

Covenant Love Chapel

Report and Accounts

28 February 2021

Company registration number - 07541137

Charity registration number - 1145511

**Covenant Love Chapel**

**Report and accounts for the year ended 28 February 2021**

**Contents**

	<b>Page (s)</b>
<b>Charity information</b>	1
<b>Trustees' annual report</b>	1 - 4
<b>Statement of trustees' responsibilities</b>	5 - 6
<b>Independent examiner's report</b>	7 - 8
<b><i>Funds statements:-</i></b>	
Statement of financial activities	9
Movements in funds	10
Income and expenditure account	11
<b>Balance sheet</b>	12
<b>Notes to the accounts</b>	13 - 21

## **Covenant Love Chapel**

Company registration number - 07541137

### **Trustees' annual report for the year ended 28 February 2021**

The trustees present their report and accounts for the year ended 28 February 2021, which also comprises the directors' report required by the Companies Act 2006.

#### **Reference and administrative details.**

##### **The charity name is Covenant Love Chapel.**

The legal name of the charity is Covenant Love Chapel.

The charity is also known by its operating name, Covenant Love Chapel.

##### **The charity's areas of operation and UK charitable registration.**

The charity is registered in England & Wales with the Charity Commission in England & Wales (CCEW) with charity number 1145511.

The charity does not operate in any overseas jurisdictions.

#### **Legal structure of the charity**

The charity is constituted as a company limited by guarantee, registered under the Companies Acts. The governing document of the charity is the Memorandum and Articles of Association establishing the company under company legislation.

The governing document is dated 01 June 2008.

There are no restrictions in the governing documents on the operation of the charity or on its investment powers other than those imposed by charity law.

By operation of law, all trustees are directors under the Companies Act 2006 and all directors are trustees under charities legislation and have responsibilities, as such, under both company and charity legislation.

The trustees are all individuals and list below:

Mrs. Anthonia Justin  
Mr. Olubanji Oladoye Adeniran  
Mr. Oladele Oshinibosi  
Mr. Olukunle Shorinwa  
Mrs. Adefolake Awoseyi  
Mrs. Praise Coronado

## **Covenant Love Chapel**

Company registration number - 07541137

### **Trustees' annual report for the year ended 28 February 2021**

**The principal operating address, telephone number, email and web addresses of the charity are:**

High Street  
Sittingbourne  
Kent  
United Kingdom  
ME10 4NJ

Telephone: 01795428875

Email address: solayemi21@gmail.com

Web address: covenantlovechapel.org.uk

The registered office of the charity for Companies Act purposes is the same as the operating address shown above.

#### **The trustees in office on the date the report was approved were:**

Mrs. Anthonia Justin  
Mr. OlubANJI Oladoye Adeniran  
Mr. Oladele Oshinibosi  
Mr. Olukunle Shorinwa  
Mrs. Adefolake Awoseyi  
Mrs. Praise Coronado

#### **The following persons served as trustees during the year ended 28 February 2021:**

The trustees in the reporting period were as shown above, and there were no changes during the year, or in the period between the year end and the approval of the accounts.

### **Objects and activities of the charity**

#### **The purposes of the charity as set out in its governing document.**

The objects of the charity are:

1. The advancement of the Christian religion worldwide and
2. The relief of poverty.

It pursues these objects by the operation of a Christian worship centre at a facility located at Covenant Love Chapel, High Street, Sittingbourne, England ME10 4AJ.

#### **The main activities undertaken in relation to those purposes during the year.**

Significant activities that contributed to the achievement of these objectives were:

1. Events organised during the year to promote the Christian faith include distribution of leaflets with Christian messages, organising deliverance services, all night vigils, special prayers and counselling.
2. Other activities to help raise the profile of the charity in the local community included picnics, Mothers' Day and Fathers' Day celebrations.
3. Specific activities for the relief of poverty are in the areas of training and mentoring of the unemployed to start their own businesses and passing job information to job seekers.

## **Covenant Love Chapel**

Company registration number - 07541137

### **Trustees' annual report for the year ended 28 February 2021**

#### **The main activities undertaken during the year to further the charity's purpose for the public benefit.**

The church supports missionary organisations such as the Festival of Life and the World Evangelism Mission, Compassion UK, CAP and other missions and projects within and outside the UK. The church also provides support to members of the congregation (at the discretion of the trustees) who are in need.

