our regular costs as follows:

- Four months of our long-term commitments, such as mortgage and utilities payments and the cost of running our Sunday services which would be a vital activity to maintain.
- Three months of medium-term commitments such as permanent staff costs and the monthly financial support we provide to partner charities.
- One month of short-term costs, including the day to day ministry activity of the church.

Our review has estimated this target level is £80,000. The reserves held as of 31 December 2021 are at this level. We review, on a 6-monthly basis, the level of reserves held. During the year, the Trustees conducted a full review of the reserves policy to ensure it remained up to date and relevant.

2021 has been a challenging year for Riverside with the impact of Covid and the flood. The church has once again risen to these challenges and we are confident in the strength of the church community and the quality of the people who continue to serve the vision of Riverside.

We will continue to build upon the solid foundations we have established and as the church grows, we are looking for new and contemporary ways of engaging with and meeting the needs of those who join us.

As we emerge from COVID into the next season we want to build on our new community connections and pursue our vision of being "good for everyone."



Going Concern and COVID 19

The financial statements have been prepared on a going concern basis.

While the impact of the COVID-19 virus has been assessed by the Trustees, as far as is reasonably possible, due to the unprecedented impact on the wider economy, it is difficult to evaluate with certainty the potential outcomes on the charity's income, its beneficiaries, and suppliers.

However, taking into consideration the UK Government's response and the charity's planning, together with the charity's level of reserves, the Trustees have concluded that the reserves and future incoming resources are sufficient to enable the charity to continue its operations for the foreseeable future.



Information about Riverside Church

We believe that we comply with the Charity Commission guidance on public benefit and specifically the advancement of religion.

Charity Number: 1131872

Company Number: 6983393

Registered Office:

Riverside Church
Thanet Way
Whitstable
CT5 3JQ

Website: www.riversideuk.org

Governing Document &
Organisational Structure:

We are a registered charity, constituted by means of our Memorandum and Articles of Association and operating as a church. We are also a company limited by guarantee, in which the company directors form the board of Trustees. The liability of each trustee in the event of winding up is limited to £10. The spiritual vision and direction of the church is set by the Senior Leadership Team who along with the Trustees form the membership of the company.

Associated
Professionals

Principal Bankers:

HSBC Bank
9 Rose Lane
Canterbury
Kent
CT1 2JP

Accountants:

Kreston Reeves LLP
Chartered Accountants
37 St. Margaret's Street
Canterbury
Kent
CT1 2TU

Solicitors:

Parry Law Sols
12-14 Oxford street
Whitstable
CT5 1DE

Information (continued)

Trustees and Senior Staff

Trust Board (TB)

The Trustees who have served during the year are as follows: -

Kirsteen Magee	Chair
Simon Bateson	Lead Pastor
Matt Haines	Facilities
Darlene Bushell	Finance
Paul Newman	VCUKI liaison
Sean Carter	Health & Safety

The company secretary is Kim Wood.

Appointment of Trustees & SLT

New Trustees and SLT members are appointed when appropriate. Suitable candidates are generally selected from within the church and are considered based on their skills, experience, and sympathy with the aims of the church. Trustees and SLT members are appointed by the combined Trustees and Senior Leadership Team. These two teams constitute the membership of the charitable company. New Trustees have the opportunity of reviewing appropriate documents, including the management accounts, as part of their induction process.

Senior Leadership Team (SLT)

The day to day running of the church is delegated to the employed pastoral staff and operational staff. The staff are led by Simon & Keely Bateson (Lead Pastors) and their Senior Leadership Team which is as follows: -

Simon Bateson	Lead Pastor
Keely Bateson	Lead Pastor
Martin Franks	Assistant Pastor
Jacob Perrins	Assistant Pastor
Debbie Franks	SLT
Emma Perrins	SLT
Alan Chalkley	SLT
Alison Chalkley	SLT
Christine Gibson	SLT
Jackie Carter	SLT
Sean Carter	SLT & TB

Information

(continued)

Trustees' / Directors' Responsibilities Statement

The Trustees (who are also directors of Riverside Church for the purposes 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. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they 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 these financial statements, the Trustees are required to:

