

**REGISTERED COMPANY NUMBER: 07260215 (England and Wales)**  
**REGISTERED CHARITY NUMBER: 1138459**

**Report of the Trustees and  
Consolidated Financial Statements  
for the Year Ended 31 March 2022  
for  
SOUL CHURCH LTD**

**Sexty & Co  
Chartered Certified Accountants  
& Statutory Auditor  
124 Thorpe Road  
Norwich  
Norfolk  
NR1 1RS**

**SOUL CHURCH LTD**

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for the year ended 31 March 2022**

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## **SOUL CHURCH LTD**

### **Report of the Trustees for the year ended 31 March 2022**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the consolidated financial statements of the charity for the year ended 31 March 2022. The trustees have adopted the provisions of 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).

#### **Mission Statement**

Our mission is simple: 'Love in Action'.

#### **Our Values**

To be 'Christ-centred, People Empowering, Outward Focused and Life Giving.'

#### **Who We Are**

Located in Norwich Norfolk for nearly 60 years (previously known as Norwich Family Life Church) we currently host and support over 3,000 people each week across our services and projects providing a wide range of assistance and activities such as our government approved nursery, child/youth programmes, a social supermarket, mental health support, job clubs, debt assistance, a community café, outreach work, pastoral support, projects to reduce loneliness and isolation and support for the homeless and vulnerable.

Our heart is to introduce and connect people with Jesus - to love God, love people, and love life in a way that honours our past, impacts the present and protects the future.

#### **OBJECTIVES AND ACTIVITIES**

##### **Objectives and aims of Soul Church Ltd**

The charitable company's objectives and principal activities are: -

- To advance the Christian faith in the United Kingdom and the world as the directors from time to time may see fit;
- To relieve sickness and financial hardship and to promote and preserve good health by the provision of funds, goods or services of any kind including through the provision of counselling and support in such parts of the United Kingdom or the world as the directors from time to time see fit; and
- To advance education in such ways and in such parts of the United Kingdom or the world as the directors from time to time may see fit.

Programmes and services are made available to all peoples irrespective of faith or personal belief.

#### **Public benefit**

The trustees have referred to the Charity Commission's guidance on reporting on public benefit (section 17 of Charities Act 2011) when reviewing the Charity's aims and objectives, and when planning the Charity's activities. The Trustees are therefore confident that the Charity meets the public benefit requirements.

#### **Employment**

The charity currently employs 50 staff to cover a wide variety of roles such as our 90-place nursery, our student programme, music & production, finance, HR, schools work, mental health support, developmental support and weekly church services. Staff are also supported by an army of dedicated volunteers from the community with a broad spectrum of skills and experience in a variety of spheres. The average number of volunteers each week is 200 with over 300 at specific times such as our annual Christmas production. It is not realistically possible to put a value against this incredible resource (donations in kind) and therefore no attempt has been made to do so within these accounts.

The charity has a remuneration committee that undertakes regular reviews of industry equivalents and sets the pay and remuneration of the key management personnel, and the pay scale parameters for all employees.

## **SOUL CHURCH LTD**

### **Report of the Trustees for the year ended 31 March 2022**

#### **ACHIEVEMENT AND PERFORMANCE**

##### **Charitable activities**

The charity's activities focus on delivering spiritual and practical, high-quality projects and services to meet the church's principal aims and objectives.

We provided on-line services from the start of the year, and once Covid restrictions allowed we provided multiple Sunday church services with an approximate attendance of over 1300 people weekly (in person and online) In addition we offered an extensive calendar of programmes and social initiatives and activities such as:

Child and youth programmes - young adult projects - music & performance - mental health & wellbeing support - woman's programmes - special interest groups - a leadership academy 90 place nursery - a wide range of courses including Alpha - summer camps - social supermarket job clubs - supporting the homeless in our city.

These projects supported, empowered and developed individuals holistically to reach their full potential and grow their relationship with God. These also enabled us to meet the needs of some of the most vulnerable and disadvantaged in our community in practical ways.

As well as ensuring ongoing financial stability we have achieved significant levels of fundraising against the cost of our new £12.1 million church and community development.

