

Charity registration number: 1133003

Southgate Family Church

Annual Report and Financial Statements

for the Year Ended 30 June 2023

CHARITY COMMISSION
FIRST CONTACT

11 JAN 2024

ACCOUNTS
RECEIVED

David Dixie F C A
Dixie Associates
167 Black Haynes Road
Selly Oak
Birmingham
B29 4RE

Southgate Family Church

6000111 10/10/01 11:11:11 AM

Contents

Reference and Administrative Details	1
Trustees' Report	2 to 3
Statement of Trustees' Responsibilities	4
Independent Examiner's Report	5
Statement of Financial Activities	6
Balance Sheet	7
Notes to the Financial Statements	8 to 16

Southgate Family Church

6000111 10/10/01 11:11:11 AM

6000111 10/10/01 11:11:11 AM

6000111 10/10/01 11:11:11 AM

6000111 10/10/01 11:11:11 AM

6000111 10/10/01 11:11:11 AM

6000111 10/10/01 11:11:11 AM

THE UNIVERSITY OF CHICAGO

Trustees

Revd Canon J P Hughes

Mrs Annie Hughes

Mr J Coad

Mr N R Houlst

5 Primrose Hill

Kings Norton

Birmingham

B38 9BE

1133003

Lloyds TSB

Northfield

798 Bristol Road South

Northfield

Birmingham

B38 2NP

David Dixie F C A

Dixie Associates.

167 Black Haynes Road

Selly Oak

Birmingham

B29 4RE

Southgate Family Church

Church of England

Trustees' Report

Annual Report 2022

The trustees present their report and financial statements of the church for the year ending 30th June 2022.

Objectives

- To serve the local community practically and spiritually.
- To help generate hope and opportunity within the wider community.
- Provide opportunity for people to explore and discover their journey of faith.

Long term goals

- To grow and multiply a new congregation where resources and personnel allow, to serve and benefit other urban areas with the Gospel.
- To be a catalyst of employment in the community, either directly or indirectly.
- Provide opportunities for young people.
- Strengthen community cohesion and promote community values.
- Promote holistic living: physical and emotional health.

Short term challenges

- Further develop the church congregations and their work in the heart of the Kings Norton 3-estates area.
- Make relevant the spiritual and practical meaning of the gospel to the people in and beyond Kings Norton.
- Administer emotional and physical healing for people with sickness, mental health and ill-health.
- Network with other third-sector organisations to better help individuals who have suffered trauma and abuse.
- Develop leadership gifting in people.
- Develop groups to support marginalized and isolated people.
- Respond locally to the cost-of-living crisis that our country currently faces. Namely to further resource and develop the church food bank, particularly in identifying more families and individuals who need the support of food and household items.

Progress

The church members continue to grow in their faith and their love for people. This is often seen through the practical serving of each other and the wider community, often going the extra mile to help someone. Most importantly, the dedication to prayer and worship has been a hallmark of Southgate Family Church on a weekly basis.

Prayer continues to be high on the Church agenda as our concern and love for the community grows. Through many occasions of corporate prayer, the church has seen many needs met and hearts healed despite seemingly impossible situations, where no practical support is possible. These include: new levels of hope in individuals, broken relationships restored, physical healing of people's bodies, deep emotional traumas healed and more.

The food bank continues to be busy, with hundreds of food parcels being handed out. Alongside of this the fresh food distribution has been a great success. People come and help themselves to fresh leftover food from Tesco, Asda and Greggs (bread, veg, fruit, etc). Volunteers have worked hard to collect and process the fresh food, our heartfelt thanks goes to them!

The church has been proud to serve the community in this way and has been able to minister to and support many struggling families through the continued tricky season post covid.

Southgate Family Church

Trustees' Report

Financial Report

The Church has received one (recurring) annual grant of £5,276 towards the running costs of the church. Further to this, several other one-off grants were received including a £13,910 donation from St Johns Church Harborne and Birmingham City Council to £4,800 towards the Church food bank. We thank St Johns for their continued generous support, and all donated money will go to further the work and objectives of the Church.

