

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 2023
FOR
SOUL CHURCH LTD**

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

SOUL CHURCH LTD

CONTENTS OF THE FINANCIAL STATEMENTS
for the year ended 31 March 2023

	Page
Report of the Trustees	1 to 4
Statement of Trustees' Responsibilities	5
Report of the Independent Auditors	6 to 8
Consolidated Statement of Financial Activities	9
Balance Sheet	10
Consolidated Balance sheet	11
Consolidated Cash Flow Statement	12
Notes to the Cash Flow Statement	13
Notes to the Financial Statements	14 to 23
Detailed Statement of Financing Activities	24 to 25

SOUL CHURCH LTD

REPORT OF THE TRUSTEES for the year ended 31 March 2023

The Trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2023.

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-Centered, 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 Ofsted 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. We have also established strong partnerships with local organisations such as The Clare School (a specialist physical and sensory complex needs school) and Teen Challenge (a residential addiction rehabilitation facility).

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 builds for 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.

Our 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

During the year ended 31 March 2023 the charity employed 46 staff (39 full-time equivalent) to cover a wide variety of roles such as our Ofsted approved nursery (93 children enrolled), 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 was 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 2023

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 provide 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 - community cafe - job clubs and 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 58,000 sq.ft church and community asset.

Our free Christmas Performance provided a high impact family show across 15 performances enabling our community to come together and enjoy a seasonal spectacular without financial pressure. Over 8000 people attended in this financial year (including a special performance for people with physical and sensory complex needs).

Through our support of our sister charity - SOUL Foundation we have created a social supermarket on site which has approximately 1,400 members signed up within its first year, as well offering job clubs, money management courses, nutrition courses and dedicated support and signposting.

STRATEGIC REPORT

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 needs 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 individual 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 Trustees are empowered, where appropriate and prudent, 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 2023

Reserves policy

The Trustees have 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 charity's activities. The target level applies to the total of all unrestricted reserves available for spending. 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 Trustees seek 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.

Unrestricted reserves at the year-end were £5,739,050 (2022 - £4,935,184), a value that is more than the minimum level prescribed by the trustees. Restricted funds at the year-end were £4,240,510 (2022 - £2,932,149). Total reserves at the year-end were £9,979,560 (2022 - £7,867,333).

Future plans

Completion of the development of the new 58,000 sq.-ft church and community asset at the site of our previous church on Heartsease Lane. 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 in the Spring of 2024. This will enable the charity to extend its support to the community including an expansion of the social supermarket and associated projects, a "changing places" facility and increased space and resources for a wide range of activities and opportunities.

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; and
- invited to attend 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.

SOUL CHURCH LTD

REPORT OF THE TRUSTEES for the year ended 31 March 2023

The daily management is overseen by our Senior Pastor with support from a leadership team and over 40 staff who together enable us to achieve our vision and goals. The support of dedicated volunteers also ensures the smooth running of the charity.

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 such risks including fraud, negligence, personal injury, safeguarding, data protection, employment issues and moral failure.

The Trustees and delegated staff review the risks of the charitable company on a regular basis and implement policies, procedures and interventions 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

Trustees

Russ Dacre	Director	(Resigned 7 March 2023)
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.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 28.11.2023 and signed on the board's behalf by:



R P Nash - Trustee

SOUL CHURCH LTD

STATEMENT OF TRUSTEES' RESPONSIBILITIES
for the year ended 31 March 2023

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 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 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 consolidated financial statements of Soul Church Ltd (the 'charitable company') for the year ended 31 March 2023 which comprise the Consolidated Statement of Financial Activities, the Charity Balance Sheet, the Consolidated Balance Sheet, the Consolidated 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 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 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.

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

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 prevent 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.

We consider our approach to be reasonable for this entity.