Our free Christmas Performance provided a high impact Spectacular across 15 performances enabling our community to come together and enjoy special performances without financial pressure with over 8000 attending in this financial year.

Through our support of our sister charity – SOUL Foundation we have enabled the delivery of over 1.5 million meals in 2021/22 as well offering job clubs, money management courses and dedicated support.

#### **FINANCIAL REVIEW**

##### **Principal funding sources**

The income of the charity is principally made up of regular (often monthly) voluntary contributions by those who attend the church or the local community who wish to support the delivery of specific services and activities. This is supplemented by donations received at special events which the church holds throughout the year which are attended by people from other parts of the local community, Norfolk, the UK and overseas.

Further income is raised in relation to specific and unexpected need responding to local and national events, such as outbreaks of war and natural disasters.

We also have two annual fundraising drives each May and October which bring additional income through creative fundraising.

Opportunities to donate are provided at weekly services as well as on-line, text giving, BACS transfer or standing order as well as an overseas partnership with Trust Bridge/Generosity Foundation.

We are fortunate to have received income from trusts and funding bodies for our new development as well as charitable giving and also statutory funding for our nursery.

##### **Investment policy and objectives**

The Board is empowered to invest funds in a manner appropriate to the financial requirements of the charitable company, having regard to the security of any investments made and the requirements of the Charity Commissioner's order. The trustees hold cash in a deposit account to ensure it is available for charitable purposes at short notice.

## **SOUL CHURCH LTD**

### **Report of the Trustees for the year ended 31 March 2022**

#### **Reserves policy**

The Soul Church Board has established a target level of free reserves that enables financial stability, is adequate to meet the requirements of working capital and acts as a cushion against fluctuations in income levels and in the financial performance of the church's activities. The target level applies to the total of all unrestricted reserves available for spending (including reserves designated for particular purposes). The target level is calculated based on a number of months of estimated total expenditure.

The target level of reserves is three months of estimated expenditure from unrestricted funds. The Board seeks to maintain reserves at or above this level by setting and approving annual budgets consistent with the reserves policy and by monitoring financial performance against budget. The Board reviews the reserves policy at least annually.

#### **FUTURE PLANS**

The focus of the Trustees is to complete the development of a new 58,000 sq.-ft Church and community asset at our previous church site on Heartsease Lane at a cost of £12.1 million. This purpose built, state of the art facility will enable us to increase our services to meet the needs of our city and county. Building work commenced in January 2022 and will complete autumn/winter 2023.

We will continue to deliver our existing activities as well as establishing new projects which clearly meet the charity's aims and objectives and which add real value to people, our local communities and are for the public benefit.

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Governing document**

The organisation is a charitable company limited by guarantee, incorporated on 20 May 2010 and registered as a charity on 10 October 2010. The company was established under a Memorandum of Association, which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the charitable company being wound up members are required to contribute an amount not exceeding £1, during the period of their appointment as a member and for a period of 12 months after resignation.

##### **Recruitment and appointment of new trustees**

The power of appointment of new Trustees/Directors lies with the Board. The Trustees are committed to recruiting and maintaining a balanced board incorporating a wide range of expertise and professional experience. All Trustees are active members of the church, volunteer their time in the delivery of services and are held to a high standard of Christian morality.

##### **Trustees are:**

- briefed as part of their induction on their obligations under charity and company law
- encouraged to liaise with all parts of the charity to ensure a full understanding of roles and responsibilities and manage any collective and personal risks or liabilities.
- invited to regular training provided to staff and volunteers covering a wide range of operational and spiritual topics.

##### **Organisational structure**

The charity is governed by a board of elected volunteer Trustees who provide a breadth of experience and expertise to maintain strategic direction, ensure good governance and effective management of organisational requirements.

The daily management is overseen by our senior pastor with support from our operations manager and 50 staff who together enable us to achieve our vision and goals. The support of dedicated volunteers also ensures the smooth running of the charity.

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**SOUL CHURCH LTD**

**Report of the Trustees  
for the year ended 31 March 2022**

**Risk management**

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error. The board of trustees and the delegated staff review the risks of the charitable company on a regular basis and have implemented policies and procedures to mitigate exposure to these risks.