#### **The contribution of volunteers during the year.**

The church is grateful for the commitment and efforts of its volunteers who are involved in services provision. The church has over 30 volunteers committed to working in various departments within the church. The church continues to dispense the service of heads of departments and ministers to ensure that the best value is derived from the sterling efforts of the volunteers.

#### **The main achievements and performance of the charity during the year.**

The trustees are pleased to report that the church continued to be successful spiritually by ministering to many people in prayer and welfare. The church has improved in membership strength and is increasingly reaching out to the community.

### **Structure, governance and management of the charity**

#### **The methods used to recruit and appoint new charity trustees.**

New trustees are elected on the basis of the contribution that they will make to the governance of the organisation and the skills that they will contribute. They are provided with copies of the Charity Commission's guidance and given an introduction to the activities of the charity by the existing board.

#### **The policies and procedures for the induction and training of trustees.**

Existing trustees are provided with training as and when required.

#### **The charity's organisational structure.**

The board of trustees is headed by a Chairman, the Secretary to the trust and a Financial administrator. All the present employees of the charity are voluntary workers. The trustees are responsible for making all decisions regarding allocation of funds and activities.

Bankers	HSBC Bank Plc 115 High Street Sittingbourne Kent ME10 4AL
Accountants	Crownwise Consult Ltd 1A Town Square Erith London DA8 1RE

## Covenant Love Chapel

Company registration number - 07541137

### Trustees' annual report for the year ended 28 February 2021

#### Financial review

##### The charity's financial position at the end of the year ended 28 February 2021

The financial position of the charity at 28 February 2021 and comparatives for the prior period, as more fully detailed in the accounts, can be summarised as follows:-

	2021 £	2020 £
<b>Net income</b>	19,286	5,988
Unrestricted revenue funds available for the general purposes of the charity	275,395	256,109
Restricted revenue funds	25,885	25,885
<b>Total funds</b>	301,280	281,994

##### Financial review of the position at the reporting date, 28 February 2021.

During the year, income of £107,309 (£97,752 in 2020) was received as voluntary donations and gift aid. The net movement in funds for the period, as shown in the statement of financial activities, for the period was a surplus of £19,286 (£5,988 in 2020). The value of the Covenant Love Chapel's net assets as at 28 February 2021 is £301,280 (£281,994 in 2020).

##### Policies on reserves.

###### Restricted funds

Restricted funds are to be used for specific purposes as specified within the objects of the charity. Expenditure, which meets these criteria, will be identified to the fund, together with a fair allocation of management and support costs. There was no restricted fund during the year.

###### Unrestricted funds

Unrestricted funds are donations and other incomes received or generated for the objects of the charity without further specified purpose and are available for general funds.

##### Details of the independent examiner

Adeniyi Zaccheus  
Chartered Certified Accountant  
1A Town Square  
Erith  
London  
DA8 1RE

## **Covenant Love Chapel**

Company registration number - 07541137

### **Trustees' annual report for the year ended 28 February 2021**

#### **Statement of the trustees' responsibilities.**

The charity's trustees are responsible for the preparation of the accounts in accordance with the terms of the Companies Act 2006, the Charities Act 2011 and the Charities (Accounts and Reports) Regulations 2008. Notwithstanding the explicit requirement in the extant statutory regulations, the Charities (Accounts and Reports) Regulations 2008, to prepare the financial statements in accordance with the SORP 2005, in view of the fact that the SORP 2005 has been withdrawn, the trustees determined to interpret this responsibility as requiring them to follow current best practice and prepare the accounts according to the FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the bulletin issued in October 2018 and applicable to all accounting periods beginning on or after 1st January 2019).

In particular, the Companies Act 2006 and charity law require the board of trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity as at the end of the financial year and of the surplus or deficit of the charity. In preparing those financial statements, the trustees are required to:

- prepare the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law);
- select suitable accounting policies and apply them consistently;
- 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 charity will continue in business and
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements.

The law requires that the trustees must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the surplus or deficit of the charity for the year.

The trustees are also responsible for maintaining adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which are sufficient to show and explain the charity's transactions and enable them to ensure that the financial statements comply with the Companies Act 2006 and comply with regulations made under the Charities Act. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are also responsible for the contents of the trustees' report, and the statutory responsibility of the independent examiner in relation to the trustees' report is limited to examining the report and ensuring that on the face of the report, there are no material inconsistencies with the figures disclosed in the financial statements.

