

THE PHILADELPHIA NETWORK LIMITED

England & Wales · Charity number 1134973

Details

Other names	1) ST THOMAS' CHURCH PHILADELPHIA; 2)KING'S CENTRE CHRISTIAN CHURCH
Status	Registered
Legal form	Charitable company
Company number	06035697
Registered	2010-03-16
Register	View on the Charity Commission register

Contact

Address	St. Thomas Philadelphia 120 Portland Street Sheffield S6 3DN
Phone	01142419560
Email	admin@ncsheffield.org
Website	www.ncsheffield.org

Activities

Objects: (1) TO ADVANCE THE CHRISTIAN FAITH FOR THE BENEFIT OF THE PUBLIC IN THE DIOCESE OF SHEFFIELD AND IN SUCH PARTS OF THE UNITED KINGDOM AND/OR THE WORLD AS THE TRUSTEES THINK FIT, THROUGH THE ESTABLISHMENT AND OPERATION OF A CHURCH OR CHURCH(2) THE PROVISION OF PASTORAL CARE FOR THE CONGREGATION WORSHIPPING AT THE EXTRA-PAROCHIAL PLACE KNOWN AS ST THOMAS' CHURCH AT PHILADELPHIA.(3) TO PROMOTE EDUCATION AND TO PREVENT AND RELIEVE POVERTY IN DIOCESE OF SHEFFIELD AND SUCH PARTS OF THE UNITED KINGDOM AND/OR THE WORLD AS THE TRUSTEES MAY FROM TIME TO TIME THINK FIT

Activities: A Christian Church with Anglican Baptist and Free Church expression. Operating from St Thomas' Church Philadelphia S6 3BL and the King's Centre Christian Church S11 9EH. Activities: Worship; planting missional communities; student, youth & children's groups around Sheffield; working with vulnerable adults.

Classification

- **How:** Provides Buildings/facilities/open Space, Other Charitable Activities
- **What:** The Prevention Or Relief Of Poverty, Religious Activities, Other Charitable Purposes
- **Who:** Children/young People, Other Charities Or Voluntary Bodies, Other Defined Groups, The General Public/mankind

Geography

- **Area of benefit:** THE UNITED KINGDOM AND/OR THE WORLD
- Sheffield City

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£888,500	£985,422	£2,025,543	12
2023-12-31	£1,339,762	£1,996,486	£2,122,465	24
2022-12-31	£1,385,342	£1,227,324	£2,779,189	25
2021-12-31	£1,286,010	£980,074	£2,621,171	25
2020-12-31	£1,239,722	£886,087	£2,315,235	32

Trustees

Name	Role	Appointed
Joanna Elisabeth MacInnes	Chair	2023-06-15
BRIAN GOOCH		2016-09-27
DR A ADEBAJO		
Jessica Rees		2025-01-29
Peter Ibison		2024-02-13
Peter James Clark		2024-11-20
Rev Michael Rutter		2020-04-05

THE PHILADELPHIA NETWORK LIMITED

England & Wales - Charity number 1134973

Accounts

Charity registration number 1134973 (England and Wales)

Company registration number 06035697

THE PHILADELPHIA NETWORK LIMITED
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

THE PHILADELPHIA NETWORK LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Revd. Michael Rutter	
	Dr Ade Adebajo	
	Brian Gooch	
	Joanna MacInnes	
	Peter Ibison	(Appointed 13 February 2024)
	Peter Clark	(Appointed 20 November 2024)
	Jessica Rees	(Appointed 29 January 2025)
Charity number (England and Wales)	1134973	
Company number	06035697	
Registered office	120 Portland Street Sheffield S6 3DN	
Independent examiner	Wells Richardson Cannon House Rutland Road Sheffield South Yorkshire S3 8DP	
Bankers	Virgin Money Fargate Sheffield S1 1LL	

THE PHILADELPHIA NETWORK LIMITED

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THE PHILADELPHIA NETWORK LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2024

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

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charity's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

The Charity's objects are:

- a) To advance the Christian faith for the benefit of the public in the Diocese of Sheffield and in such parts of the United Kingdom and the World as the Trustees think fit, through the establishment and operation of a church or churches.
- b) The provision of pastoral care for the congregation worshipping at the extra-parochial place known as St Thomas' Church at Philadelphia.
- c) To promote education and to prevent and relieve poverty in the Diocese of Sheffield and such parts of the United Kingdom and/or the World as the Trustees may from time to time think fit.

Within that framework, the primary object of the Charity is to work towards the transformation of Sheffield, by making life better for its people and by inviting and supporting people to follow Jesus.

Main objectives for the year

Key objectives were:

- to continue and grow the existing Sunday services and community groups;
- to plant new household and community groups;
- to work towards ending food poverty in Sheffield;
- to continue and develop support for children and young people and their families across Sheffield.

The success of this was principally measured by:

- the attendance numbers at the Sunday services, both in person and online;
- the stories of people's changed lives;
- the number of household and community groups running;
- the number of beneficiaries supported by the Charity;
- the number of people fed, and the total amount of food distributed, by Hillsborough - S6 Foodbank.

Public benefit

The Trustees have confirmed that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Church's aims and objectives and in planning future activities. The Trustees are also aware of the Charity Commission's guidance on public benefit in the Advancement of Religion for the Public Benefit and have regard to it in their administration of the Charity. The Church provides the following activities for the benefit of the general public:

- the celebration of public worship;
- the teaching of the Christian faith;
- mission and evangelism;
- pastoral work, including visiting the sick and bereaved;
- the provision of facilities with a Christian ethos for the local community (including but not restricted to) the elderly, the young and other groups with special needs; and
- the support of other charities in the UK and overseas.

Grant making policy

The Charity aims to give away a percentage of its unrestricted income to other beneficiaries and charities in furtherance of the Charity's objectives. The majority of grants are made to registered charities although assistance may be given to other constituted groups and individuals.

THE PHILADELPHIA NETWORK LIMITED

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

FOR THE YEAR ENDED 31 DECEMBER 2024

Volunteers

The Charity encourages a culture of volunteering in all areas of its work. During the year at least 300 volunteers provided their services to the Charity. No financial value of volunteer's time has been included in the financial statements.

Achievements and performance

Significant activities and achievements against objectives

Some of the key achievements for 2024 were:

- Around 160 adults engaged with Network Church Sheffield services each week.
- Around 23 young people and 32 children engaged with the Youth & Children's work at the church every week.
- Across our various Parent and Toddler groups, 86 Adults and 104 Children attend each week
- With the successful launch of Food & Community Trust Charity in November 2023 the church has been able to focus on running individual foodbank sessions on Tuesday and Friday at the Hillsborough Foodbank and at the Nether Edge Foodbank. Between these three sites:
 - 6652 Vouchers were fulfilled, which provided food for
 - 10,102 Adults and
 - 5,229 Children
- 40 women went away on Women's Weekend
- 39 Youth to DTI including Forge Youth
- 24 Children went on the Kids weekend away
- Red Frogs ministry started with weekly mission to Student accommodation in Sheffield
- Partnerships with Open Doors and TearFund and 24-7 Prayer established

Fundraising performance

Funds are raised from the public by regular congregational appeals and occasional fundraising events.

Financial review

Church members make annual financial commitments to the Charity. The annual budget is based on the vision of its leadership team, tempered by the income that is promised by church members, received as property income and anticipated from grant making bodies.

The statement of financial activities on pages 5 and 6 shows total unrestricted income of £737,753 (2023: £728,394) and total unrestricted expenditure of £644,615 (2023: £851,956). After net transfers of £139,949 (2023: £5,161) to/from restricted funds, this resulted in a deficit of £46,811 (2023: £118,401).

Reserves policy

The Trustees have reviewed the reserves of the Charity. This review encompassed the nature of the income and expenditure streams, the need to match variable income with fixed commitments and the nature of the reserves. The review concluded that to allow the Charity finances to be managed effectively and to provide a buffer for uninterrupted services, unrestricted reserves (excluding property and related loans) equivalent to six weeks' expenditure should be maintained. At 31 December 2024, the value of such reserves was £118,541 (2023: £165,352).

Major risks

The Trustees have assessed the major risks to which the Charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Structure, governance and management

The Charity is a registered charity and a company limited by guarantee. It was incorporated on 21 December 2006 as Network Church Limited. The name of the company was changed to The Philadelphia Network Limited on 29 March 2008.

The Charity is a Christian Church with Anglican, Baptist and Free Church roots.

THE PHILADELPHIA NETWORK LIMITED

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

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

Revd. Michael Rutter

Revd. Giles Holloway

(Resigned 22 September 2024)

Samuel Evans

(Resigned 8 February 2024)

Dr Ade Adebajo

Timothy Armstrong

(Resigned 1 February 2024)

Neill Birchenall

(Resigned 22 September 2024)

Brian Gooch

Joanna MacInnes

Peter Ibison

(Appointed 13 February 2024)

Peter Clark

(Appointed 20 November 2024)

Jessica Rees

(Appointed 29 January 2025)

Recruitment and appointment of trustees

Membership of the company is at the discretion of the Trustees. The current members of the company are drawn from the congregation of St Thomas Philadelphia and the Kings Centre and approved by the Trustees. None of the trustees has any beneficial interest in the company. All of the Trustees are members of the company.

Organisational structure

The Board of Trustees is made up of two groups:

a) One of the current trustees is employed by the Charity. They are not remunerated for their duties as trustee.

This trustee along with a leadership team makes the day-to-day decisions in the running of the Charity within the guidelines and budgets agreed by the whole board. They are accountable to the Board.

b) The remainder and majority of the Trustees are not employees of the Charity.

Each Trustee appointment is recommended by the existing Trustees and approved by the Members.

Induction and training of trustees

New trustees are briefed on their roles and responsibilities, their legal obligations under charity law, the content of the constitution, the decision making process and the recent financial performance of the charity.

Remuneration policy

The pay and remuneration of the charity's key management personnel is determined by the trustees based upon the employees' experience and pay structures operating generally in the charity sector.

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



Revd. Michael Rutter

Trustee

27 August 2025

THE PHILADELPHIA NETWORK LIMITED

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE PHILADELPHIA NETWORK LIMITED

I report to the Trustees on my examination of the financial statements of The Philadelphia Network Limited (the Charity) for the year ended 31 December 2024.

Responsibilities and basis of report

As the Trustees of the Charity (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.

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

Independent examiner's statement

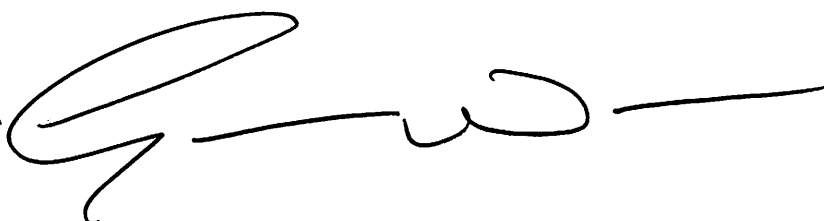
Since the Charity's gross income exceeded £250,000, the independent examiner must be a member of a body listed in section 145 of the Charities Act 2011. I confirm that I am qualified to undertake the examination because I am a member of ICAEW, which is one of the listed bodies.

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 that in any material respect:

- 1 accounting records were not kept in respect of the Charity as required by section 386 of the Companies Act 2006.
- 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 Companies Act 2006 other than any requirement that the financial statements 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 financial statements 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.

Wells Richardson
Grant Wade BAACA
Cannon House
Rutland Road
Sheffield
South Yorkshire
S3 8DP
4 September 2025



THE PHILADELPHIA NETWORK LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2024

		Unrestricted funds general 2024 £	Unrestricted funds designated 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds general 2023 £	Unrestricted funds designated 2023 £	Restricted funds 2023 £	Total 2023 £
	Notes								
Income from:									
Donations and legacies	3	443,055	12,363	135,634	591,052	427,219	-	593,302	1,020,521
Charitable activities	4	28,688	-	2,750	31,438	89,363	-	2,042	91,405
Other trading activities	5	-	-	-	-	-	-	3,684	3,684
Investments	6	266,010	-	-	266,010	211,812	-	12,340	224,152
Total income		737,753	12,363	138,384	888,500	728,394	-	611,368	1,339,762
Expenditure on:									
Charitable activities	7	644,615	139,339	201,468	985,422	851,956	47,920	1,096,610	1,996,486
Total expenditure		644,615	139,339	201,468	985,422	851,956	47,920	1,096,610	1,996,486
Net income/(expenditure)		93,138	(126,976)	(63,084)	(96,922)	(123,562)	(47,920)	(485,242)	(656,724)

THE PHILADELPHIA NETWORK LIMITED

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2024

		Unrestricted funds general 2024 £	Unrestricted funds designated 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds general 2023 £	Unrestricted funds designated 2023 £	Restricted funds 2023 £	Total 2023 £
	Notes								
Net income/(expenditure)		93,138	(126,976)	(63,084)	(96,922)	(123,562)	(47,920)	(485,242)	(656,724)
Transfers between funds	14	(139,949)	140,210	(261)	-	5,161	-	(5,161)	-
Net movement in funds	10	(46,811)	13,234	(63,345)	(96,922)	(118,401)	(47,920)	(490,403)	(656,724)
Reconciliation of funds:									
Fund balances at 1 January 2024		165,352	1,863,633	93,480	2,122,465	283,753	1,911,553	583,883	2,779,189
Fund balances at 31 December 2024		118,541	1,876,867	30,135	2,025,543	165,352	1,863,633	93,480	2,122,465

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

THE PHILADELPHIA NETWORK LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2024

	Notes	2024 £	£	2023 £	£
Fixed assets					
Tangible assets	15		1,815,713		1,863,633
Investments	16		2		2
			<u>1,815,715</u>		<u>1,863,635</u>
Current assets					
Debtors	17	89,682		160,653	
Cash at bank and in hand		222,506		181,529	
		<u>312,188</u>		<u>342,182</u>	
Creditors: amounts falling due within one year	18	<u>(102,360)</u>		<u>(83,352)</u>	
Net current assets			<u>209,828</u>		<u>258,830</u>
Total assets less current liabilities			<u><u>2,025,543</u></u>		<u><u>2,122,465</u></u>
The funds of the Charity					
Restricted income funds	21		30,135		93,480
Unrestricted funds - general	23		118,541		165,352
Unrestricted funds - designated	22		1,876,867		1,863,633
			<u>2,025,543</u>		<u>2,122,465</u>

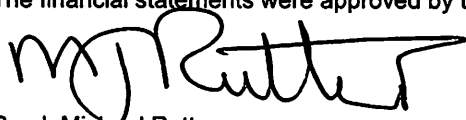
The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2024.

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 27 August 2025



Revd. Michael Rutter
Trustee

Company registration number 06035697 (England and Wales)

THE PHILADELPHIA NETWORK LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	2024 £	£	2023 £	£
Cash flows from operating activities					
Cash absorbed by operations	27		(225,033)		(883,431)
Investing activities					
Purchase of tangible fixed assets		-		(19,200)	
Proceeds from disposal of tangible fixed assets		-		10,000	
Investment income received		266,010		224,152	
Net cash generated from investing activities			266,010		214,952
Net cash generated from financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			40,977		(668,479)
Cash and cash equivalents at beginning of year			181,529		850,008
Cash and cash equivalents at end of year			222,506		181,529

THE PHILADELPHIA NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

Charity information

The Philadelphia Network Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is 120 Portland Street, Sheffield, S6 3DN.

1.1 Accounting convention

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

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

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties. The principal accounting policies adopted are set out below.

1.2 Going concern

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

1.3 Charitable funds

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

Designated funds comprise funds which have been set aside at the discretion of the Trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

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

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

1.4 Income

Income is recognised when the Charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received. The monetary value of foodbank donations of goods is not able to be measured with sufficient reliability and is not included in the incoming resources of the Charity.

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

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

THE PHILADELPHIA NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

(Continued)

Grants are recognised in the year when the entitlement to the grant is confirmed. Grants for the purchase of equipment and towards the initial setting up of projects are credited in full to the relevant activities in furtherance of the Charity's objects. Grants that provide core funding, or are of a general nature provided by government and charitable foundations, are recorded as voluntary income. Grants specifically for goods and services to be provided as part of charitable activities are recorded against the activity to which they relate.

1.5 Expenditure

Expenditure is accounted for on an accruals basis.

Liabilities are recognised as soon as there is a legal or constructive obligation to pay out resources.

Support costs are directly attributed to charitable activities on an actual basis and no further apportionment is necessary.

Governance costs include the costs of preparation and audit of the statutory accounts, the cost of trustee meetings and the cost of any legal advice to trustees on governance or constitutional matters.

Redundancy costs incurred in the period are charged directly to the SOFA, allocated as necessary between the relevant funds.

1.6 Tangible fixed assets

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

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

Freehold buildings	2% Straight line
Fixtures and fittings	25% Straight line

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

On first-time adoption of FRS 102 in 2016, the trustees opted to freeze the existing carrying values of the freehold and leasehold premises as at the start of the prior financial year. The then existing carrying values were respectively: Freehold premises £1,485,000 (including King's Centre £300,000) and Leasehold premises £636,100. These carrying valuations were based on professional valuations carried out and adopted in the accounts for the year ended 31 December 2015. Since 2016, the freehold and leasehold properties (excluding land) are being depreciated at 2% pa on a straight line basis.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

A subsidiary is an entity controlled by the Charity. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities. The Charity has taken advantage under Paragraph 24.13A of the Charity SORP (FRS 102) and chosen not to prepare consolidated accounts including the results of its subsidiary, Philadelphia Commercial Limited, as their inclusion is not material for the purpose of giving a true and fair view.

1.8 Impairment of fixed assets

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

THE PHILADELPHIA NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

(Continued)

1.9 Cash and cash equivalents

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

1.10 Financial instruments

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

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

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

Basic financial assets

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

Basic financial liabilities

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

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

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

Derecognition of financial liabilities

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

1.11 Taxation

The Charity is not liable to income or capital gains tax on its charitable activities. Irrecoverable VAT is included in the asset cost or expense to which it relates.

1.12 Employee benefits

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

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

THE PHILADELPHIA NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

(Continued)

1.13 Retirement benefits

Contributions in respect of the defined benefits and defined contributions schemes are calculated as a percentage of the pensionable salaries of employees. For schemes such as The Pension Builder Scheme (PBS), formerly known as the Church of England Defined Contributions Scheme (DCS), FRS 102 requires the Board to account for pension costs on the basis of contributions actually payable to the scheme during the year. Contributions to the pension schemes are charged monthly to the income and expenditure account.

The Baptist Minister's Pension Fund (TBMPF) is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the charity in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the actuary on the basis of triennial valuations using a prospective unit credit method. The TBMPF is an unfunded multi-employer scheme with no underlying assets to assign between employees. Consequently, the TBMPF is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

2 Critical accounting estimates and judgements

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

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

The key estimates included in the financial statements are in respect of impairment of fixed assets via depreciation and provisions for bad debts.

The key judgements included in the financial statements relate to the determination of any Defined Benefit Pension scheme deficit.

However, in the opinion of the trustees there are no estimates or assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities which are disclosed in the financial statements.

THE PHILADELPHIA NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

3 Income from donations and legacies

	Unrestricted funds general 2024 £	Unrestricted funds designated 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds general 2023 £	Unrestricted funds designated 2023 £	Restricted funds 2023 £	Total 2023 £
Donations and gifts	443,055	12,363	135,634	591,052	427,219	-	336,270	763,489
Grants	-	-	-	-	-	-	257,032	257,032
	<u>443,055</u>	<u>12,363</u>	<u>135,634</u>	<u>591,052</u>	<u>427,219</u>	<u>-</u>	<u>593,302</u>	<u>1,020,521</u>
Donations and gifts								
Committed giving and donations	369,334	10,200	113,499	493,033	359,449	-	301,796	661,245
Gift aid receipts	73,721	2,163	22,135	98,019	67,770	-	34,474	102,244
	<u>443,055</u>	<u>12,363</u>	<u>135,634</u>	<u>591,052</u>	<u>427,219</u>	<u>-</u>	<u>336,270</u>	<u>763,489</u>

THE PHILADELPHIA NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

4 Income from charitable activities

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
General activities						
Services provided under contract	3,428	-	3,428	3,815	-	3,815
Ancillary trading income	5,570	-	5,570	4,964	-	4,964
Charitable rental income	14,773	-	14,773	66,183	-	66,183
Other income	4,917	2,750	7,667	14,401	2,042	16,443
	<u>28,688</u>	<u>2,750</u>	<u>31,438</u>	<u>89,363</u>	<u>2,042</u>	<u>91,405</u>

5 Income from other trading activities

	Restricted funds 2024 £	Restricted funds 2023 £
Fundraising events	-	3,684

6 Income from investments

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Rent and conference fees	258,427	-	258,427	195,527	-	195,527
Interest receivable	7,583	-	7,583	16,285	12,340	28,625
	<u>266,010</u>	<u>-</u>	<u>266,010</u>	<u>211,812</u>	<u>12,340</u>	<u>224,152</u>

THE PHILADELPHIA NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

7 Expenditure on charitable activities

	Unrestricted general 2024 £	Unrestricted designated 2024 £	Restricted 2024 £	Total 2024 £	Unrestricted general 2023 £	Unrestricted designated 2023 £	Restricted 2023 £	Total 2023 £
Direct costs								
Staff costs	278,278	2,330	-	280,608	346,921	-	198,488	545,409
Depreciation and impairment	-	47,920	-	47,920	-	47,920	23,936	71,856
Project costs	9,823	-	-	9,823	17,917	-	7,275	25,192
Staff expenses	19,525	-	200	19,725	20,538	-	34,449	54,987
Staff training	4,253	-	-	4,253	3,235	-	242	3,477
Worship and audio-visual	1,772	-	-	1,772	2,797	-	-	2,797
Missional communities including food	5,006	-	241	5,247	4,795	-	137,118	141,913
	<u>318,657</u>	<u>50,250</u>	<u>441</u>	<u>369,348</u>	<u>396,203</u>	<u>47,920</u>	<u>401,508</u>	<u>845,631</u>
Grant funding of activities (see note 8)	111	88,590	197,352	286,053	97,337	-	555,477	652,814
Share of support and governance costs (see note 9)								
Support	316,677	499	3,675	320,851	336,266	-	139,625	475,891
Governance	9,170	-	-	9,170	22,150	-	-	22,150
	<u>644,615</u>	<u>139,339</u>	<u>201,468</u>	<u>985,422</u>	<u>851,956</u>	<u>47,920</u>	<u>1,096,610</u>	<u>1,996,486</u>
Analysis by fund								
Unrestricted funds - general	644,615	-	-	644,615	851,956	-	-	851,956
Unrestricted funds - designated	-	139,339	-	139,339	-	47,920	-	47,920
Restricted funds	-	-	201,468	201,468	-	-	1,096,610	1,096,610
	<u>644,615</u>	<u>139,339</u>	<u>201,468</u>	<u>985,422</u>	<u>851,956</u>	<u>47,920</u>	<u>1,096,610</u>	<u>1,996,486</u>

THE PHILADELPHIA NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

8 Grants payable

	Unrestricted general 2024 £	Unrestricted designated 2024 £	Restricted 2024 £	Total 2024 £	Unrestricted general 2023 £	Restricted 2023 £	Total 2023 £
Grants to institutions:							
Kairos Connexion	-	1,000	-	1,000	1,800	-	1,800
Baptist Union	-	-	-	-	3,086	-	3,086
Diocese of Sheffield	-	5,500	-	5,500	5,500	-	5,500
Together for Sheffield	-	1,500	-	1,500	1,500	-	1,500
Food and Community Trust	-	50,000	194,000	244,000	50,000	542,199	592,199
Pioneer UK	-	1,000	-	1,000	-	-	-
Yorks Baptist	-	5,500	-	5,500	-	-	-
Open Hands	-	-	300	300	-	-	-
Youth with a mission	-	2,000	-	2,000	-	-	-
Sundry small donations	111	70	1,126	1,307	1,785	5	1,790
	111	66,570	195,426	262,107	63,671	542,204	605,875
Grants to individuals	-	22,020	1,926	23,946	33,666	13,273	46,939
	111	88,590	197,352	286,053	97,337	555,477	652,814

THE PHILADELPHIA NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

8 Grants payable

(Continued)

The grant to the Food and Community Trust (charity no. 1204738) represents a £50,000 (2023 - £50,000) donation from this charity together with monies received for that charity's S6 Foodbank, Forge Youth and Debt work activities from the 1 November 2023.

9 Support costs allocated to activities

	2024 £	2023 £
Administrative costs	25,104	44,902
Bank charges	2,151	1,472
Legal and professional fees	35,643	128,872
Bad debts	2,929	11,000
IT costs	20,019	17,289
Insurance	15,150	17,047
Utilities and telephone	133,234	105,752
Repairs, maintenance and equipment	44,687	147,709
Rent and rates	41,934	1,848
Governance costs	9,170	22,150
	<u>330,021</u>	<u>498,041</u>
Analysed between:		
Unrestricted general	325,847	358,416
Unrestricted designated	499	-
Restricted	3,675	139,625
	<u>330,021</u>	<u>498,041</u>

10 Net movement in funds

2024
£

2023
£

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

Fees payable for the independent examination (2023 - audit) of the charity's financial statements	9,170	22,150
Depreciation of owned tangible fixed assets	47,920	53,045
	<u>57,090</u>	<u>75,195</u>

THE PHILADELPHIA NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

11 Trustees

None of the trustees (or any persons connected with them) received any benefits from the charity during the year.