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. 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

Date: 6/12/2023

SOUL CHURCH LTD

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
for the year ended 31 March 2023**

	Notes	Unrestricted funds £	Restricted fund £	2023 Total funds £	2022 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	1,791,101	1,312,841	3,103,942	4,252,797
Charitable activities					
Charitable Activity	5	430,877	63	430,940	360,519
Other trading activities	3	89,323	-	89,323	65,814
Investment income	4	5,600	-	5,600	864
Total		<u>2,316,901</u>	<u>1,312,904</u>	<u>3,629,805</u>	<u>4,679,994</u>
EXPENDITURE ON					
Raising funds		22,314	-	22,314	23,238
Trading activity		23,239	-	23,239	20,926
Charitable activity	6	1,467,482	4,543	1,472,025	1,432,633
Total		<u>1,513,035</u>	<u>4,543</u>	<u>1,517,578</u>	<u>1,476,797</u>
NET INCOME		803,866	1,308,361	2,112,227	3,203,197
RECONCILIATION OF FUNDS					
Total funds brought forward		4,935,184	2,932,149	7,867,333	4,664,136
TOTAL FUNDS CARRIED FORWARD		<u>5,739,050</u>	<u>4,240,510</u>	<u>9,979,560</u>	<u>7,867,333</u>

The notes form part of these financial statements

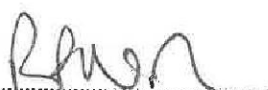
SOUL CHURCH LTD

BALANCE SHEET
31 March 2023

	Notes	Unrestricted funds £	Restricted fund £	2023 Total funds £	2022 Total funds £
FIXED ASSETS					
Tangible assets	11	3,889,107	5,046,778	8,935,885	3,526,552
Investments	12	<u>1</u>	<u>-</u>	<u>1</u>	<u>1</u>
		3,889,108	5,046,778	8,935,886	3,526,553
CURRENT ASSETS					
Debtors	13	506,796	-	506,796	472,483
Prepayments and accrued income		10,735	-	10,735	1,981,484
Cash at bank and in hand		<u>1,384,913</u>	<u>424,913</u>	<u>1,809,826</u>	<u>1,946,330</u>
		1,902,444	424,913	2,327,357	4,400,297
CREDITORS					
Amounts falling due within one year	14	(61,862)	(1,231,181)	(1,293,043)	(66,197)
NET CURRENT ASSETS		<u>1,840,582</u>	<u>(806,268)</u>	<u>1,034,314</u>	<u>4,334,100</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>5,729,690</u>	<u>4,240,510</u>	<u>9,970,200</u>	<u>7,860,653</u>
NET ASSETS		<u>5,729,690</u>	<u>4,240,510</u>	<u>9,970,200</u>	<u>7,860,653</u>
FUNDS	15				
Unrestricted funds				5,729,690	4,928,504
Restricted funds				<u>4,240,510</u>	<u>2,932,149</u>
TOTAL FUNDS				<u>9,970,200</u>	<u>7,860,653</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 28/11/2023 and were signed on its behalf by:


R P Nash - Trustee

The notes form part of these financial statements

SOUL CHURCH LTD
CONSOLIDATED BALANCE SHEET
31 March 2023

	Notes	Unrestricted funds £	Restricted fund £	2023 Total funds £	2022 Total funds £
FIXED ASSETS					
Tangible assets	19	<u>3,904,373</u>	<u>5,046,778</u>	<u>8,951,151</u>	<u>3,545,877</u>
		3,904,373	5,046,778	8,951,151	3,545,877
CURRENT ASSETS					
Stocks		352	-	352	-
Debtors	20	487,590	-	487,590	451,935
Prepayments and accrued income		10,737	-	10,737	1,981,484
Cash at bank and in hand		<u>1,402,796</u>	<u>424,913</u>	<u>1,827,709</u>	<u>1,957,681</u>
		1,901,475	424,913	2,326,388	4,391,100
CREDITORS					
Amounts falling due within one year	21	<u>(66,798)</u>	<u>(1,231,181)</u>	<u>(1,297,979)</u>	<u>(69,644)</u>
NET CURRENT ASSETS		<u>1,834,677</u>	<u>(806,268)</u>	<u>1,028,409</u>	<u>4,321,456</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>5,739,050</u>	<u>4,240,510</u>	<u>9,979,560</u>	<u>7,867,333</u>
FUNDS	22				
Unrestricted funds				5,739,050	4,935,184
Restricted funds				<u>4,240,510</u>	<u>2,932,149</u>
TOTAL FUNDS				<u>9,979,560</u>	<u>7,867,333</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 28/11/2023 and were signed on its behalf by:


R P Nash - Trustee

The notes form part of these financial statements

SOUL CHURCH LTD

**CASH FLOW STATEMENT
for the year ended 31 March 2023**

	Notes	2023 £	2022 £
Cash flows from operating activities			
Cash generated from operations	1	4,094,004	1,141,462
Interest paid		<u>(13,838)</u>	<u>(12,578)</u>
Net cash provided by operating activities		<u>4,080,166</u>	<u>1,128,884</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(5,446,920)	(1,096,212)
Interest received		<u>5,600</u>	<u>864</u>
Net cash used in investing activities		<u>(5,441,320)</u>	<u>(1,095,348)</u>
Cash flows from financing activities			
New loans in year		<u>1,231,182</u>	<u>-</u>
Net cash provided by financing activities		<u>1,231,182</u>	<u>-</u>
Change in cash and cash equivalents in the reporting period		(129,972)	33,536
Cash and cash equivalents at the beginning of the reporting period		<u>1,957,681</u>	<u>1,924,145</u>
Cash and cash equivalents at the end of the reporting period		<u><u>1,827,709</u></u>	<u><u>1,957,681</u></u>

The notes form part of these financial statements

SOUL CHURCH LTD

**Notes to the Consolidated Cash Flow Statement
for the year ended 31 March 2023**

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

	2023 £	2022 £
Net income for the reporting period (as per the Statement of Financial Activities)		
Adjustments for:	2,107,728	3,203,197
Depreciation charges	41,646	51,109
Interest received	(5,600)	(864)
Bank and other charges	13,838	12,578
Decrease/(increase) in debtors	1,940,121	(2,144,305)
(Decrease)/increase in creditors	(3,377)	19,197
Decrease/(increase) in stock	(352)	550
Net cash provided by operations	<u>4,094,004</u>	<u>1,141,462</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.22 £	Cash flow £	At 31.3.23 £
Net cash			
Cash at bank and in hand	<u>1,957,681</u>	<u>(129,972)</u>	<u>1,827,709</u>
	<u>1,957,681</u>	<u>(129,972)</u>	<u>1,827,709</u>
Debt			
Debts falling due within 1 year	-	<u>(1,231,181)</u>	<u>(1,231,181)</u>
	-	<u>(1,231,181)</u>	<u>(1,231,181)</u>
Total	<u>1,957,681</u>	<u>(1,361,153)</u>	<u>596,528</u>

The notes form part of these financial statements

SOUL CHURCH LTD

Notes to the Consolidated Financial Statements for the year ended 31 March 2023

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.

Parent charitable company

The parent made a surplus of £2,109,547 (2022: £3,197,600) for the year. Under section 408 of the Companies Act 2006 the Company is exempt from the requirement to present its own statement of financial activities within these consolidated financial statements.

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

SOUL CHURCH LTD

Notes to the Consolidated Financial Statements - continued for the year ended 31 March 2023

1. ACCOUNTING POLICIES - continued

No depreciation is provided on the freehold property as in the opinion of the trustees any charge would be immaterial.

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

During the year, the charitable company registered for VAT. 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

	2023	2022
	£	£
Offerings and gifts	2,393,692	2,014,678
Gift aid	203,870	202,806
Grants	506,380	2,035,313
	<u>3,103,942</u>	<u>4,252,797</u>

SOUL CHURCH LTD

**Notes to the Consolidated Financial Statements - continued
for the year ended 31 March 2023**

3. OTHER TRADING ACTIVITIES - GROUP

	2023	2022
	£	£
Event ticket sales	29,857	21,821
Soul Enterprise Trading Ltd	59,466	43,993
	<u>89,323</u>	<u>65,814</u>

4. INVESTMENT INCOME – GROUP

	2023	2022
	£	£
Interest	<u>5,600</u>	<u>864</u>

5. INCOME FROM CHARITABLE ACTIVITIES - GROUP

	Activity	2023	2022
		£	£
Café, books and resources	Charitable Activity	112	463
Pre-school children	Charitable Activity	404,991	320,616
Sundry income	Charitable Activity	<u>25,837</u>	<u>39,440</u>
		<u>430,940</u>	<u>360,519</u>

6. CHARITABLE ACTIVITIES COSTS - GROUP

	Direct Costs (see note 7)	Support costs (see note 8)	Totals
	£	£	£
Charitable Activity	<u>1,381,272</u>	<u>90,753</u>	<u>1,472,025</u>