## **Covenant Love Chapel**

Company registration number - 07541137

### **Trustees' annual report for the year ended 28 February 2021**

#### **Method of preparation of accounts - Small company provisions**

The financial statements are set out on pages 9 to 12.

The financial statements have been prepared implementing the FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the bulletin issued in October 2018 and applicable to all accounting periods beginning on or after 1st January 2019) and in accordance with the Financial Reporting Standard 102, (effective 1st January 2016).

These financial statements have been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies regime.

This report was approved by the board of trustees on 16 April 2021.



Mr. OlubANJI Adeniran  
**Director and Trustee**



## **Covenant Love Chapel**

### **Report of the independent examiner to the trustees of the charitable company on the accounts for the year ended 28 February 2021**

I report to the trustees on my examination of the financial statements of the charitable company on pages 9 to 12 for the year ended 28 February 2021 which have been prepared in accordance with the Charities Act 2011 (the Act) and with the Financial Reporting Standard 102, (effective 1st January 2016) as modified by FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the bulletin issued in October 2018 and applicable to all accounting periods beginning on or after 1st January 2019), (The SORP), published by the Charity Commission in England & Wales (CCEW), and under the historical cost convention and the accounting policies set out on pages 13 and 14.

#### **Respective responsibilities of the trustees and the independent examiner and the basis of the report**

As described on pages 5 and 6, you, the charitable company's trustees, who are also the directors of the company for the purposes of company law, are responsible for the preparation of the financial statements in accordance with the Companies Act 2006, the Charities Act 2011 and all other applicable law and with United Kingdom Generally Accepted Accounting Practice, applicable to smaller entities, and for being satisfied that the financial statements give a true and fair view.

The trustees consider that the audit requirement of Section 144(1) of the Charities Act 2011 (the Act) does not apply, and that there is no requirement in the memorandum and articles of the charity for the conducting of an audit, and that the accounts do not require an audit in accordance with Part 16 of the Companies Act 2006 and that no member or members have requested an audit pursuant to Section 476 of the Companies Act 2006. As a consequence, the trustees have elected that the financial statements be subject to independent examination.

Having satisfied myself that the financial statements are not required to be audited under any legal provision, or otherwise, and are eligible for independent examination, it is my responsibility to:

- a) examine the financial statements of the charity under Section 145 of the Act and
- b) follow the applicable procedures in the directions given by the Charity Commission under section 145(5)(b) of the Act.

#### **Basis of independent examiner's statement and scope of work undertaken**

I report in respect of my examination of the charity's financial statements carried out under s145 of the Act. In carrying out my examination, I have followed all the applicable directions given by the Charity Commission under section 145(5)(b) of the Act setting out the duties of an independent examiner in relation to the conducting of an independent examination. An independent examination includes a review of the accounting records kept by the charitable company and of the accounting systems employed by the charitable company and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeking explanations from you, as trustees, concerning such matters. The purpose of the examination is to establish as far as possible that there have been no breaches of charity legislation and that, on a test basis of evidence relevant to the amounts and disclosures made, the financial statements comply with the SORP.

The procedures undertaken do not provide all the evidence that would be required in an audit, and information supplied by the trustees in the course of the examination is not subjected to audit tests or enquiries and does not cover all the matters that an auditor would consider in arriving at an opinion. The planning and conduct of an audit goes beyond the limited assurance that an independent examination can provide.

Consequently, I do not express an audit opinion on the view given by the financial statements, and in particular, I express no opinion as to whether the financial statements give a true and fair view of the affairs of the charity, and my report is limited to the matters set out in the statement below.

## Covenant Love Chapel

I planned and performed my examination so as to satisfy myself that the objectives of the independent examination are achieved and before finalising the report I obtained written assurances from the trustees of all material matters.

### Independent examiner's statement, report and opinion

Subject to the limitations upon the scope of my work as detailed above, I have completed my examination and can confirm that:

The accounts of this charitable company are not required to be audited under Part 16 of the Companies Act 2006.