The income otherwise is from monthly and one-off gifts from inside and outside of the congregation.

Although the charity recorded a deficit this year, over the past two years there has been an overall surplus. This is very encouraging and reflects the growing nature and momentum of the work.

Key priorities for the future are:

Spotting and developing potential leaders (a current and future priority).

- Spotting and developing potential leaders (a current and future priority).

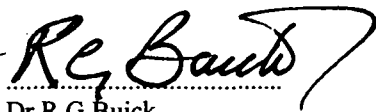
- Developing and expanding the children's work.

Thanks

The trustees wish to thank Tesco, Asda, Greggs, Aldi, Bookers and Jacks for their generosity and help in providing vast amounts of food for the community this past year. They also would like to thank the church volunteers who gave a huge amount of time and effort in helping the food distribution to happen.

Finally, our thanks go to all of those who have supported this venture in volunteering, prayer and financial seeding. We are very grateful. We look forward to another fruitful year!

The annual report was approved by the trustees of the charity on 21 November 2023 and signed on its behalf by:



Dr R G Buick
Trustee

Southgate Family Church
Statement of Trustees' Responsibilities

The trustees are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

The law applicable to charities 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 of the charity 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 judgements and estimates that are reasonable and prudent;
- state whether applicable 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 business.

The trustees are responsible for keeping proper 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 Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the constitution. The trustees 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.

Approved by the trustees of the charity on 21 November 2023 and signed on its behalf by:



Dr R G Buick
Trustee

Southgate Family Church

Independent Examiner's Report to the trustees of Southgate Family Church

I report on the accounts of the charity for the year ended 30 June 2023 which are set out on pages 6 to 16.

Respective responsibilities of trustees and examiner

The trustees are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the next statement.

Independent examiner's statement

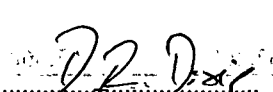
In connection with my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with section 130 of the Charities Act 2011; and
- to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act

have not been met; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.


David Dixie F C A

Dixie Associates
167 Black Haynes Road
Selly Oak
Birmingham
B29 4RE

21 November 2023

Southgate Family Church

Charitable Incorporated Organisation

Statement of Financial Activities for the Year Ended 30 June 2023

The charity's financial statements are prepared in accordance with the Charities Act 2011 and the Charitable Accounts Regulations 2008.

	Note	Unrestricted funds £	Total 2023 £
Income and Endowments from:			
Donations and legacies		86,800	86,800
Other trading activities		1,547	1,547
Total Income		88,347	88,347
Expenditure on:			
Charitable activities		(105,516)	(105,516)
Total Expenditure		(105,516)	(105,516)
Net movement in funds		(17,169)	(17,169)
Reconciliation of funds			
Total funds brought forward		93,823	93,823
Total funds carried forward		76,654	76,654
		Unrestricted funds	Total
		£	£
Income and Endowments from:			
Donations and legacies		107,500	107,500
Other trading activities		379	379
Total Income		107,879	107,879
Expenditure on:			
Charitable activities		(81,925)	(81,925)
Total Expenditure		(81,925)	(81,925)
Net movement in funds		25,954	25,954
Reconciliation of funds			
Total funds brought forward		67,868	67,868
Total funds carried forward	14	93,822	93,822

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2022 is shown in note 14.

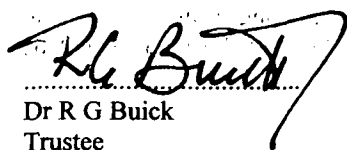
Southgate Family Church

(Registration number: 1133003)

Balance Sheet as at 30 June 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	11	6,150	9,225
Current assets			
Debtors	12	1,880	2,750
Cash at bank and in hand		69,345	83,035
		<u>71,225</u>	<u>85,785</u>
Creditors: Amounts falling due within one year	13	<u>(721)</u>	<u>(1,188)</u>
Net current assets		<u>70,504</u>	<u>84,597</u>
Net assets		<u>76,654</u>	<u>93,822</u>
Funds of the charity:			
Unrestricted income funds			
Unrestricted funds		<u>76,654</u>	<u>93,822</u>
Total funds	14	<u>76,654</u>	<u>93,822</u>