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Company number**  
07260215 (England and Wales)

**Registered Charity number**  
1138459

**Registered office**  
4 Mason Road  
Norwich  
Norfolk  
NR6 6RF

<b>Trustees</b>	
Russ Dacre	Director
Mark Hollinger	Director
Pastor Jon Norman	Director
Steven Mawston	Director
Richard Nash	Director
Susan Knights	Director

**Management Lead**  
Pastor Jon Norman - Senior minister and chief executive officer

**Company Secretary**  
K E Evans

**Auditors**  
Sexty & Co  
Chartered Certified Accountants  
& Statutory Auditor  
124 Thorpe Road  
Norwich  
Norfolk  
NR1 1RS

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 15th December 2022 and signed on its behalf by:

J Norman - Trustee



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## **SOUL CHURCH LTD**

### **Statement of Trustees' Responsibilities for the year ended 31 March 2022**

The trustees (who are also the directors of Soul Church Ltd for the purposes of company law) are responsible for preparing the Report of the Trustees and the consolidated 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 consolidated financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

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

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

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

**Report of the Independent Auditors to the Members of  
Soul Church Ltd**

**Opinion**

We have audited the financial statements of Soul Church Ltd (the 'charitable company') for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (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 March 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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 charitable company'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 trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

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.

In connection with our audit of the financial statements, 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 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 the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.



## **Report of the Independent Auditors to the Members of Soul Church Ltd**

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where 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 take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes 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 charitable company'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.

### **Our 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 a Report of the Independent Auditors 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:

We have made enquiries with management regarding their procedures for complying with laws and regulations along with detecting and preventing fraud. We also review minutes of meetings and any published news articles to identify any instances of non-compliance with and regulations.

Evidence has been obtained where applicable. Written representation has been obtained to confirm there have been no breaches of laws and regulations.

The audit procedures are designed so that with reasonable assurance, material misstatements can be detected, including those relating to fraud. Specifically, areas which involve provisions or estimations have been tested where material.


Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.

**Report of the Independent Auditors to the Members of  
Soul Church Ltd**

**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.



A M Orves (Senior Statutory Auditor)  
for and on behalf of Sexty & Co  
Chartered Certified Accountants  
& Statutory Auditor  
124 Thorpe Road  
Norwich  
Norfolk  
NR1 1RS

*21<sup>st</sup> December 2022*

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**SOUL CHURCH LTD**

**Consolidated Statement of Financial Activities  
(Incorporating an Income and Expenditure Account)  
for the year ended 31 March 2022**

	Notes	Unrestricted funds £	Restricted fund £	2022 Total funds £	2021 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	2	1,667,646	2,585,151	4,252,797	1,250,949
<b>Charitable activities</b>					
Charitable Activity	5	359,596	923	360,519	333,986
Other trading activities	3	65,814	-	65,814	8,403
Investment income	4	864	-	864	4,373
<b>Total</b>		<b>2,093,920</b>	<b>2,586,074</b>	<b>4,679,994</b>	<b>1,597,711</b>
<b>EXPENDITURE ON</b>					
Raising funds		23,238	-	23,238	8,025
Trading activity		20,926	-	20,926	4,045
Charitable Activity	6	1,420,852	11,781	1,432,633	1,128,383
<b>Total</b>		<b>1,465,016</b>	<b>11,781</b>	<b>1,476,797</b>	<b>1,140,453</b>
<b>NET INCOME before transfers and tax</b>		<b>628,904</b>	<b>2,574,293</b>	<b>3,203,197</b>	<b>457,258</b>
Taxation	9	-	-	-	841
<b>Net movement in funds</b>		<b>628,904</b>	<b>2,574,293</b>	<b>3,203,197</b>	<b>458,099</b>
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		<b>4,306,280</b>	<b>357,856</b>	<b>4,664,136</b>	<b>4,206,037</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b><u>4,935,184</u></b>	<b><u>2,932,149</u></b>	<b><u>7,867,333</u></b>	<b><u>4,664,136</u></b>