This is a report in respect of an examination carried out under 145 of the Act and in accordance with directions given by the Charity Commission under section 145(5)(b) of the Act which may be applicable and that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

accounting records were not kept in respect of the charity as required by Section 386 of the Companies Act 2006 and Section 130 of The Charities Act 2011;

the financial statements do not accord with those records; or

the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in section 396 of the Companies Act 2006 other than any requirement that the accounts give a true and fair view, which is not a matter considered as part of an independent examination; and

the financial statements have not been prepared in accordance with the methods and principles set out in the FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the bulletin issued in October 2018 and applicable to all accounting periods beginning on or after 1st January 2019), (The SORP).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.



Adeniyi Zacheus - Independent examiner

Chartered Certified Accountant

1A Town Square

Erith

London

DA8 1RE

This report was signed on 16 April 2021.

**Covenant Love Chapel - Statement of financial activities for the year ended 28 February 2021**

Statement of financial activities (including the income and expenditure account for the year ended 28 February 2021, as required by the Companies Act 2006)

	Current year Unrestricted funds 2021 £	Current year Restricted funds 2021 £	Current year Total funds 2021 £	Prior year Total funds 2020 £
<b>Income &amp; endowments from:</b>				
Donations & legacies	107,309	-	107,309	97,752
<b>Expenditure on:</b>				
Charitable activities	88,023	-	88,023	91,764
<b>Total expenditure</b>	<b>88,023</b>	<b>-</b>	<b>88,023</b>	<b>91,764</b>
<b>Net income for the year</b>	<b>19,286</b>	<b>-</b>	<b>19,286</b>	<b>5,988</b>
<b>Net income after transfers</b>	<b>19,286</b>	<b>-</b>	<b>19,286</b>	<b>5,988</b>
<b>Net movement in funds</b>	<b>19,286</b>	<b>-</b>	<b>19,286</b>	<b>5,988</b>
<b>Total funds brought forward</b>	256,109	25,885	281,994	276,006
<b>Total funds carried forward</b>	<b>275,395</b>	<b>25,885</b>	<b>301,280</b>	<b>281,994</b>

As required by paragraph 4.60 of the SORP, the brought forward and carried forward funds above have been agreed to the balance sheet.

A separate statement of total recognised gains and losses is not required as this statement includes all

All activities derive from continuing operations.

The notes attached on pages 13 to 21 form an integral part of these accounts.

**Covenant Love Chapel - Statement of financial activities for the year ended 28 February 2021**

**Covenant Love Chapel - Resources applied in the year ended 28 February 2021 towards fixed assets for charity use:**

	2021 £	2020 £
Funds generated in the year as detailed in the SOFA	19,286	5,988
Resources applied on functional fixed assets	(6,250)	(34,777)
<b>Net resources available to fund charitable activities</b>	<b>13,036</b>	<b>(28,789)</b>

The resources applied on fixed assets for charity use represents the cost of additions less proceeds of any disposals.

The notes attached on pages 13 to 21 form an integral part of these accounts.

**Movements in revenue and capital funds for the year ended 28 February 2021**

**Revenue accumulated funds**

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Last year Total funds 2020 £
Accumulated funds brought forward	256,109	25,885	281,994	276,006
Recognised gains and losses before transfers	19,286	-	19,286	5,988
	<b>275,395</b>	<b>25,885</b>	<b>301,280</b>	<b>281,994</b>
<b>Closing revenue funds</b>	<b>275,395</b>	<b>25,885</b>	<b>301,280</b>	<b>281,994</b>
<b>Summary of funds</b>	<b>Unrestricted and Designated funds 2021 £</b>	<b>Restricted funds 2021 £</b>	<b>Total funds 2021 £</b>	<b>Last year Total funds 2020 £</b>
Revenue accumulated funds	<b>275,395</b>	<b>25,885</b>	<b>301,280</b>	<b>281,994</b>

The notes attached on pages 13 to 21 form an integral part of these accounts.