The financial statements on pages 6 to 16 were approved by the trustees, and authorised for issue on 21 November 2023 and signed on their behalf by:


Dr R G Buick
Trustee

Southgate Family Church

Annual Report and Financial Statements

Notes to the Financial Statements for the Year Ended 30 June 2023

(FRS 102) - Financial Reporting Standard

2023-2024 Financial Statements

1 Accounting policies

Statement of compliance

The financial statements have been prepared in accordance with 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 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

Basis of preparation

Southgate Family 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 notes.

Exemption from preparing a cash flow statement

The charity opted to early adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

Going concern

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

Income and endowments

Voluntary income including donations, gifts, legacies and grants that provide core funding or are of a general nature is recognised when the charity has entitlement to the income, it is probable that the income will be received and the amount can be measured with sufficient reliability.

Donations and legacies

Donations and legacies are recognised on a receivable basis when receipt is probable and the amount can be reliably measured.

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Southgate Family Church

Notes to the Financial Statements for the Year Ended 30 June 2023

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Grant provisions

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

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.

Tangible fixed assets

Individual fixed assets costing £500.00 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Research and development

Research and development expenditure is written off as incurred.

Trade debtors

are amounts due from customers for merchandise sold or services performed in the ordinary course of business. They are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of is established when there is objective evidence that the will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Southgate Family Church

Charitable Incorporated Organisation

Notes to the Financial Statements for the Year Ended 30 June 2023

These financial statements were approved by the trustees on 28 July 2023.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the charity.

Financial instruments

Classification Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled; b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset; or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Southgate Family Church

Notes to the Financial Statements for the Year Ended 30 June 2023

Fair value measurement

The best evidence of fair value is a quoted price for an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is estimated by using a valuation technique.

2 Income from donations and legacies

	Unrestricted funds	Total 2023	Total 2022
	General £	£	£
Donations and legacies;			
Donations from individuals	53,446	53,446	49,068
Gift aid reclaimed	9,368	9,368	9,860
Grants, including capital grants;			
Grants from other charities	23,986	23,986	48,572
	<u>86,800</u>	<u>86,800</u>	<u>107,500</u>

3 Income from other trading activities

	Unrestricted funds	Total 2023	Total 2022
	General £	£	£
Events income;			
Other events income	1,547	1,547	379
	<u>1,547</u>	<u>1,547</u>	<u>379</u>

Southgate Family Church

(INCORPORATED IN ENGLAND)

Notes to the Financial Statements for the Year Ended 30 June 2023

AS AT 30 JUNE 2023

4 Expenditure on charitable activities

	Unrestricted funds		Total 2023	Total 2022
	General	Other		
	£	£	£	£
Insurance	-	562	562	332
Repairs and renewals	-	1,401	1,401	1,686
Telephone and internet	-	1,617	1,617	1,744
Print, post and stationery	-	296	296	322
Church resources	2,402	-	2,402	1,280
Church activities and events	16,949	-	16,949	12,215
Hospitality and cleaning	-	4,972	4,972	4,718
Travel and subsistence	-	6,567	6,567	6,446
Website	-	310	310	-
Depreciation, amortisation and other similar costs	3,075	-	3,075	1,420
Grant funding of activities	8,606	-	8,606	750
Staff costs	58,009	-	58,009	50,262
Governance costs	750	-	750	750
	<u>89,791</u>	<u>15,725</u>	<u>105,516</u>	<u>81,925</u>

2022	2021	2020
£	£	£
105,516	81,925	75,000
105,516	81,925	75,000
105,516	81,925	75,000