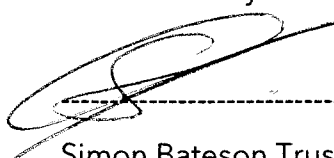
- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgments and accounting estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;

- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In preparing this report, the Trustees have taken advantage of the small companies' exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the Trustees on13/09/22..... and signed on their behalf by



Simon Bateson Trustee / Director

Riverside Church
(A company limited by guarantee)

Independent examiner's report
For the year ended 31 December 2021

Independent examiner's report to the Trustees of Riverside Church ('the Charity')

I report to the charity Trustees on my examination of the accounts of the Charity for the year ended 31 December 2021.

Responsibilities and basis of report

As the Trustees of the Charity (and its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

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

Independent examiner's statement


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

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

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

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

This report is made solely to the Charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the Charity's Trustees those matters I am required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Charity and the Charity's Trustees as a body, for my work or for this report.

Signed: 

Dated: 15/09/2022

Samantha Rouse FCCA DChA

Kreston Reeves LLP

Chartered Accountants

Canterbury

Riverside Church
(A company limited by guarantee)

Statement of financial activities (incorporating income and expenditure account)
For the year ended 31 December 2021

		Unrestricted funds 12 months ended 31 December 2021 £	Restricted funds 12 months ended 31 December 2021 £	Total funds 12 months ended 31 December 2021 £	Total funds 15 months ended 31 December 2020 £
	Note				
Income from:					
Donations and legacies:	3				
Weekly offering		41,830	5,378	47,208	83,699
Donations eligible for Gift Aid		137,414	6,000	143,414	175,966
Gift Aid		35,875	-	35,875	52,075
Gifts & miscellaneous income		1,225	5,880	7,105	25,091
Deemed notional interest on loans		1,750	-	1,750	2,429
Other donations and legacies		141,300	5,679	146,979	69,855
Other trading activities	4	43,204	-	43,204	72,314
Investments	5	16,758	-	16,758	54,142
Other income	6	95,000	-	95,000	-
Total income		514,356	22,937	537,293	535,571
Expenditure on:					
Raising funds	7	15,334	-	15,334	22,527
Charitable activities	9	431,004	38,790	469,794	553,742
Total expenditure		446,338	38,790	485,128	576,269
Net income/(expenditure)		68,018	(15,853)	52,165	(40,698)
Transfers between funds	16	(14,327)	14,327	-	-
Total transfers		(14,327)	14,327	-	-
Net movement in funds		53,691	(1,526)	52,165	(40,698)
Reconciliation of funds:					
Total funds brought forward		1,241,154	11,604	1,252,758	1,293,456
Net movement in funds		53,691	(1,526)	52,165	(40,698)
Total funds carried forward		1,294,845	10,078	1,304,923	1,252,758

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

The notes on pages 20 to 38 form part of these financial statements.

Riverside Church
(A company limited by guarantee)
Registered number: 06983393

Balance sheet
As at 31 December 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	12	1,423,034	1,514,995
Current assets			
Debtors	13	107,380	6,043
Cash at bank and in hand		398,491	374,817
		<u>505,871</u>	<u>380,860</u>
Creditors: amounts falling due within one year	14	(33,489)	(35,797)
Net current assets		<u>472,382</u>	<u>345,063</u>
Total assets less current liabilities		<u>1,895,416</u>	<u>1,860,058</u>
Creditors: amounts falling due after more than one year	15	(590,493)	(607,300)
Total net assets		<u><u>1,304,923</u></u>	<u><u>1,252,758</u></u>
Charity funds			
Restricted funds	16	10,078	11,604
Unrestricted funds	16	1,294,845	1,241,154
Total funds		<u><u>1,304,923</u></u>	<u><u>1,252,758</u></u>


The Charity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

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

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:


Simon Bateson
 Trustee
 Date: 13/09/22

The notes on pages 20 to 38 form part of these financial statements.