During the year under review, three Trustees, a Trustee's partner and a Trustee's sibling were paid for their services as employees. These payments are in accordance with the provisions in the Church's Memorandum of Association dated 21 December 2006. No trustee received any remuneration for their services as trustees. Details are as follows:

	Salary £	Pension £	House costs £
Revd Giles Holloway (trustee until 22 September 2024)	31,516	2,843	-
Mrs Amanda Gooch	6,254	438	-
Revd Mike Rutter	50,743	4,409	-
Samuel Evans (trustee until 8 February 2024)	1,884	160	-

Neill Birchenall is also a Trustee and Director of the Sheffield Diocesan Board of Finance which received a support grant of £5,500 (2023 - £5,500) from the Charity during the year. The Rev'd Mike Rutter and Samuel Evans (until the 8 February 2024) are trustees of the Food and Community Trust (FCT) (charity no. 1204738) which has taken over the Restore and Forge Youth activities from this Charity. This Charity made donations totalling £50,000 (2023 - £50,000) to FCT and made net payments totalling £62,779 (2023 - £627,332) relating to donations etc. received on their account less various expenses charged for use of Charity premises etc). Apart from these transactions and the amounts received under written agreements, no Trustee or other person related to the Trustees had any personal interest in any contract or transaction entered into by the Charity during the year (2023 : Nil).

Aggregate donations to the Church from members of the Board of Trustees during the year amounted to £31,504 (2023 - £36,012).

12 Employees

The average monthly number of employees during the year was:

	2024 Number	2023 Number
	16	24
	<u> </u>	<u> </u>
Employment costs	2024	2023
	£	£
Wages and salaries	246,443	468,248
Social security costs	14,780	33,583
Other pension costs	17,493	42,051
	<u> </u>	<u> </u>
	278,716	543,882
	<u> </u>	<u> </u>

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

THE PHILADELPHIA NETWORK LIMITED

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

12 Employees

(Continued)

Remuneration of key management personnel

The remuneration of key management personnel was as follows:

	2024 £	2023 £
Aggregate compensation	117,906	171,098

13 Taxation

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

THE PHILADELPHIA NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

14 Transfers

	Unrestricted general	Unrestricted designated	Restricted	TotalUnrestricted general	Unrestricted designated	Restricted	Total
	2024 £	2024 £	2024 £	2024 £	2023 £	2023 £	2023 £
Restore funds	261	-	(2,492)	(2,231)	7,567	-	(7,567)
Gifts to be forwarded	-	-	-	-	(776)	-	776
Philadelphia students	-	-	(215)	(215)	(1,630)	-	1,630
Cafe	-	-	2,446	2,446	-	-	-
Tithe fund	(140,210)	140,210	-	-	-	-	-
	<u>(139,949)</u>	<u>140,210</u>	<u>(261)</u>	<u>-</u>	<u>5,161</u>	<u>-</u>	<u>(5,161)</u>

The following transfers between funds have been undertaken in the year:

- 1) From Restricted to Unrestricted funds general for reallocation of unused Act 435 monies - £261 (2023 - £Nil).
- 2) From Restricted Restore to Restricted Cafes funds for reallocation of Renew monies - £2,446 (2023 - £Nil).
- 3) From Restricted to Unrestricted funds general for Restore finance departments recharges - £Nil (2023 - £7,567).
- 4) From Unrestricted general to Restricted funds for re-allocation of gifts forwarded - £Nil (2023 - £776).
- 5) From Unrestricted general to Restricted funds for deficit on Philadelphia Student fund - £215 (2023 - 1,630).
- 6) From Unrestricted general to Unrestricted designated funds for tithe funds to be donated - £140,210 (2023 - £Nil).

THE PHILADELPHIA NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

15 Tangible fixed assets

	Freehold buildings £	Fixtures and fittings £	Total £
Cost or valuation			
At 1 January 2024	2,272,577	302,052	2,574,629
Disposals	-	(58,551)	(58,551)
At 31 December 2024	2,272,577	243,501	2,516,078
Depreciation and impairment			
At 1 January 2024	423,054	287,942	710,996
Depreciation charged in the year	42,422	5,498	47,920
Eliminated in respect of disposals	-	(58,551)	(58,551)
At 31 December 2024	465,476	234,889	700,365
Carrying amount			
At 31 December 2024	1,807,101	8,612	1,815,713
At 31 December 2023	1,849,523	14,110	1,863,633

Land and buildings with a carrying amount of £2,065,000 were revalued at July 2014 by Mark Jenkinson & Son, independent valuers not connected with the Charity on the basis of market value. The valuation conformed to International Valuation Standards and was based on recent market transactions on arm's length terms for similar properties.

At 31 December 2024, had the revalued assets been carried at historic cost less accumulated depreciation and accumulated impairment losses, their carrying amount would have been approximately £1,553,931 (2023 - £1,596,192).

The freehold and leasehold properties at the Philadelphia Campus, Sheffield are included in the accounts at a deemed cost of £1,972,577 and are being depreciated at 2% pa on a straight line basis.

The 'deemed cost' under FRS 102 is allocated between the various properties on the basis of the area that each property relates to the total area. Accordingly, the allocated cost for each property is an estimated figure and should not be taken as representing each property's actual cost.

The freehold land and buildings formerly known as the King's Centre Christian Church were legally transferred to the Philadelphia Network Limited on 9 January 2009 and are included in the accounts at a deemed cost of £300,000. Depreciation is charged on this property at 2% pa on a straight line basis.

THE PHILADELPHIA NETWORK LIMITED

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

16 Fixed asset investments

			Other investments £
Cost or valuation			
At 1 January 2024 & 31 December 2024			2
Carrying amount			
At 31 December 2024			2
At 31 December 2023			2
Other investments comprise:	Notes	2024 £	2023 £
Investments in subsidiaries	26	2	2

17 Debtors

		2024 £	2023 £
Amounts falling due within one year:			
Trade debtors		12,452	13,345
Gross amounts owed by contract customers		19,322	12,825
Amounts owed by subsidiary undertakings		900	900
Other debtors		50,786	129,870
Prepayments and accrued income		6,222	3,713
		89,682	160,653

18 Creditors: amounts falling due within one year

		2024 £	2023 £
Other taxation and social security		5,058	5,033
Deferred income	19	11,222	12,278
Trade creditors		11,924	14,095
Other creditors		6,277	14,807
Accruals		67,879	37,139
		102,360	83,352

THE PHILADELPHIA NETWORK LIMITED

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

19 Deferred income

	2024 £	2023 £
Other deferred income	11,222	12,278
Deferred income is included in the financial statements as follows:		
	2024 £	2023 £
Deferred income is included within:		
Current liabilities	11,222	12,278
Movements in the year:		
Deferred income at 1 January 2024	12,278	54,624
Released from previous periods	(12,278)	(54,624)
Resources deferred in the year	11,222	12,278
Deferred income at 31 December 2024	11,222	12,278

Represents rents received for the following year.

THE PHILADELPHIA NETWORK LIMITED

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

20 Retirement benefit schemes

	2024	2023
Defined contribution schemes	£	£
Charge to profit or loss in respect of defined contribution schemes	17,493	42,051

The Philadelphia Network Limited participates in the Pension Builder Scheme section of the Church Workers Pension Fund (CWPF) for lay staff. CWPF is administered by the Church of England Pensions Board, which holds the CWPF assets separately from those of the Employer and other participating employers.

CWPF has two sections:

1. the Defined Benefits Scheme
2. the Pension Builder Scheme, which has two subsections;
 - a. a deferred annuity section known as Pension Builder Classic, and
 - b. a cash balance section known as Pension Builder 2014.

Pension Builder Scheme

Both sections of the Pension Builder Scheme are classed as defined benefit schemes.

Pension Builder Classic provides a pension, accumulated from contributions paid and converted into a deferred annuity during employment based on terms set and reviewed by the Church of England Pensions Board from time to time. Discretionary increases may also be added, depending on investment returns and other factors.

Pension Builder 2014 is a cash balance scheme that provides a lump sum which members use to provide benefits at retirement. Pension contributions are recorded in an account for each member. Discretionary bonuses may be added before retirement, depending on investment returns and other factors. The account, plus any bonuses declared is payable, unreduced, from age 65

There is no sub-division of assets between employers in each section of the Pension Builder Scheme. The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS102. This is because it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers and means that contributions are accounted for as if the Scheme were a defined contribution scheme. The pension costs charged to the SOFA in the year are the contributions payable.

A valuation of the Pension Builder Scheme is carried out once every three years. The most recent valuation was carried out as at 31 December 2022.

For the Pension Builder Classic section, the valuation revealed a surplus of £34.8m on the ongoing assumptions used. At the most recent annual review effective 1 January 2025, the board chose to grant a discretionary bonus of 6.7%, to both pensions not yet in payment and pensions in payment in respect of service prior to April 1997; and a bonus on pensions in payment in respect of post April 2006 service so that the pension increase was 2.7% (where usually it would be calculated based on inflation up to 2.5%). This followed improvements in the funding position over 2024. There is no requirement for deficit payments at the current time.

The next valuation is due as at 31 December 2025.

For the Pension Builder 2014 section, the valuation revealed a surplus of £8.5m on the ongoing assumptions used. There is no requirement for deficit payments at the current time.

The legal structure of the scheme is such that if another employer fails, The Philadelphia Network Limited could become responsible for paying a share of the failed employer's pension liabilities.

Baptist Minister's Pension Fund

Baptist Ministers were eligible up to December 2011 to be members of the Baptist Ministers' Pension Fund which is a final salary scheme. From January 2012 Baptist ministers are eligible for membership of the Baptist Pension Scheme ("the Scheme") which is a defined contributions scheme. The Church has one member of this scheme.

THE PHILADELPHIA NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

21 Restricted funds

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

	At 1 January 2024	Incoming resources	Resources expended	Transfers	At 31 December 2024
	£	£	£	£	£
Basiles - Italy	100	1,450	(1,400)	-	150
Gifts to be forwarded	1,642	359	(905)	-	1,096
King's Centre - Generosity pot	376	-	-	-	376
Peru - A & M Burgess	696	573	(726)	-	543
Philadelphia - Students	-	423	(208)	(215)	-
Restore	89,021	128,538	(190,102)	(2,492)	24,965
Youth - Other	405	23	(183)	-	245
Youth - Salaries	1,230	4,243	(4,941)	-	532
Forge and Restore	10	-	(10)	-	-
Renew Cafe Ministries	-	-	(233)	2,446	2,213
Streetwise	-	2,775	(2,760)	-	15
	<u>93,480</u>	<u>138,384</u>	<u>(201,468)</u>	<u>(261)</u>	<u>30,135</u>
Previous year:	At 1 January 2023	Incoming resources	Resources expended	Transfers	At 31 December 2023
	£	£	£	£	£
Basiles - Italy	100	1,200	(1,200)	-	100
Gifts to be forwarded	3,727	20,620	(23,481)	776	1,642
King's Centre - Generosity pot	376	-	-	-	376
Peru - A & M Burgess	269	427	-	-	696
Philadelphia - Students	-	11,339	(12,969)	1,630	-
Children/Playtime	-	420	(420)	-	-
Restore	550,660	556,702	(1,010,774)	(7,567)	89,021
Youth - Other	9,079	8,090	(16,764)	-	405
Youth - Salaries	-	11,370	(10,140)	-	1,230
Philadelphia - Building Project	3,708	-	(3,708)	-	-
Forge and Restore	15,964	50	(16,004)	-	10
Maintenance	-	1,150	(1,150)	-	-
	<u>583,883</u>	<u>611,368</u>	<u>(1,096,610)</u>	<u>(5,161)</u>	<u>93,480</u>

THE PHILADELPHIA NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

21 Restricted funds

(Continued)

1) Philadelphia Building and Development Project

This was funded by regular and one-off gifts. The fund encompassed:

- a) The development and repair of the Philadelphia and King's Centre campus.
- b) The servicing of the mortgage on the Philadelphia campus. Since the repayment of the mortgage and communication with the donors, donations to the building fund are now recorded as general unrestricted income. The final balance of this fund was utilised during 2023.

2) Basiles - Italy

Marco and Cinzia Basile are Italian nationals and are missionaries working in Sicily. The Charity supports them with regular gifts. This restricted fund is separate and is for receiving gifts from church members which are then passed on.

3) Form Mission & Contingencies

Form sought to train and disciple young adults to take up positions of leadership in missional contexts. Much of the program was funded through the Charity and the final balance on this was utilised during 2022.

4) Gifts to be forwarded

Donors sometimes send gifts through the Charity to be forwarded anonymously to beneficiaries. The Charity also receives gifts for designated missions or charities. They are forwarded according to the donors' wishes.

5) King's Centre - Generosity Pot

This is funded from individual gifts to be available when cases of personal need arise.

6) King's Centre - Gifts to be forwarded

Donors sometimes send gifts through the King's Centre to be forwarded anonymously to beneficiaries. King's Centre also receives gifts for designated missions or charities. They are forwarded according to the donors' wishes.

7) Peru - A & M Burgess

Anna and Mark Burgess are working with a church in Peru. Gifts are received into this fund for their work and travel expenses and are then forwarded onto the Burgesses.

8) Philadelphia - Students

This is a restricted fund for work with students by the Charity.

9) Philadelphia - Worship

This is a fund set up after a substantial donation was made for the purchase of Worship equipment at St Thomas Philadelphia.

THE PHILADELPHIA NETWORK LIMITED

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

21 Restricted funds

(Continued)

10) Children/Playtime

This fund accounts for a grant and donation received, together with the associated expenditure for a kid weekend.

11) Restore Foodbank

This fund is for the S6 Foodbank, which provides food and support to individuals and families across Sheffield in need. Money received includes individual donations, gifts from companies, government funds and grants. In October 2023, this operation was transferred to a new charity, Food and Community Trust (FTC - charity no. 1204738) and most of the funds have been transferred accordingly.

12) Youth - Other

Youth - Other is funded by grants and individual donations. The fund is supporting the work of Forge Youth which has been transferred to FTC.

13) Youth Salaries

Youth Salaries is funded principally by regular individual gifts to support part-time youth outreach workers and has been transferred to FTC.

14) Forge and Restore

This fund was set up to ring fence funds for FTC that has taken over the Forge and Restore work.

15) Maintenance fund

This fund was set up to account for an energy grant from the Diocese of Sheffield.

16) Cafes fund

Funds raised to support the work of the Renew Cafe Ministries - cafe-style spaces to provide a warm, welcoming space for more vulnerable people to create relationships and explore faith.

17) Streetwise

This fund was set up to run an informal Church service.

THE PHILADELPHIA NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

22 Unrestricted funds - designated

These are unrestricted funds which are material to the Charity's activities and represent a combination of the net book value of unrestricted tangible fixed assets less a property insurance premium. This fund will be reduced over the useful economic life of the tangible fixed assets in line with depreciation.

	At 1 January 2024	Incoming resources	Resources expended	Transfers	At 31 December 2024
	£	£	£	£	£
Property Fund	1,863,633	-	(47,920)	-	1,815,713
Kings Centre Outreach Worker	-	12,363	(2,330)	-	10,033
Tithe Fund	-	-	(89,089)	140,210	51,121
	<u>1,863,633</u>	<u>12,363</u>	<u>(139,339)</u>	<u>140,210</u>	<u>1,876,867</u>
Previous year:	At 1 January 2023	Incoming resources	Resources expended	Transfers	At 31 December 2023
	£	£	£	£	£
	<u>1,911,553</u>	<u>-</u>	<u>(47,920)</u>	<u>-</u>	<u>1,863,633</u>

23 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used.

	At 1 January 2024	Incoming resources	Resources expended	Transfers	At 31 December 2024
	£	£	£	£	£
General funds	<u>165,352</u>	<u>737,753</u>	<u>(644,615)</u>	<u>(139,949)</u>	<u>118,541</u>
Previous year:	At 1 January 2023	Incoming resources	Resources expended	Transfers	At 31 December 2023
	£	£	£	£	£
General funds	<u>283,753</u>	<u>728,394</u>	<u>(851,956)</u>	<u>5,161</u>	<u>165,352</u>

THE PHILADELPHIA NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

24 Analysis of net assets between funds

	Unrestricted funds general 2024 £	Unrestricted funds designated 2024 £	Restricted funds 2024 £	Total 2024 £
At 31 December 2024:				
Tangible assets	-	1,815,713	-	1,815,713
Investments	2	-	-	2
Current assets/(liabilities)	118,539	61,154	30,135	209,828
	<u>118,541</u>	<u>1,876,867</u>	<u>30,135</u>	<u>2,025,543</u>
	Unrestricted funds general 2023 £	Unrestricted funds designated 2023 £	Restricted funds 2023 £	Total 2023 £
At 31 December 2023:				
Tangible assets	-	1,863,633	-	1,863,633
Investments	2	-	-	2
Current assets/(liabilities)	165,350	-	93,480	258,830
	<u>165,352</u>	<u>1,863,633</u>	<u>93,480</u>	<u>2,122,465</u>

25 Related party transactions

Transactions with related parties

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

Transactions with it's trustees disclosed in note 11.

THE PHILADELPHIA NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

26 Subsidiaries

Details of the Charity's subsidiaries at 31 December 2024 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Philadelphia Commercial Limited-Company no. 5656300	United Kingdom	Property development	Ordinary	100.00	

The aggregate capital and reserves and the result for the year of subsidiaries excluded from consolidation was as follows:

Name of undertaking	Profit/(Loss)	Capital and Reserves
	£	£
Philadelphia Commercial Limited-Company no. 5656300		2

27 Cash absorbed by operations	2024	2023
	£	£
Deficit for the year	(96,922)	(656,724)
Adjustments for:		
Investment income recognised in statement of financial activities	(266,010)	(224,152)
Depreciation and impairment of tangible fixed assets	47,920	71,856
Movements in working capital:		
Decrease/(increase) in debtors	70,971	(19,608)
Increase/(decrease) in creditors	20,064	(12,457)
(Decrease) in deferred income	(1,056)	(42,346)
Cash absorbed by operations	(225,033)	(883,431)

28 Analysis of changes in net funds

The Charity had no material debt during the year.

THE PHILADELPHIA NETWORK LIMITED

England & Wales - Charity number 1134973

Accounts

Charity registration number 1134973

Company registration number 06035697 (England and Wales)

THE PHILADELPHIA NETWORK LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

THE PHILADELPHIA NETWORK LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Revd. Michael Rutter
Revd. Giles Holloway
Dr Ade Adebajo
Neill Birchenall
Brian Gooch
J MacInnes
P Ibison

(Appointed 15 June 2023)
(Appointed 13 February
2024)

Charity number

1134973

Company number

06035697

Registered office

6 Gilpin Street
Sheffield
S6 3BL

Auditor

Wells Richardson
Cannon House
Rutland Road
Sheffield
South Yorkshire
S3 8DP

Bankers

Virgin Money
Fargate
Sheffield
S1 1LL

THE PHILADELPHIA NETWORK LIMITED

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THE PHILADELPHIA NETWORK LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2023

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

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charity's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

The Charity's objects are:

- a) To advance the Christian faith for the benefit of the public in the Diocese of Sheffield and in such parts of the United Kingdom and the World as the Trustees think fit, through the establishment and operation of a church or churches.
- b) The provision of pastoral care for the congregation worshipping at the extra-parochial place known as St Thomas' Church at Philadelphia.
- c) To promote education and to prevent and relieve poverty in the Diocese of Sheffield and such parts of the United Kingdom and/or the World as the Trustees may from time to time think fit.

Within that framework, the primary object of the Charity is to work towards the transformation of Sheffield, by making life better for its people and by inviting and supporting people to follow Jesus.

Main objectives for the year

Key objectives were:

- to continue and grow the existing Sunday services and community groups;
- to plant new household and community groups;
- to work towards ending food poverty in Sheffield;
- to continue and develop support for children and young people across Sheffield, particularly through schools work.

The success of this was principally measured by:

- the attendance numbers at the Sunday services, both in person and online;
- the stories of people's changed lives;
- the number of household and community groups running;
- the number of beneficiaries supported by the Charity;
- the number of people fed, and the total amount of food distributed, by S6 Foodbank.

The Trustees have confirmed that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Church's aims and objectives and in planning future activities. The Trustees are also aware of the Charity Commission's guidance on public benefit in the Advancement of Religion for the Public Benefit and have regard to it in their administration of the Charity. The Church provides the following activities for the benefit of the general public:

- the celebration of public worship;
- the teaching of the Christian faith;
- mission and evangelism;
- pastoral work, including visiting the sick and bereaved;
- the provision of facilities with a Christian ethos for the local community (including but not restricted to) the elderly, the young and other groups with special needs; and
- the support of other charities in the UK and overseas.

The Charity aims to give away a percentage of its unrestricted income to other beneficiaries and charities in furtherance of the Charity's objectives. The majority of grants are made to registered charities although assistance may be given to other constituted groups and individuals.

The Charity encourages a culture of volunteering in all areas of its work. During the year at least 325 volunteers provided their services to the Charity. No financial value of volunteer's time has been included in the financial statements.

THE PHILADELPHIA NETWORK LIMITED

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

FOR THE YEAR ENDED 31 DECEMBER 2023

Achievements and performance

Some of the key achievements for 2023 were:

- Around 230 people engaged with Network Church Sheffield services each week.
- Around 34 young people and 26 children engaged with the Youth & Children's work at the church every week.
- 15 Young People from the church went on a mission trip to work alongside our YWAM partners in Albania .
- S6 Foodbank continued to grow and develop, by the end of the year it had 10 sites across Sheffield, feeding at peak over 1,700 people a week.
- S6 Foodbank distributed 563 tonnes of food.
- Forge Youth continued to run one to one support to vulnerable children across Sheffield throughout 2023, delivering over 1700 sessions during the year.
- Due to the increased demand in the city for the services provided by S6 Foodbank, Forge Youth and the Debt Relief work, the charity was able to establish the Food and Community Trust as a new charity to further develop this work.

Funds are raised from the public by regular congregational appeals and occasional fundraising events.

Financial review

Church members make annual financial commitments to the Charity. The annual budget is based on the vision of its leadership team, tempered by the income that is promised by church members, received as property income and anticipated from grant making bodies.

The statement of financial activities on pages 8 and 9 shows total unrestricted income of £728,394 (2022: £689,926) and total unrestricted expenditure of £851,956 (2022: £611,079). After net transfers of £5,161 (2022: £118,897) from restricted funds, this resulted in a deficit of £118,401 (2022: £40,550).

The Trustees have reviewed the reserves of the Charity. This review encompassed the nature of the income and expenditure streams, the need to match variable income with fixed commitments and the nature of the reserves. The review concluded that to allow the Charity finances to be managed effectively and to provide a buffer for uninterrupted services, unrestricted reserves (excluding property and related loans) equivalent to six weeks' expenditure should be maintained. At 31 December 2023, the value of such reserves was £165,352 (2022: £283,753).

The Trustees have assessed the major risks to which the Charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Structure, governance and management

The Charity is a registered charity and a company limited by guarantee. It was incorporated on 21 December 2006 as Network Church Limited. The name of the company was changed to The Philadelphia Network Limited on 29 March 2008.

The Charity is a Christian Church with Anglican, Baptist and Free Church roots. It has two major ministries: Forge Youth (children and young people) and Restore (marginalised and vulnerable adults), which includes S6 Foodbank.

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:

Revd. Michael Rutter

Revd. Giles Holloway

Samuel Evans

(Resigned 8 February 2024)

Dr Ade Adebajo

Timothy Armstrong

(Resigned 1 February 2024)

Neill Birchenall

Brian Gooch

Rachel Marshall

(Resigned 9 March 2023)

J MacInnes

(Appointed 15 June 2023)

P Ibison

(Appointed 13 February 2024)

THE PHILADELPHIA NETWORK LIMITED

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

Membership of the company is at the discretion of the Trustees. The current members of the company are drawn from the congregation of St Thomas Philadelphia and the Kings Centre and approved by the Trustees. None of the trustees has any beneficial interest in the company. All of the Trustees are members of the company

The Board of Trustees is made up of two groups:

- a) Three of the Trustees are employed by the Charity. They are not remunerated for their duties as trustees. This group makes the day-to-day decisions in the running of the Charity within the guidelines and budgets agreed by the whole board. They are accountable to the Board.
 - b) The remainder and majority of the Trustees are not employees of the Charity.
- Each Trustee appointment is recommended by the existing Trustees and approved by the Members.

The pay and remuneration of the charity's key management personnel is determined by the trustees based upon the employees' experience and pay structures operating generally in the charity sector.