**SOUL CHURCH LTD**

**Charity Balance Sheet  
31 March 2022**

	Notes	Unrestricted funds £	Restricted fund £	2022 Total funds £	2021 Total funds £
<b>FIXED ASSETS</b>					
Tangible assets	13	2,373,359	1,153,193	3,526,552	2,499,138
Investments	14	<u>1</u>	<u>-</u>	<u>1</u>	<u>1</u>
		2,373,360	1,153,193	3,526,553	2,499,139
<b>CURRENT ASSETS</b>					
Debtors	15	290,826	181,657	472,483	283,249
Prepayments and accrued income		1,981,484	-	1,981,484	5,387
Cash at bank and in hand		<u>349,031</u>	<u>1,597,299</u>	<u>1,946,330</u>	<u>1,922,143</u>
		2,621,341	1,778,956	4,400,297	2,210,779
<b>CREDITORS</b>					
Amounts falling due within one year	16	(66,197)	-	(66,197)	(46,865)
<b>NET CURRENT ASSETS</b>		<u>2,555,144</u>	<u>1,778,956</u>	<u>4,334,100</u>	<u>2,163,914</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>4,928,504</u>	<u>2,932,149</u>	<u>7,860,653</u>	<u>4,663,053</u>
<b>NET ASSETS</b>		<u>4,928,504</u>	<u>2,932,149</u>	<u>7,860,653</u>	<u>4,663,053</u>
<b>FUNDS</b>	17				
Unrestricted funds				4,928,504	4,305,197
Restricted funds				<u>2,932,149</u>	<u>357,856</u>
<b>TOTAL FUNDS</b>				<u>7,860,653</u>	<u>4,663,053</u>

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

The financial statements were approved by the Board of Trustees and authorised for issue on ~~18th DECEMBER 2021~~ and were signed on its behalf by:



R P Nash - Trustee

Continued...

**SOUL CHURCH LTD**

**Consolidated Balance Sheet  
31 March 2022**

	Notes	Unrestricted funds £	Restricted fund £	2022 Total funds £	2021 Total funds £
<b>FIXED ASSETS</b>					
Tangible assets	21	<u>2,392,684</u>	<u>1,153,193</u>	<u>3,545,877</u>	<u>2,500,775</u>
		2,392,684	1,153,193	3,545,877	2,500,775
<b>CURRENT ASSETS</b>					
Stocks		-	-	-	550
Debtors	22	270,278	181,657	451,935	289,114
Prepayments and accrued income		1,981,484	-	1,981,484	-
Cash at bank and in hand		<u>360,382</u>	<u>1,597,299</u>	<u>1,957,681</u>	<u>1,924,145</u>
		2,612,144	1,778,956	4,391,100	2,213,809
<b>CREDITORS</b>					
Amounts falling due within one year	23	<u>(69,644)</u>	<u>-</u>	<u>(69,644)</u>	<u>(50,448)</u>
<b>NET CURRENT ASSETS</b>		<u>2,542,500</u>	<u>1,778,956</u>	<u>4,321,456</u>	<u>2,163,361</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>4,935,184</u>	<u>2,932,149</u>	<u>7,867,333</u>	<u>4,664,136</u>
<b>FUNDS</b>	24				
Unrestricted funds				4,935,184	4,306,280
Restricted funds				<u>2,932,149</u>	<u>357,856</u>
<b>TOTAL FUNDS</b>				<u>7,867,333</u>	<u>4,664,136</u>

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

187H The financial statements were approved by the Board of Trustees and authorised for issue on ~~18th December 2021~~ and were signed on its behalf by:



R P Nash - Trustee

**SOUL CHURCH LTD**

**Consolidated Cash Flow Statement  
for the year ended 31 March 2022**

	Notes	2022 £	2021 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	1,141,462	570,732
Bank and other charges		<u>(12,578)</u>	<u>(9,803)</u>
Net cash provided by operating activities		<u>1,128,884</u>	<u>560,929</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(1,096,212)	(168,119)
Interest received		<u>864</u>	<u>4,373</u>
Net cash used in investing activities		<u>(1,095,348)</u>	<u>(163,746)</u>
<b>Change in cash and cash equivalents in the reporting period</b>		33,536	397,183
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u>1,924,145</u>	<u>1,526,962</u>
<b>Cash and cash equivalents at the end of the reporting period</b>		<u>1,957,681</u>	<u>1,924,145</u>

Continued...