Riverside Church
(A company limited by guarantee)

Statement of cash flows
For the year ended 31 December 2021

	12 months ended 31 December 2021 £	15 months ended 31 December 2020 £
Cash flows from operating activities		
Net cash used in operating activities	24,168	(142)
Cash flows from investing activities		
Dividends, interests and rents from investments	880	3,395
Purchase of tangible fixed assets	(1,374)	(37,399)
Net cash used in investing activities	(494)	(34,004)
Change in cash and cash equivalents in the year	23,674	(34,146)
Cash and cash equivalents at the beginning of the year	374,817	408,963
Cash and cash equivalents at the end of the year	398,491	374,817

The notes on pages 20 to 38 form part of these financial statements

Riverside Church
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 December 2021

1. General information

Riverside Church is a charitable company limited by guarantee, incorporated in England and Wales with the company number 6983393 and the charity number 1131872.

The Charity's registered office is Riverside Church, Thanet Way, Whitstable, CT5 3JQ.

The financial statements have been prepared for the year ended 31 December 2021. The prior period comparative figures are for an extended 15 month period, being 1 October 2019 to 31 December 2020.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Riverside Church meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Charity's financial statements are presented in Sterling and are rounded to the nearest Pound.

2.2 Company status

The charitable company is a company limited by guarantee. The members of the company are the Trustees and senior leadership team named in the Charity's information page. In event of the charitable company being wound up, the liability in respect of the guarantee is limited to £10 per member of the charitable company.

2.3 Going concern

The financial statements have been prepared on a going concern basis. Whilst the impact of the COVID-19 virus has been assessed by the Trustees, so far as is reasonably possible, due to the unprecedented impact on the wider economy, it is difficult to evaluate with certainty the potential outcomes on the charity's income, its beneficiaries and its suppliers.

However, taking into consideration the UK Government's response and the Charity's planning, together with the charity's level of reserves, the Trustees have concluded that the reserves and future incoming resources are sufficient to enable the charity to continue in operational existence for the foreseeable future.

Riverside Church
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 December 2021

2. Accounting policies (continued)

2.4 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Charity has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Charity, can be reliably measured.

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

2.5 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 on raising funds includes all expenditure incurred by the Charity to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

2.6 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the Statement of financial activities over the expected useful lives of the assets concerned. Other grants are credited to the Statement of financial activities as the related expenditure is incurred.

Riverside Church
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 December 2021

2. Accounting policies (continued)

2.7 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.8 Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

2.9 Tangible fixed assets and depreciation

A review of impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of any fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities incorporating the income and expenditure account.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is not charged on freehold land.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, .

Depreciation is provided on the following bases:

Freehold property	- Land - not depreciated, Buildings - over 20 years
Fixtures and fittings	- 5 years straight line
Computer equipment	- 3 years straight line
Other fixed assets	- Not depreciated

2.10 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.11 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

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2. Accounting policies (continued)

2.12 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

2.13 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 recognised 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.

2.14 Pensions

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

2.15 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

Notes to the financial statements
For the year ended 31 December 2021

2. Accounting policies (continued)

2.16 Critical accounting estimates and areas of judgement

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Tangible fixed assets

The charity has recognised tangible fixed assets with a carrying value of £1,423,034 at the reporting date (see note 11). The assets are stated at their cost less provision for depreciation and impairment. The charity's accounting policy sets out the approach to calculating depreciation for immaterial assets acquired. For material assets such as land and buildings, the company determines at acquisition reliable estimates for the useful life of the asset, its residual value and decommissioning costs. These estimates are based upon such factors as the expected use of the acquired asset and market conditions. At subsequent reporting date the Trustees consider whether there are any factors such as technological advancements or changes in market conditions that indicate a need to reconsider the estimates used.

Where there are indicators that the carrying value of tangible assets may be impaired the charity undertakes tests to determine the recoverable amount of assets. These tests require estimates of the fair value of assets less cost to sell and of their value in use. Wherever possible, the estimate of the fair value of assets is based upon observable market prices less incremental cost for disposing of the asset. The value in use calculation is based upon a discounted cash flow model, based upon the charity's forecasts for the foreseeable future which do not include any restructuring activities that the charity is not yet committed to or significant future investments that will enhance the asset's performance. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as expected future cash flows and the growth rate used for extrapolation purposes.

2.17 Finance costs

Borrowing costs associated with direct expenditure on properties undergoing major refurbishment are capitalised.