Auditor

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

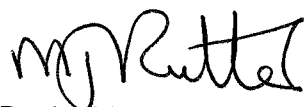
Disclosure of information to auditor

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

Small companies exemption

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

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



Revd. Michael Rutter
Trustee

10 September 2024

THE PHILADELPHIA NETWORK LIMITED

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2023

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

Company Law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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

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

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

THE PHILADELPHIA NETWORK LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF THE PHILADELPHIA NETWORK LIMITED

Opinion

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

In our opinion, the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

THE PHILADELPHIA NETWORK LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF THE PHILADELPHIA NETWORK LIMITED

Matters on which we are required to report by exception

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

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

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

Responsibilities of Trustees

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

Auditor's responsibilities for the audit of the financial statements

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

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

- Considering the nature of the sector and the charity's performance.
- Enquiry of management, and those charged with governance.
- Reviewing minutes of meetings of those charged with governance.
- Enquiry of entity staff in compliance functions to identify any instances of non-compliance with laws and regulations.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

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

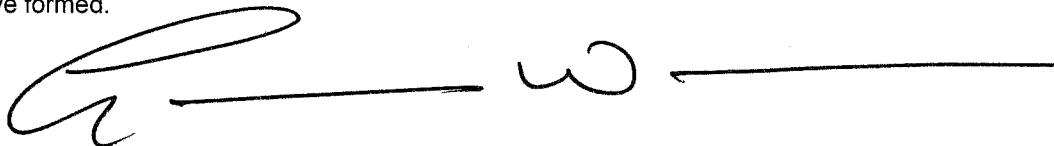
THE PHILADELPHIA NETWORK LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF THE PHILADELPHIA NETWORK LIMITED

Use of our report

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



Grant Wade (Senior Statutory Auditor)
for and on behalf of Wells Richardson

10 September 2024

Chartered Accountants
Statutory Auditor

Cannon House
Rutland Road
Sheffield
South Yorkshire
S3 8DP

THE PHILADELPHIA NETWORK LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	Unrestricted funds general	Unrestricted funds designated Property & Capital	Restricted funds	Total	Unrestricted funds general	Unrestricted funds designated Property & Capital	Restricted funds	Total
		2023 £	2023 £	2023 £	2023 £	2022 £	2022 £	2022 £	2022 £
<u>Income from:</u>									
Donations and legacies	3	427,219	-	593,302	1,020,521	446,828	-	691,679	1,138,507
Charitable activities	4	89,363	-	2,042	91,405	97,785	-	3,425	101,210
Other trading activities	5	-	-	3,684	3,684	-	-	312	312
Investments	6	211,812	-	12,340	224,152	145,313	-	-	145,313
Total income		728,394	-	611,368	1,339,762	689,926	-	695,416	1,385,342
<u>Expenditure on:</u>									
Charitable activities	7	851,956	47,920	1,096,610	1,996,486	611,079	26,682	589,563	1,227,324
Net (outgoing)/incoming resources before transfers		(123,562)	(47,920)	(485,242)	(656,724)	78,847	(26,682)	105,853	158,018

THE PHILADELPHIA NETWORK LIMITED

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2023

	Unrestricted funds general	Unrestricted funds designated Property & Capital	Restricted funds	Total	Unrestricted funds general	Unrestricted funds designated Property & Capital	Restricted funds	Total
	2023 £	2023 £	2023 £	2023 £	2022 £	2022 £	2022 £	2022 £
Net (outgoing)/incoming resources before transfers	(123,562)	(47,920)	(485,242)	(656,724)	78,847	(26,682)	105,853	158,018
Gross transfers between funds	14	5,161	(5,161)	-	(118,897)	150,025	(31,128)	-
Net (expenditure)/income for the year/ Net movement in funds	(118,401)	(47,920)	(490,403)	(656,724)	(40,050)	123,343	74,725	158,018
Fund balances at 1 January 2023	283,753	1,911,553	583,883	2,779,189	323,803	1,788,210	509,158	2,621,171
Fund balances at 31 December 2023	165,352	1,863,633	93,480	2,122,465	283,753	1,911,553	583,883	2,779,189

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

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 PHILADELPHIA NETWORK LIMITED

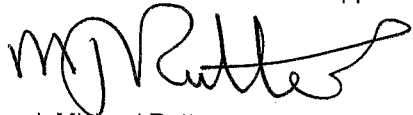
BALANCE SHEET

AS AT 31 DECEMBER 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	15	1,863,633		1,926,289	
Investments	16	2		2	
		<u>1,863,635</u>		<u>1,926,291</u>	
Current assets					
Debtors	17	160,653		141,045	
Cash at bank and in hand		181,529		850,008	
		<u>342,182</u>		<u>991,053</u>	
Creditors: amounts falling due within one year	18	(83,352)		(138,155)	
Net current assets		258,830		852,898	
Total assets less current liabilities		<u>2,122,465</u>		<u>2,779,189</u>	
Net assets		<u>2,122,465</u>		<u>2,779,189</u>	
Income funds					
Restricted funds	21	93,480		583,883	
Unrestricted funds		2,028,985		2,195,306	
		<u>2,122,465</u>		<u>2,779,189</u>	

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 10 September 2024



Revd. Michael Rutter
Trustee

Company Registration No. 06035697

THE PHILADELPHIA NETWORK LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	29		(883,431)		3,810
Investing activities					
Purchase of tangible fixed assets		(19,200)		(173,651)	
Proceeds on disposal of tangible fixed assets		10,000		-	
Investment income received		224,152		145,313	
Net cash generated from/(used in) investing activities			214,952		(28,338)
Net cash used in financing activities			-		-
Net decrease in cash and cash equivalents			(668,479)		(24,528)
Cash and cash equivalents at beginning of year			850,008		874,536
Cash and cash equivalents at end of year			181,529		850,008

THE PHILADELPHIA NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

Charity information

The Philadelphia Network Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is 6 Gilpin Street, Sheffield, S6 3BL.

1.1 Accounting convention

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

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

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties. The principal accounting policies adopted are set out below.

1.2 Going concern

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

1.3 Charitable funds

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

Designated funds comprise funds which have been set aside at the discretion of the Trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

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

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

1.4 Income

Income is recognised when the Charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received. The monetary value of foodbank donations of goods is not able to be measured with sufficient reliability and is not included in the incoming resources of the Charity.

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

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

THE PHILADELPHIA NETWORK LIMITED

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

1 Accounting policies

(Continued)

Grants are recognised in the year when the entitlement to the grant is confirmed. Grants for the purchase of equipment and towards the initial setting up of projects are credited in full to the relevant activities in furtherance of the Charity's objects. Grants that provide core funding, or are of a general nature provided by government and charitable foundations, are recorded as voluntary income. Grants specifically for goods and services to be provided as part of charitable activities are recorded against the activity to which they relate.

1.5 Expenditure

Expenditure is accounted for on an accruals basis.

Liabilities are recognised as soon as there is a legal or constructive obligation to pay out resources.

Support costs are directly attributed to charitable activities on an actual basis and no further apportionment is necessary.

Governance costs include the costs of preparation and audit of the statutory accounts, the cost of trustee meetings and the cost of any legal advice to trustees on governance or constitutional matters.

Redundancy costs incurred in the period are charged directly to the SOFA, allocated as necessary between the relevant funds.

1.6 Tangible fixed assets

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

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

Freehold buildings	2% Straight line
Fixtures and fittings	25% Straight line

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

On first-time adoption of FRS 102 in 2016, the trustees opted to freeze the existing carrying values of the freehold and leasehold premises as at the start of the prior financial year. The then existing carrying values were respectively: Freehold premises £1,485,000 (including King's Centre £300,000) and Leasehold premises £636,100. These carrying valuations were based on professional valuations carried out and adopted in the accounts for the year ended 31 December 2015. Since 2016, the freehold and leasehold properties (excluding land) are being depreciated at 2% pa on a straight line basis.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

A subsidiary is an entity controlled by the Charity. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities. The Charity has taken advantage under Paragraph 24.13A of the Charity SORP (FRS 102) and chosen not to prepare consolidated accounts including the results of its subsidiary, Philadelphia Commercial Limited, as their inclusion is not material for the purpose of giving a true and fair view.

1.8 Impairment of fixed assets

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

THE PHILADELPHIA NETWORK LIMITED

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

1 Accounting policies

(Continued)

1.9 Cash and cash equivalents

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

1.10 Financial instruments

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

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

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

Basic financial assets

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

Basic financial liabilities

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

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

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

Derecognition of financial liabilities

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

1.11 Taxation

The Charity is not liable to income or capital gains tax on its charitable activities. Irrecoverable VAT is included in the asset cost or expense to which it relates.

1.12 Employee benefits

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

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

THE PHILADELPHIA NETWORK LIMITED

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

1 Accounting policies

(Continued)

1.13 Retirement benefits

Contributions in respect of the defined benefits and defined contributions schemes are calculated as a percentage of the pensionable salaries of employees. For schemes such as The Pension Builder Scheme (PBS), formerly known as the Church of England Defined Contributions Scheme (DCS), FRS 102 requires the Board to account for pension costs on the basis of contributions actually payable to the scheme during the year. Contributions to the pension schemes are charged monthly to the income and expenditure account.

The Baptist Minister's Pension Fund (TBMPF) is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the charity in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the actuary on the basis of triennial valuations using a prospective unit credit method. The TBMPF is an unfunded multi-employer scheme with no underlying assets to assign between employees. Consequently, the TBMPF is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

2 Critical accounting estimates and judgements

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

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

The key estimates included in the financial statements are in respect of impairment of fixed assets via depreciation and provisions for bad debts.

The key judgements included in the financial statements relate to the determination of any Defined Benefit Pension scheme deficit.

However, in the opinion of the trustees there are no estimates or assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities which are disclosed in the financial statements.

3 Income from donations and legacies

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Donations and gifts	427,219	336,270	763,489	438,888	480,478	919,366
Legacies receivable	-	-	-	-	7,167	7,167
Sundry grants	-	257,032	257,032	7,940	204,034	211,974
	<u>427,219</u>	<u>593,302</u>	<u>1,020,521</u>	<u>446,828</u>	<u>691,679</u>	<u>1,138,507</u>

THE PHILADELPHIA NETWORK LIMITED

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

3 Income from donations and legacies

(Continued)

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Donations and gifts						
Committed giving and donations	359,449	301,796	661,245	365,371	420,887	786,258
Gift aid receipts	67,770	34,474	102,244	73,517	59,591	133,108
	<u>427,219</u>	<u>336,270</u>	<u>763,489</u>	<u>438,888</u>	<u>480,478</u>	<u>919,366</u>

4 Income from charitable activities

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
General activities						
Women's weekend	3,815	-	3,815	4,633	-	4,633
Playtime and other takings	4,964	-	4,964	4,757	-	4,757
Youth work	66,183	-	66,183	80,593	-	80,593
Restore fund	14,401	2,042	16,443	7,802	3,425	11,227
	<u>89,363</u>	<u>2,042</u>	<u>91,405</u>	<u>97,785</u>	<u>3,425</u>	<u>101,210</u>

5 Income from other trading activities

	Restricted funds 2023 £	Restricted funds 2022 £
Fundraising events	<u>3,684</u>	<u>312</u>

THE PHILADELPHIA NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

6 Income from investments

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Rent and conference fees	195,527	-	195,527	140,712	-	140,712
Interest receivable	16,285	12,340	28,625	4,601	-	4,601
	<u>211,812</u>	<u>12,340</u>	<u>224,152</u>	<u>145,313</u>	<u>-</u>	<u>145,313</u>

THE PHILADELPHIA NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

7 Charitable activities

	Network Church Sheffield 2023 £	Property & Capital 2023 £	Restricted 2023 £	Total 2023 £	Network Church Sheffield 2022 £	Property & Capital 2022 £	Restricted 2022 £	Building Fund: Philadelphia 2022 £	Total 2022 £
Staff costs	346,921	-	198,488	545,409	280,838	-	181,165	-	462,003
Depreciation and impairment	-	47,920	23,936	71,856	-	44,356	5,132	-	49,488
Projects and training	17,917	-	7,275	25,192	18,009	-	5,779	-	23,788
Staff expenses	20,538	-	34,449	54,987	10,994	-	16,521	-	27,515
Staff training	3,235	-	242	3,477	3,395	-	-	-	3,395
Worship and audio-visual	2,797	-	-	2,797	1,256	-	-	-	1,256
Community Life	-	-	-	-	3,683	-	-	-	3,683
Missional communities including food	4,795	-	137,118	141,913	-	-	218,327	-	218,327
	396,203	47,920	401,508	845,631	318,175	44,356	426,924	-	789,455
Grant funding of activities (see note 8)	97,337	-	555,477	652,814	35,755	-	39,070	-	74,825
Share of support costs (see note 9)	336,266	-	139,625	475,891	245,236	(22,174)	101,778	26,291	351,131
Share of governance costs (see note 9)	22,150	-	-	22,150	11,913	-	-	-	11,913
	851,956	47,920	1,096,610	1,996,486	611,079	22,182	567,772	26,291	1,227,324

THE PHILADELPHIA NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

7 Charitable activities		(Continued)								
		Network Church Sheffield	Property & Capital	Restricted	Total 2023	Network Church Sheffield	Property & Capital	Restricted	Building Fund: Philadelphia	Total 2022
		2023	2023	2023	£	2022	2022	2022	2022	£
		£	£	£	£	£	£	£	£	£
Analysis by fund										
Unrestricted funds - general		851,956	-	-	851,956	611,079	-	-	-	611,079
Unrestricted funds - designated Property & Capital		-	47,920	-	47,920	-	26,682	-	-	26,682
Restricted funds		-	-	1,096,610	1,096,610	-	(4,500)	567,772	26,291	589,563
		851,956	47,920	1,096,610	1,996,486	611,079	22,182	567,772	26,291	1,227,324

THE PHILADELPHIA NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

8 Grants payable	Network Church Sheffield	Restricted	Total	Network Church Sheffield	Restricted	Total
	2023 £	2023 £	2023 £	2022 £	2022 £	2022 £
A & M Burgess	9,117	2,068	11,185	5,338	33,120	38,458
M & C Basile	5,099	1,200	6,299	6,019	-	6,019
A Kennedy	8,197	-	8,197	5,889	1,200	7,089
Kairos Connexion	1,800	-	1,800	3,600	-	3,600
Baptist Union	3,086	-	3,086	434	-	434
Diocese of Sheffield	5,500	-	5,500	5,850	-	5,850
Together for Sheffield	1,500	-	1,500	1,000	-	1,000
Food and Community Trust	50,000	542,199	592,199	-	-	-
Mosa Prashna Kumar	3,000	-	3,000	-	-	-
Thomas family	-	-	-	-	1,693	1,693
Albania	7,153	10,000	17,153	4,482	-	4,482
Yorks Baptist	-	-	-	2,943	-	2,943
Ukraine	-	-	-	-	1,934	1,934
Jeremy Sorbie	1,000	-	1,000	-	-	-
Sundry small donations	1,885	10	1,895	200	1,123	1,323
	<u>97,337</u>	<u>555,477</u>	<u>652,814</u>	<u>35,755</u>	<u>39,070</u>	<u>74,825</u>

The grant to the Food and Community Trust (charity no. 1204738) represents monies transferred to this charity which took over the S6 Foodbank, Forge Youth and Debt work activities from the 1 November 2023.

THE PHILADELPHIA NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

9 Support costs

	Support costs £	Governance costs £	2023 Support costs £	Governance costs £	2022 £
Administration costs	44,902	-	44,902	38,878	38,878
Bank charges	1,472	-	1,472	921	921
Hire of equipment	-	-	-	3,580	3,580
Legal fees	128,872	-	128,872	101,033	101,033
Bad debts	11,000	-	11,000	24,589	24,589
IT Costs	10,859	-	10,859	10,234	10,234
Insurance	17,047	-	17,047	16,011	16,011
Utilities and telephone	105,752	-	105,752	81,714	81,714
Repairs, maintenance, property and equipment	154,139	-	154,139	63,818	63,818
Rent and rates	1,848	-	1,848	10,353	10,353
Legal and professional	-	22,150	22,150	-	11,913
	<u>475,891</u>	<u>22,150</u>	<u>498,041</u>	<u>351,131</u>	<u>363,044</u>

Governance costs includes payments to the auditors of £22,150 for audit fees and accounts preparation (2022- £11,913).

10 Net movement in funds

	2023 £	2022 £
The net movement in funds is stated after charging/(crediting):		
Depreciation of owned tangible fixed assets	<u>53,045</u>	<u>49,488</u>

THE PHILADELPHIA NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

11 Trustees

Travel and other expenses amounting to £10,915 (2022: £4,023) were reimbursed to 7 Trustees and their spouses (2022 - 6).

During the year under review, three Trustees, a Trustee's partner and a Trustee's sibling were paid for their services as employees. These payments are in accordance with the provisions in the Church's Memorandum of Association dated 21 December 2006. No trustee received any remuneration for their services as trustees. Details are as follows:

	Salary £	Pension £	House costs £
Revd Giles Holloway	40,784	4,078	-
Mrs Amanda Gooch	5,642	395	-
Ms Hannah Gooch	1,037		
Revd Mike Rutter	45,801	4,335	-
Samuel Evans	45,017	4,261	-

Neill Birchenall was the Managing Director of a company which provides IT software support to the Charity. The value of this software support until he resigned as director on the 1 April 2023 amounted to £3,083 (2022 - £18,138). Neill Birchenall is also a Trustee and Director of the Sheffield Diocesan Board of Finance which received a support grant of £5,500 (2022 - £5,850) from the Charity during the year. Ade Abebajo's wife is an employee of the Baptist Association. Brian Gooch is a trustee of Open Hands Project (Sheffield) which received a donation of £750 from the Charity during the year. The Rev'd Mike Rutter and Samuel Evans are trustees of the Food and Community Trust (charity no. 1204738) which has taken over the Restore and Forge Youth activities from this charity. Apart from these transactions and the amounts received under written agreements, no Trustee or other person related to the Trustees had any personal interest in any contract or transaction entered into by the Charity during the year (2022 : Nil).

Aggregate donations to the Church from members of the Board of Trustees during the year amounted to £36,012 (2022 - £34,435).

12 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
	24	25
	<u> </u>	<u> </u>
Employment costs	2023	2022
	£	£
Wages and salaries	468,248	437,101
Social security costs	33,583	31,753
Other pension costs	42,051	(7,396)
	<u> </u>	<u> </u>
	543,882	461,458
	<u> </u>	<u> </u>

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

THE PHILADELPHIA NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

13 Taxation

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

THE PHILADELPHIA NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

14 Transfers

	Network Church Sheffield	Property & Capital	Restricted	Building Fund: Philadelphia	Total	Network Church Sheffield	Property & Capital	Restricted	Building Fund: Philadelphia	Total
	2023 £	2023 £	2023 £	2023 £	2023 £	2022 £	2022 £	2022 £	2022 £	2022 £
Restore funds	7,567	-	(7,567)	-	-	10,444	-	(10,444)	-	-
Gifts to be forwarded	(776)	-	776	-	-	-	-	-	-	-
Philadelphia students	(1,630)	-	1,630	-	-	-	-	-	-	-
Freehold purchase	-	-	-	-	-	(150,025)	150,025	-	-	-
Building Fund donations	-	-	-	-	-	20,684	(20,684)	-	-	-
	5,161	-	(5,161)	-	-	(118,897)	150,025	(31,128)	-	-

Transfers made for the following purposes:

- 1) Restore funds - Finance department recharges.
- 2) Gifts to be forwarded - reallocation of donated funds.
- 3) Philadelphia students - to cover a deficit on this fund.

THE PHILADELPHIA NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

15 Tangible fixed assets

	Freehold buildings £	Fixtures and fittings £	Total £
Cost or valuation			
At 1 January 2023	2,272,577	323,706	2,596,283
Additions	-	19,200	19,200
Disposals	-	(40,854)	(40,854)
At 31 December 2023	2,272,577	302,052	2,574,629
Depreciation and impairment			
At 1 January 2023	380,632	289,363	669,995
Depreciation charged in the year	42,422	10,623	53,045
Eliminated in respect of disposals	-	(12,044)	(12,044)
At 31 December 2023	423,054	287,942	710,996
Carrying amount			
At 31 December 2023	1,849,523	14,110	1,863,633
At 31 December 2022	1,891,945	34,344	1,926,289

Land and buildings with a carrying amount of £2,065,000 were revalued at July 2014 by Mark Jenkinson & Son, independent valuers not connected with the Charity on the basis of market value. The valuation conformed to International Valuation Standards and was based on recent market transactions on arm's length terms for similar properties.

At 31 December 2023, had the revalued assets been carried at historic cost less accumulated depreciation and accumulated impairment losses, their carrying amount would have been approximately £1,596,192 (2022 - £1,638,453).

The freehold and leasehold properties at the Philadelphia Campus, Sheffield are included in the accounts at a deemed cost of £1,972,577 and are being depreciated at 2% pa on a straight line basis.

The 'deemed cost' under FRS 102 is allocated between the various properties on the basis of the area that each property relates to the total area. Accordingly, the allocated cost for each property is an estimated figure and should not be taken as representing each property's actual cost.

The freehold land and buildings formerly known as the King's Centre Christian Church were legally transferred to the Philadelphia Network Limited on 9 January 2009 and are included in the accounts at a deemed cost of £300,000. Depreciation is charged on this property at 2% pa on a straight line basis.

THE PHILADELPHIA NETWORK LIMITED

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

16 Fixed asset investments

	Other investments
Cost or valuation	
At 1 January 2023 & 31 December 2023	2
Carrying amount	
At 31 December 2023	2
At 31 December 2022	2

	Notes	2023 £	2022 £
Other investments comprise:			
Investments in subsidiaries	27	2	2

17 Debtors

	2023 £	2022 £
Amounts falling due within one year:		
Trade debtors	13,345	36,478
Accrued income	12,825	22,067
Amounts owed by subsidiary undertakings	900	600
Gift aid and other debtors	129,870	76,872
Prepayments and accrued income	3,713	5,028
	160,653	141,045

18 Creditors: amounts falling due within one year

	Notes	2023 £	2022 £
Other taxation and social security		5,033	10,049
Deferred income	19	12,278	54,624
Trade creditors		14,095	26,157
Other creditors		14,807	17,879
Accruals		37,139	29,446
		83,352	138,155

THE PHILADELPHIA NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

19 Deferred income

	2023 £	2022 £
Other deferred income	12,278	54,624

Deferred income is included in the financial statements as follows:

	2023 £	2022 £
Deferred income is included within:		
Current liabilities	12,278	54,624
Movements in the year:		
Deferred income at 1 January 2023	54,624	62,061
Released from previous periods	(54,624)	(31,915)
Resources deferred in the year	12,278	24,478
Deferred income at 31 December 2023	12,278	54,624

Represents rents received for the following year.

THE PHILADELPHIA NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

20 Retirement benefit schemes

Church of England Pension Builder Scheme

The Philadelphia Network Limited (PB 2014) participates in the Pension Builder 2014 Scheme section of The Church Workers Pension Fund (CWPF) for lay staff.

Pension Builder 2014 is a cash balance scheme that provides a lump sum that members use to provide benefits at retirement. The pension costs charged to the SOFA in the year are contributions payable.

At 31 December 2023, the Church had 11 (2022: 17) active members and 133 (2022: 125) deferred members in the Pension Builder 2014 scheme.

The employer contributes 7% of basic salary and the employees contribute a minimum of 2%. The employer's contributions for the year totalled £42,051 (2022: £29,661). Employer's contributions outstanding at the year end amounted to £2,530 (2022: £4,458).

Defined Contributions scheme-Baptist Minister's Pension Fund

Benefits in respect of service prior to 1 January 2012 are provided through the Defined Benefit (DB) Plan within the Scheme. The main benefits for pre-2012 service were a defined benefit pension of one eightieth of final minimum pensionable income for each year of pensionable service. The Scheme, previously known as the Baptist Ministers' Pension Fund was closed to future accrual of defined benefits at 31 December 2011.

Baptist Minister's Pension Fund

Baptist Ministers were eligible up to December 2011 to be members of the Baptist Ministers' Pension Fund which is a final salary scheme. From January 2012 Baptist ministers are eligible for membership of the Baptist Pension Scheme ("the Scheme") which is a defined contributions scheme. The Church has one current member of this scheme.

Defined Benefits scheme

The Baptist Minister's Pension Fund is an unfunded multi-employer scheme with no underlying assets to assign between members. As such, the scheme is accounted for as a Defined Contribution scheme. The scheme is in the process of being wound up and no deficit is anticipated.

THE PHILADELPHIA NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

21 Restricted funds

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

	Balance at 1 January 2022	Movement in funds 2022				Balance at 1 January 2023	Movement in funds 2023				Balance at 31 December 2023
	£	Incoming resources	Resources expended	Transfers	£		Incoming resources	Resources expended	Transfers	£	
Basiles - Italy	100	1,200	(1,200)	-	100	100	1,200	(1,200)	-	-	100
Form Mission & contingencies	-	20,687	(3)	(20,684)	-	-	-	-	-	-	-
Gifts to be forwarded	7,175	37,651	(41,099)	-	3,727	3,727	20,620	(23,481)	776	1,642	1,642
King's Centre - Generosity pot	376	-	-	-	376	376	-	-	-	376	376
King's Centre - Building	546	98	(644)	-	-	-	-	-	-	-	-
Peru - A & M Burgess	(181)	450	-	-	269	269	427	-	-	696	696
Philadelphia - Students	-	66	(66)	-	-	-	11,339	(12,969)	1,630	-	-
Children/Playtime	-	-	-	-	-	-	420	(420)	-	-	-
Restore	459,743	605,753	(488,428)	(26,408)	550,660	550,660	556,702	(1,010,774)	(7,567)	89,021	89,021
Youth - Other	11,399	16,881	(19,201)	-	9,079	9,079	8,090	(16,764)	-	405	405
Youth - Salaries	-	12,630	(12,630)	-	-	-	11,370	(10,140)	-	1,230	1,230
Philadelphia - Building Project	30,000	-	(26,292)	-	3,708	3,708	-	(3,708)	-	-	-
Forge and Restore	-	-	-	15,964	15,964	15,964	50	(16,004)	-	10	10
Maintenance	-	-	-	-	-	-	1,150	(1,150)	-	-	-
	509,158	695,416	(589,563)	(31,128)	583,883	583,883	611,368	(1,096,610)	(5,161)	93,480	93,480

THE PHILADELPHIA NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

21 Restricted funds

(Continued)

1) Philadelphia Building and Development Project

This was funded by regular and one-off gifts. The fund encompassed:

- a) The development and repair of the Philadelphia and King's Centre campus.
- b) The servicing of the mortgage on the Philadelphia campus. Since the repayment of the mortgage and communication with the donors, donations to the building fund are now recorded as general unrestricted income. The final balance of this fund was utilised during 2023.