7. DIRECT COSTS OF CHARITABLE ACTIVITIES – GROUP

	2023	2022
	£	£
Trustees' remuneration etc	45,068	46,935
Staff costs	717,261	661,465
Rent of premises	30,203	28,712
Insurance	17,835	7,796
Light and heat	43,745	46,498
Telephone	9,260	10,161
Pastoral care costs	2,357	-
Sundries	31,297	23,946
Travel and subsistence	37,943	31,485
Global missions	141,822	165,300
Ministry purchases (food)	57,165	41,536
Ministry contractors	57,805	56,121
Conference costs	13,126	7,323
Hire of equipment	27,764	37,048
Donations, gifts and flowers	21,056	23,740
Honorariums	13,113	12,656
Printing, advertising and publicity	17,731	18,886
Cleaning and hygiene costs	22,277	29,193
Water	4,670	5,751
Maintenance	7,595	10,691
Small equipment purchases and repair	<u>37,316</u>	<u>41,581</u>
Carried forward	1,356,409	1,306,824

SOUL CHURCH LTD

Notes to the Consolidated Financial Statements - continued for the year ended 31 March 2023

7. DIRECT COSTS OF CHARITABLE ACTIVITIES - GROUP - continued

	2023	2022
	£	£
Brought forward		
Hosting expenses	1,356,409	1,306,824
Training and development	2,715	-
Security, health and safety etc.	7,177	6,939
Supply teachers	4,066	3,455
Management overheads	7,365	537
	<u>3,540</u>	<u>3,063</u>
	<u>1,381,272</u>	<u>1,320,820</u>

8. SUPPORT COSTS - GROUP

	Management	Governance	Totals
	£	costs	£
Charitable Activity	£	£	£
	<u>69,721</u>	<u>21,032</u>	<u>90,753</u>

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

	2023	2022
	Charitable	Total
	Activity	activities
	£	£
Trustees' remuneration etc	22,535	23,467
Postage and stationery	5,734	4,145
Love in Action	(194)	9,571
Depreciation of tangible assets	41,646	51,108
Auditors' remuneration	5,090	5,444
Auditors' remuneration for non audit work	550	500
Professional fees	1,554	5,000
Interest payable and similar charges	<u>13,838</u>	<u>12,578</u>
	<u>90,753</u>	<u>111,813</u>

SOUL CHURCH LTD

Notes to the Consolidated Financial Statements - continued for the year ended 31 March 2023

9. TRUSTEES' REMUNERATION AND BENEFITS - GROUP

The Articles of Association allow the trustees to receive remuneration from the charity.

During the year two trustees were also employees of the charity in which capacity they received salaries of £60,806 (2022: £64,010) and pension contributions of £258 (2022: £NIL) – no trustees received any payments for acting as such.

Trustees' expenses

During the year, expense payments of £NIL (2022: £ NIL) were paid to the trustees.

10. STAFF COSTS - GROUP

	2023 £	2022 £
Wages and salaries	713,968	665,085
Social security costs	55,746	53,428
Other pension costs	<u>15,150</u>	<u>13,354</u>
	<u>784,864</u>	<u>731,867</u>

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

	2023	2022
Employees	<u>46</u>	<u>50</u>

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

11. TANGIBLE FIXED ASSETS - CHARITY

	Freehold property £	Fixtures and fittings £	Motor vehicles £	Totals £
COST				
At 1 April 2022	3,847,796	614,606	51,475	4,513,877
Additions	<u>5,433,903</u>	<u>8,478</u>	<u>-</u>	<u>5,442,381</u>
At 31 March 2023	<u>9,281,699</u>	<u>623,084</u>	<u>51,475</u>	<u>9,956,258</u>
DEPRECIATION				
At 1 April 2022	390,051	550,132	47,142	987,325
Charge for year	<u>2,558</u>	<u>26,490</u>	<u>4,000</u>	<u>33,048</u>
At 31 March 2023	<u>392,609</u>	<u>576,622</u>	<u>51,142</u>	<u>1,020,373</u>
NET BOOK VALUE				
At 31 March 2023	<u>8,889,090</u>	<u>46,462</u>	<u>333</u>	<u>8,935,885</u>
At 31 March 2022	<u>3,457,745</u>	<u>64,474</u>	<u>4,333</u>	<u>3,526,552</u>

SOUL CHURCH LTD

Notes to the Consolidated Financial Statements - continued for the year ended 31 March 2023

12. FIXED ASSET INVESTMENTS - CHARITY

MARKET VALUE

At 1 April 2020 and 31 March 2023

Shares in
group
undertaking
£

1

NET BOOK VALUE

At 31 March 2023

1

At 31 March 2022

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

Aggregate capital and reserves

2023	2023
£	£
9,359	6,681

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

Soul Enterprise Trading Limited is recognised as a subsidiary due to Soul Church exerting control via owning 100% of the ordinary shares and voting rights.