**Covenant Love Chapel - Statement of financial activities for the year ended 28 February 2021**

**Covenant Love Chapel**

**Income and expenditure account for the year ended 28 February 2021 as required by the Companies Act 2006**

	2021 £	2020 £
<b>Income</b>		
Income from operations	106,619	90,863
Refunds from HMRC on gift aided donations	690	6,889
<b>Gross income in the year before exceptional items</b>	<b>107,309</b>	<b>97,752</b>
<b>Gross income in the year including exceptional items</b>	<b>107,309</b>	<b>97,752</b>
<b>Expenditure</b>		
Charitable expenditure, excluding depreciation and amortisation	72,804	67,263
Depreciation and amortisation	5,160	4,647
Governance costs	1,200	1,200
Loan interest	8,859	18,654
<b>Total expenditure in the year</b>	<b>88,023</b>	<b>91,764</b>
<b>Net income before tax in the financial year</b>	<b>19,286</b>	<b>5,988</b>
Tax on surplus on ordinary activities	-	-
<b>Net income after tax in the financial year</b>	<b>19,286</b>	<b>5,988</b>
<b>Retained surplus for the financial year</b>	<b>19,286</b>	<b>5,988</b>

All activities derive from continuing operations.

In accordance with the provisions of the Companies Act 2006, the headings and subheadings used in the income and expenditure account have been adapted to reflect the special nature of the charity's activities.

The notes attached on pages 13 to 21 form an integral part of these accounts.

# Covenant Love Chapel - Balance sheet as at 28 February 2021

	Notes	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	10	496,716	495,626
<b>Current assets</b>			
Debtors	11	5,000	11,500
Cash at bank and in hand		45,990	22,508
<b>Total current assets</b>		<u>50,990</u>	<u>34,008</u>
<b>Creditors: amounts falling due within one year</b>	12	<u>(19,669)</u>	<u>(17,567)</u>
<b>Net current assets</b>		31,321	16,441
<b>Net assets</b>		<u>528,037</u>	<u>512,067</u>
Creditors: amounts falling due after more than one year	13	(191,750)	(206,925)
<b>The total net assets of the charity</b>		<u>336,287</u>	<u>305,142</u>
<b>The total net assets of the charity are funded by the funds of the charity, as follows:-</b>			
<b>Restricted funds</b>			
Restricted revenue funds	16	35,729	35,729
<b>Unrestricted funds</b>			
Unrestricted revenue funds	16	300,558	269,413
<b>Total charity funds</b>		<u>336,287</u>	<u>305,142</u>

For the year ending 28 February 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the companies Act 2006.

The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts.

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



Mr. Olubanjí Adeniran  
Director/Trustee

Approved by the board of trustees on 16 April 2021.

The notes attached on pages 13 to 21 form an integral part of these accounts.



## Covenant Love Chapel

### Notes to the accounts for the year ended 28 February 2021

#### 1 Accounting policies

##### *Policies relating to the production of the accounts.*

##### **Basis of preparation and accounting convention**

The accounts have been prepared on the accruals basis, under the historical cost convention, and in accordance with the Financial Reporting Standard 102, (effective 1st January 2016) and 'FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the bulletin issued in October 2018 and applicable to all accounting periods beginning on or after 1st January 2019), (The SORP), published by the Charity Commission in England & Wales (CCEW), effective January 2016, and in accordance with all applicable law in the charity's jurisdiction of registration, except that the charity has prepared the financial statements in accordance with the FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the bulletin issued in October 2018 and applicable to all accounting periods beginning on or after 1st January 2019), (The SORP), in preference to the previous SORP, the SORP 2005, which has been withdrawn, notwithstanding the fact that the extant statutory regulations, the Charities (Accounts and Reports) Regulations 2008 refer explicitly to the SORP 2005. This has been done to accord with current best practice.

##### **Going concern**

The charitable activities are entirely dependent on continuing grant aid and voluntary donations as well as trading revenues. As a consequence, the going concern basis is dependent on the future flow of these uncertain funding streams. Accordingly, the trustees have obtained forecasts and, after reviewing the financial forecasts for future periods to 28 February 2021, the trustees are satisfied that, at the time of approving the financial statements, it is appropriate to adopt the going concern basis in preparing the financial statements. Other than these matters, the trustees are not aware of any material uncertainties about the charity's ability to continue as a going concern.

##### **Risks and future assumptions**

The charity is a public benefit entity.

##### *Policies relating to categories of income and income recognition.*

##### **Nature of income**

Gross income represents the value, net of value added tax and discounts, of goods provided to customers and work carried out in respect of services provided to customers.

##### **Categories of Income**

Gross income represents the value, net of value added tax and discounts, of goods provided to customers and work carried out in respect of services provided to customers.