2) Basiles - Italy

Marco and Cinzia Basile are Italian nationals and are missionaries working in Sicily. The Charity supports them with regular gifts. This restricted fund is separate and is for receiving gifts from church members which are then passed on.

3) Form Mission & Contingencies

Form sought to train and disciple young adults to take up positions of leadership in missional contexts. Much of the program was funded through the Charity and the final balance on this was utilised during 2022.

4) Gifts to be forwarded

Donors sometimes send gifts through the Charity to be forwarded anonymously to beneficiaries. The Charity also receives gifts for designated missions or charities. They are forwarded according to the donors' wishes.

5) King's Centre - Generosity Pot

This is funded from individual gifts to be available when cases of personal need arise.

6) King's Centre - Gifts to be forwarded

Donors sometimes send gifts through the King's Centre to be forwarded anonymously to beneficiaries. King's Centre also receives gifts for designated missions or charities. They are forwarded according to the donors' wishes.

7) Peru - A & M Burgess

Anna and Mark Burgess are working with a church in Peru. Gifts are received into this fund for their work and travel expenses and are then forwarded onto the Burgesses.

8) Philadelphia - Students

This is a restricted fund for work with students by the Charity.

9) Philadelphia - Worship

This is a fund set up after a substantial donation was made for the purchase of Worship equipment at St Thomas Philadelphia.

THE PHILADELPHIA NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

21 Restricted funds

(Continued)

10) Children/Playtime

This fund accounts for a grant and donation received, together with the associated expenditure for a kid weekend.

11) Restore Foodbank

This fund is for the S6 Foodbank, which provides food and support to individuals and families across Sheffield in need. Money received includes individual donations, gifts from companies, government funds and grants. In October 2023, this operation was transferred to a new charity, Food and Community Trust (FTC - charity no. 1204738) and most of the funds have been transferred accordingly.

12) Youth - Other

Youth - Other is funded by grants and individual donations. The fund is supporting the work of Forge Youth which has been transferred to FTC.

13) Youth Salaries

Youth Salaries is funded principally by regular individual gifts to support part-time youth outreach workers and has been transferred to FTC.

14) Forge and Restore

This fund was set up to ring fence funds for FTC that has taken over the Forge and Restore work.

15) Maintenance fund

This fund was set up to account for an energy grant from the Diocese of Sheffield.

THE PHILADELPHIA NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

22 Unrestricted funds

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

	At 1 January 2023	Incoming resources	Resources expended	Transfers	At 31 December 2023
	£	£	£	£	£
General funds	283,753	728,394	(851,956)	5,161	165,352
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Previous year:	At 1 January 2022	Incoming resources	Resources expended	Transfers	At 31 December 2022
	£	£	£	£	£
General funds	323,803	689,926	(611,079)	(118,897)	283,753
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

23 Unrestricted funds - Designated Property & Capital

These are unrestricted funds which are material to the Charity's activities and represent a combination of the net book value of unrestricted tangible fixed assets less a property insurance premium. This fund will be reduced over the useful economic life of the tangible fixed assets in line with depreciation.

	At 1 January 2023	Resources expended	Transfers	At 31 December 2023
	£	£	£	£
	1,911,553	(47,920)	-	1,863,633
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Previous year:	At 1 January 2022	Resources expended	Transfers	At 31 December 2022
	£	£	£	£
	1,788,210	(26,682)	150,025	1,911,553
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

THE PHILADELPHIA NETWORK LIMITED

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

24	Analysis of net assets between funds	Unrestricted funds		Designated funds		Restricted funds		Total		Unrestricted funds		Designated funds		Restricted funds		Total	
		2023	£	2023	£	2023	£	2023	£	2022	£	2022	£	2022	£	2022	£
	Fund balances at 31 December 2023 are represented by:																
	Tangible assets	-		1,863,633		-		1,863,633		-		1,926,289		-		1,926,289	
	Investments	2		-		-		2		2		-		-		2	
	Current assets/(liabilities)	165,350		-		93,480		258,830		283,751		(14,736)		583,883		852,898	
		165,352		1,863,633		93,480		2,122,465		283,753		1,911,553		583,883		2,779,189	

THE PHILADELPHIA NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

25 Contingent liabilities

The trustees are aware of a claim made by a former worshipper. The trustees believe legal costs and any damages awarded will be paid by the charity's insurers. As such no provision has been made for payment.

26 Related party transactions

Transactions with related parties

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

- 1) Transactions with its trustees disclosed in note 11.
- 2) The charity's Restore S6 Foodbank and Forge Youth and Debt Work operations were transferred to a new charity, Food and Community Trust (charity no. 1204738) on the 1 November 2023 and many of the staff transferred as a result. The two charities continue to cooperate on various activities and use of facilities. A total of £592,199 of Unrestricted and Restricted funds has been transferred to the new charity in the year ended 31 December 2023, together with a van and other assets at £Nil value. Included in Other debtors is an amount of £87,709 owing by Food and Community Trust for an over transfer of funds which has been cleared since the year end.

27 Subsidiaries

Details of the Charity's subsidiaries at 31 December 2023 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Philadelphia Commercial Limited-Company no. 5656300	United Kingdom	Property development	Ordinary	100.00	

The aggregate capital and reserves and the result for the year of subsidiaries excluded from consolidation was as follows:

Name of undertaking	Profit/(Loss)	Capital and Reserves
	£	£
Philadelphia Commercial Limited-Company no. 5656300	-	2

THE PHILADELPHIA NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

28 Analysis of changes in net funds

The Charity had no material debt during the year.

29 Cash generated from operations	2023 £	2022 £
(Deficit)/surplus for the year	(656,724)	158,018
Adjustments for:		
Investment income recognised in statement of financial activities	(224,152)	(145,313)
Depreciation and impairment of tangible fixed assets	71,856	49,488
Difference between pension charge and cash contributions	-	(38,700)
Movements in working capital:		
(Increase) in debtors	(19,608)	(35,840)
(Decrease)/increase in creditors	(12,457)	23,594
(Decrease) in deferred income	(42,346)	(7,437)
Cash (absorbed by)/generated from operations	(883,431)	3,810

THE PHILADELPHIA NETWORK LIMITED

England & Wales - Charity number 1134973

Accounts

Charity registration number 1134973

Company registration number 06035697 (England and Wales)

THE PHILADELPHIA NETWORK LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

THE PHILADELPHIA NETWORK LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Revd. Michael Rutter
Revd. Giles Holloway
Samuel Evans
Dr Ade Adebajo
Timothy Armstrong
Neill Birchenall
Brian Gooch
J MacInnes

(Appointed 15 June 2023)

Charity number

1134973

Company number

06035697

Registered office

6 Gilpin Street
Sheffield
S6 3BL

Auditor

Wells Richardson
Cannon House
Rutland Road
Sheffield
South Yorkshire
S3 8DP

Bankers

Virgin Money
Fargate
Sheffield
S1 1LL

THE PHILADELPHIA NETWORK LIMITED

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THE PHILADELPHIA NETWORK LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2022

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

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charity's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

The Charity's objects are:

- a) To advance the Christian faith for the benefit of the public in the Diocese of Sheffield and in such parts of the United Kingdom and the World as the Trustees think fit, through the establishment and operation of a church or churches.
- b) The provision of pastoral care for the congregation worshipping at the extra-parochial place known as St Thomas' Church at Philadelphia.
- c) To promote education and to prevent and relieve poverty in the Diocese of Sheffield and such parts of the United Kingdom and/or the World as the Trustees may from time to time think fit.

Within that framework, the primary object of the Charity is to work towards the transformation of Sheffield, by making life better for its people and by inviting and supporting people to follow Jesus.

Main objectives for the year

Key objectives were:

- to continue and grow the existing Sunday services and community groups;
- to plant new household and community groups;
- to work towards ending food poverty in Sheffield;
- to continue and develop support for children and young people across Sheffield, particularly through schools work.

The success of this was principally measured by:

- the number of beneficiaries supported by the Charity;
- the attendance numbers at the Sunday services, both in person and online;
- the stories of people's changed lives;
- the number of household and community groups running;
- the number of people fed, and the total amount of food distributed, by S6 Foodbank.

The Trustees have confirmed that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Church's aims and objectives and in planning future activities. The Trustees are also aware of the Charity Commission's guidance on public benefit in the Advancement of Religion for the Public Benefit and have regard to it in their administration of the Charity. The Church provides the following activities for the benefit of the general public:

- the celebration of public worship;
- the teaching of the Christian faith;
- mission and evangelism;
- pastoral work, including visiting the sick and bereaved;
- the provision of facilities with a Christian ethos for the local community (including but not restricted to) the elderly, the young and other groups with special needs; and
- the support of other charities in the UK and overseas.

The Charity aims to give away a percentage of its unrestricted income to other beneficiaries and charities in furtherance of the Charity's objectives. The majority of grants are made to registered charities although assistance may be given to other constituted groups and individuals.

The Charity encourages a culture of volunteering in all areas of its work. During the year at least 300 volunteers provided their services to the Charity. No financial value of volunteer's time has been included in the financial statements.

THE PHILADELPHIA NETWORK LIMITED

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

FOR THE YEAR ENDED 31 DECEMBER 2022

Achievements and performance

Some of the key achievements for 2022 were:

- S6 Foodbank continued to grow and develop, by the end of the year it had 11 sites across Sheffield, feeding at peak over 1,400 people a week.
- S6 Foodbank distributed 523 tonnes of food.
- Forge Youth continued to run one to one support to vulnerable children across Sheffield throughout 2022, delivering 1,756 sessions during the year.
- The Charity supported 17 people to become debt free during 2022.
- Around 330 people engaged with Network Church Sheffield services each week.

Funds are raised from the public by regular congregational appeals and occasional fundraising events.

Financial review

Church members make annual financial commitments to the Charity. The annual budget is based on the vision of its leadership team, tempered by the income that is promised by church members, received as property income and anticipated from grant making bodies.

The statement of financial activities on pages 7 and 8 shows total unrestricted income of £689,926 (2021: £700,641) and total unrestricted expenditure of £611,079 (2021: £528,116). After net transfers of £118,897 (2021: £12,349) to designated funds and from restricted funds, this resulted in a deficit of £40,550 (2021: Surplus £184,874).

The Trustees have reviewed the reserves of the Charity. This review encompassed the nature of the income and expenditure streams, the need to match variable income with fixed commitments and the nature of the reserves. The review concluded that to allow the Charity finances to be managed effectively and to provide a buffer for uninterrupted services, unrestricted reserves (excluding property and related loans) equivalent to six weeks' expenditure should be maintained. At 31 December 2022, the value of such reserves was £283,753 (2021: £323,803).

The Trustees have assessed the major risks to which the Charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Structure, governance and management

The Charity is a registered charity and a company limited by guarantee. It was incorporated on 21 December 2006 as Network Church Limited. The name of the company was changed to The Philadelphia Network Limited on 29 March 2008.

The Charity is a Christian Church with Anglican, Baptist and Free Church roots. It has two major ministries: Forge Youth (children and young people) and Restore (marginalised and vulnerable adults), which includes S6 Foodbank.

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:

Revd. Michael Rutter

Revd. Giles Holloway

Samuel Evans

Dr Ade Adebajo

Timothy Armstrong

Neill Birchenall

Brian Gooch

Rachel Marshall

J MacInnes

(Resigned 9 March 2023)

(Appointed 15 June 2023)

Membership of the company is at the discretion of the Trustees. The current members of the company are drawn from the congregation of St Thomas Philadelphia and the Kings Centre and approved by the Trustees. None of the trustees has any beneficial interest in the company. All of the Trustees are members of the company

THE PHILADELPHIA NETWORK LIMITED

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

FOR THE YEAR ENDED 31 DECEMBER 2022

The Board of Trustees is made up of two groups:

- a) Three of the Trustees are employed by the Charity. They are not remunerated for their duties as trustees. This group makes the day-to-day decisions in the running of the Charity within the guidelines and budgets agreed by the whole board. They are accountable to the Board.
 - b) The remainder and majority of the Trustees are not employees of the Charity.
- Each Trustee appointment is recommended by the existing Trustees and approved by the Members.

The pay and remuneration of the charity's key management personnel is determined by the trustees based upon the employees' experience and pay structures operating generally in the charity sector.

Statement of Trustees' responsibilities

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

Company Law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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

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

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

Auditor

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

Disclosure of information to auditor

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

Small companies exemption

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

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



Samuel Evans
Trustee

20 September 2023

THE PHILADELPHIA NETWORK LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF THE PHILADELPHIA NETWORK LIMITED

Opinion

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

In our opinion, the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

THE PHILADELPHIA NETWORK LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF THE PHILADELPHIA NETWORK LIMITED

Matters on which we are required to report by exception

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

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

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

Responsibilities of Trustees

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

Auditor's responsibilities for the audit of the financial statements

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

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

- Considering the nature of the sector and the charity's performance.
- Enquiry of management, and those charged with governance.
- Reviewing minutes of meetings of those charged with governance.
- Enquiry of entity staff in compliance functions to identify any instances of non-compliance with laws and regulations.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

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

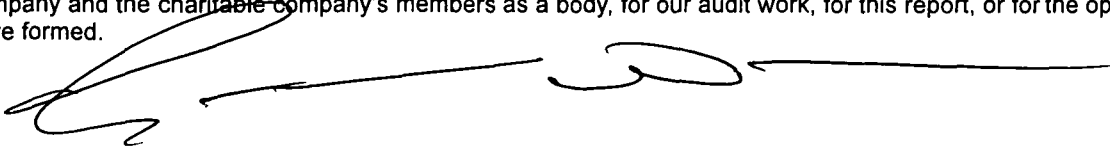
THE PHILADELPHIA NETWORK LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF THE PHILADELPHIA NETWORK LIMITED

Use of our report

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



Grant Wade (Senior Statutory Auditor)
for and on behalf of Wells Richardson

20 September 2023

Chartered Accountants
Statutory Auditor

Cannon House
Rutland Road
Sheffield
South Yorkshire
S3 8DP

THE PHILADELPHIA NETWORK LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2022

		Unrestricted funds general	Unrestricted funds designated Property & Capital	Restricted funds	Total	Unrestricted funds general	Unrestricted funds designated Property & Capital	Restricted funds	Total
	Notes	2022 £	2022 £	2022 £	2022 £	2021 £	2021 £	2021 £	2021 £
Income from:									
Donations and legacies	3	446,828	-	691,679	1,138,507	543,463	-	585,369	1,128,832
Charitable activities	4	104,526	-	3,425	107,951	98,050	-	-	98,050
Other trading activities	5	-	-	312	312	-	-	-	-
Investments	6	138,572	-	-	138,572	59,128	-	-	59,128
Total income		689,926	-	695,416	1,385,342	700,641	-	585,369	1,286,010
Expenditure on:									
Charitable activities	7	611,079	26,682	589,563	1,227,324	528,116	41,972	409,986	980,074
Net incoming resources before transfers		78,847	(26,682)	105,853	158,018	172,525	(41,972)	175,383	305,936

THE PHILADELPHIA NETWORK LIMITED

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2022

		Unrestricted funds general	Unrestricted funds designated Property & Capital	Restricted funds	Total	Unrestricted funds general	Unrestricted funds designated Property & Capital	Restricted funds	Total
		2022 £	2022 £	2022 £	2022 £	2021 £	2021 £	2021 £	2021 £
Net incoming resources before transfers		78,847	(26,682)	105,853	158,018	172,525	(41,972)	175,383	305,936
Gross transfers between funds	13	(118,897)	150,025	(31,128)	-	12,349	-	(12,349)	-
Net (expenditure)/income for the year/ Net movement in funds		(40,050)	123,343	74,725	158,018	184,874	(41,972)	163,034	305,936
Fund balances at 1 January 2022		323,803	1,788,210	509,158	2,621,171	138,929	1,830,182	346,124	2,315,235
Fund balances at 31 December 2022		<u>283,753</u>	<u>1,911,553</u>	<u>583,883</u>	<u>2,779,189</u>	<u>323,803</u>	<u>1,788,210</u>	<u>509,158</u>	<u>2,621,171</u>

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 PHILADELPHIA NETWORK LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2022

	Notes	2022 £	2021 £
Fixed assets			
Tangible assets	14	1,926,289	1,802,126
Investments	15	2	2
		<u>1,926,291</u>	<u>1,802,128</u>
Current assets			
Debtors	16	141,045	105,205
Cash at bank and in hand		850,008	874,536
		<u>991,053</u>	<u>979,741</u>
Creditors: amounts falling due within one year	17	<u>(138,155)</u>	<u>(121,998)</u>
Net current assets		852,898	857,743
Total assets less current liabilities		<u>2,779,189</u>	<u>2,659,871</u>
Net assets excluding pension liability		2,779,189	2,659,871
Defined benefit pension liability	19	-	(38,700)
Net assets		<u>2,779,189</u>	<u>2,621,171</u>
Income funds			
Restricted funds	20	583,883	509,158
Unrestricted funds		2,195,306	2,112,013
		<u>2,779,189</u>	<u>2,621,171</u>

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

The financial statements were approved by the Trustees on 20 September 2023


Samuel Evans
Trustee

Company Registration No. 06035697

THE PHILADELPHIA NETWORK LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Cash generated from operations	26		10,551		257,556
Investing activities					
Purchase of tangible fixed assets		(173,651)		(21,473)	
Purchase of subsidiaries		-		(2)	
Investment income received		138,572		59,128	
Net cash (used in)/generated from investing activities			(35,079)		37,653
Net cash used in financing activities			-		-
Net (decrease)/increase in cash and cash equivalents			(24,528)		295,209
Cash and cash equivalents at beginning of year			874,536		579,327
Cash and cash equivalents at end of year			850,008		874,536

THE PHILADELPHIA NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

Charity information

The Philadelphia Network Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is 6 Gilpin Street, Sheffield, S6 3BL.

1.1 Accounting convention

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

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

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties. The principal accounting policies adopted are set out below.

1.2 Going concern

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

1.3 Charitable funds

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

Designated funds comprise funds which have been set aside at the discretion of the Trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

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 Charity.

1.4 Income

Income is recognised when the Charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received. The monetary value of foodbank donations of goods is not able to be measured with sufficient reliability and is not included in the incoming resources of the Charity.

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

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

THE PHILADELPHIA NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

Grants are recognised in the year when the entitlement to the grant is confirmed. Grants for the purchase of equipment and towards the initial setting up of projects are credited in full to the relevant activities in furtherance of the Charity's objects. Grants that provide core funding, or are of a general nature provided by government and charitable foundations, are recorded as voluntary income. Grants specifically for goods and services to be provided as part of charitable activities are recorded against the activity to which they relate.

1.5 Expenditure

Expenditure is accounted for on an accruals basis.

Liabilities are recognised as soon as there is a legal or constructive obligation to pay out resources.

Support costs are directly attributed to charitable activities on an actual basis and no further apportionment is necessary.

Governance costs include the costs of preparation and audit of the statutory accounts, the cost of trustee meetings and the cost of any legal advice to trustees on governance or constitutional matters.

Redundancy costs incurred in the period are charged directly to the SOFA, allocated as necessary between the relevant funds.

1.6 Tangible fixed assets

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

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

Freehold buildings	2% Straight line
Leasehold buildings	2% Straight line
Fixtures and fittings	25% Straight line

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

On first-time adoption of FRS 102 in 2016, the trustees opted to freeze the existing carrying values of the freehold and leasehold premises as at the start of the prior financial year. The then existing carrying values were respectively: Freehold premises £1,485,000 (including King's Centre £300,000) and Leasehold premises £636,100. These carrying valuations were based on professional valuations carried out and adopted in the accounts for the year ended 31 December 2015. Since 2016, the freehold and leasehold properties (excluding land) are being depreciated at 2% pa on a straight line basis.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

A subsidiary is an entity controlled by the Charity. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities. The Charity has taken advantage under Paragraph 24.13A of the Charity SORP (FRS 102) and chosen not to prepare consolidated accounts including the results of its subsidiary, Philadelphia Commercial Limited, as their inclusion is not material for the purpose of giving a true and fair view.

1.8 Impairment of fixed assets

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

THE PHILADELPHIA NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

1.9 Cash and cash equivalents

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

1.10 Financial instruments

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

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

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

Basic financial assets

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

Basic financial liabilities

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

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

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

Derecognition of financial liabilities

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

1.11 Taxation

The Charity is not liable to income or capital gains tax on its charitable activities. Irrecoverable VAT is included in the asset cost or expense to which it relates.

1.12 Employee benefits

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

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

THE PHILADELPHIA NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

1.13 Retirement benefits

Contributions in respect of the defined benefits and defined contributions schemes are calculated as a percentage of the pensionable salaries of employees. For schemes such as The Pension Builder Scheme (PBS), formerly known as the Church of England Defined Contributions Scheme (DCS), paragraph 9(b) of FRS 17 requires the Board to account for pension costs on the basis of contributions actually payable to the scheme during the year. Contributions to the pension schemes are charged monthly to the income and expenditure account.

The cost of providing benefits under defined benefit plans is determined separately for each plan using the projected unit credit method, and is based on actuarial advice.

The change in the net defined benefit liability arising from employee service during the year is recognised as an employee cost. The cost of plan introductions, benefit changes, settlements and curtailments are recognised as incurred.

The net interest element is determined by multiplying the net defined benefit liability by the discount rate, taking into account any changes in the net defined benefit liability during the period as a result of contribution and benefit payments. The net interest is recognised in income/(expenditure) for the year.

Remeasurement changes comprise actuarial gains and losses, the effect of the asset ceiling and the return on the net defined benefit liability excluding amounts included in net interest. These are recognised immediately in other recognised gains and losses in the period in which they occur and are not reclassified to income/(expenditure) in subsequent periods.

The net defined benefit pension asset or liability in the balance sheet comprises the total for each plan of the present value of the defined benefit obligation (using a discount rate based on high quality corporate bonds), less the fair value of plan assets out of which the obligations are to be settled directly. Fair value is based on market price information, and in the case of quoted securities is the published bid price. The value of a net pension benefit asset is limited to the amount that may be recovered either through reduced contributions or agreed refunds from the scheme.

2 Critical accounting estimates and judgements

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

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

THE PHILADELPHIA NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

3 Donations and legacies

	Unrestricted funds general 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds general 2021 £	Restricted funds 2021 £	Total 2021 £
Donations and gifts	438,888	480,478	919,366	508,392	473,057	981,449
Legacies receivable	-	7,167	7,167	-	-	-
Sundry grants	7,940	204,034	211,974	35,071	112,312	147,383
	<u>446,828</u>	<u>691,679</u>	<u>1,138,507</u>	<u>543,463</u>	<u>585,369</u>	<u>1,128,832</u>
Donations and gifts						
Committed giving and donations	365,371	420,887	786,258	417,839	433,279	851,118
Gift aid receipts	73,517	59,591	133,108	90,553	39,778	130,331
	<u>438,888</u>	<u>480,478</u>	<u>919,366</u>	<u>508,392</u>	<u>473,057</u>	<u>981,449</u>

Included in Sundry grants were amounts totaling £Nil (2021 - £28,411) from the Job retention scheme.