Southgate Family Church

Notes to the Financial Statements for the Year Ended 30 June 2023

Notes to the Financial Statements for the Year Ended 30 June 2023

Notes to the Financial Statements for the Year Ended 30 June 2023

5 Analysis of governance and support costs

Governance costs

	Unrestricted funds	Total 2023	Total 2022
	General £	£	£
Independent examiner fees -			
Examination of the financial statements	750	750	750
	<u>750</u>	<u>750</u>	<u>750</u>

6 Net incoming/outgoing resources

Net (outgoing)/incoming resources for the year include:

	2023 £	2022 £
Loss on disposal of fixed assets held for the charity's own use	-	(1,655)

7 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

8 Staff costs

The aggregate payroll costs were as follows:

	2023 £	2022 £
Staff costs during the year were:		
Wages and salaries	53,174	46,362
Pension costs	<u>4,835</u>	<u>3,900</u>
	<u>58,009</u>	<u>50,262</u>

No employee received emoluments of more than £60,000 during the year

9 Independent examiner's remuneration

	2023 £	2022 £
Examination of the financial statements	<u>750</u>	<u>750</u>

Southgate Family Church

Annual Financial Statements

Notes to the Financial Statements for the Year Ended 30 June 2023

£000s and 01 pence / and not rounded to nearest pound / pence

10 Taxation

The charity is a registered charity and is therefore exempt from taxation.

11 Tangible fixed assets

			Furniture and equipment £	Motor vehicles £	Total £
Cost					
At 1 July 2022			10,374	12,300	22,674
At 30 June 2023			10,374	12,300	22,674
Depreciation					
At 1 July 2022			10,374	3,075	13,449
Charge for the year				3,075	3,075
At 30 June 2023			10,374	6,150	16,524
Net book value					
At 30 June 2023				6,150	6,150
At 30 June 2022			-	9,225	9,225

12 Debtors

	2023	2022
Accrued income	1,862	2,750
Other debtors	18	-
	<u>1,880</u>	<u>2,750</u>

Southgate Family Church

Notes to the Financial Statements for the Year Ended 30 June 2023

13 Creditors: amounts falling due within one year

	2023 £	2022 £
Other taxation and social security	719	1,086
Other creditors	2	102
	<u>721</u>	<u>1,188</u>

14 Funds

	Balance at 1 July 2022 £	Incoming resources £	Resources expended £	Balance at 30 June 2023 £
Unrestricted funds				
General	(93,823)	(88,347)	89,791	(92,379)
Other	-	-	15,725	15,725
Total funds	<u>(93,823)</u>	<u>(88,347)</u>	<u>105,516</u>	<u>(76,654)</u>

	Balance at 1 July 2021 £	Incoming resources £	Resources expended £	Balance at 30 June 2022 £
Unrestricted funds				
General	(67,868)	(107,879)	66,677	(109,070)
Other	-	-	15,248	15,248
Total funds	<u>(67,868)</u>	<u>(107,879)</u>	<u>81,925</u>	<u>(93,822)</u>

Southgate Family Church

(Annual) Financial Statements

Notes to the Financial Statements for the Year Ended 30 June 2023

Notes to the Financial Statements for the Year Ended 30 June 2023

15 Analysis of net assets between funds

	2022	2023	Unrestricted funds	Total funds
	£	£	General	£
Tangible fixed assets	6,150	6,150	6,150	6,150
Current assets	71,225	71,225	71,225	71,225
Current liabilities	(721)	(721)	(721)	(721)
Total net assets	76,654	76,654	76,654	76,654

	2022	2023	At 1 July 2022	Cash flow	At 30 June 2023
	£	£	£	£	£
Cash at bank and in hand	83,035	69,345	83,035	(13,690)	69,345
Net debt	83,035	69,345	83,035	(13,690)	69,345

17 Related party transactions

There were no related party transactions in the year.

	2022	2023	At 1 July 2022	Cash flow	At 30 June 2023
	£	£	£	£	£
Cash at bank and in hand	83,035	69,345	83,035	(13,690)	69,345
Net debt	83,035	69,345	83,035	(13,690)	69,345