**Income from a non-exchange transaction** is where the charity receives value from the donor without providing equal value in exchange, and includes donations of money, goods and services freely given without giving equal value in exchange.

##### **Income recognition**

Income, whether from exchange or non exchange transactions, is recognised in the statement of financial activities (SOFA) on a receivable basis, when a transaction or other event results in an increase in the charity's assets or a reduction in its liabilities and only when the charity has legal entitlement, the income is probable and can be measured reliably.

Income subject to terms and conditions which must be met before the charity is entitled to the resources is not recognised until the conditions have been met.

All income is accounted for gross, before deducting any related fees or costs.

## Covenant Love Chapel

### Notes to the accounts for the year ended 28 February 2021

#### *Policies relating to expenditure on goods and services provided to the charity.*

##### **Volunteers**

In accordance with the SORP, and in recognition of the difficulties in placing a monetary value on the contribution from volunteers, the contribution of volunteers is not included within the income of the charity. However, the trustees value the significant contribution made to the activities of the charity by unpaid volunteers and this is described more fully in Note 5.

#### *Policies relating to assets, liabilities and provisions and other matters.*

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

Tangible fixed assets are measured at their original cost value, or subsequent revaluation, or if donated, as described above. Cost value includes all costs expended in bringing the asset into its intended working condition.

Depreciation has been provided at the following rates in order to write off the assets to their anticipated residual value over their estimated useful lives.

Building	0% straight line
Office and church equipment	25% straight line
Music and media equipment	25% straight line

##### **Debtors**

Debtors are measured at their recoverable amounts at the balance sheet date.

##### **Creditors and provisions**

Short term creditors are measured at transaction price (which is usually the invoice price). Loans and other financial liabilities are initially recognised at transaction price net of any transaction costs and subsequently measured at amortised cost determined using the effective interest method.

##### **Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the church and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the church for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

There are no endowment funds.

## **2 Liability to taxation**

The trustees consider that the charity satisfies the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by chapter 3 part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively on the specific charitable objects of the charity and for no other purpose. Value Added Tax is not recoverable by the charity and is therefore included in the relevant costs in the Statement of financial activities.

## **3 Winding up or dissolution of the charity**

If upon winding up or dissolution of the charity there remain any assets, after the satisfaction of all debts and liabilities, the assets represented by the accumulated fund shall be transferred to some other charitable body or bodies having similar objects to the charity.



## Covenant Love Chapel

### Notes to the accounts for the year ended 28 February 2021

#### 4 Net surplus before tax in the financial year

	2021 £	2020 £
The net surplus before tax in the financial year is stated after charging:-		
Depreciation of owned fixed assets	5,160	4,647
Pension costs	-	1,048

#### 5 The contribution of volunteers

The charity depends on the support of its volunteers, which is much appreciated. The church is grateful for the unflinching efforts of its volunteers who are involved in service provision, office work and administration. It is estimated that over 8840 volunteer hours were provided during 2021. The arrangements with volunteers are difficult to value precisely in monetary terms and have not been recognised in the Statement of financial activities. The volunteers and the charity accept and agree that no contract of employment is created by these arrangements.

#### 7 Staff costs and emoluments

<b>Salary costs</b>	2021 £	2020 £
Gross salaries excluding trustees and key management personnel	27,988	27,591
Employer's operating costs of defined contribution pension schemes	-	1,048
<b>Total salaries, wages and related costs</b>	<b>27,988</b>	<b>28,639</b>

The average number of full time staff employed in the year was	1	1
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#### *The estimated equivalent number of full time staff deployed in different activities in the year was:-*

Engaged on charitable activities	1	1
<b>The estimated full time equivalent number of all staff employed as above</b>	<b>1</b>	<b>1</b>

#### 8 Defined benefit pension scheme

The charity operates a defined benefit pension scheme, and the contributions charged in the SOFA in the year are shown above.

Any liabilities and assets associated with the scheme are shown under debtors and creditors.

#### 9 Remuneration and payments to trustees and persons connected with them

No trustees or persons connected with them received any remuneration from the charity, or any related entity.