THE PHILADELPHIA NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

4 Charitable activities

	2022 £	2021 £
Women's weekend	4,633	-
Playtime and other takings	11,498	4,729
Youth work	80,593	62,743
Restore fund	11,227	30,578
	<u>107,951</u>	<u>98,050</u>
Analysis by fund		
Unrestricted funds - general	104,526	98,050
Restricted funds	3,425	-
	<u>107,951</u>	<u>98,050</u>

5 Other trading activities

	Restricted funds	Total
	2022 £	2021 £
Fundraising events	312	-
	<u>312</u>	<u>-</u>

6 Investments

	Unrestricted funds general 2022 £	Unrestricted funds general 2021 £
Rent and conference fees	133,971	58,899
Interest receivable	4,601	229
	<u>138,572</u>	<u>59,128</u>

THE PHILADELPHIA NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

7 Charitable activities

	Network Church Sheffield 2022 £	Property & Capital 2022 £	Sundry 2022 £	Building Fund: Philadelphia 2022 £	Total 2022 £	Network Church Sheffield 2021 £	Property & Capital 2021 £	Sundry 2021 £	Total 2021 £
Staff costs	280,838	-	181,165	-	462,003	289,879	-	117,363	407,242
Depreciation and impairment	-	44,356	5,132	-	49,488	-	46,291	1,787	48,078
Capitalisation of fixtures	-	(169,151)	(4,500)	-	(173,651)	-	(4,319)	(17,154)	(21,473)
Projects and training	18,009	-	5,779	-	23,788	502	-	8,300	8,802
Staff expenses	10,994	-	16,521	-	27,515	4,416	-	23,527	27,943
Staff training	3,395	-	-	-	3,395	415	-	-	415
Worship and audio-visual	1,256	-	-	-	1,256	3,362	-	-	3,362
Community Life	3,683	-	-	-	3,683	1,749	-	-	1,749
Missional communities including food	-	-	218,327	-	218,327	9,658	-	71,220	80,878
	318,175	(124,795)	422,424	-	615,804	309,981	41,972	205,043	556,996
Grant funding of activities (see note 8)	35,755	-	39,070	-	74,825	18,008	-	158,591	176,599
Share of support costs (see note 9)	245,236	151,477	101,778	26,291	524,782	191,987	-	46,352	238,339
Share of governance costs (see note 9)	11,913	-	-	-	11,913	8,140	-	-	8,140
	611,079	26,682	563,272	26,291	1,227,324	528,116	41,972	409,986	980,074

THE PHILADELPHIA NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

7 Charitable activities

(Continued)

	Network Church Sheffield 2022 £	Property & Capital 2022 £	Sundry 2022 £	Building Fund: Philadelphia 2022 £	Total 2022 £	Network Church Sheffield 2021 £	Property & Capital 2021 £	Sundry 2021 £	Total 2021 £
Analysis by fund									
Unrestricted funds - general	611,079	-	-	-	611,079	528,116	-	-	528,116
Unrestricted funds - designated Property & Capital	-	26,682	-	-	26,682	-	41,972	-	41,972
Restricted funds	-	-	563,272	26,291	589,563	-	-	409,986	409,986
	<u>611,079</u>	<u>26,682</u>	<u>563,272</u>	<u>26,291</u>	<u>1,227,324</u>	<u>528,116</u>	<u>41,972</u>	<u>409,986</u>	<u>980,074</u>

THE PHILADELPHIA NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

8 Grants payable

	Network Church Sheffield 2022 £	Sundry 2022 £	Total 2022 £	Network Church Sheffield 2021 £	Sundry 2021 £	Total 2021 £
A & M Burgess	5,338	33,120	38,458	4,713	153,065	157,778
M & C Basile	6,019	-	6,019	5,037	1,200	6,237
A Kennedy	5,889	1,200	7,089	4,908	-	4,908
Kairos Connexion	3,600	-	3,600	-	-	-
Baptist Union	434	-	434	-	-	-
Diocese of Sheffield	5,850	-	5,850	-	-	-
Together for Sheffield	1,000	-	1,000	-	3,500	3,500
Arise	-	-	-	1,000	-	1,000
Fusion	-	-	-	1,600	-	1,600
Thomas family	-	1,693	1,693	-	-	-
Albania	4,482	-	4,482	-	-	-
Yorks Baptist	2,943	-	2,943	-	-	-
Ukraine	-	1,934	1,934	-	-	-
Sundry small donations	200	1,123	1,323	750	826	1,576
	<u>35,755</u>	<u>39,070</u>	<u>74,825</u>	<u>18,008</u>	<u>158,591</u>	<u>176,599</u>

9 Support costs

	Support costs £	Governance costs £	2022 Support costs £	Governance costs £	2021 £
Administration costs	38,878	-	38,878	27,327	27,327
Bank charges	921	-	921	527	527
Hire of equipment	3,580	-	3,580	4,983	4,983
Legal fees	101,033	-	101,033	58,722	58,722
Bad debts	24,589	-	24,589	-	-
IT Costs	10,234	-	10,234	3,733	3,733
Insurance	16,011	-	16,011	15,475	15,475
Utilities and telephone	81,714	-	81,714	64,399	64,399
Repairs, maintenance, property and equipment	237,469	-	237,469	60,007	60,007
Rent and rates	10,353	-	10,353	3,166	3,166
Legal and professional	-	11,913	11,913	-	8,140
	<u>524,782</u>	<u>11,913</u>	<u>536,695</u>	<u>238,339</u>	<u>246,479</u>

Governance costs includes payments to the auditors of £11,913 for audit fees and accounts preparation (2021- £8,140).

THE PHILADELPHIA NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

10 Trustees

Travel and other expenses amounting to £4,023 (2021: £20,589) were reimbursed to 6 Trustees and their spouses (2021 - 6).

During the year under review, three Trustees and a Trustee's partner were paid for their services as employees. These payments are in accordance with the provisions in the Church's Memorandum of Association dated 21 December 2006. No trustee received any remuneration for their services as trustees. Details are as follows:

	Salary £	Pension £	House costs £
Revd Giles Holloway	36,900	3,690	-
Mrs Amanda Gooch	5,144	357	-
Revd Mike Rutter	38,057	2,664	-
Samuel Evans	41,546	2,908	-

Neill Birchenall is the Managing Director of a company which provides IT software support to the Charity. The value of this software support amounted to £18,138 (2021 - £11,276). The Charity owed £1,101 (2021 - £614) to this company at the year end. Neill Birchenall is also a Trustee and Director of the Sheffield Diocesan Board of Finance which received a support grant of £5,850 (2021 - £Nil) from the Charity during the year. Apart from these transactions and the amounts received under written agreements, no Trustee or other person related to the Trustees had any personal interest in any contract or transaction entered into by the Charity during the year (2021 : Nil).

THE PHILADELPHIA NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

11 Employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
	25	25
	<u>25</u>	<u>25</u>
Employment costs	2022	2021
	£	£
Wages and salaries	437,101	374,945
Social security costs	31,753	23,032
Other pension costs	(7,396)	8,743
	<u>461,458</u>	<u>406,720</u>
Included in the above were redundancy costs of £Nil (2021 - £4,000).		
In addition:		
Annual value of staff housing	545	522
	<u>545</u>	<u>522</u>

No employee received remuneration of more than £60,000 during the year (2021 - None).

THE PHILADELPHIA NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

12 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

THE PHILADELPHIA NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

13 Transfers

	Network Church Sheffield	Property & Capital	Sundry	Building Fund: Philadelphia	Total	Network Church Sheffield	Property & Capital	Sundry	Building Fund: Philadelphia	Total
	2022 £	2022 £	2022 £	2022 £	2022 £	2021 £	2021 £	2021 £	2021 £	2021 £
Freehold purchase	(150,025)	150,025	-	-	-	-	-	-	-	-
Building Fund donations	20,684	-	(20,684)	-	-	-	-	-	-	-
Restore funds	10,444	-	(10,444)	-	-	11,230	-	(11,230)	-	-
Form Missions	-	-	-	-	-	1,119	-	(1,119)	-	-
	<u>(118,897)</u>	<u>150,025</u>	<u>(31,128)</u>	<u>-</u>	<u>-</u>	<u>12,349</u>	<u>-</u>	<u>(12,349)</u>	<u>-</u>	<u>-</u>

THE PHILADELPHIA NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

14 Tangible fixed assets

	Freehold buildings £	Leasehold buildings £	Fixtures and fittings £	Total £
Cost				
At 1 January 2022	1,485,000	636,100	301,533	2,422,633
Additions	151,477	-	22,174	173,651
Leasehold transfer	636,100	(636,100)	-	-
At 31 December 2022	2,272,577	-	323,707	2,596,284
Depreciation and impairment				
At 1 January 2022	237,600	100,610	282,297	620,507
Depreciation charged in the year	42,422	-	7,066	49,488
Leasehold transfer	100,610	(100,610)	-	-
At 31 December 2022	380,632	-	289,363	669,995
Carrying amount				
At 31 December 2022	1,891,945	-	34,344	1,926,289
At 31 December 2021	1,247,400	535,490	19,236	1,802,126

The freehold and leasehold properties at the Philadelphia Campus, Sheffield are included in the accounts at a deemed cost of £1,972,577 and are being depreciated at 2% pa on a straight line basis. During the year ended 31 December 2022, the charity purchased the freehold of the leasehold property at a cost of £151,477. The 'deemed cost' under FRS 102 is allocated between the various properties on the basis of the area that each property relates to the total area. Accordingly, the allocated cost for each property is an estimated figure and should not be taken as representing each property's actual cost.

The freehold land and buildings formerly known as the King's Centre Christian Church were legally transferred to the Philadelphia Network Limited on 9 January 2009 and are included in the accounts at a deemed cost of £300,000. Depreciation is charged on this property at 2% pa on a straight line basis.

THE PHILADELPHIA NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

15 Fixed asset investments

		Other investments
Cost or valuation		
At 1 January 2022 & 31 December 2022		2
Carrying amount		
At 31 December 2022		2
At 31 December 2021		2

	Notes	2022 £	2021 £
Other investments comprise:			
Investments in subsidiaries	24	2	2

16 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Trade debtors	36,478	8,153
Youth activities in advance	22,067	5,310
Amounts owed by subsidiary undertakings	600	-
Gift aid and other debtors	76,872	86,529
Prepayments and accrued income	5,028	5,213
	141,045	105,205

17 Creditors: amounts falling due within one year

	Notes	2022 £	2021 £
Other taxation and social security		10,049	8,434
Deferred income	18	54,624	62,061
Trade creditors		26,157	9,645
Other creditors		17,879	15,275
Accruals		29,446	26,583
		138,155	121,998

THE PHILADELPHIA NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

18 Deferred income

	2022 £	2021 £
Other deferred income	54,624	62,061

Deferred income is included in the financial statements as follows:

	2022 £	2021 £
Deferred income is included within:		
Current liabilities	54,624	62,061
Movements in the year:		
Deferred income at 1 January 2022	62,061	11,036
Released from previous periods	(31,915)	(11,036)
Resources deferred in the year	24,478	62,061
Deferred income at 31 December 2022	54,624	62,061

Represents donations and income received for events that are to take place in the following year.

THE PHILADELPHIA NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

19 Retirement benefit schemes

Church of England Pension Builder Scheme

The Philadelphia Network Limited (PB 2014) participates in the Pension Builder 2014 Scheme section of The Church Workers Pension Fund (CWPF) for lay staff.

Pension Builder 2014 is a cash balance scheme that provides a lump sum that members use to provide benefits at retirement. The pension costs charged to the SOFA in the year are contributions payable.

At 31 December 2022, the Church had 17 (2021: 20) active members and 125 (2021: 126) deferred members in the Pension Builder 2014 scheme.

The employer contributes 7% of basic salary and the employees contribute a minimum of 2%. The employer's contributions for the year totalled £29,661 (2021: £24,947). Employer's contributions outstanding at the year end amounted to £4,458 (2021: £6,540).

Baptist Minister's Pension Fund

Baptist Ministers were eligible up to December 2011 to be members of the Baptist Ministers' Pension Fund which is a final salary scheme. From January 2012 Baptist ministers are eligible for membership of the Baptist Pension Scheme ("the Scheme") which is a defined contributions scheme. The Church has one current member of this scheme.

From January 2012, pension provision is being made through the Defined Contribution (DC) Plan within the Scheme. In general, members pay 8% and employers pay 6% respectively of members' pensionable income into individual pension accounts. In addition, the employer pays a further 4% of pensionable income to cover death and income protection benefits for scheme members.

Benefits in respect of service prior to 1 January 2012 are provided through the Defined Benefit (DB) Plan within the Scheme. The main benefits for pre-2012 service were a defined benefit pension of one eightieth of final minimum pensionable income for each year of pensionable service. The Scheme, previously known as the Baptist Ministers' Pension Fund was closed to future accrual of defined benefits at 31 December 2011.

A formal valuation of the Defined Benefit (DB) Plan was performed at 31 December 2016 by a professionally qualified actuary. The market value of the DB Plan assets at the valuation date was £219 million compared to a target level of assets valuation of £312 million needed to pay benefits resulting in a deficit of £93 million (equivalent to a past service funding level of 70%).

However, by the end of 2022, the deficit has been cleared and the Church's own share of this total scheme deficit is estimated to be £Nil (2021: £38,700).

The profit and loss charge for the period represents the decrease in the deficit provision and the employer contributions payable until the deficit was cleared. The employer contributions payable for the year under review were £2,187 (2021: £3,695).

Defined benefit schemes

The amounts included in the balance sheet arising from the Charity's obligations in respect of defined benefit plans are as follows:

	2022 £	2021 £
Present value of defined benefit obligations	-	38,700
Deficit in scheme	-	38,700
Movements in the present value of defined benefit obligations:		
		2022 £
Liabilities at 1 January 2022		38,700
Decrease in liability		(38,700)
At 31 December 2022		-

THE PHILADELPHIA NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

20 Restricted funds

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

	Movement in funds 2021				Movement in funds 2022			
	Balance at 1 January 2021	Incoming resources	Resources expended	Transfers	Balance at 1 January 2022	Incoming resources	Resources expended	Transfers
	£	£	£	£	£	£	£	£
Basiles - Italy	100	1,200	(1,200)	-	100	1,200	(1,200)	-
Form Mission & contingencies	1,119	-	-	(1,119)	-	20,687	(3)	(20,684)
Gifts to be forwarded	736	161,668	(155,229)	-	7,175	37,651	(41,099)	-
King's Centre - Generosity pot	376	-	-	-	376	-	-	-
King's Centre - Building	-	2,106	(1,560)	-	546	98	(644)	-
Peru - A & M Burgess	1,486	495	(2,162)	-	(181)	450	-	-
Philadelphia - Students	-	-	-	-	-	66	(66)	-
Philadelphia - Worship	500	-	(500)	-	-	-	-	-
Restore	321,989	367,384	(218,400)	(11,230)	459,743	605,753	(488,428)	(26,408)
Youth - Other	19,818	8,631	(17,050)	-	11,399	16,881	(19,201)	-
Youth - Salaries	-	13,885	(13,885)	-	-	12,630	(12,630)	-
Philadelphia - Building Project	-	30,000	-	-	30,000	-	(26,292)	-
Forge and Restore	-	-	-	-	-	-	-	15,964
	<u>346,124</u>	<u>585,369</u>	<u>(409,986)</u>	<u>(12,349)</u>	<u>509,158</u>	<u>695,416</u>	<u>(589,563)</u>	<u>(31,128)</u>
								<u>583,883</u>

THE PHILADELPHIA NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

20 Restricted funds

(Continued)

1) Philadelphia Building and Development Project

This is funded by regular and one-off gifts. The fund encompasses:

- a) The development and repair of the Philadelphia and King's Centre campus.
- b) The servicing of the mortgage on the Philadelphia campus. Since the repayment of the mortgage and communication with the donors, donations to the building fund are now recorded as general unrestricted income.

2) Basiles - Italy

Marco and Cinzia Basile are Italian nationals and are missionaries working in Sicily. The Charity supports them with regular gifts. This restricted fund is separate and is for receiving gifts from church members which are then passed on.

3) Form Mission & Contingencies

Form seeks to train and disciple young adults to take up positions of leadership in missional contexts. Much of the program is funded through the Charity. However, Form mission trips and events are often financed separately through this fund. The fund is also used for various Form contingency needs.

4) Gifts to be forwarded

Donors sometimes send gifts through the Charity to be forwarded anonymously to beneficiaries. The Charity also receives gifts for designated missions or charities. They are forwarded according to the donors' wishes.

5) King's Centre - Generosity Pot

This is funded from individual gifts to be available when cases of personal need arise.

6) King's Centre - Gifts to be forwarded

Donors sometimes send gifts through the King's Centre to be forwarded anonymously to beneficiaries. King's Centre also receives gifts for designated missions or charities. They are forwarded according to the donors' wishes.

7) Peru - A & M Burgess

Anna and Mark Burgess are working with a church in Peru. Gifts are received into this fund for their work and travel expenses and are then forwarded onto the Burgesses.

8) Philadelphia - Students

This is a restricted fund for work with students by the Charity.

9) Philadelphia - Worship

This is a fund set up after a substantial donation was made for the purchase of Worship equipment at St Thomas Philadelphia.

THE PHILADELPHIA NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

20 Restricted funds

(Continued)

10) Restore - Foodbank

This fund is for the S6 Foodbank, which provides food and support to individuals and families across Sheffield in need. Money received includes individual donations, gifts from companies, government funds and grants.

11) Youth - Other

Youth - Other is funded by grants and individual donations. The fund is supporting the work of Forge Youth.

12) Youth Salaries

Youth Salaries is funded principally by regular individual gifts to support part-time youth outreach workers,

13) Forge and Restore

This fund was set up to ring fence funds for a new charity that is to take over the Forge and Restore work.

THE PHILADELPHIA NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

21 Unrestricted funds - designated Property & Capital

These are unrestricted funds which are material to the Charity's activities and represent a combination of the net book value of unrestricted tangible fixed assets less a property insurance premium. This fund will be reduced over the useful economic life of the tangible fixed assets in line with depreciation.

THE PHILADELPHIA NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

22 Analysis of net assets between funds

	Unrestricted funds 2022 £	Designated funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Designated funds 2021 £	Restricted funds 2021 £	Total 2021 £
Fund balances at 31 December 2022 are represented by:								
Tangible assets	-	1,926,289	-	1,926,289	-	1,802,126	-	1,802,126
Investments	2	-	-	2	2	-	-	2
Current assets/(liabilities)	283,751	(14,736)	583,883	852,898	362,501	(13,916)	509,158	857,743
Provisions and pensions	-	-	-	-	(38,700)	-	-	(38,700)
	<u>283,753</u>	<u>1,911,553</u>	<u>583,883</u>	<u>2,779,189</u>	<u>323,803</u>	<u>1,788,210</u>	<u>509,158</u>	<u>2,621,171</u>

THE PHILADELPHIA NETWORK LIMITED

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

23 Operating lease commitments

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

	2022 £	2021 £
Between two and five years	-	60,375

The total lease payments recognised as an expenses totalled £8,625 (2021 - £1,197).

24 Subsidiaries

Details of the Charity's subsidiaries at 31 December 2022 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct Indirect
Philadelphia Commercial Limited-Company no. 5656300	United Kingdom	Property development	Ordinary	100.00

The aggregate capital and reserves and the result for the year of subsidiaries excluded from consolidation was as follows:

Name of undertaking	Profit/(Loss) £	Capital and Reserves £
Philadelphia Commercial Limited-Company no. 5656300	-	2

THE PHILADELPHIA NETWORK LIMITED

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

25 S6 Foodbank

S6 Foodbank is a project providing food to those in need across Sheffield. During 2021 the foodbank increased the number of sites it operates to 11 locations across the city and distributed 523 tonnes of food. The extent of food insecurity in Sheffield and consequently demand at S6 Foodbank continued to increase throughout 2022. However, the project managed to meet this increase in need due to the incredible generosity of donors and partners, which the Charity wish to thank. The medium-term outlook for the project indicates demand on services will continue to grow in light of the 'cost of living crisis', there are also challenges in terms of the cost and supply of food which has further raised the project's operating costs. Therefore, to ensure uninterrupted provision to beneficiaries the Charity are seeking to hold sufficient funds to meet 4 months of food demand and operational expenditure.

	Unrestricted funds		Restricted funds		Total Unrestricted funds		Restricted funds		Total
	2022	2022	2022	2022	2021	2021	2021	2021	2021
	£	£	£	£	£	£	£	£	£
Income from:									
Donations and legacies	2,400	312,281	314,681	-	285,637	285,637			
Grants received	7,187	137,663	144,850	-	33,675	33,675			
Charitable activities	-	3,271	3,271	29,228	-	29,228			
Other income	60	154	214	2,318	-	2,318			
Total income	9,647	453,369	463,016	31,546	319,312	350,858			
Expenditure on:									
Staff costs	6,223	151,643	157,866	3,633	43,698	47,331			
Charitable activities	-	167,035	167,035	8,736	32,000	40,736			
Support costs	110	116,993	117,103	2,317	38,524	40,841			
Grants paid	-	-	-	-	-	-			
Total expenditure	6,333	435,671	442,004	14,686	114,222	128,908			
Net incoming resources before transfers	3,314	17,698	21,012	16,860	205,090	221,950			
Gross transfers between funds	-	(4,494)	(4,494)	-	(40,672)	(40,672)			
Net movement in funds	3,314	13,204	16,518	16,860	164,418	181,278			
Fund balances at 1 January 2022	16,860	440,115	456,975	-	275,697	275,697			
Fund balances at 31 December 2022	20,174	453,319	473,493	16,860	440,115	456,975			

THE PHILADELPHIA NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

26	Cash generated from operations	2022 £	2021 £
	Surplus for the year	158,018	305,936
	Adjustments for:		
	Investment income recognised in statement of financial activities	(138,572)	(59,128)
	Depreciation and impairment of tangible fixed assets	49,488	48,908
	Difference between pension charge and cash contributions	(38,700)	(19,900)
	Movements in working capital:		
	(Increase) in debtors	(35,840)	(31,920)
	Increase/(decrease) in creditors	23,594	(37,365)
	(Decrease)/increase in deferred income	(7,437)	51,025
	Cash generated from operations	10,551	257,556
27	Analysis of changes in net funds		
	The Charity had no debt during the year.		

THE PHILADELPHIA NETWORK LIMITED

England & Wales - Charity number 1134973

Accounts

Charity registration number 1134973

Company registration number 06035697 (England and Wales)

THE PHILADELPHIA NETWORK LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

THE PHILADELPHIA NETWORK LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Revd. Michael Rutter Revd. Giles Holloway Samuel Evans Dr Ade Adebajo Timothy Armstrong Neill Birchenall Brian Gooch Rachel Marshall
Charity number	1134973
Company number	06035697
Registered office	6 Gilpin Street Sheffield S6 3BL
Auditor	Wells Richardson Cannon House Rutland Road Sheffield South Yorkshire S3 8DP
Bankers	Virgin Money Fargate Sheffield S1 1LL

THE PHILADELPHIA NETWORK LIMITED

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Statement of cash flows	10
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THE PHILADELPHIA NETWORK LIMITED

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

The Trustees present their annual report and financial statements for the year ended 31 December 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 Charity's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

The Charity's objects are:

- a) To advance the Christian faith for the benefit of the public in the Diocese of Sheffield and in such parts of the United Kingdom and the World as the Trustees think fit, through the establishment and operation of a church or churches.
- b) The provision of pastoral care for the congregation worshipping at the extra-parochial place known as St Thomas' Church at Philadelphia.
- c) To promote education and to prevent and relieve poverty in the Diocese of Sheffield and such parts of the United Kingdom and/or the World as the Trustees may from time to time think fit.

Within that framework, the primary object of the Charity is to work towards the transformation of Sheffield, by making life better for its people and by inviting and supporting people to follow Jesus.

Main objectives for the year

Key objectives were:

- to continue and grow the existing Sunday services and community groups, despite the challenges of the Covid-19 pandemic;
- to plant new household and community groups;
- to work towards ending food poverty in Sheffield;
- to continue and develop support for children and young people across Sheffield, particularly through schools work.

The success of this was principally measured by:

- the number of beneficiaries supported by the Charity;
- the attendance numbers at the Sunday services, both in person and online;
- the stories of people's changed lives;
- the number of household and community groups running;
- the number of people fed, and the total amount of food distributed, by S6 Foodbank.

The Trustees have confirmed that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Church's aims and objectives and in planning future activities. The trustees are also aware of the Charity Commission's guidance on public benefit in the Advancement of Religion for the Public Benefit and have regard to it in their administration of the Charity. The Church provides the following activities for the benefit of the general public:

- the celebration of public worship;
- the teaching of the Christian faith;
- mission and evangelism;
- pastoral work, including visiting the sick and bereaved;
- the provision of facilities with a Christian ethos for the local community (including but not restricted to) the elderly, the young and other groups with special needs; and
- the support of other charities in the UK and overseas.

The Charity aims to give away a percentage of its unrestricted income to other beneficiaries and charities in furtherance of the Charity's objectives. The majority of grants are made to registered charities although assistance may be given to other constituted groups.

The Charity encourages a culture of volunteering in all areas of its work. During the year at least 300 volunteers provided their services to the Charity. No financial value of volunteer's time has been included in the financial statements.

THE PHILADELPHIA NETWORK LIMITED

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

Achievements and performance

Some of the key achievements for 2021 were:

- S6 Foodbank continued to grow and develop, by the end of the year it had 11 sites across Sheffield, feeding at peak over 1,670 people a week.
- S6 Foodbank distributed 443 tonnes of food.
- Forge Youth continued to run one to one support to vulnerable children across Sheffield throughout 2021, delivering 1,288 sessions during the year.
- The Charity supported 17 people to become debt free during 2021.
- Around 350 people engaged with Network Church Sheffield services each week.

Financial review

Church members make annual financial commitments to the Charity. The annual budget is based on the vision of its leadership team, tempered by the income that is promised by church members and anticipated from grant making bodies.

The statement of financial activities on pages 7 and 8 shows total unrestricted income of £700,641 (2020: £731,728) and total unrestricted expenditure of £528,116 (2020: £630,671). After net transfers of £12,349 (2020: £10,209) from restricted funds, this resulted in a surplus of £184,874 (2020: £111,266).

The Trustees have reviewed the reserves of the Charity. This review encompassed the nature of the income and expenditure streams, the need to match variable income with fixed commitments and the nature of the reserves. The review concluded that to allow the Charity finances to be managed effectively and to provide a buffer for uninterrupted services, unrestricted reserves (excluding property and related loans) equivalent to six weeks' expenditure should be maintained. At 31 December 2021, the value of such reserves was £328,803 (2020: £138,929).

The Trustees have assessed the major risks to which the Charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Structure, governance and management

The Charity is a registered charity and a company limited by guarantee. It was incorporated on 21 December 2006 as Network Church Limited. The name of the company was changed to The Philadelphia Network Limited on 29 March 2008.

The Charity is a Christian Church with Anglican, Baptist and Free Church roots. It has two major ministries: Forge Youth (children and young people) and Restore (marginalised and vulnerable adults), which includes S6 Foodbank.