Interest is capitalised as from the commencement of the development work until the practical date of completion.

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3. Income from donations and legacies

	Unrestricted funds 12 months ended 31 December 2021 £	Restricted funds 12 months ended 31 December 2021 £	Total funds 12 months ended 31 December 2021 £	Total funds 15 months ended 31 December 2020 £
Donations				
Weekly Offering	41,830	5,378	47,208	83,699
Donations eligible for Gift Aid	137,414	6,000	143,414	175,966
Gift Aid	35,875	-	35,875	52,075
Gifts & miscellaneous income	1,225	5,880	7,105	25,091
Deemed notional interest on loans	1,750	-	1,750	2,429
Subtotal detailed disclosure	218,094	17,258	235,352	339,260
Legacies	100,000	-	100,000	-
Grants	17,717	5,679	23,396	36,434
Government grants	23,583	-	23,583	33,421
Subtotal	141,300	5,679	146,979	69,855
Total 2021	359,394	22,937	382,331	409,115
Total 2020	335,521	73,594	409,115	

Government grants are income received from the Coronavirus Job Retention Scheme during the period.

4. Income from other trading activities

Income from non charitable trading activities

	Unrestricted funds 12 months ended 31 December 2021 £	Total funds 12 months ended 31 December 2021 £	Total funds 15 months ended 31 December 2020 £
Cafe income and other trading income	43,204	43,204	72,314
Total 2020	72,314	72,314	

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5. Investment income

	Unrestricted funds 12 months ended 31 December 2021 £	Total funds 12 months ended 31 December 2021 £	Total funds 15 months ended 31 December 2020 £
Use of building	15,878	15,878	50,747
Investment income	880	880	3,395
Total 2021	16,758	16,758	54,142
Total 2020	54,142	54,142	

6. Other incoming resources

	Unrestricted funds 12 months ended 31 December 2021 £	Total funds 12 months ended 31 December 2021 £	Total funds 15 months ended 31 December 2020 £
Insurance income	95,000	95,000	-

Insurance income relates to the proceeds received from the insurance claim, following the flooding of the premises in August 2021.

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Notes to the financial statements
For the year ended 31 December 2021

7. Expenditure on raising funds

Fundraising trading expenses

	Unrestricted funds 12 months ended 31 December 2021 £	Total funds 12 months ended 31 December 2021 £	Total funds 15 months ended 31 December 2020 £
Cafe expenses	15,334	15,334	22,527
Total 2020	22,527	22,527	

8. Analysis of grants

	Grants to Institutions 12 months ended 31 December 2021 £	Grants to Individuals 12 months ended 31 December 2021 £	Total funds 12 months ended 31 December 2021 £	Total funds 15 months ended 31 December 2020 £
Missionary support	21,785	2,224	24,009	27,164
Total 2020	24,610	2,554	27,164	

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9. Analysis of expenditure by activities

	Activities undertaken directly 12 months ended 31 December 2021 £	Grant funding of activities 12 months ended 31 December 2021 £	Support costs 12 months ended 31 December 2021 £	Total funds 12 months ended 31 December 2021 £	Total funds 15 months ended 31 December 2020 £
Charitable activities	305,388	24,009	140,397	469,794	553,742
Total 2020	<u>367,059</u>	<u>27,164</u>	<u>159,519</u>	<u>553,742</u>	

Analysis of direct costs

	Total funds 12 months ended 31 December 2021 £	Total funds 15 months ended 31 December 2020 £
Staff costs	218,146	280,139
Creative ministries	43,691	18,404
Youth activities	3,279	2,608
Equipment & maintenance	11,270	20,237
Insurance (church)	3,853	3,912
Outreach activities	1,766	4,151
Utilities (church)	21,571	32,652
Care costs	1,081	2,947
Staff training and other costs	731	2,009
Total 2021	<u>305,388</u>	<u>367,059</u>

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Notes to the financial statements
For the year ended 31 December 2021

9. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 12 months ended 31 December 2021 £	Total funds 15 months ended 31 December 2020 £
Depreciation	93,335	96,113
Photocopying/Storage/Postage	942	1,308
Professional fees	6,595	6,039
Catering	447	1,113
Music/Copyright fees/Equipment	2,701	1,528
Miscellaneous costs	8,458	17,676
Independent examiner's fee	1,425	1,400
Interest	26,494	34,342
Total 2021	140,397	159,519