## Covenant Love Chapel

Notes to the accounts for the year ended 28 February 2021

### 10 Tangible fixed assets

<i>Current year</i>	Land and buildings £	Office equipment, furniture & £	Music & media equipment £	Total £
<b>Cost</b>				
At 1 March 2020	482,998	20,408	10,840	514,246
Additions	4,200	-	2,050	6,250
<b>At 28 February 2021</b>	<b>487,198</b>	<b>20,408</b>	<b>12,890</b>	<b>520,496</b>
<b>Depreciation</b>				
At 1 March 2020	-	9,505	9,115	18,620
Charge for the year	-	3,881	1,279	5,160
<b>At 28 February 2021</b>	<b>-</b>	<b>13,386</b>	<b>10,394</b>	<b>23,780</b>
<b>Net book value</b>				
<b>At 28 February 2021</b>	<b>487,198</b>	<b>7,022</b>	<b>2,496</b>	<b>496,716</b>
<b>At 29 February 2020</b>	<b>482,998</b>	<b>10,903</b>	<b>1,725</b>	<b>495,626</b>

### 11 Debtors

	2021 £	2020 £
Other debtors	2,000	11,500

### 12 Creditors: amounts falling due within one year

	2021 £	2020 £
Bank loans and overdrafts	15,175	15,175
Accruals	3,498	1,396
Other creditors	996	996
	<b>19,669</b>	<b>17,567</b>

### 13 Creditors: amounts falling due after one year

	2021 £	2020 £
Bank loans and overdrafts	223,757	230,073

### 14 Income and expenditure account summary

	2021 £	2020 £
<b>At 1 March 2020</b>	281,994	276,006
Surplus after tax for the year	19,286	5,988
<b>At 28 February 2021</b>	<b>301,280</b>	<b>281,994</b>

## Covenant Love Chapel

### Notes to the accounts for the year ended 28 February 2021

#### 15 Particulars of how particular funds are represented by assets and liabilities

At 28 February 2021	Unrestricted funds	Designated funds	Restricted funds	Total funds
	£	£	£	£
Tangible fixed assets	496,716	-	-	496,716
Current assets	22,105	-	25,885	47,990
Current liabilities	(19,669)	-	-	(19,669)
Long term liabilities	(223,757)	-	-	(223,757)
	<b>275,395</b>	<b>-</b>	<b>25,885</b>	<b>301,280</b>

  

At 1 March 2020	Unrestricted funds	Designated funds	Restricted funds	Total funds
	£	£	£	£
Tangible fixed assets	495,626	-	-	495,626
Current assets	8,123	-	25,885	34,008
Current liabilities	(17,567)	-	-	(17,567)
Long term liabilities	(230,073)	-	-	(230,073)
	<b>256,109</b>	<b>-</b>	<b>25,885</b>	<b>281,994</b>

#### 16 Change in total funds over the year as shown in Note 15, analysed by individual funds

	Funds brought forward from 2020	Movement in funds in 2021	Transfers between funds in 2021	Funds carried forward to 2022
	£	£	£	£
<b>Unrestricted and designated funds:-</b>				
Unrestricted revenue funds	256,109	19,286	-	275,395
<b>Total unrestricted and designated funds</b>	<b>256,109</b>	<b>19,286</b>	<b>-</b>	<b>275,395</b>
<b>Restricted funds:-</b>				
Restricted revenue funds	25,885	-	-	25,885
<b>Total restricted funds</b>	<b>25,885</b>	<b>-</b>	<b>-</b>	<b>25,885</b>
<b>Total charity funds</b>	<b>281,994</b>	<b>19,286</b>	<b>-</b>	<b>301,280</b>

## Covenant Love Chapel

### Notes to the accounts for the year ended 28 February 2021

#### 17 Analysis of movements in funds over the year as shown in Note 16

	Income	Expenditure	Other gains & losses	Movement in funds
	2021	2021	2021	2021
	£	£	£	£
<b><i>Unrestricted and designated funds:-</i></b>				
Unrestricted revenue funds	107,309	(88,023)	-	19,286
	<b>107,309</b>	<b>(88,023)</b>	<b>-</b>	<b>19,286</b>

#### 18 Related party transactions

The Redeemed Christian Church of God is the main headquarters of all RCCG church branches. During the year, the church paid institutional grants to other RCCG organisations such as the World Evangelical Mission (WEM) and Central Office Fund (COF) as stated in the account.