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:

Revd. Michael Rutter
Revd. Giles Holloway
Samuel Evans
Dr Ade Adebajo
Timothy Armstrong
Neill Birchenall
Brian Gooch
Rachel Marshall

Membership of the company is at the discretion of the Trustees. The current members of the company are drawn from the congregation of St Thomas Philadelphia and the Kings Centre and approved by the Trustees. None of the trustees has any beneficial interest in the company. All of the Trustees are members of the company

The Board of Trustees is made up of two groups:

- a) Three of the Trustees are employed by the Charity. They are not remunerated for their duties as trustees. This group makes the day-to-day decisions in the running of the Charity within the guidelines and budgets agreed by the whole board. They are accountable to the Board.
- b) The remainder and majority of the Trustees are not employees of the Charity. Each Trustee appointment is recommended by the existing Trustees and approved by the Members.

THE PHILADELPHIA NETWORK LIMITED

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

The pay and remuneration of the charity's key management personnel is determined by the trustees based upon the employees' experience and pay structures operating generally in the charity sector.

Statement of Trustees' responsibilities

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

Company Law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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

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

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

Auditor

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

Disclosure of information to auditor

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

Small companies exemption

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

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



Samuel Evans
Trustee

8 September 2022

THE PHILADELPHIA NETWORK LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF THE PHILADELPHIA NETWORK LIMITED

Opinion

We have audited the financial statements of The Philadelphia Network Limited (the 'Charity') for the year ended 31 December 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

THE PHILADELPHIA NETWORK LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF THE PHILADELPHIA NETWORK LIMITED

Matters on which we are required to report by exception

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

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

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

Responsibilities of Trustees

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

Auditor's responsibilities for the audit of the financial statements

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

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

- Considering the nature of the sector and the charity's performance.
- Enquiry of management, and those charged with governance.
- Reviewing minutes of meetings of those charged with governance.
- Enquiry of entity staff in compliance functions to identify any instances of non-compliance with laws and regulations.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

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

THE PHILADELPHIA NETWORK LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF THE PHILADELPHIA NETWORK LIMITED

Use of our report

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



Grant Wade (Senior Statutory Auditor)
for and on behalf of Wells Richardson

8 September 2022

Chartered Accountants
Statutory Auditor

Cannon House
Rutland Road
Sheffield
South Yorkshire
S3 8DP

THE PHILADELPHIA NETWORK LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2021

		Unrestricted funds general	Unrestricted funds designated Property & Capital	Restricted funds	Total	Unrestricted funds general	Unrestricted funds designated Property & Capital	Restricted funds	Total
	Notes	2021 £	2021 £	2021 £	2021 £	2020 £	2020 £	2020 £	2020 £
<u>Income from:</u>									
Donations and legacies	3	543,463	-	585,369	1,128,832	599,702	-	507,712	1,107,414
Charitable activities	4	98,050	-	-	98,050	68,909	-	282	69,191
Investments	5	59,128	-	-	59,128	63,117	-	-	63,117
Total income		700,641	-	585,369	1,286,010	731,728	-	507,994	1,239,722
<u>Expenditure on:</u>									
Charitable activities	6	528,116	41,972	409,986	980,074	630,671	52,618	202,798	886,087
Net incoming resources before transfers		172,525	(41,972)	175,383	305,936	101,057	(52,618)	305,196	353,635

THE PHILADELPHIA NETWORK LIMITED

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2021

		Unrestricted funds general	Unrestricted funds designated Property & Capital	Restricted funds	Total	Unrestricted funds general	Unrestricted funds designated Property & Capital	Restricted funds	Total
		2021 £	2021 £	2021 £	2021 £	2020 £	2020 £	2020 £	2020 £
Net incoming resources before transfers		172,525	(41,972)	175,383	305,936	101,057	(52,618)	305,196	353,635
Gross transfers between funds	11	12,349	-	(12,349)	-	10,209	27,056	(37,265)	-
Net income for the year/ Net movement in funds		184,874	(41,972)	163,034	305,936	111,266	(25,562)	267,931	353,635
Fund balances at 1 January 2021		138,929	1,830,182	346,124	2,315,235	27,663	1,855,744	78,193	1,961,600
Fund balances at 31 December 2021		323,803	1,788,210	509,158	2,621,171	138,929	1,830,182	346,124	2,315,235

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 PHILADELPHIA NETWORK LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	12	1,802,126		1,829,561	
Investments	13	2		-	
		<u>1,802,128</u>		<u>1,829,561</u>	
Current assets					
Debtors	14	105,205		73,285	
Cash at bank and in hand		874,536		579,327	
		<u>979,741</u>		<u>652,612</u>	
Creditors: amounts falling due within one year	15	<u>(121,998)</u>		<u>(108,338)</u>	
Net current assets		857,743		544,274	
Total assets less current liabilities		<u>2,659,871</u>		<u>2,373,835</u>	
Net assets excluding pension liability		2,659,871		2,373,835	
Defined benefit pension liability	17	<u>(38,700)</u>		<u>(58,600)</u>	
Net assets		<u>2,621,171</u>		<u>2,315,235</u>	
Income funds					
Restricted funds	18	509,158		346,124	
Unrestricted funds		2,112,013		1,969,111	
		<u>2,621,171</u>		<u>2,315,235</u>	

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 8 September 2022



Samuel Evans
Trustee

Company Registration No. 06035697

THE PHILADELPHIA NETWORK LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash generated from operations	24		257,556		396,599
Investing activities					
Purchase of tangible fixed assets		(21,473)		-	
Proceeds on disposal of tangible fixed assets		-		623	
Purchase of subsidiaries		(2)		-	
Investment income received		59,128		63,117	
Net cash generated from Investing activities			37,653		63,740
Financing activities					
Repayment of bank loans		-		(27,056)	
Net cash used in financing activities			-		(27,056)
Net increase in cash and cash equivalents			295,209		433,283
Cash and cash equivalents at beginning of year			579,327		146,044
Cash and cash equivalents at end of year			874,536		579,327

THE PHILADELPHIA NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

Charity Information

The Philadelphia Network Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is 6 Gilpin Street, Sheffield, S6 3BL.

1.1 Accounting convention

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

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

The financial statements have been prepared under the historical cost convention, [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 Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

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

Designated funds comprise funds which have been set aside at the discretion of the Trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

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 Charity.

1.4 Income

Income is recognised when the Charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received. The monetary value of foodbank donations of goods is not able to be measured with sufficient reliability and is not included in the incoming resources of the Charity.

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

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

THE PHILADELPHIA NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

Grants are recognised in the year when the entitlement to the grant is confirmed. Grants for the purchase of equipment and towards the initial setting up of projects are credited in full to the relevant activities in furtherance of the Charity's objects. Grants that provide core funding, or are of a general nature provided by government and charitable foundations, are recorded as voluntary income. Grants specifically for goods and services to be provided as part of charitable activities are recorded against the activity to which they relate.

1.5 Expenditure

Expenditure is accounted for on an accruals basis.

Liabilities are recognised as soon as there is a legal or constructive obligation to pay out resources.

Support costs are directly attributed to charitable activities on an actual basis and no further apportionment is necessary.

Governance costs include the costs of preparation and audit of the statutory accounts, the cost of trustee meetings and the cost of any legal advice to trustees on governance or constitutional matters.

Redundancy costs incurred in the period are charged directly to the SOFA, allocated as necessary between the relevant funds.

1.6 Tangible fixed assets

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

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

Freehold buildings	2% Straight line
Leasehold buildings	2% Straight line
Fixtures and fittings	25% Straight line

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

On first-time adoption of FRS 102 in 2016, the trustees opted to freeze the existing carrying values of the freehold and leasehold premises as at the start of the prior financial year. The then existing carrying values were respectively: Freehold premises £1,485,000 (including King's Centre £300,000) and Leasehold premises £636,100. These carrying valuations were based on professional valuations carried out and adopted in the accounts for the year ended 31 December 2015. Since 2016, the freehold and leasehold properties (excluding land) are being depreciated at 2% pa on a straight line basis.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

A subsidiary is an entity controlled by the Charity. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.8 Impairment of fixed assets

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

THE PHILADELPHIA NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.9 Cash and cash equivalents

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

1.10 Financial instruments

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

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

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

Basic financial assets

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

Basic financial liabilities

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

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

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

Derecognition of financial liabilities

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

1.11 Taxation

The Charity is not liable to income or capital gains tax on its charitable activities. Irrecoverable VAT is included in the asset cost or expense to which it relates.

1.12 Employee benefits

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

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

THE PHILADELPHIA NETWORK LIMITED

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

1 Accounting policies

(Continued)

1.13 Retirement benefits

Contributions in respect of the defined benefits and defined contributions schemes are calculated as a percentage of the pensionable salaries of employees. For schemes such as The Pension Builder Scheme (PBS), formerly known as the Church of England Defined Contributions Scheme (DCS), paragraph 9(b) of FRS 17 requires the Board to account for pension costs on the basis of contributions actually payable to the scheme during the year. Contributions to the pension schemes are charged monthly to the income and expenditure account.

The cost of providing benefits under defined benefit plans is determined separately for each plan using the projected unit credit method, and is based on actuarial advice.

The change in the net defined benefit liability arising from employee service during the year is recognised as an employee cost. The cost of plan introductions, benefit changes, settlements and curtailments are recognised as incurred.

The net interest element is determined by multiplying the net defined benefit liability by the discount rate, taking into account any changes in the net defined benefit liability during the period as a result of contribution and benefit payments. The net interest is recognised in income/(expenditure) for the year.

Remeasurement changes comprise actuarial gains and losses, the effect of the asset ceiling and the return on the net defined benefit liability excluding amounts included in net interest. These are recognised immediately in other recognised gains and losses in the period in which they occur and are not reclassified to income/(expenditure) in subsequent periods.

The net defined benefit pension asset or liability in the balance sheet comprises the total for each plan of the present value of the defined benefit obligation (using a discount rate based on high quality corporate bonds), less the fair value of plan assets out of which the obligations are to be settled directly. Fair value is based on market price information, and in the case of quoted securities is the published bid price. The value of a net pension benefit asset is limited to the amount that may be recovered either through reduced contributions or agreed refunds from the scheme.

2 Critical accounting estimates and judgements

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

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

THE PHILADELPHIA NETWORK LIMITED

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

3 Donations and legacies

	Unrestricted funds general 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds general 2020 £	Restricted funds 2020 £	Total 2020 £
Donations and gifts	508,392	473,057	981,449	530,646	425,126	955,772
Sundry grants	35,071	112,312	147,383	69,056	82,586	151,642
	<u>543,463</u>	<u>585,369</u>	<u>1,128,832</u>	<u>599,702</u>	<u>507,712</u>	<u>1,107,414</u>
Donations and gifts						
Committed giving and donations	417,839	433,279	851,118	453,298	328,965	782,263
Other income	-	-	-	366	821	1,187
Gift aid receipts	90,553	39,778	130,331	76,936	31,679	108,615
Legacy income	-	-	-	-	63,636	63,636
Restore - Food Bank	-	-	-	46	25	71
	<u>508,392</u>	<u>473,057</u>	<u>981,449</u>	<u>530,646</u>	<u>425,126</u>	<u>955,772</u>

Included in Sundry grants were amounts totaling £Nil (2020 - £3,584) from Sheffield City Council and £28,411 (2020 - £67,833) from the Job retention scheme.

4 Charitable activities

	2021 £	2020 £
Form	-	707
Playtime and other takings	4,729	1,626
Youth work	62,743	66,858
Restore fund	30,578	-
	<u>98,050</u>	<u>69,191</u>
Analysis by fund		
Unrestricted funds - general	98,050	68,909
Restricted funds	-	282

THE PHILADELPHIA NETWORK LIMITED

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

5 Investments

	Unrestricted funds general 2021 £	Unrestricted funds general 2020 £
Rent and conference fees	58,899	62,717
Interest receivable	229	400
	<u>59,128</u>	<u>63,117</u>

THE PHILADELPHIA NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

6 Charitable activities

	Network Church Sheffield 2021 £	Property & Capital 2021 £	Sundry 2021 £	Total 2021 £	Network Church Sheffield 2020 £	Property & Capital 2020 £	Sundry 2020 £	Building Fund: Philadelphia 2020 £	Total 2020 £
Staff costs	289,879	-	117,363	407,242	408,000	-	115,549	-	523,549
Depreciation and impairment	-	46,291	1,787	48,078	-	52,618	-	-	52,618
Capitalisation of fixtures	-	(4,319)	(17,154)	(21,473)	-	-	-	-	-
Projects and training	502	-	8,300	8,802	6,834	-	3,608	-	10,442
Staff expenses	4,416	-	23,527	27,943	1,910	-	2,422	-	4,332
Staff training	415	-	-	415	5,966	-	1,675	-	7,641
Worship and audio-visual	3,362	-	-	3,362	2,407	-	-	-	2,407
Community Life	2,000	-	-	2,000	1,533	-	54	-	1,587
Missional communities including food	9,658	-	70,969	80,627	2,405	-	23,965	-	26,370
	<u>310,232</u>	<u>41,972</u>	<u>204,792</u>	<u>556,996</u>	<u>429,055</u>	<u>52,618</u>	<u>147,273</u>	<u>-</u>	<u>628,946</u>
Grant funding of activities (see note 7)	18,008	-	158,591	176,599	27,494	-	26,092	-	53,586
Share of support costs (see note 8)	191,987	-	46,352	238,339	167,522	-	25,540	3,893	196,955
Share of governance costs (see note 8)	8,140	-	-	8,140	6,600	-	-	-	6,600
	<u>528,367</u>	<u>41,972</u>	<u>409,735</u>	<u>980,074</u>	<u>630,671</u>	<u>52,618</u>	<u>198,905</u>	<u>3,893</u>	<u>886,087</u>

THE PHILADELPHIA NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

6 Charitable activities

(Continued)

	Network Church Sheffield 2021 £	Property & Capital 2021 £	Sundry 2021 £	Total 2021 £	Network Church Sheffield 2020 £	Property & Capital 2020 £	Sundry 2020 £	Building Fund: Philadelphia 2020 £	Total 2020 £
Analysis by fund									
Unrestricted funds - general	528,116	-	-	528,116	630,671	-	-	-	630,671
Unrestricted funds - designated Property & Capital	-	41,972	-	41,972	-	52,618	-	-	52,618
Restricted funds	251	-	409,735	409,986	-	-	198,905	3,893	202,798
	<u>528,367</u>	<u>41,972</u>	<u>409,735</u>	<u>980,074</u>	<u>630,671</u>	<u>52,618</u>	<u>198,905</u>	<u>3893</u>	<u>886,087</u>

THE PHILADELPHIA NETWORK LIMITED

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

7	Grants payable	Network Church Sheffield 2021 £	Sundry 2021 £	Total 2021 £	Network Church Sheffield 2020 £	Sundry 2020 £	Total 2020 £
	A & M Burgess	4,713	153,065	157,778	4,713	22,850	27,563
	M & C Basile	5,037	1,200	6,237	5,037	1,200	6,237
	A Kennedy	4,908	-	4,908	6,578	195	6,773
	Kairos Connexion	-	-	-	1,800	-	1,800
	Baptist Union	-	-	-	3,065	-	3,065
	Diocese of Sheffield	-	-	-	5,850	-	5,850
	Bastian Suputra	-	3,500	3,500	-	-	-
	Arise	1,000	-	1,000	-	-	-
	Fusion	1,600	-	1,600	-	-	-
	Sundry small donations	750	826	1,576	451	1,847	2,298
		<u>18,008</u>	<u>158,591</u>	<u>176,599</u>	<u>27,494</u>	<u>26,092</u>	<u>53,586</u>

8	Support costs	Support costs £	Governance costs £	2021 Support costs £	Governance costs £	2020 £
	Administration costs	27,327	-	27,327	-	27,361
	Bank charges	527	-	527	-	418
	Hire of equipment	4,983	-	4,983	-	2,727
	Legal fees	58,722	-	58,722	-	36,466
	Development costs and loan interest	-	-	-	207	207
	IT Costs	3,733	-	3,733	-	2,094
	Insurance	15,475	-	15,475	-	14,787
	Utilities and telephone	64,399	-	64,399	-	53,692
	Repairs, maintenance and equipment	60,007	-	60,007	-	57,066
	Ground rent and rates	3,166	-	3,166	-	2,137
	Legal and professional	-	8,140	8,140	-	6,600
		<u>238,339</u>	<u>8,140</u>	<u>246,479</u>	<u>6,600</u>	<u>203,555</u>

Governance costs includes payments to the auditors of £8,140 for audit fees and accounts preparation (2020-£6,600).

THE PHILADELPHIA NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

9 Trustees

The Church had a written agreement to pay annual rent to a Trustee who retired during the year. Details of the rent paid during the year are as follows:

Revd. Peter Findley to provide a minister's house - £Nil (2020: £10,500)

The Non-executive Trustees approved this written agreement. The Charities Act 2011 specifically allows the Church to make payments of this nature.

Travel and other expenses amounting to £20,589 (2020: £6,009) were reimbursed to 6 Trustees and Secretary (2020 - 5).

During the year under review, four Trustees and a Trustee's partner were paid for their services as employees. These payments are in accordance with the provisions in the Church's Memorandum of Association dated 21 December 2006. No trustee received any remuneration for their services as trustees. Details are as follows:

	Salary £	Pension £	House costs £
Revd Giles Holloway	36,900	3,690	-
Mrs Amanda Gooch	5,144	357	-
Revd Mike Rutter	38,057	2,664	-
Samuel Evans	41,546	2,908	-

Neill Birchenall is the Managing Director of a company which provides IT software support to the Charity. The value of this software support amounted to £11,276 (2020 - £16,021). The Charity owed £614 (2020 - £872) to this company at the year end. Neill Birchenall is also a Trustee and Director of the Sheffield Diocesan Board of Finance which received a support grant of £Nil (2020 - £5,850) from the Charity during the year. Apart from these transactions and the amounts received under written agreements, no Trustee or other person related to the Trustees had any personal interest in any contract or transaction entered into by the Charity during the year (2020 : Nil).

Aggregate donations to the Church from members of the Board of Trustees during the year amounted to £43,432 (2020: £41,032)

THE PHILADELPHIA NETWORK LIMITED

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

10 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
	25	32
	<u> </u>	<u> </u>
Employment costs	2021	2020
	£	£
Wages and salaries	374,945	448,592
Social security costs	23,032	24,565
Other pension costs	8,743	36,400
	<u> </u>	<u> </u>
	406,720	509,557
	<u> </u>	<u> </u>
Included in the above were redundancy costs of £4,000 (2020 - £7,500).		
In addition:		
Annual value of staff housing	522	23,902
	<u> </u>	<u> </u>

No employee received remuneration of more than £60,000 during the year (2020 - None).

THE PHILADELPHIA NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

11 Transfers

	Network Church Sheffield	Property & Capital	Sundry	Building Fund: Philadelphia	Total	Network Church Sheffield	Property & Capital	Sundry	Building Fund: Philadelphia	Total
	2021 £	2021 £	2021 £	2021 £	2021 £	2020 £	2020 £	2020 £	2020 £	2020 £
Loan repayments	-	-	-	-	-	-	27,056	-	(27,056)	-
Restore funds	11,230	-	(11,230)	-	-	10,209	-	(10,209)	-	-
Form Missions	1,119	-	(1,119)	-	-	-	-	-	-	-
	<u>12,349</u>	<u>-</u>	<u>(12,349)</u>	<u>-</u>	<u>-</u>	<u>10,209</u>	<u>27,056</u>	<u>(10,209)</u>	<u>(27,056)</u>	<u>-</u>

THE PHILADELPHIA NETWORK LIMITED

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

12 Tangible fixed assets

	Freehold buildings £	Leasehold buildings £	Fixtures and fittings £	Total £
Cost				
At 1 January 2021	1,485,000	636,100	280,710	2,401,810
Additions	-	-	21,473	21,473
Disposals	-	-	(650)	(650)
At 31 December 2021	1,485,000	636,100	301,533	2,422,633
Depreciation and Impairment				
At 1 January 2021	207,900	87,888	276,461	572,249
Depreciation charged in the year	29,700	12,722	6,486	48,908
Eliminated in respect of disposals	-	-	(650)	(650)
At 31 December 2021	237,600	100,610	282,297	620,507
Carrying amount				
At 31 December 2021	1,247,400	535,490	19,236	1,802,126
At 31 December 2020	1,277,100	548,212	4,249	1,829,561

The freehold and leasehold properties at the Philadelphia Campus, Sheffield are included in the accounts at a deemed cost of £1,821,100 and are being depreciated at 2% pa on a straight line basis.

The 'deemed cost' under FRS 102 is allocated between the various properties on the basis of the area that each property relates to the total area. Accordingly, the allocated cost for each property is an estimated figure and should not be taken as representing each property's actual cost.

The freehold land and buildings formerly known as the King's Centre Christian Church were legally transferred to the Philadelphia Network Limited on 9 January 2009 and are included in the accounts at a deemed cost of £300,000. Depreciation is charged on this property at 2% pa on a straight line basis.

13 Fixed asset investments

	Other investments
Cost or valuation	
At 1 January 2021	-
Additions	2
At 31 December 2021	2
Carrying amount	
At 31 December 2021	2
At 31 December 2020	-

The charity acquired the entire share capital of its subsidiary, Philadelphia Commercial Limited on the 13 August 2021. This company remained dormant throughout the period.

THE PHILADELPHIA NETWORK LIMITED

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

13 Fixed asset investments

(Continued)

	Notes	2021 £	2020 £
Other investments comprise:			
Investments in subsidiaries	22	2	-

14 Debtors

		2021 £	2020 £
Amounts falling due within one year:			
Trade debtors		8,153	7,646
Youth activities in advance		5,310	27,343
Gift aid and other debtors		86,529	34,107
Prepayments and accrued income		5,213	4,189
		<u>105,205</u>	<u>73,285</u>

15 Creditors: amounts falling due within one year

	Notes	2021 £	2020 £
Other taxation and social security		8,434	6,454
Deferred income	16	62,061	11,036
Trade creditors		9,645	11,783
Other creditors		15,275	57,700
Accruals		26,583	21,365
		<u>121,998</u>	<u>108,338</u>

THE PHILADELPHIA NETWORK LIMITED

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

16 Deferred income

	2021 £	2020 £
Other deferred income	62,061	11,036
	<u>62,061</u>	<u>11,036</u>
Deferred income is included in the financial statements as follows:		
	2021 £	2020 £
Deferred income is included within:		
Current liabilities	62,061	11,036
	<u>62,061</u>	<u>11,036</u>
Movements in the year:		
Deferred income at 1 January 2021	11,036	12,737
Released from previous periods	(11,036)	(1,701)
Resources deferred in the year	62,061	-
	<u>62,061</u>	<u>11,036</u>
Deferred income at 31 December 2021	62,061	11,036
	<u>62,061</u>	<u>11,036</u>

Represents donations and income received for events that are to take place in the following year.

THE PHILADELPHIA NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

17 Retirement benefit schemes

Church of England Pension Builder Scheme

The Philadelphia Network Limited (PB 2014) participates in the Pension Builder 2014 Scheme section of The Church Workers Pension Fund (CWPF) for lay staff.

Pension Builder 2014 is a cash balance scheme that provides a lump sum that members use to provide benefits at retirement. The pension costs charged to the SOFA in the year are contributions payable.

At 31 December 2021, the Church had 20 (2020: 20) active members and 126 (2020: 125) deferred members in the Pension Builder 2014 scheme.

The employer contributes 7% of basic salary and the employees contribute a minimum of 2%. The employer's contributions for the year totalled £24,947 (2020: £29,475). Employer's contributions outstanding at the year end amounted to £6,540 (2020: £5,397).

Baptist Minister's Pension Fund

Baptist Ministers were eligible up to December 2011 to be members of the Baptist Ministers' Pension Fund which is a final salary scheme. From January 2012 Baptist ministers are eligible for membership of the Baptist Pension Scheme ("the Scheme") which is a defined contributions scheme. The Church has one current member of this scheme.

From January 2012, pension provision is being made through the Defined Contribution (DC) Plan within the Scheme. In general, members pay 8% and employers pay 6% respectively of members' pensionable income into individual pension accounts. In addition, the employer pays a further 4% of pensionable income to cover death and income protection benefits for scheme members.

Benefits in respect of service prior to 1 January 2012 are provided through the Defined Benefit (DB) Plan within the Scheme. The main benefits for pre-2012 service were a defined benefit pension of one eightieth of final minimum pensionable income for each year of pensionable service. The Scheme, previously known as the Baptist Ministers' Pension Fund was closed to future accrual of defined benefits at 31 December 2011.

A formal valuation of the Defined Benefit (DB) Plan was performed at 31 December 2016 by a professionally qualified actuary. The market value of the DB Plan assets at the valuation date was £219 million compared to a target level of assets valuation of £312 million needed to pay benefits resulting in a deficit of £93 million (equivalent to a past service funding level of 70%).

The Church's own share of this total scheme deficit is estimated to be £38,700 (2020: £58,600). As a result of the valuation, in addition to the contributions to the DC Plan set out above, it was agreed to increase the standard rate of deficiency contributions from churches and other employers involved in the DB Plan from 11% of pensionable income/ minimum pensionable income to be based on a 12% rate from 1 January 2016.