The notes form part of these financial statements  
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**SOUL CHURCH LTD**

**Notes to the Consolidated Cash Flow Statement  
for the year ended 31 March 2022**

**1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	2022 £	2021 £
<b>Net income for the reporting period (as per the Statement of Financial Activities)</b>	3,203,197	458,099
<b>Adjustments for:</b>		
Depreciation charges	51,109	62,130
Interest received	(864)	(4,373)
Bank and other charges	12,578	9,803
Decrease/(increase) in debtors	(2,144,305)	56,550
(Decrease)/increase in creditors	19,197	(14,460)
Decrease/(increase) in stock	550	2,983
<b>Net cash provided by operations</b>	<u>1,141,462</u>	<u>570,732</u>

## SOUL CHURCH LTD

### Notes to the Consolidated Financial Statements for the year ended 31 March 2022

#### 1. ACCOUNTING POLICIES

##### **Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value.

##### **Income**

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Income from trading activities includes income earned from fundraising event, trading activities to raise funds for the charity and trading income of wholly owned subsidiary Soul Enterprise Trading Ltd. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

##### **Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

##### **Raising funds**

Costs of generating income are those incurred in seeking voluntary contributions and other income generation, for example, the costs associated with running events.

##### **Support costs**

Support costs include the central functions of finance, human resources, information technology, external relations and general administration.

##### **Governance costs**

Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

##### **Tangible fixed assets**

Fixtures and fittings and motor vehicles are stated at cost less depreciation. Freehold property and property additions are stated at replacement cost. Assets are capitalised when the value of the asset or group of assets acquired for a single purpose costs at least £1,000. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	- not provided
Property additions	- 20% on cost
Fixtures and fittings	- 25% on reducing balance
Motor vehicles	- 25% on cost

No depreciation is provided on the freehold property as in the opinion of the trustees the property is worth in excess of its carrying value and any charge would be immaterial.



## SOUL CHURCH LTD

### Notes to the Consolidated Financial Statements - continued for the year ended 31 March 2022

#### 1. ACCOUNTING POLICIES - continued

##### **Taxation**

The charity is exempt from corporation tax on its charitable activities. The charity's 100% owned subsidiary Soul Enterprise Trading Ltd is not exempt and therefore pays corporation tax at the main rate.

##### **Value added tax**

The charitable company is not registered for VAT and accordingly, all costs include irrecoverable VAT where appropriate.

##### **Volunteer help**

The value of any voluntary help received is not included in the financial statements but is described in the trustees annual report.

##### **Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees. Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purpose.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements

##### **Debtors and creditors receivable / payable within one year**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price.

##### **Hire purchase and leasing commitments**

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

##### **Pension costs and other post-retirement benefits**

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

##### **Going concern**

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

#### 2. DONATIONS AND LEGACIES - GROUP

	2022	2021
	£	£
Offerings and gifts	2,014,678	1,066,869
Gift aid	202,806	161,944
Grants	<u>2,035,313</u>	<u>22,136</u>
	<u>4,252,797</u>	<u>1,250,949</u>

**SOUL CHURCH LTD**

**Notes to the Consolidated Financial Statements - continued  
for the year ended 31 March 2022**

3. OTHER TRADING ACTIVITIES - GROUP		2022	2021	
		£	£	
Hire of premises		21,821	207	
Soul Enterprise Trading Ltd – Café income		43,993	8,196	
		<u>65,814</u>	<u>8,403</u>	
4. INVESTMENT INCOME - GROUP		2022	2021	
		£	£	
Interest		<u>864</u>	<u>4,373</u>	
5. INCOME FROM CHARITABLE ACTIVITIES - GROUP		2022	2021	
		£	£	
Café, books and resources	Activity	463	64	
Pre-school children	Charitable Activity	320,616	262,943	
Sundry income	Charitable Activity	<u>39,440</u>	<u>70,979</u>	
		<u>360,519</u>	<u>333,986</u>	
6. CHARITABLE ACTIVITIES COSTS - GROUP		Direct Costs (see note 7) £	Support costs (see note 8) £	Totals £
Charitable Activity		<u>1,320,820</u>	<u>111,813</u>	<u>1,432,633</u>
7. DIRECT COSTS OF CHARITABLE ACTIVITIES – GROUP		2022	2021	
		£	£	
Trustees' remuneration etc		46,935	40,700	
Staff costs		661,465	572,063	
Rent of premises		28,712	18,376	
Insurance		7,796	6,377	
Light and heat		46,498	21,316	
Telephone		10,161	9,242	
Sundries		23,946	23,442	
Volunteers' travel		-	1,131	
Travel and subsistence		31,485	9,099	
Global missions		165,300	101,530	
Ministry purchases (food)		41,536	17,576	
Ministry contractors		56,121	47,751	
Conference costs		7,323	26	
Hire of equipment		37,048	24,946	
Donations, gifts and flowers		23,740	19,664	
Honorariums		12,656	9,783	
Printing, advertising and publicity		18,886	18,654	
Cleaning and hygiene costs		29,193	21,787	
Water		5,751	3,114	
Maintenance		10,691	6,376	
Small equipment purchases and repair		<u>41,580</u>	<u>33,799</u>	
Carried forward		1,306,823	1,006,752	