## Covenant Love Chapel

Detailed analysis of income and expenditure for the year ended 28 February 2021 as required by the SORP 2015

*This analysis is classified by conventional nominal descriptions and not by activity.*

### 19 Donations, grants and legacies

	Current year Unrestricted funds 2021 £	Current year Restricted funds 2021 £	Current year Total funds 2021 £	Prior year Total funds 2020 £
<b>Donations and gifts from individuals</b>				
Small donations individually less than £1000	80,879	-	80,879	90,863
Refunds from HMRC on gift aided donations	690	-	690	6,889
Vision Pharmacy	14,940	-	14,940	-
G G Logistics	10,800	-	10,800	-
<b>Total donations, grants and legacies</b>	<b>107,309</b>	<b>-</b>	<b>107,309</b>	<b>97,752</b>

### 20 Expenditure on charitable activities - Direct spending

<i>Current year</i>	Current year Unrestricted funds 2021 £	Current year Restricted funds 2021 £	Current year Total funds 2021 £	Prior year Total funds 2020 £
Gross wages and salaries - charitable activities	27,988	-	27,988	27,591
Defined contribution pension costs - charitable activities	-	-	-	1,048
Travel and subsistence - charitable activities	6,825	-	6,825	2,694
Marketing and advertising of charitable services	97	-	97	4,895
Honorarium/Gift	3,360	-	3,360	1,000
COF	2,972	-	2,972	4,280
WEM	14,628	-	14,628	15,991
<b>Total direct spending</b>	<b>55,870</b>	<b>-</b>	<b>55,870</b>	<b>57,499</b>

## Covenant Love Chapel

Detailed analysis of income and expenditure for the year ended 28 February 2021 as required by the SORP 2015

### 21 Support costs for charitable activities

<i>Current year</i>	Current year Unrestricted funds 2021 £	Current year Restricted funds 2021 £	Current year Total funds 2021 £	Prior year Total funds 2020 £
<b><i>Volunteer costs</i></b>				
Training and welfare - volunteers	3,435	-	3,435	180
Travel and subsistence - volunteers	1,275	-	1,275	-
<b><i>Premises expenses</i></b>				
Rates and water charges	50	-	50	4,148
Light, heat and power	2,694	-	2,694	-
Property insurance	3,230	-	3,230	1,833
<b><i>Administrative overheads</i></b>				
Telephone, fax and internet	1,334	-	1,334	479
Stationery and printing	1,136	-	1,136	1,993
Information and publications	-	-	-	360
Equipment expenses	-	-	-	87
Sundry expenses	-	-	-	684
Equipment, repairs, expenses & maintenance	3,780	-	3,780	-
<b><i>Financial costs</i></b>				
Loan interest	8,859	-	8,859	18,654
Depreciation & amortisation	5,160	-	5,160	4,647
<b>Total support costs - Current year</b>	<b>30,953</b>	<b>-</b>	<b>30,953</b>	<b>33,065</b>

All the expenditure in the prior year was unrestricted.

### 22 Other expenditure - Governance costs

<i>Current year</i>	Current year Unrestricted funds 2021 £	Current year Restricted funds 2021 £	Current year Total funds 2021 £	Prior year Total funds 2020 £
Independent examiner's fees	1,200	-	1,200	1,200
<b>Total Governance costs</b>	<b>1,200</b>	<b>-</b>	<b>1,200</b>	<b>1,200</b>

All the expenditure in the prior year was unrestricted.

## Covenant Love Chapel

Detailed analysis of income and expenditure for the year ended 28 February 2021 as required by the SORP 2015

### 23 Total charitable expenditure

<i>Current year</i>	Current year Unrestricted funds 2021 £	Current year Restricted funds 2021 £	Current year Total funds 2021 £	Prior year Total funds 2020 £
Total direct spending	55,870	-	55,870	57,499
Total support costs	30,953	-	30,953	33,065
Total governance costs	1,200	-	1,200	1,200
<b>Total charitable expenditure</b>	<b>88,023</b>	<b>-</b>	<b>88,023</b>	<b>91,764</b>

All the expenditure in the prior year was unrestricted.

<i>Prior year</i>	Prior year Unrestricted funds 2020 £	Prior year Restricted funds 2020 £	Prior year Total funds 2020 £
Total direct spending	57,499	-	57,499
Total support costs	33,065	-	33,065
Total governance costs	1,200	-	1,200
<b>Total charitable expenditure</b>	<b>91,764</b>	<b>-</b>	<b>91,764</b>