10. Staff costs

	12 months ended 31 December 2021 £	15 months ended 31 December 2020 £
Wages and salaries	218,146	280,139
	218,146	280,139

The average number of persons employed by the Charity during the year was as follows:

	12 months ended 31 December 2021 No.	15 months ended 31 December 2020 No.
Employees	11	13

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Notes to the financial statements
For the year ended 31 December 2021

10. Staff costs (continued)

No employee received remuneration amounting to more than £60,000 in either year.

The church leadership team are considered to be key management personnel. The total compensation paid in respect of the key management personnel amounts to £100,844 (2020: £119,802).

11. Trustees' remuneration and expenses

Simon Bateson received remuneration in his capacity of Lead Pastor and not as a Trustee. This remuneration amounted to £50,053 (2020: £58,809).

During the year, no Trustees received any remuneration or other benefits (2020 - £NIL).

During the year ended 31 December 2021, no Trustee expenses have been incurred (2020 - £NIL).

12. Tangible fixed assets

	Freehold property £	Fixtures and fittings £	Computer equipment £	Other fixed assets £	Total £
Cost or valuation					
At 1 January 2021	1,705,002	92,552	142,274	24,255	1,964,083
Additions	-	333	1,041	-	1,374
At 31 December 2021	<u>1,705,002</u>	<u>92,885</u>	<u>143,315</u>	<u>24,255</u>	<u>1,965,457</u>
Depreciation					
At 1 January 2021	267,268	55,680	126,140	-	449,088
Charge for the year	67,750	18,577	7,008	-	93,335
At 31 December 2021	<u>335,018</u>	<u>74,257</u>	<u>133,148</u>	<u>-</u>	<u>542,423</u>
Net book value					
At 31 December 2021	<u>1,369,984</u>	<u>18,628</u>	<u>10,167</u>	<u>24,255</u>	<u>1,423,034</u>
At 31 December 2020	<u>1,437,734</u>	<u>36,872</u>	<u>16,134</u>	<u>24,255</u>	<u>1,514,995</u>

Freehold land of £350,000 in relation to the Riverside Campus has not been depreciated as its residual value is likely to exceed its valuation and therefore its economic useful life is likely to be infinite.

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13. Debtors

	2021	2020
	£	£
Due within one year		
Trade debtors	3,696	-
Other debtors	864	2,885
Prepayments and accrued income	100,000	201
Tax recoverable	2,820	2,957
	107,380	6,043

14. Creditors: Amounts falling due within one year

	2021	2020
	£	£
Bank loans	16,641	15,781
Other loans	5,000	5,000
Trade creditors	4,131	5,009
Other taxation and social security	5,157	4,808
Accruals and deferred income	2,560	5,199
	33,489	35,797

15. Creditors: Amounts falling due after more than one year

	2021	2020
	£	£
Bank loans	555,493	572,300
Other loans	35,000	35,000
	590,493	607,300

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Included within the above are amounts falling due as follows:

	2021 £	2020 £
Between one and two years		
Bank loans	17,367	16,467
	<u>17,367</u>	<u>16,467</u>
Between two and five years		
Bank loans	56,761	35,111
Other loans	35,000	35,000
	<u>91,761</u>	<u>70,111</u>
Over five years		
Bank loans	481,365	520,722
	<u>481,365</u>	<u>520,722</u>

The aggregate amount of liabilities payable or repayable wholly or in part more than five years after the reporting date is:

	2021 £	2020 £
Payable or repayable by instalments	481,365	520,722
	<u>481,365</u>	<u>520,722</u>

The amounts in other loans relate to loans given to the charity by members of the church. These loans are unsecured and interest free.

The amounts in bank loans relate to a re-mortgage from HSBC UK Bank PLC, and were previously used to purchase the site for the new church building. There is a guarantee in favour of HSCB UK Bank PLC over the property at Riverside Works in relation to this loan.