As indicated above, the BPS has informed the Church that its share of the total scheme deficit is estimated to be £38,700 (2020: £58,600) and the accounts include a provision for this amount. The profit and loss charge for the period represents the increase in the deficit provision and the employer contributions payable. The employer contributions payable for the year under review are £3,695 (2020: £2,724).

If the Church were to withdraw completely from the Scheme, its liability would be calculated and would be payable, although there would be a two year period of grace.

Defined benefit schemes

The amounts included in the balance sheet arising from the Charity's obligations in respect of defined benefit plans are as follows:

	2021 £	2020 £
Present value of defined benefit obligations	38,700	58,600
Deficit in scheme	38,700	58,600

THE PHILADELPHIA NETWORK LIMITED

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

17 Retirement benefit schemes

(Continued)

Movements in the present value of defined benefit obligations:

	2021 £
Liabilities at 1 January 2021	58,600
Decrease in liability	(19,900)
At 31 December 2021	<u>38,700</u>

THE PHILADELPHIA NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

18 Restricted funds

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

	Movement in funds 2020				Movement in funds 2021				
	Balance at 1 January 2020	Incoming resources	Resources expended	Transfers	Balance at 1 January 2021	Incoming resources	Resources expended	Transfers	Balance at 31 December 2021
	£	£	£	£	£	£	£	£	£
Basiles - Italy	100	1,200	(1,200)	-	100	1,200	(1,200)	-	100
Form Mission & contingencies	1,119	-	-	-	1,119	-	-	(1,119)	-
Gifts to be forwarded	1,299	22,439	(23,002)	-	736	161,668	(155,229)	-	7,175
Iranian & asylum seekers ministries	303	-	(303)	-	-	-	-	-	-
King's Centre - Generosity pot	376	-	-	-	376	-	-	-	376
King's Centre - Gifts to be forwarded	344	-	(393)	49	-	-	-	-	-
King's Centre - Building	-	-	-	-	-	2,106	(1,560)	-	546
Peru - A & M Burgess	868	1,618	(1,000)	-	1,486	495	(2,162)	-	(181)
Philadelphia - Students	-	37	(37)	-	-	-	-	-	-
Philadelphia - Worship	-	500	-	-	500	-	(500)	-	-
Restore - Foodbank	16,009	372,923	(106,532)	(6,703)	275,697	319,312	(114,222)	(40,672)	440,115
Restore - Other	21,633	67,868	(39,654)	(3,555)	46,292	48,072	(104,178)	29,442	19,628
Youth - Other	5,193	29,549	(14,924)	-	19,818	8,631	(17,050)	-	11,399
Youth - Salaries	-	11,860	(11,860)	-	-	13,885	(13,885)	-	-
Philadelphia - Building Project	30,949	-	(3,893)	(27,056)	-	30,000	-	-	30,000
	<u>78,193</u>	<u>507,994</u>	<u>(202,798)</u>	<u>(37,265)</u>	<u>346,124</u>	<u>585,369</u>	<u>(409,986)</u>	<u>(12,349)</u>	<u>509,158</u>

THE PHILADELPHIA NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

18 Restricted funds

(Continued)

1) Philadelphia Building and Development Project

This is funded by regular and one-off gifts. The fund encompasses:

- a) The development and repair of the Philadelphia and King's Centre campus.
- b) The servicing of the mortgage on the Philadelphia campus. Since the repayment of the mortgage and communication with the donors, donations to the building fund are now recorded as general unrestricted income.

2) Basiles - Italy

Marco and Cinzia Basile are Italian nationals and are missionaries working in Sicily. The Charity supports them with regular gifts. This restricted fund is separate and is for receiving gifts from church members which are then passed on.

3) Form Mission & Contingencies

Form seeks to train and disciple young adults to take up positions of leadership in missional contexts. Much of the program is funded through the Charity. However, Form mission trips and events are often financed separately through this fund. The fund is also used for various Form contingency needs.

4) Gifts to be forwarded

Donors sometimes send gifts through the Charity to be forwarded anonymously to beneficiaries. The Charity also receives gifts for designated missions or charities. They are forwarded according to the donors' wishes.

5) Iranian & Asylum Seekers Ministries

The Charity supports outreach among Iranian communities and Asylum Seekers in the United Kingdom through this fund. This fund is also used to support groups and individuals from other minority communities.

6) King's Centre - Generosity Pot

This is funded from individual gifts to be available when cases of personal need arise.

7) King's Centre - Gifts to be forwarded

Donors sometimes send gifts through the King's Centre to be forwarded anonymously to beneficiaries. King's Centre also receives gifts for designated missions or charities. They are forwarded according to the donors' wishes.

THE PHILADELPHIA NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

18 Restricted funds

(Continued)

8) Peru - A & M Burgess

Anna and Mark Burgess are working with a church in Peru. Gifts are received into this fund for their work and travel expenses and are then forwarded onto the Burgesses.

9) Philadelphia - Students

This is a restricted fund for work with students by the Charity.

10) Philadelphia - Worship

This is a fund set up after a substantial donation was made for the purchase of Worship equipment at St Thomas Philadelphia.

11) Restore - Foodbank

This fund is for the S6 Foodbank, which provides food and support to individuals and families across Sheffield in need. Money received includes individual donations, gifts from companies, government funds and grants.

12) Restore - Other

Restore project supports vulnerable people across Sheffield. Funds have been set up for different aspects of this work. The funds are:
-Vulnerable People - for general projects among vulnerable people.
-Restore Debt- provision of debt support.

13) Youth - Other

Youth - Other is funded by grants and individual donations. The fund is supporting the work of Forge Youth.

14) Youth Salaries

Youth Salaries is funded principally by regular individual gifts to support part-time youth outreach workers,

THE PHILADELPHIA NETWORK LIMITED

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

19 Unrestricted funds - designated Property & Capital

These are unrestricted funds which are material to the Charity's activities and represent the net book value of tangible fixed assets less the bank loan which was repaid in 2020. This fund will be reduced over the useful economic life of the tangible fixed assets in line with depreciation.

THE PHILADELPHIA NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

20 Analysis of net assets between funds

	Unrestricted funds 2021 £	Designated funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Designated funds 2020 £	Restricted funds 2020 £	Total 2020 £
Fund balances at 31 December 2021 are represented by:								
Tangible assets	-	1,802,126	-	1,802,126	-	1,829,561	-	1,829,561
Investments	2	-	-	2	-	-	-	-
Current assets/(liabilities)	362,501	(13,916)	509,158	857,743	197,529	621	346,124	544,274
Provisions and pensions	(38,700)	-	-	(38,700)	(58,600)	-	-	(58,600)
	<u>323,803</u>	<u>1,788,210</u>	<u>509,158</u>	<u>2,621,171</u>	<u>138,929</u>	<u>1,830,182</u>	<u>346,124</u>	<u>2,315,235</u>

THE PHILADELPHIA NETWORK LIMITED

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

21 Operating lease commitments

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

	2021 £	2020 £
Between two and five years	60,375	-

The total lease payments recognised as an expenses totalled £1,197 (2020 - £Nil).

22 Subsidiaries

Details of the Charity's subsidiaries at 31 December 2021 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Philadelphia Commercial Limited-Company no. 5656300	United Kingdom	Dormant	Ordinary	100.00	

The aggregate capital and reserves and the result for the year of subsidiaries excluded from consolidation was as follows:

Name of undertaking	Profit/(Loss)	Capital and Reserves
	£	£
Philadelphia Commercial Limited-Company no. 5656300	-	2

THE PHILADELPHIA NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

23 S6 Foodbank

S6 Foodbank is a project providing food to those in need across Sheffield. During 2021 the foodbank increased the number of sites it operates to 11 locations across the city in response to the Covid-19 pandemic and distributed 443 tonnes of food. The extent of food insecurity in Sheffield and consequently demand at S6 Foodbank continued to increase throughout 2021. However, the project managed to meet this increase in need due to the incredible generosity of donors and partners, which the Charity wish to thank. The medium-term outlook for the project indicates demand on services will continue to grow in light of the 'cost of living crisis', there are also challenges in terms of the cost and supply of food which has further raised the project's operating costs. Therefore, to ensure uninterrupted provision to beneficiaries the Charity are seeking to hold sufficient funds to meet 4 months of food demand and operational expenditure.

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2021	2021	2021	2020	2020	2020
	£	£	£	£	£	£
Income from:						
Donations and legacies	-	285,637	285,637	-	350,451	350,451
Grants received	-	33,675	33,675	-	21,536	21,536
Charitable activities	29,228	-	29,228	524	911	1,435
Other income	2,318	-	2,318	404	25	429
Total income	31,546	319,312	350,858	928	372,923	373,851
Expenditure on:						
Staff costs	3,633	43,698	47,331	404	71,143	71,547
Charitable activities	8,736	32,000	40,736	-	16,180	16,180
Support costs	2,317	38,524	40,841	-	18,709	18,709
Grants paid	-	-	-	-	500	500
Total expenditure	14,686	114,222	128,908	404	106,532	106,936
Net Incoming resources before transfers	16,860	205,090	221,950	524	266,391	266,915
Gross transfers between funds	-	(40,672)	(40,672)	(524)	(6,703)	(7,227)
Net movement in funds	16,860	164,418	181,278	-	259,688	259,688
Fund balances at 1 January 2021	-	275,697	275,697	-	16,009	16,009
Fund balances at 31 December 2021	16,860	440,115	456,975	-	275,697	275,697

THE PHILADELPHIA NETWORK LIMITED

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

24 Cash generated from operations	2021 £	2020 £
Surplus for the year	305,936	353,635
Adjustments for:		
Investment income recognised in statement of financial activities	(59,128)	(63,117)
Depreciation and impairment of tangible fixed assets	48,908	52,618
Difference between pension charge and cash contributions	(19,900)	4,200
Movements in working capital:		
(Increase) in debtors	(31,920)	(769)
(Decrease)/increase in creditors	(37,365)	51,733
Increase/(decrease) in deferred income	51,025	(1,701)
Cash generated from operations	<u>257,556</u>	<u>396,599</u>
25 Analysis of changes in net funds		
The Charity had no debt during the year.		

THE PHILADELPHIA NETWORK LIMITED

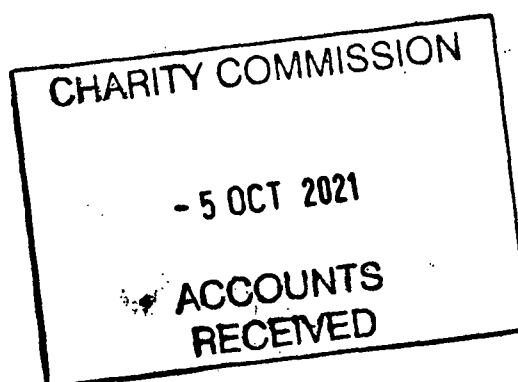
England & Wales - Charity number 1134973

Accounts

Charity Registration No. 1134973

Company Registration No. 06035697 (England and Wales)

THE PHILADELPHIA NETWORK LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020



THE PHILADELPHIA NETWORK LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Revd. Michael Rutter	(Appointed 5 April 2020)
	Revd. Giles Holloway	
	Mr Samuel Evans	(Appointed 5 April 2020)
	Dr Ade Adebajo	
	Mr Timothy Armstrong	
	Mr Neill Birchenall	
	Mr Brian Gooch	
	Mrs Rachel Marshall	
Secretary	Mr Andrew Buckley	
Charity number	1134973	
Company number	06035697	
Registered office	6 Gilpin Street Sheffield S6 3BL	
Auditor	Wells Richardson Cannon House Rutland Road Sheffield South Yorkshire S3 8DP	
Bankers	Virgin Money Fargate Sheffield S1 1LL	

THE PHILADELPHIA NETWORK LIMITED

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THE PHILADELPHIA NETWORK LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2020

The Trustees present their report and financial statements for the year ended 31 December 2020.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charity's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

The Charity's objects are:

- a) To advance the Christian faith for the benefit of the public in the Diocese of Sheffield and in such parts of the United Kingdom and the World as the Trustees think fit, through the establishment and operation of a church or churches.
- b) The provision of pastoral care for the congregation worshipping at the extra-parochial place known as St Thomas' Church at Philadelphia.
- c) To promote education and to prevent and relieve poverty in the Diocese of Sheffield and such parts of the United Kingdom and/or the World as the Trustees may from time to time think fit.

Within that framework, the primary object of the Charity is to work towards the transformation of Sheffield, by making life better for its people and by inviting and supporting people to follow Jesus.

Main objectives for the year

Key objectives were:

- to continue and grow the existing Sunday services and community groups, despite the challenges of the Covid-19 pandemic;
- to plant new household and community groups;
- to work towards ending food poverty in Sheffield;
- to continue and develop support for children and young people across Sheffield, despite the challenges of the Covid-19 pandemic.

The success of this was principally measured by:

- the number of beneficiaries supported by the Charity;
- the attendance numbers at the Sunday services, both in person and online;
- the stories of people's changed lives;
- the number of household and community groups running;
- the number of people fed, and the total amount of food distributed, by S6 Foodbank.

The Trustees have confirmed that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Church's aims and objectives and in planning future activities. The trustees are also aware of the Charity Commission's guidance on public benefit in the Advancement of Religion for the Public Benefit and have regard to it in their administration of the Charity. The Church provides the following activities for the benefit of the general public:

- the celebration of public worship;
- the teaching of the Christian faith;
- mission and evangelism;
- pastoral work, including visiting the sick and bereaved;
- the provision of facilities with a Christian ethos for the local community (including but not restricted to) the elderly, the young and other groups with special needs; and
- the support of other charities in the UK and overseas.

The Charity aims to give away a percentage of its unrestricted income to other beneficiaries and charities in furtherance of the Charity's objectives. The majority of grants are made to registered charities although assistance may be given to other constituted groups.

The Charity encourages a culture of volunteering in all areas of its work. During the year at least 300 volunteers provided their services to the Charity. No financial value of volunteer's time has been included in the financial statements.

THE PHILADELPHIA NETWORK LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

Achievements and performance

Some of the highlights for 2020 were:

- In response to the Covid-19 pandemic S6 Foodbank grew during the year to encompass 7 foodbank sites across Sheffield, feeding at peak over 1000 people a week.
- S6 Foodbank distributed 279 tonnes of food.
- Forge Youth continued to run one to one support to vulnerable children across Sheffield throughout the pandemic, delivering 951 sessions during the year.
- The Charity supported 9 people to become debt free during 2020 and increased the size of the debt projects by 50%.
- Around 350 people engaged with Network Church Sheffield services each week.

Financial review

Church members make annual financial commitments to the Charity. The annual budget is based on the vision of its leadership team, tempered by the income that is promised by church members and anticipated from grant making bodies.

The statement of financial activities on pages 7 and 8 shows total unrestricted income of £731,728 (2019: £763,147) and total unrestricted expenditure of £630,671 (2019: £754,414). After net transfers of £10,209 from restricted funds (2019: £330 to restricted funds), this resulted in a surplus of £111,266 (2019: £8,403).

The Trustees have reviewed the reserves of the Charity. This review encompassed the nature of the income and expenditure streams, the need to match variable income with fixed commitments and the nature of the reserves. The review concluded that to allow the Charity finances to be managed effectively and to provide a buffer for uninterrupted services, unrestricted reserves (excluding property and related loans) equivalent to six weeks' expenditure should be maintained. At 31 December 2020, the value of such reserves was £138,929 (2019: £27,663).

The Trustees have assessed the major risks to which the Charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Structure, governance and management

The Charity is a registered charity and a company limited by guarantee. It was incorporated on 21 December 2006 as Network Church Limited. The name of the company was changed to The Philadelphia Network Limited on 29 March 2008.

The Charity is a Christian Church with Anglican, Baptist and Free Church roots. It has two major ministries: Forge Youth (children and young people) and Restore (marginalised and vulnerable adults), which includes S6 Foodbank.

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:

Revd. Michael Rutter	(Appointed 5 April 2020)
Revd. Giles Holloway	
Revd. Peter Findley	(Resigned 31 July 2020)
Mr Samuel Evans	(Appointed 5 April 2020)
Dr Ade Adebajo	
Mr Timothy Armstrong	
Mr Neill Birchenall	
Mr Brian Gooch	
Mrs Rachel Marshall	

Membership of the company is at the discretion of the Trustees. The current members of the company are drawn from key leaders at St Thomas Philadelphia and the Kings Centre and approved by the Trustees. None of the trustees has any beneficial interest in the company. All of the Trustees are members of the company

THE PHILADELPHIA NETWORK LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

The Board of Trustees is made up of two groups:

- a) Three of the Trustees are employed by the Charity. They are not remunerated for their duties as trustees. This group makes the day-to-day decisions in the running of the Charity within the guidelines and budgets agreed by the whole board. They are accountable to the Board.
 - b) The remainder and majority of the Trustees are not employees of the Charity.
- Each Trustee appointment is recommended by the existing Trustees and approved by the Members.

Statement of Trustees' responsibilities

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

Company Law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

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

Auditor

Wells Richardson were appointed as auditor to the company and a resolution proposing that they be re-appointed will be put at a General Meeting.

Disclosure of information to auditor

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

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



Mr Samuel Evans

Trustee

Dated: 20 September 2021

THE PHILADELPHIA NETWORK LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF THE PHILADELPHIA NETWORK LIMITED

Opinion

We have audited the financial statements of The Philadelphia Network Limited (the 'Charity') for the year ended 31 December 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

THE PHILADELPHIA NETWORK LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE PHILADELPHIA NETWORK LIMITED

Matters on which we are required to report by exception

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

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

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

Responsibilities of Trustees

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

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

- Considering the nature of the sector and the charity's performance.
- Enquiry of management, and those charged with governance.
- Reviewing minutes of meetings of those charged with governance.
- Enquiry of entity staff in compliance functions to identify any instances of non-compliance with laws and regulations.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

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

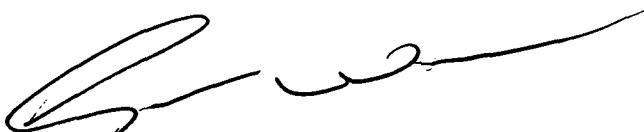
THE PHILADELPHIA NETWORK LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE PHILADELPHIA NETWORK LIMITED

Use of our report

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



Grant Wade (Senior Statutory Auditor)
for and on behalf of Wells Richardson

20 September 2021

Chartered Accountants
Statutory Auditor

Cannon House
Rutland Road
Sheffield
South Yorkshire
S3 8DP

THE PHILADELPHIA NETWORK LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2020

		Unrestricted funds general	Unrestricted funds designated Property & Capital	Restricted funds	Total	Unrestricted funds general	Unrestricted funds designated Property & Capital	Restricted funds	Total
	Notes	2020 £	2020 £	2020 £	2020 £	2019 £	2019 £	2019 £	2019 £
Income from:									
Donations and legacies	3	599,702	-	507,712	1,107,414	552,007	-	182,436	734,443
Charitable activities	4	115,202	-	282	115,484	77,400	-	826	78,226
Investments	5	16,824	-	-	16,824	133,740	-	-	133,740
Total income		731,728	-	507,994	1,239,722	763,147	-	183,262	946,409
Expenditure on:									
Charitable activities	6	630,671	52,618	202,798	886,087	754,414	55,025	164,028	973,467
Net incoming/(outgoing) resources before transfers		101,057	(52,618)	305,196	353,635	8,733	(55,025)	19,234	(27,058)

THE PHILADELPHIA NETWORK LIMITED

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2020

		Unrestricted funds general	Unrestricted funds designated Property & Capital	Restricted funds	Total	Unrestricted funds general	Unrestricted funds designated Property & Capital	Restricted funds	Total
		2020 £	2020 £	2020 £	2020 £	2019 £	2019 £	2019 £	2019 £
Net incoming/(outgoing) resources before transfers		101,057	(52,618)	305,196	353,635	8,733	(55,025)	19,234	(27,058)
Gross transfers between funds	11	10,209	27,056	(37,265)	-	(330)	52,156	(51,826)	-
Net income/(expenditure) for the year/ Net movement in funds		111,266	(25,562)	267,931	353,635	8,403	(2,869)	(32,592)	(27,058)
Fund balances at 1 January 2020		27,663	1,855,744	78,193	1,961,600	19,260	1,858,613	110,785	1,988,658
Fund balances at 31 December 2020		<u>138,929</u>	<u>1,830,182</u>	<u>346,124</u>	<u>2,315,235</u>	<u>27,663</u>	<u>1,855,744</u>	<u>78,193</u>	<u>1,961,600</u>

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 PHILADELPHIA NETWORK LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	12		1,829,561		1,882,802
Current assets					
Debtors	13	73,285		72,516	
Cash at bank and in hand		579,327		146,044	
		<u>652,612</u>		<u>218,560</u>	
Creditors: amounts falling due within one year	15	(108,338)		(85,362)	
Net current assets			544,274		133,198
Total assets less current liabilities			<u>2,373,835</u>		<u>2,016,000</u>
Net assets excluding pension liability			2,373,835		2,016,000
Defined benefit pension liability	17		(58,600)		(54,400)
Net assets			<u><u>2,315,235</u></u>		<u><u>1,961,600</u></u>
Income funds					
Restricted funds	18	346,124		78,193	
Unrestricted funds		1,969,111		1,883,407	
		<u>2,315,235</u>		<u>1,961,600</u>	

The financial statements were approved by the Trustees on 20 September 2021



Mr Samuel Evans
Trustee

Company Registration No. 06035697

THE PHILADELPHIA NETWORK LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	23		442,892		(126,947)
Investing activities					
Proceeds on disposal of tangible fixed assets		623		-	
Investment income received		16,824		133,740	
Net cash generated from investing activities			17,447		133,740
Financing activities					
Repayment of bank loans		(27,056)		(50,517)	
Net cash used in financing activities			(27,056)		(50,517)
Net increase/(decrease) in cash and cash equivalents			433,283		(43,724)
Cash and cash equivalents at beginning of year			146,044		189,768
Cash and cash equivalents at end of year			579,327		146,044

THE PHILADELPHIA NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

Charity information

The Philadelphia Network Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is 6 Gilpin Street, Sheffield, S6 3BL.

1.1 Accounting convention

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

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

The financial statements have been prepared under the historical cost convention, 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 Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

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

Designated funds comprise funds which have been set aside at the discretion of the Trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

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 Charity.

1.4 Income

Income is recognised when the Charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received. The monetary value of foodbank donations of goods is not able to be measured with sufficient reliability and is not included in the incoming resources of the Charity.

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

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

THE PHILADELPHIA NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

Grants are recognised in the year when the entitlement to the grant is confirmed. Grants for the purchase of equipment and towards the initial setting up of projects are credited in full to the relevant activities in furtherance of the Charity's objects. Grants that provide core funding, or are of a general nature provided by government and charitable foundations, are recorded as voluntary income. Grants specifically for goods and services to be provided as part of charitable activities are recorded against the activity to which they relate.

1.5 Expenditure

Expenditure is accounted for on an accruals basis.

Liabilities are recognised as soon as there is a legal or constructive obligation to pay out resources.

Support costs are directly attributed to charitable activities on an actual basis and no further apportionment is necessary.

Governance costs include the costs of preparation and audit of the statutory accounts, the cost of trustee meetings and the cost of any legal advice to trustees on governance or constitutional matters.

Redundancy costs incurred in the period are charged directly to the SOFA, allocated as necessary between the relevant funds.

1.6 Tangible fixed assets

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

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

Freehold buildings	2% Straight line
Leasehold buildings	2% Straight line
Fixtures and fittings	25% Straight line

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.

On first-time adoption of FRS 102 in 2016, the trustees opted to freeze the existing carrying values of the freehold and leasehold premises as at the start of the prior financial year. The then existing carrying values were respectively: Freehold premises £1,485,000 (including King's Centre £300,000) and Leasehold premises £636,100. These carrying valuations were based on professional valuations carried out and adopted in the accounts for the year ended 31 December 2015. Since 2016, the freehold and leasehold properties (excluding land) are being depreciated at 2% pa on a straight line basis.

1.7 Impairment of fixed assets

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

1.8 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.

THE PHILADELPHIA NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

1.9 Financial Instruments

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

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

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

Basic financial assets

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

Basic financial liabilities

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

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

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

Derecognition of financial liabilities

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

1.10 Taxation

The Charity is not liable to income or capital gains tax on its charitable activities. Irrecoverable VAT is included in the asset cost or expense to which it relates.

1.11 Employee benefits

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

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

THE PHILADELPHIA NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

1.12 Retirement benefits

Contributions in respect of the defined benefits and defined contributions schemes are calculated as a percentage of the pensionable salaries of employees. For schemes such as The Pension Builder Scheme (PBS), formerly known as the Church of England Defined Contributions Scheme (DCS), paragraph 9(b) of FRS 17 requires the Board to account for pension costs on the basis of contributions actually payable to the scheme during the year. Contributions to the pension schemes are charged monthly to the income and expenditure account.

The cost of providing benefits under defined benefit plans is determined separately for each plan using the projected unit credit method, and is based on actuarial advice.

The change in the net defined benefit liability arising from employee service during the year is recognised as an employee cost. The cost of plan introductions, benefit changes, settlements and curtailments are recognised as incurred.

The net interest element is determined by multiplying the net defined benefit liability by the discount rate, taking into account any changes in the net defined benefit liability during the period as a result of contribution and benefit payments. The net interest is recognised in income/(expenditure) for the year.

