

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.

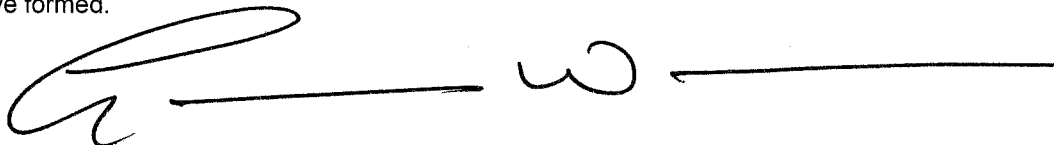
THE PHILADELPHIA NETWORK LIMITED

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

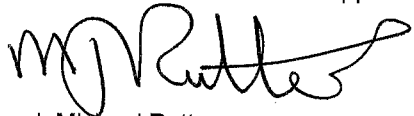
BALANCE SHEET

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 2023 £	Property & Capital 2023 £	Restricted 2023 £	Total 2023 £	Network Church Sheffield 2022 £	Property & Capital 2022 £	Restricted 2022 £	Building Fund: Philadelphia 2022 £	Total 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>283,753</u>	<u>728,394</u>	<u>(851,956)</u>	<u>5,161</u>	<u>165,352</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>323,803</u>	<u>689,926</u>	<u>(611,079)</u>	<u>(118,897)</u>	<u>283,753</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>1,911,553</u>	<u>(47,920)</u>	<u>-</u>	<u>1,863,633</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>1,788,210</u>	<u>(26,682)</u>	<u>150,025</u>	<u>1,911,553</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