Continued...

**SOUL CHURCH LTD**

**Notes to the Consolidated Financial Statements - continued  
for the year ended 31 March 2022**

**7. DIRECT COSTS OF CHARITABLE ACTIVITIES - GROUP - continued**

	2022	2021
	£	£
Brought forward	1,306,823	1,006,752
Training and development	6,939	4,452
Security, health and safety etc.	3,455	6,352
Nurse costs	3,603	-
	<u>1,320,820</u>	<u>1,017,556</u>

**8. SUPPORT COSTS - GROUP**

	Management	Governance	Totals
	£	costs	£
Charitable Activity	£	£	£
	<u>88,291</u>	<u>23,522</u>	<u>111,813</u>

Support costs, included in the above, are as follows:

	2022	2021
	Charitable	Total
	Activity	activities
	£	£
Trustees' remuneration etc	23,467	20,349
Postage and stationery	4,145	4,070
Love in Action	9,571	5,521
Depreciation of tangible assets	51,108	62,130
Auditors' remuneration	5,444	4,900
Auditors' remuneration for non audit work	500	695
Professional fees	5,000	3,359
Interest payable and similar charges	12,578	9,803
	<u>111,813</u>	<u>110,827</u>

**9. TAXATION - GROUP**

	2022	2021
	£	£
Charity	-	-
Group	<u>-</u>	<u>(841)</u>

**10. NET INCOME/(EXPENDITURE) - GROUP**

Net income/(expenditure) is stated after charging/(crediting):

	2022	2021
	£	£
Auditors' remuneration	5,444	4,900
Auditors' remuneration for non audit work	500	695
Depreciation - owned assets	51,140	62,130
Hire of plant and machinery	<u>28,712</u>	<u>18,376</u>

**SOUL CHURCH LTD**

**Notes to the Consolidated Financial Statements - continued  
for the year ended 31 March 2022**

**11. TRUSTEES' REMUNERATION AND BENEFITS - GROUP**

During the year, trustee salaries of £64,010 (2021: £55,777) and pension contributions of £ NIL (2021: £ NIL) were paid.

**Trustees' expenses**

During the year, expense payments of £NIL (2021: £ NIL) were paid to the trustees.

**12. STAFF COSTS - GROUP**

	2022 £	2021 £
Wages and salaries	665,085	576,923
Social security costs	53,428	44,340
Other pension costs	<u>13,354</u>	<u>11,849</u>
	<u>731,867</u>	<u>633,112</u>

The average monthly number of employees during the year was as follows:

	2022	2021
Employees	<u>50</u>	<u>48</u>

No employees received emoluments in excess of £60,000.