Remeasurement changes comprise actuarial gains and losses, the effect of the asset ceiling and the return on the net defined benefit liability excluding amounts included in net interest. These are recognised immediately in other recognised gains and losses in the period in which they occur and are not reclassified to income/(expenditure) in subsequent periods.

The net defined benefit pension asset or liability in the balance sheet comprises the total for each plan of the present value of the defined benefit obligation (using a discount rate based on high quality corporate bonds), less the fair value of plan assets out of which the obligations are to be settled directly. Fair value is based on market price information, and in the case of quoted securities is the published bid price. The value of a net pension benefit asset is limited to the amount that may be recovered either through reduced contributions or agreed refunds from the scheme.

1.13 Leases

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

2 Critical accounting estimates and judgements

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

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

THE PHILADELPHIA NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

3 Donations and legacies

	Unrestricted funds general 2020 £	Restricted funds 2020 £	Total 2020 £	Unrestricted funds general 2019 £	Restricted funds 2019 £	Total 2019 £
Donations and gifts	530,646	425,126	955,772	552,007	131,682	683,689
Sundry grants	69,056	82,586	151,642	-	50,754	50,754
	<u>599,702</u>	<u>507,712</u>	<u>1,107,414</u>	<u>552,007</u>	<u>182,436</u>	<u>734,443</u>
Donations and gifts						
Committed giving and donations	453,298	328,965	782,263	462,865	107,606	570,471
Other income	366	821	1,187	452	1,704	2,156
Gift aid receipts	76,936	31,679	108,615	88,690	13,227	101,917
Legacy income	-	63,636	63,636	-	-	-
Restore - Food Bank	46	25	71	-	9,145	9,145
	<u>530,646</u>	<u>425,126</u>	<u>955,772</u>	<u>552,007</u>	<u>131,682</u>	<u>683,689</u>

Included in Sundry grants were amounts totalling £3,584 (2019 - £Nil) from Sheffield City Council and £67,833 (2019 - £Nil) from the Job retention scheme.

4 Charitable activities

	2020 £	2019 £
Form	707	10,542
Playtime and other takings	47,919	24,398
Youth work	66,858	43,286
	<u>115,484</u>	<u>78,226</u>
Analysis by fund		
Unrestricted funds - general	115,202	77,400
Restricted funds	282	826
	<u>115,484</u>	<u>78,226</u>

THE PHILADELPHIA NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

5 Investments

	Unrestricted funds general 2020 £	Unrestricted funds general 2019 £
Rent and conference fees	16,424	132,877
Interest receivable	400	863
	<u>16,824</u>	<u>133,740</u>

THE PHILADELPHIA NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

6 Charitable activities

	Network Church Sheffield 2020 £	Property & Capital 2020 £	Sundry 2020 £	Building Fund: Philadelphia 2020 £	Total 2020 £	Network Church Sheffield 2019 £	Property & Capital 2019 £	Sundry 2019 £	Total 2019 £
Staff costs	408,000	-	115,549	-	523,549	439,120	-	88,799	527,919
Depreciation and impairment	-	52,618	-	-	52,618	-	55,025	-	55,025
Projects and training	6,834	-	3,608	-	10,442	25,456	-	12,755	38,211
Staff expenses	1,910	-	2,422	-	4,332	12,173	-	-	12,173
Staff training	5,966	-	1,675	-	7,641	11,585	-	244	11,829
Worship and audio-visual	2,407	-	-	-	2,407	2,858	-	-	2,858
Community Life	1,533	-	54	-	1,587	10,077	-	-	10,077
Missional communities including food	2,405	-	23,965	-	26,370	11,791	-	7,437	19,228
Travel and transport-Youth	-	-	-	-	-	-	-	6,287	6,287
	<u>429,055</u>	<u>52,618</u>	<u>147,273</u>	<u>-</u>	<u>628,946</u>	<u>513,060</u>	<u>55,025</u>	<u>115,522</u>	<u>683,607</u>
Grant funding of activities (see note 7)	27,494	-	26,092	-	53,586	50,160	-	32,575	82,735
Share of support costs (see note 8)	167,522	-	25,540	3,893	196,955	187,894	-	15,931	203,825
Share of governance costs (see note 8)	6,600	-	-	-	6,600	3,300	-	-	3,300
	<u>630,671</u>	<u>52,618</u>	<u>198,905</u>	<u>3,893</u>	<u>886,087</u>	<u>754,414</u>	<u>55,025</u>	<u>164,028</u>	<u>973,467</u>

THE PHILADELPHIA NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

6 Charitable activities

(Continued)

	Network Church Sheffield 2020 £	Property & Capital 2020 £	Sundry 2020 £	Building Fund: Philadelphia 2020 £	Total 2020 £	Network Church Sheffield 2019 £	Property & Capital 2019 £	Sundry 2019 £	Total 2019 £
Analysis by fund									
Unrestricted funds - general	630,671	-	-	-	630,671	754,414	-	-	754,414
Unrestricted funds - designated Property & Capital	-	52,618	-	-	52,618	-	55,025	-	55,025
Restricted funds	-	-	198,905	3,893	202,798	-	-	164,028	164,028
	<u>630,671</u>	<u>52,618</u>	<u>198,905</u>	<u>3,893</u>	<u>886,087</u>	<u>754,414</u>	<u>55,025</u>	<u>164,028</u>	<u>973,467</u>

THE PHILADELPHIA NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

7	Grants payable	Network Church Sheffield 2020 £	Sundry 2020 £	Total 2020 £	Network Church Sheffield 2019 £	Sundry 2019 £	Total 2019 £
	A & M Burgess	4,713	22,850	27,563	5,040	21,612	26,652
	M & C Basile	5,037	1,200	6,237	5,040	7,450	12,490
	A Kennedy	6,578	195	6,773	5,040	65	5,105
	Kairos Connexion	1,800	-	1,800	6,000	-	6,000
	Baptist Union	3,065	-	3,065	1,400	-	1,400
	Diocese of Sheffield	5,850	-	5,850	8,040	-	8,040
	Fusion	-	-	-	1,500	-	1,500
	Gowers	-	-	-	5,040	-	5,040
	House Churches	-	-	-	2,000	-	2,000
	Message Trust	-	-	-	5,000	-	5,000
	The Order of Mission	-	-	-	2,400	-	2,400
	Yorks Baptist	-	-	-	3,220	-	3,220
	Sundry small donation	451	1,847	2,298	440	3,448	3,888
		<u>27,494</u>	<u>26,092</u>	<u>53,586</u>	<u>50,160</u>	<u>32,575</u>	<u>82,735</u>

8	Support costs	Support costs £	Governance costs £	2020 £	Support costs £	Governance costs £	2019 £
	Administration costs	27,361	-	27,361	29,759	-	29,759
	Bank charges	418	-	418	832	-	832
	Hire of equipment	2,727	-	2,727	3,015	-	3,015
	Legal fees	36,466	-	36,466	24,665	-	24,665
	Development costs and loan interest	207	-	207	1,883	-	1,883
	IT Costs	2,094	-	2,094	2,169	-	2,169
	Insurance	14,787	-	14,787	14,434	-	14,434
	Utilities and telephone	53,692	-	53,692	65,338	-	65,338
	Repairs, maintenance and equipment	57,066	-	57,066	55,558	-	55,558
	Ground rent and rates	2,137	-	2,137	6,172	-	6,172
	Legal and professional	-	6,600	6,600	-	3,300	3,300
		<u>196,955</u>	<u>6,600</u>	<u>203,555</u>	<u>203,825</u>	<u>3,300</u>	<u>207,125</u>

Governance costs includes payments to the auditors of £6,600 for audit fees and accounts preparation (2019- £3,300 - Independent Examination).

THE PHILADELPHIA NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

9 Trustees

The Church had a written agreement to pay annual rent to a Trustee who retired during the year. Details of the rent paid during the year are as follows:

Revd. Peter Findley to provide a minister's house - £10,500 (2019: £18,000)

The Non-executive Trustees approved this written agreement. The Charities Act 2011 specifically allows the Church to make payments of this nature.

Travel and other expenses amounting to £6,009 (2019: £3,312) were reimbursed to 5 Trustees (2019 - 1).

During the year under review, four Trustees and a Trustee's partner were paid for their services as employees. These payments are in accordance with the provisions in the Church's Memorandum of Association dated 21 December 2006. Details are as follows:

	Salary £	Pension £	House costs £
Revd Peter Findley	13,041	1,776	12,810
Revd Giles Holloway	34,981	3,579	-
Mrs Amanda Gooch	4,762	329	-
Revd Mike Rutter	21,625	1,514	-
Samuel Evans	26,440	1,851	-

Neill Birchenall is the Managing Director of a company which provides IT software support to the Charity. The value of this software support amounted to £16,021 (2019 - £16,348). The Charity owed £872 (2019 - £1,686) to this company at the year end. Neill Birchenall is also a Trustee and Director of the Sheffield Diocesan Board of Finance which received a support grant of £5,850 (2019 - £8,040) from the Charity during the year. Apart from these transactions and the amounts received under written agreements, no Trustee or other person related to the Trustees had any personal interest in any contract or transaction entered into by the Charity during the year (2019 : Nil).

Aggregate donations to the Church from members of the Board of Trustees during the year amounted to £41,032 (2019: £37,553)

10 Employees

The average monthly number of employees during the year was:

	2020 Number	2019 Number
	32	35
	<u> </u>	<u> </u>
Employment costs	2020	2019
	£	£
Wages and salaries	448,592	465,258
Social security costs	24,565	26,777
Other pension costs	36,400	13,969
	<u>509,557</u>	<u>506,004</u>

Included in the above were redundancy costs of £7,500 (2019 - £Nil).

THE PHILADELPHIA NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

10 Employees

(Continued)

In addition:

Annual value of staff housing

23,902

21,915

No employee received remuneration of more than £60,000 during the year (2019 - None).

THE PHILADELPHIA NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

11 Transfers

	Network Church Sheffield	Property & Capital	Sundry Philadelphia	Building Fund: Philadelphia	Total	Network Church Sheffield	Property & Capital	Sundry Philadelphia	Building Fund: Philadelphia	Total
	2020 £	2020 £	2020 £	2020 £	2020 £	2019 £	2019 £	2019 £	2019 £	2019 £
Building fund	-	-	-	-	-	-	1,639	-	(1,639)	-
Loan repayments	-	27,056	-	(27,056)	-	-	50,517	-	(50,517)	-
Sundry restricted	10,209	-	(10,209)	-	-	(328)	-	328	-	-
Rounding adjustments	-	-	-	-	-	(3)	-	1	1	-
	<u>10,209</u>	<u>27,056</u>	<u>(10,209)</u>	<u>(27,056)</u>	<u>-</u>	<u>(331)</u>	<u>52,156</u>	<u>329</u>	<u>(52,155)</u>	<u>-</u>

THE PHILADELPHIA NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

12 Tangible fixed assets

	Freehold buildings £	Leasehold buildings £	Fixtures and fittings £	Total £
Cost				
At 1 January 2020	1,485,000	636,100	290,161	2,411,261
Disposals	-	-	(9,451)	(9,451)
At 31 December 2020	1,485,000	636,100	280,710	2,401,810
Depreciation and impairment				
At 1 January 2020	178,200	75,166	275,093	528,459
Depreciation charged in the year	29,700	12,722	10,819	53,241
Eliminated in respect of disposals	-	-	(9,451)	(9,451)
At 31 December 2020	207,900	87,888	276,461	572,249
Carrying amount				
At 31 December 2020	1,277,100	548,212	4,249	1,829,561
At 31 December 2019	1,306,800	560,934	15,068	1,882,802

The freehold and leasehold properties at the Philadelphia Campus, Sheffield are included in the accounts at a deemed cost of £1,821,100 and are being depreciated at 2% pa on a straight line basis.

The 'deemed cost' under FRS 102 is allocated between the various properties on the basis of the area that each property relates to the total area. Accordingly, the allocated cost for each property is an estimated figure and should not be taken as representing each property's actual cost.

The freehold land and buildings formerly known as the King's Centre Christian Church were legally transferred to the Philadelphia Network Limited on 9 January 2009 and are included in the accounts at a deemed cost of £300,000. Depreciation is charged on this property at 2% pa on a straight line basis.

13 Debtors

	2020 £	2019 £
Amounts falling due within one year:		
Trade debtors	7,646	12,478
Youth activities in advance	27,343	25,230
Gift aid and other debtors	34,107	25,888
Prepayments and accrued income	4,189	8,920
	<u>73,285</u>	<u>72,516</u>

THE PHILADELPHIA NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

14 Loans and overdrafts

	2020 £	2019 £
Bank loans	-	27,056
Payable within one year	-	27,056

The loan which was repaid in the year was with Clydesdale Bank plc. Interest was charged at a rate of 1.95% per annum over the bank's base rate. The loan was secured by way of a debenture, giving the bank a fixed and floating charge over all the assets of the Charity, whether acquired before or after the date of the debenture.

15 Creditors: amounts falling due within one year

	Notes	2020 £	2019 £
Bank loans	14	-	27,056
Other taxation and social security		6,454	7,097
Deferred income	16	11,036	12,737
Trade creditors		11,783	11,704
Other creditors		57,700	2,142
Accruals		21,365	24,626
		108,338	85,362

16 Deferred income

	2020 £	2019 £
Other deferred income	11,036	12,737

Represents donations and income received for events that are to take place in the following year.

THE PHILADELPHIA NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

17 Retirement benefit schemes

Church of England Pension Builder Scheme

The Philadelphia Network Limited (PB 2014) participates in the Pension Builder 2014 Scheme section of The Church Workers Pension Fund (CWPF) for lay staff.

Pension Builder 2014 is a cash balance scheme that provides a lump sum that members use to provide benefits at retirement. The pension costs charged to the SoFA in the year are contributions payable.

At 31 December 2020, the Church had 20 (2019: 22) active members and 100 (2019: 125) deferred members in the Pension Builder 2014 scheme.

The employer contributes 7% of basic salary and the employees contribute a minimum of 2%. The employer's contributions for the year totalled £29,475 (2019: £28,102). Employer's contributions outstanding at the year end amounted to £5,397 (2019: £3,522), representing December's liability payable in January 2021.

Baptist Minister's Pension Fund

Baptist Ministers were eligible up to December 2011 to be members of the Baptist Ministers' Pension Fund which is a final salary scheme. From January 2012 Baptist ministers are eligible for membership of the Baptist Pension Scheme ("the Scheme") which is a defined contributions scheme. The Church has one current member of this scheme.

From January 2012, pension provision is being made through the Defined Contribution (DC) Plan within the Scheme. In general, members pay 8% and employers pay 6% respectively of members' pensionable income into individual pension accounts. In addition, the employer pays a further 4% of pensionable income to cover death and income protection benefits for scheme members.

Benefits in respect of service prior to 1 January 2012 are provided through the Defined Benefit (DB) Plan within the Scheme. The main benefits for pre-2012 service were a defined benefit pension of one eightieth of final minimum pensionable income for each year of pensionable service. The Scheme, previously known as the Baptist Ministers' Pension Fund was closed to future accrual of defined benefits at 31 December 2011.

A formal valuation of the Defined Benefit (DB) Plan was performed at 31 December 2016 by a professionally qualified actuary. The market value of the DB Plan assets at the valuation date was £219 million compared to a target level of assets valuation of £312 million needed to pay benefits resulting in a deficit of £93 million (equivalent to a past service funding level of 70%).

The Church's own share of this total scheme deficit is estimated to be £58,600 (2019: £54,400). As a result of the valuation, in addition to the contributions to the DC Plan set out above, it was agreed to increase the standard rate of deficiency contributions from churches and other employers involved in the DB Plan from 11% of pensionable income/ minimum pensionable income to be based on a 12% rate from 1 January 2016.

As indicated above, the BPS has informed the Church that its share of the total scheme deficit is estimated to be £58,600 (2019: £54,400) and the accounts include a provision for this amount. The profit and loss charge for the period represents the increase in the deficit provision and the employer contributions payable. The employer contributions payable for the year under review are £2,724 (2019: £7,105).

If the Church were to withdraw completely from the Scheme, its liability would be calculated and would be payable, although there would be a two year period of grace.

Defined benefit schemes

The amounts included in the balance sheet arising from the Charity's obligations in respect of defined benefit plans are as follows:

	2020 £	2019 £
Present value of defined benefit obligations	58,600	54,400
Deficit in scheme	58,600	54,400

THE PHILADELPHIA NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

17 Retirement benefit schemes

(Continued)

Movements in the present value of defined benefit obligations:

	2020 £
Liabilities at 1 January 2020	54,400
Increase in liability	4,200
At 31 December 2020	<u>58,600</u>

THE PHILADELPHIA NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

18 Restricted funds

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

	Movement in funds				Movement in funds				
	Balance at 1 January 2019	Incoming resources	Resources expended	Transfers	Balance at 1 January 2020	Incoming resources	Resources expended	Transfers	Balance at 31 December 2020
	£	£	£	£	£	£	£	£	£
Basiles - Italy	100	7,450	(7,450)	-	100	1,200	(1,200)	-	100
Form Mission & contingencies	336	8,283	(7,500)	-	1,119	-	-	-	1,119
Gifts to be forwarded	-	18,934	(17,765)	130	1,299	22,439	(23,002)	-	736
Iranian & asylum seekers ministries	-	3,854	(3,551)	-	303	-	(303)	-	-
King's Centre - Generosity pot	576	-	(200)	-	376	-	-	-	376
King's Centre - Gifts to be forwarded	-	814	(470)	-	344	-	(393)	49	-
Peru - A & M Burgess	126	7,354	(6,612)	-	868	1,618	(1,000)	-	1,486
Philadelphia - Students	-	-	-	-	-	37	(37)	-	-
Philadelphia - Worship	1,249	259	(1,508)	-	-	500	-	-	500
Restore - Foodbank	6,231	54,368	(44,590)	-	16,009	372,923	(106,532)	(6,703)	275,697
Restore - Other	20,508	24,261	(23,300)	164	21,633	67,868	(39,654)	(3,555)	46,292
Youth - Other	246	42,490	(37,578)	35	5,193	29,549	(14,924)	-	19,818
Youth - Salaries	-	11,585	(11,585)	-	-	11,860	(11,860)	-	-
Philadelphia Building Project	81,413	3,574	(1,883)	(52,155)	30,949	-	(3,893)	(27,056)	-
Children/playtime	-	36	(36)	-	-	-	-	-	-
	<u>110,785</u>	<u>183,262</u>	<u>(164,028)</u>	<u>(51,826)</u>	<u>78,193</u>	<u>507,994</u>	<u>(202,798)</u>	<u>(37,265)</u>	<u>346,124</u>

THE PHILADELPHIA NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

18 Restricted funds

(Continued)

1) Philadelphia Building and Development Project

This is funded by regular and one-off gifts. The fund encompasses:

- a) The development and repair of the Philadelphia and King's Centre campus.
- b) The servicing of the mortgage on the Philadelphia campus. Since the repayment of the mortgage and communication with the donors, donations to the building fund are now recorded as general unrestricted income.

2) Basiles - Italy

Marco and Cinzia Basile are Italian nationals and are missionaries working in Sicily. The Charity supports them with regular gifts. This restricted fund is separate and is for receiving gifts from church members which are then passed on.

3) Form Mission & Contingencies

Form seeks to train and disciple young adults to take up positions of leadership in missional contexts. Much of the program is funded through the Charity. However, Form mission trips and events are often financed separately through this fund. The fund is also used for various Form contingency needs.

4) Gifts to be forwarded

Donors sometimes send gifts through the Charity to be forwarded anonymously to beneficiaries. The Charity also receives gifts for designated missions or charities. They are forwarded according to the donors' wishes.

5) Iranian & Asylum Seekers Ministries

The Charity supports outreach among Iranian communities and Asylum Seekers in the United Kingdom through this fund. This fund is also used to support groups and individuals from other minority communities.

6) King's Centre - Generosity Pot

This is funded from individual gifts to be available when cases of personal need arise.

7) King's Centre - Gifts to be forwarded

Donors sometimes send gifts through the King's Centre to be forwarded anonymously to beneficiaries. King's Centre also receives gifts for designated missions or charities. They are forwarded according to the donors' wishes.

THE PHILADELPHIA NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

18 Restricted funds

(Continued)

8) Peru - A & M Burgess

Anna and Mark Burgess are working with a church in Peru. Gifts are received into this fund for their work and travel expenses and are then forwarded onto the Burgesses.

9) Philadelphia - Students

This is a restricted fund for work with students by the Charity.

10) Philadelphia - Worship

This is a fund set up after a substantial donation was made for the purchase of Worship equipment at St Thomas Philadelphia.

11) Restore - Foodbank

This fund is for the S6 Foodbank, which provides food and support to individuals and families across Sheffield in need. Money received includes individual donations, gifts from companies, government funds and grants.

12) Restore - Other

Restore project supports vulnerable people across Sheffield. Funds have been set up for different aspects of this work. The funds are:

- Vulnerable People - for general projects among vulnerable people.
- Restore Debt- provision of debt support.

13) Youth - Other

Youth - Other is funded by grants and individual donations. The fund is supporting the work of Forge Youth.

14) Youth Salaries

Youth Salaries is funded principally by regular individual gifts to support part-time youth outreach workers,

THE PHILADELPHIA NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

19 Unrestricted funds - designated Property & Capital

These are unrestricted funds which are material to the Charity's activities and represent the net book value of tangible fixed assets' less the bank loan which was repaid in 2020. This fund will be reduced over the useful economic life of the tangible fixed assets in line with depreciation.

THE PHILADELPHIA NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

20 Analysis of net assets between funds

	Unrestricted funds 2020 £	Designated funds 2020 £	Restricted funds 2020 £	Total 2020 £	Unrestricted funds 2019 £	Designated funds 2019 £	Restricted funds 2019 £	Total 2019 £
Fund balances at 31 December 2020 are represented by:								
Tangible assets	-	1,829,561	-	1,829,561	-	1,882,802	-	1,882,802
Current assets/(liabilities)	197,529	621	346,124	544,274	56,451	(27,058)	103,805	133,198
Provisions and pensions	(58,600)	-	-	(58,600)	(54,400)	-	-	(54,400)
	<u>138,929</u>	<u>1,830,182</u>	<u>346,124</u>	<u>2,315,235</u>	<u>2,051</u>	<u>1,855,744</u>	<u>103,805</u>	<u>1,961,600</u>

THE PHILADELPHIA NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

21 Tithe Fund

Previously, a Tithe fund was accounted for as a Restricted fund. However, the Trustees now realise this is an unrestricted fund as transfers to this fund were at the behest of the Trustees and not donors. An adjustment has therefore been made in these accounts to correct the comparative figures for 2019. The effect of this has been to reduce the level of Restricted funds by £25,612 and increase Unrestricted funds by the same amount.

22 S6 Foodbank

S6 Foodbank is a project providing food to those in need across Sheffield. During 2020 the foodbank increased the number sites it operates to 7 locations across the city in response to the Covid-19 pandemic and distributed 279 tonnes of food. The extent of food insecurity in Sheffield and consequently demand at S6 Foodbank appeared to broadly increase throughout 2020. However, the project managed to meet this increase in need due to the incredible generosity of donors and partners, which the Charity wish to thank. The medium-term outlook for the project appears to indicate probable increases in the number of sites S6 Foodbank will operate, alongside challenges in food supply and warehousing. Therefore, to ensure uninterrupted provision to beneficiaries the Charity are seeking to hold sufficient funds to meet 4 months of food demand and operational expenditure.

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2020	2020	2020	2019	2019	2019
	£	£	£	£	£	£
Income from:						
Donations and legacies	-	350,451	350,451	-	42,376	42,376
Grants received	-	21,536	21,536	-	10,612	10,612
Charitable activities	524	911	1,435	-	1,380	1,380
Other income	404	25	429	-	-	-
Total income	928	372,923	373,851	-	54,368	54,368
Expenditure on:						
Staff costs	404	71,143	71,547	-	33,247	33,247
Charitable activities	-	16,180	16,180	-	7,698	7,698
Support costs	-	18,709	18,709	42	3,645	3,687
Grants paid	-	500	500	-	-	-
Total expenditure	404	106,532	106,936	42	44,590	44,632
Net incoming/(outgoing) resources before transfers	524	266,391	266,915	(42)	9,778	9,736
Gross transfers between funds	(524)	(6,703)	(7,227)	42	-	42
Net movement in funds	-	259,688	259,688	-	9,778	9,778
Fund balances at 1 January 2020	-	16,009	16,009	-	6,231	6,231
Fund balances at 31 December 2020	-	275,697	275,697	-	16,009	16,009

THE PHILADELPHIA NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

23 Cash generated from operations	2020 £	2019 £
Surplus/(deficit) for the year	353,635	(27,058)
Adjustments for:		
Investment income recognised in statement of financial activities	(16,824)	(133,740)
Depreciation and impairment of tangible fixed assets	52,618	55,025
Difference between pension charge and cash contributions	4,200	(21,200)
Movements in working capital:		
(Increase)/decrease in debtors	(769)	5,165
Increase in creditors	51,733	8,696
(Decrease) in deferred income	(1,701)	(13,835)
Cash generated from/(absorbed by) operations	<u>442,892</u>	<u>(126,947)</u>
24 Analysis of changes in net funds		
	At 1 January 2020 £	Cash flows At 31 December 2020 £
Cash at bank and in hand	146,044	433,283
Loans falling due within one year	(27,056)	-
	<u>118,988</u>	<u>460,339</u>
		<u>579,327</u>