Soul Enterprise Trading Limited is exempt from the requirements relating to the audit of accounts under section 479A of the Companies Act 2006.

Soul Enterprise Trading Limited is included in these consolidated financial statements.

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR - CHARITY

	2023	2022
	£	£
Trade debtors *	419,290	469,552
Amounts owed by group undertakings	36,228	2,931
Other debtors	51,278	-
	<u>506,796</u>	<u>472,483</u>

* Trade debtors includes £318,282 of Pledged income (2022: £76,041).

SOUL CHURCH LTD

**Notes to the Consolidated Financial Statements - continued
for the year ended 31 March 2023**

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR - CHARITY

	2023	2022
	£	£
Stewardship loan 'A'	1,231,181	-
Trade creditors	17,017	26,068
Social security and other taxes	28,074	14,184
Other creditors	-	1,530
Accruals and deferred income	<u>16,771</u>	<u>24,415</u>
	<u>1,293,043</u>	<u>66,197</u>

The Stewardship loan 'A' was repaid in full in April 2023.

15. MOVEMENT IN FUNDS - CHARITY

	At 1.4.22	Net movement in funds	At
	£	£	31.3.23
			£
Unrestricted funds			
General fund	4,928,504	801,186	5,729,690
Restricted funds			
Restricted	2,932,149	1,308,361	4,240,510
	<u>7,860,653</u>	<u>2,109,547</u>	<u>9,970,200</u>
TOTAL FUNDS			

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

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
Unrestricted	2,274,026	(1,472,840)	801,186
Restricted funds			
Restricted	1,312,904	(4,543)	1,308,361
	<u>3,586,930</u>	<u>(1,477,383)</u>	<u>2,109,547</u>
TOTAL FUNDS			

Comparatives for movement in funds

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

SOUL CHURCH LTD

**Notes to the Consolidated Financial Statements - continued
for the year ended 31 March 2023**

15. MOVEMENT IN FUNDS - CHARITY - continued

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

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

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

	At 1.4.21 £	Net movement in funds £	At 31.3.23 £
Unrestricted funds			
General fund	4,305,197	1,424,493	5,729,690
Restricted funds			
Restricted	357,856	3,882,654	4,240,510
TOTAL FUNDS	<u>4,663,053</u>	<u>5,307,147</u>	<u>9,970,200</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 £
Unrestricted funds			
Unrestricted	4,337,198	(2,912,705)	1,424,493
Restricted funds			
Restricted	3,898,978	(16,324)	3,882,654
TOTAL FUNDS	<u>8,236,176</u>	<u>(2,929,029)</u>	<u>5,307,147</u>

All of the restricted fund totalling £4,240,510 relates to the ongoing construction project of the new church.

SOUL CHURCH LTD

Notes to the Consolidated Financial Statements - continued for the year ended 31 March 2023

16. 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 £15,150 (2022: £13,354). The defined contribution expense is allocated to unrestricted funds and charitable activities.

17. 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 £9,321 (2022 - creditor £23,004). The transactions during the period consist of expense recharges and donations to Soul Foundation.

Soul Enterprise Trading Ltd (company number 11093104) is a related party due to having directors in common. At the year-end there was an outstanding debtor balance of £26,907 (2022 - £25,936). The transactions during the period consist largely of expense recharges relating to the Soul Cafe.

18. ULTIMATE CONTROLLING PARTY

The charitable company is controlled by the trustees.

19. TANGIBLE FIXED ASSETS - GROUP

	Freehold property £	Fixtures & fittings £	Motor vehicles £	Plant & machinery £	Totals £
COST					
At 1 April 2022	3,847,796	614,606	51,475	23,468	4,537,345
Additions	<u>5,433,903</u>	<u>8,479</u>	<u>-</u>	<u>4,539</u>	<u>5,446,921</u>
At 31 March 2023	<u>9,281,699</u>	<u>623,085</u>	<u>51,475</u>	<u>28,007</u>	<u>9,984,266</u>
DEPRECIATION					
At 1 April 2022	390,051	550,132	47,142	4,143	991,468
Charge for year	<u>2,558</u>	<u>26,490</u>	<u>4,000</u>	<u>8,599</u>	<u>41,647</u>
At 31 March 2023	<u>392,609</u>	<u>576,622</u>	<u>51,142</u>	<u>12,742</u>	<u>1,033,115</u>
NET BOOK VALUE					
At 31 March 2023	<u>8,889,090</u>	<u>46,463</u>	<u>333</u>	<u>15,265</u>	<u>8,951,151</u>
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>

20. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR - GROUP

	2023 £	2022 £
Trade debtors	<u>487,590</u>	<u>451,935</u>
	<u>487,590</u>	<u>451,935</u>

SOUL CHURCH LTD

**Notes to the Consolidated Financial Statements - continued
for the year ended 31 March 2023**

21. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR - GROUP

	2023	2022
	£	£
Stewardship loan 'A'	1,231,181	-
Trade creditors	17,262	27,515
Social security and other taxes	32,165	14,184
Other creditors	600	1,530
Accruals and deferred income	16,771	26,415
	<u>1,297,979</u>	<u>69,644</u>

22. ANALYSIS OF NET ASSETS BETWEEN FUNDS - GROUP

	Unrestricted fund £	Restricted funds £	2023 Total Funds £	2022 Total Funds £
Fixed assets	3,904,373	5,046,778	8,951,151	3,545,877
Net current assets	<u>1,834,677</u>	<u>(806,268)</u>	<u>1,028,409</u>	<u>4,321,456</u>
	<u>5,739,050</u>	<u>4,240,510</u>	<u>9,979,560</u>	<u>7,867,333</u>

SOUL CHURCH LTD

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31 March 2023**

	2023 £	2022 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Offerings and gifts	2,393,692	2,014,678
Gift aid	203,870	202,806
Grants	<u>506,380</u>	<u>2,035,313</u>
	3,103,942	4,252,797
Other trading activities		
Event ticket sales	29,857	21,821
Soul Enterprise Trading Ltd	<u>59,466</u>	<u>43,993</u>
	89,323	65,814
Investment income		
Interest	5,600	884
Charitable activities		
Café, books and resources	112	463
Pre-school children	404,991	320,616
Sundry income	<u>25,837</u>	<u>39,440</u>
	<u>430,940</u>	<u>360,519</u>
Total incoming resources	3,629,805	4,679,994
EXPENDITURE		
Other trading activities		
Café and resource purchases	22,314	23,238
Soul Enterprise Trading Ltd	<u>23,239</u>	<u>20,929</u>
	45,553	44,167
Charitable activities		
Trustees' remuneration etc	45,068	46,935
Wages	717,261	661,465
Rent of premises	30,203	28,712
Insurance	17,835	7,796
Light and heat	43,745	46,498
Telephone	9,260	10,161
Pastoral care costs	2,357	-
Sundries	31,297	23,946
Travel and subsistence	37,943	31,485
Global missions	141,822	165,300
Ministry purchases (food)	57,165	41,536
Ministry contractors	57,805	56,121
Conference costs	13,126	7,323
Carried forward	<u>1,204,887</u>	<u>1,127,278</u>

This page does not form part of the statutory financial statements

SOUL CHURCH LTD

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31 March 2023**

	2023 £	2022 £
Charitable activities		
Brought forward		
Hire of equipment	1,204,887	1,127,278
Donations, gifts and flowers	27,764	37,048
Honorariums	21,056	23,740
Printing, advertising and publicity	13,113	12,656
Cleaning and hygiene costs	17,731	18,886
Water	22,276	29,193
Maintenance	4,670	5,751
Small equipment purchases and repair	7,595	10,650
Hosting expenses	37,316	41,580
Training and development	2,715	-
Security, health and safety etc.	7,177	6,939
Supply teachers	4,066	3,455
Management overheads	7,365	537
	<u>3,540</u>	<u>3,063</u>
	1,381,272	1,320,817
Support costs		
Management		
Trustees' remuneration etc		
Postage and stationery	22,535	23,467
Love in Action	5,734	4,145
Depreciation of tangible assets	(194)	9,571
	<u>41,846</u>	<u>51,108</u>
	69,721	88,291
Governance costs		
Auditors' remuneration		
Auditors' remuneration for non audit work	5,090	5,444
Professional fees	550	500
Bank and other charges	1,554	5,000
	<u>13,838</u>	<u>12,578</u>
	21,032	23,522
Total resources expended	<u>1,517,578</u>	<u>1,476,797</u>
Net income	<u>2,112,227</u>	<u>3,203,197</u>

This page does not form part of the statutory financial statements