**13. TANGIBLE FIXED ASSETS - CHARITY**

	Freehold property £	Fixtures and fittings £	Motor vehicles £	Totals £
<b>COST</b>				
At 1 April 2021	2,810,655	575,602	51,475	3,437,732
Additions	<u>1,037,141</u>	<u>39,004</u>	<u>-</u>	<u>1,076,145</u>
At 31 March 2022	<u>3,847,796</u>	<u>614,606</u>	<u>51,475</u>	<u>4,513,877</u>
<b>DEPRECIATION</b>				
At 1 April 2021	387,515	511,604	39,475	938,594
Charge for year	<u>2,536</u>	<u>38,528</u>	<u>7,667</u>	<u>48,731</u>
At 31 March 2022	<u>390,051</u>	<u>550,132</u>	<u>47,142</u>	<u>987,325</u>
<b>NET BOOK VALUE</b>				
At 31 March 2022	<u>3,457,745</u>	<u>64,474</u>	<u>4,333</u>	<u>3,526,552</u>
At 31 March 2021	<u>2,423,140</u>	<u>63,998</u>	<u>12,000</u>	<u>2,499,138</u>

The freehold property was valued on the 20 April 2016 and confirmed that the carrying values as shown in the financial statements was appropriate. The trustees consider there has been no material change in carrying value at 31 March 2022.

**SOUL CHURCH LTD**

**Notes to the Consolidated Financial Statements - continued  
for the year ended 31 March 2022**

**14. FIXED ASSET INVESTMENTS - CHARITY**

	Shares in group undertaking £
<b>MARKET VALUE</b>	
At 1 April 2020 and 31 March 2022	1
<b>NET BOOK VALUE</b>	
At 31 March 2022	1
At 31 March 2021	1

There were no investment assets outside the UK.

The company's investments at the balance sheet date in the share capital of companies include the following:

**Soul Enterprise Trading Ltd**

Registered office: 4 Mason Road, Norwich, NR6 6RF

Nature of business: Trading

Class of share:	%
Ordinary	holding 100

	2022	31.03.21
	£	£
Aggregate capital and reserves	7,231	1,084

Soul Enterprise Trading Limited was incorporated on 4 December 2017. Trading in the subsidiary company commenced on 1 April 2018.

**15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR - CHARITY**

	2022	2021
	£	£
Trade debtors	469,552	282,452
Amounts owed by group undertakings	2,931	797
	<u>472,483</u>	<u>283,249</u>

Trade debtors includes £76,041 of Pledged income (2021: £202,590).

Continued...

**SOUL CHURCH LTD**

**Notes to the Consolidated Financial Statements - continued  
for the year ended 31 March 2022**

**16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR - CHARITY**

	2022 £	2021 £
Trade creditors	26,068	26,808
Social security and other taxes	14,184	15,199
Other creditors	1,530	717
Accruals and deferred income	<u>24,415</u>	<u>4,141</u>
	<u>66,197</u>	<u>46,865</u>

**17. MOVEMENT IN FUNDS - CHARITY**

	At 1.4.21 £	Net movement in funds £	At 31.3.22 £
<b>Unrestricted funds</b>			
General fund	4,305,197	623,307	4,928,504
<b>Restricted funds</b>			
Restricted	<u>357,856</u>	<u>2,574,293</u>	<u>2,932,149</u>
<b>TOTAL FUNDS</b>	<u>4,663,053</u>	<u>3,197,600</u>	<u>7,860,653</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
Unrestricted	2,063,172	(1,439,865)	623,307
<b>Restricted funds</b>			
Restricted	<u>2,586,074</u>	<u>(11,781)</u>	<u>2,574,293</u>
<b>TOTAL FUNDS</b>	<u>4,649,246</u>	<u>(1,451,646)</u>	<u>3,197,600</u>

**Comparatives for movement in funds**

	At 1.4.20 £	Net movement in funds £	Transfers between funds £	At 31.3.21 £
<b>Unrestricted funds</b>				
Unrestricted	3,884,388	437,705	(16,896)	4,305,197
<b>Restricted funds</b>				
Restricted	<u>320,243</u>	<u>20,717</u>	<u>16,896</u>	<u>357,856</u>
<b>TOTAL FUNDS</b>	<u>4,204,631</u>	<u>458,422</u>	<u>-</u>	<u>4,663,053</u>