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16. Statement of funds

Statement of funds - current year

	Balance at 1 January 2021 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 December 2021 £
Unrestricted funds					
Designated funds					
General fixed reserve	80,000	-	-	-	80,000
Designated fixed asset fund	884,665	-	-	(73,764)	810,901
	<u>964,665</u>	<u>-</u>	<u>-</u>	<u>(73,764)</u>	<u>890,901</u>
General funds					
General funds	276,489	514,356	(446,338)	59,437	403,944
Total Unrestricted funds	<u>1,241,154</u>	<u>514,356</u>	<u>(446,338)</u>	<u>(14,327)</u>	<u>1,294,845</u>
Restricted funds					
Building Development Fund	-	11,880	(24,744)	12,864	-
Pantry Project	9,268	5,978	(9,017)	-	6,229
Herne Bay Hub Project	2,305	-	-	-	2,305
Defibrillator grant	31	-	-	-	31
Youth Fund	-	4,079	(2,566)	-	1,513
Growbaby	-	1,000	(2,463)	1,463	-
	<u>11,604</u>	<u>22,937</u>	<u>(38,790)</u>	<u>14,327</u>	<u>10,078</u>
Total of funds	<u>1,252,758</u>	<u>537,293</u>	<u>(485,128)</u>	<u>-</u>	<u>1,304,923</u>

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Notes to the financial statements
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16. Statement of funds (continued)

Transfers between funds

Designated fixed asset fund - the transfer of £73,764 to unrestricted funds represents the decision by the Trustees to show separate the funds allocated to fixed assets less any associated liabilities.

Purposes of designated funds

General Fixed Reserve - this represents funds set aside in accordance with the Charity's reserves policy.

Designated fixed asset fund - this represents the book value of the fixed assets less any associated liabilities and are deemed by the Trustees not to be freely available funds.

Purposes of restricted funds

Building Development fund (previously Phase 3 fund) - this represents amounts donated to the church in relation to the development of the Riverside Church site including the area known as Phase 3.

Pantry Project - this represents amounts donated to the church in relation to the Pantry Project.

Herne Bay Hub Project - this represents amounts donated to the church in relation to the Herne Bay Hub Project.

Defibrillator grant - this represents amounts donated to the church in relation to the purchase of a defibrillator.

Grant for media - this represents amounts donated to the church in relation to the purchase of media equipment.

Youth fund - this represents amounts donated to the church in relation to the Youth activities.

Growbaby fund - this represents amounts donated to the church in relation to the Growbaby project.

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16. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 October 2019 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 December 2020 £
Unrestricted funds					
Designated funds					
General fixed reserve	80,000	-	-	-	80,000
Designated fixed asset fund	883,847	-	-	818	884,665
	<u>963,847</u>	<u>-</u>	<u>-</u>	<u>818</u>	<u>964,665</u>
General funds					
General funds	327,113	461,977	(538,100)	25,499	276,489
Total Unrestricted funds	<u>1,290,960</u>	<u>461,977</u>	<u>(538,100)</u>	<u>26,317</u>	<u>1,241,154</u>
Restricted funds					
Building Development Fund	2,496	17,650	(20,146)	-	-
Pantry Project	-	35,523	(18,018)	(8,237)	9,268
Herne Bay Hub Project	-	2,850	-	(545)	2,305
Defibrillator grant	-	1,500	(5)	(1,464)	31
Grant for media	-	16,071	-	(16,071)	-
	<u>2,496</u>	<u>73,594</u>	<u>(38,169)</u>	<u>(26,317)</u>	<u>11,604</u>
Total of funds	<u>1,293,456</u>	<u>535,571</u>	<u>(576,269)</u>	<u>-</u>	<u>1,252,758</u>

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16. Statement of funds (continued)

Transfers between funds (prior year)

Designated fixed asset fund - the transfer of £818 from unrestricted funds represents the decision by the Trustees to show separate the funds allocated to fixed assets less any associated liabilities.

Pantry Project - the transfer of £8,237 represents funds which had been given for the purpose of the Pantry Project. Now these funds have been utilised for this purpose, the restriction has been satisfied and therefore transferred to unrestricted funds.