**SOUL CHURCH LTD**

**Notes to the Consolidated Financial Statements - continued**  
**for the year ended 31 March 2022**

**17. MOVEMENT IN FUNDS - CHARITY - continued**

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
Unrestricted	1,552,300	(1,114,595)	437,705
<b>Restricted funds</b>			
Restricted	37,896	(17,179)	20,717
<b>TOTAL FUNDS</b>	<u>1,590,196</u>	<u>(1,131,774)</u>	<u>458,422</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.4.20 £	Net movement in funds £	At 31.3.22 £
<b>Unrestricted funds</b>			
Unrestricted	3,884,388	1,061,012	4,928,504
<b>Restricted funds</b>			
Restricted	320,243	2,595,010	2,932,149
<b>TOTAL FUNDS</b>	<u>4,204,631</u>	<u>3,656,022</u>	<u>7,860,653</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
Unrestricted	3,615,472	(2,554,460)	1,061,012
<b>Restricted funds</b>			
Restricted	2,623,970	(28,960)	2,595,010
<b>TOTAL FUNDS</b>	<u>6,239,442</u>	<u>(2,583,420)</u>	<u>3,656,022</u>

The charitable company has restricted funds at the year-end of £2,911,226, set aside for the construction project of the new church.

# SOUL CHURCH LTD

## Notes to the Consolidated Financial Statements - continued for the year ended 31 March 2022

### 18. EMPLOYEE BENEFIT OBLIGATIONS - GROUP

The charity operates a defined contribution pension plan for its employees. The amount recognised as an expense in the period was £13,354 (2021: £11,849). The defined contribution expense is allocated to unrestricted funds and charitable activities.

### 19. RELATED PARTY DISCLOSURES

Soul Foundation (charity number 1150912) is a related party due to having trustees in common. At the year-end there was an outstanding debtor balance of £23,004.

Soul Enterprise Trading Ltd (company number 11093104) is a related party due to having trustees in common. At the year-end there was an outstanding debtor balance of £25,936.

### 20. ULTIMATE CONTROLLING PARTY

The charitable company is controlled by the trustees.

### 21. TANGIBLE FIXED ASSETS - GROUP

	Freehold property £	Fixtures & fittings £	Motor vehicles £	Plant & machinery £	Totals £
<b>COST</b>					
At 1 April 2021	2,810,655	575,602	51,475	3,401	3,441,133
Additions	<u>1,037,141</u>	<u>39,004</u>	<u>-</u>	<u>20,067</u>	<u>1,096,212</u>
At 31 March 2022	<u>3,847,796</u>	<u>614,606</u>	<u>51,475</u>	<u>23,468</u>	<u>4,537,345</u>
<b>DEPRECIATION</b>					
At 1 April 2021	387,515	511,604	39,475	1,764	940,358
Charge for year	<u>2,536</u>	<u>38,528</u>	<u>7,667</u>	<u>2,379</u>	<u>51,110</u>
At 31 March 2022	<u>390,051</u>	<u>550,132</u>	<u>47,142</u>	<u>4,143</u>	<u>991,468</u>
<b>NET BOOK VALUE</b>					
At 31 March 2022	<u>3,457,745</u>	<u>64,474</u>	<u>4,333</u>	<u>19,325</u>	<u>3,545,877</u>
At 31 March 2021	<u>2,423,140</u>	<u>63,998</u>	<u>12,000</u>	<u>1,637</u>	<u>2,500,775</u>

### 22. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR - GROUP

	2022 £	2021 £
Trade debtors	<u>451,935</u>	<u>289,114</u>
	<u>451,935</u>	<u>289,114</u>



**SOUL CHURCH LTD**

**Notes to the Consolidated Financial Statements - continued  
for the year ended 31 March 2022**

**23. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR - GROUP**

	2022	2021
	£	£
Trade creditors	27,515	26,877
Social security and other taxes	14,184	17,713
Other creditors	1,530	1,217
Accruals and deferred income	26,415	4,641
	<u>69,644</u>	<u>50,448</u>

**24. ANALYSIS OF NET ASSETS BETWEEN FUNDS - GROUP**

GROUP	Unrestricted fund £	Restricted funds £	2022 Total Funds £	2021 Total Funds £
Fixed assets	2,392,684	1,153,193	3,545,877	2,500,775
Net current assets	<u>2,542,500</u>	<u>1,778,956</u>	<u>4,321,456</u>	<u>2,163,361</u>
	<u>4,935,184</u>	<u>2,932,149</u>	<u>7,867,333</u>	<u>4,664,136</u>