Herne Bay Hub Project - the transfer of £545 represents funds which had been given for the purpose of the Herne Bay Hub Project. Now these funds have been utilised for this purpose, the restriction has been satisfied and therefore transferred to unrestricted funds.

Defibrillator grant - the transfer of £1,464 represents funds which had been given for the purpose of purchasing a defibrillator. Now these funds have been utilised for this purpose, the restriction has been satisfied and therefore transferred to unrestricted funds.

Grant for media - the transfer of £16,071 represents funds which had been given for the purpose of purchasing media equipment. Now these funds have been utilised for this purpose, the restriction has been satisfied and therefore transferred to unrestricted funds.

17. Summary of funds

Summary of funds - current year

	Balance at 1 January 2021 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 December 2021 £
Designated funds	964,665	-	-	(73,764)	890,901
General funds	276,489	514,356	(446,338)	59,437	403,944
Restricted funds	11,604	22,937	(38,790)	14,327	10,078
	<u>1,252,758</u>	<u>537,293</u>	<u>(485,128)</u>	<u>-</u>	<u>1,304,923</u>

Summary of funds - prior year

	Balance at 1 October 2019 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 December 2020 £
Designated funds	963,847	-	-	818	964,665
General funds	327,113	461,977	(538,100)	25,499	276,489
Restricted funds	2,496	73,594	(38,169)	(26,317)	11,604
	<u>1,293,456</u>	<u>535,571</u>	<u>(576,269)</u>	<u>-</u>	<u>1,252,758</u>

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18. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	1,423,034	-	1,423,034
Current assets	495,793	10,078	505,871
Creditors due within one year	(33,489)	-	(33,489)
Creditors due in more than one year	(590,493)	-	(590,493)
Total	1,294,845	10,078	1,304,923

Analysis of net assets between funds - prior year

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	1,514,995	-	1,514,995
Current assets	369,256	11,604	380,860
Creditors due within one year	(35,797)	-	(35,797)
Creditors due in more than one year	(607,300)	-	(607,300)
Total	1,241,154	11,604	1,252,758

19. Reconciliation of net movement in funds to net cash flow from operating activities

	12 months ended 2021 £	15 months ended 2020 £
Net income/expenditure for the year (as per Statement of Financial Activities)	52,165	(40,698)
Adjustments for:		
Depreciation charges	93,335	96,114
Dividends, interests and rents from investments	(880)	(3,395)
Decrease/(increase) in debtors	(102,666)	6,102
Decrease in creditors	(17,786)	(58,265)
Net cash provided by/(used in) operating activities	24,168	(142)

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20. Analysis of cash and cash equivalents

	2021 £	2020 £
Cash in hand	398,491	374,817
Total cash and cash equivalents	398,491	374,817

21. Analysis of changes in net debt

	At 1 January 2021 £	Cash flows £	At 31 December 2021 £
Cash at bank and in hand	374,817	23,674	398,491
Debt due within 1 year	(20,781)	(860)	(21,641)
Debt due after 1 year	(607,300)	16,807	(590,493)
	(253,264)	39,621	(213,643)

22. Pension commitments

The Charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund. The pension cost charge represents contributions payable by the Charity to the fund and amounted to £7,122 (2020 - £8,406). At the balance sheet date, contributions were due amounting to £635 (2020: £570) and are included in creditors.

23. Related party transactions

During the year, 1 (2020: nil) Charity Trustee received a gift from the Charity in the value of £276 (2020: £nil). The Trustees first sought permission from the Charity Commission before enacting the gift. The gift was permitted due to it's one-off nature and it's minimal value.

On 1 March 2016, G Magee, the husband of K Magee, a Trustee of the Charity, gave the Charity an interest free loan amounting to £50,000, of which £40,000 is still outstanding as at 31 December 2021.

During the year, 6 (2020: 7) Charity Trustees have donations to the Charity totalling £38,363 (2020: £40,691).

L Bushell, the daughter of D Bushell, a Trustee of the Charity was employed during the year. The total compensation she received was £17,819 (2020: £21,993) commensurate to this role.

K Haines, the wife of M Haines, a Trustee of the Charity, was employed during the previous year. The total compensation she received was £nil (2020: £2,712) commensurate to this role.