

# Neighbourhood Church

Report and Accounts

Year ended 31 December 2023

Stewardship   
*Active generosity*

1 Lamb's Passage, London EC1Y 8AB  
[www.stewardship.org.uk](http://www.stewardship.org.uk)

**NEIGHBOURHOOD CHURCH**  
**COMPANY INFORMATION**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

<b>Trustees</b>	Brian Roy Nunes Leslie Matthews (appointed 3 April 2023) James Webb Ben Edge
<b>Key Staff</b>	Simon Lang Daniel Leeves
<b>Governing Document</b>	Memorandum and Articles of Association dated 14 March 2012
<b>Company Registration Number</b>	07990543
<b>Charity Registration Number</b>	1146886
<b>Registered Office</b>	The Hall Cromwell Road Beckenham Kent BR3 4LW
<b>Independent Examiner</b>	Lourens du Plessis ACA CA(SA) Stewardship 1 Lamb's Passage London EC1Y 8AB
<b>Bankers</b>	Lloyds TSB

<b>Contents</b>	<b>Page</b>
Company Information	1
Trustees' Annual Report	2-5
Independent Examiner's Report	6
Statement of Financial Activities	7
Balance Sheet	8
Notes to the Accounts	9-15
Detailed Statement of Financial Activities with Comparatives	16

**NEIGHBOURHOOD CHURCH**  
**TRUSTEES' ANNUAL REPORT**  
**(INCORPORATING DIRECTORS' REPORT)**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

The trustee, who are also directors for the purposes of company law, are pleased to present their report together with the financial statements for the year ended 31 December 2023.

**Status and Governing Document**

Neighbourhood Church, a charitable company limited by guarantee, was constituted by Memorandum & Articles of Association on 14 March 2012.

**Trustees and Directors**

The trustees, who are also directors of the company, throughout the period and at the date of approval were as indicated on the charity information page.

The powers of appointment or removal of trustees/directors rests with the trustees/directors.

**Objects**

The primary objects of Neighbourhood Church, for public benefit, are to advance the Christian faith, in accordance with our Statement of Faith, in the London Borough of Bromley and in such other parts of the United Kingdom and the world as the trustees may from time to time think fit. The church will also fulfil such other purposes which are exclusively charitable, according to the law of England and Wales, and are connected to the charitable work of the charity, as the trustees may from time to time think fit.

**The Church: Its Aims and Objectives**

Neighbourhood Church is a small and growing local church based in Beckenham, South East London, rooted in orthodox Christian faith. We subscribe to the ancient Apostles' Creed and to the Evangelical Alliance's Statement of Faith.

With a desire to be welcoming, informal and 'real', we provide a place for people to meet at whatever stage of their faith journey. Comprising a mix of all ages, Neighbourhood Church meets every Sunday as a large gathering and also in small groups throughout the week. Encouraging people to grow in their Christian faith, we provide a variety of learning opportunities. With a heart for the local community, Neighbourhood Church seeks ways to serve people and meet needs.

Our vision is to be a church made up of a growing number of people who are seeking, sharing and living out their Christian faith in a way that brings blessing to people and communities around them. Our members live out their faith where they live, where they work and with the people they encounter, having a positive impact on wider society.

Neighbourhood Church is organised and directed by the leadership team and the trustees. The trustees administer the church in accordance with its Memorandum & Articles of Association dated 14 March 2012 and with regard to meeting the needs for which it was set up. They are also responsible for helping Neighbourhood Church to comply with applicable law and regulations. The trustees have overall financial responsibility for the church.

The leadership team take on responsibility for the day-to-day outworking of the church's vision and mission. They are responsible for the spiritual oversight of the church, its activities and teaching. The leadership team is made up of the pastor and assistant pastor, along with volunteers who are committed members of Neighbourhood Church and who share in, and own, the beliefs, vision, values and ethos of the church.

**The Year in Review**

2023 has been another year of Neighbourhood Church growing and flourishing. There is a vitality and vibrancy to our church life as new people across the age ranges are welcomed on a regular basis; there's a depth of activities that reflect the life of the church, and the building is used by a wide range of community groups.

**NEIGHBOURHOOD CHURCH**  
**TRUSTEES' ANNUAL REPORT**  
**(INCORPORATING DIRECTORS' REPORT)**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

Teaching

Teaching in line with the church's beliefs and statement of faith continued to occur on Sundays and in mid-week groups. Teaching is varied, age-appropriate, and covers a range of Biblical themes, and is delivered by the teaching team of Neighbourhood Church. There are four mid-week small groups, three in person and one which meets online. There is also a well-attended, growing youth group.

Community Activities

The church engages with the community in a variety of ways:

Songbirds, a music group for young children and their carers, offers two sessions on a Monday morning. The group aims to meet a need in the community for low-cost activities for young children and a place for carers to meet. There's a new group aimed at seniors (Tuesdays at Neighbourhood) which offers a weekly place for older folk to meet, chat, play games, do puzzles and get to know others.

The church rents the building to outside organisations for activities which further benefit the community. Those activities currently include the NCT Breastfeeding Café, a Bumps & Babies playgroup, a children's choir, an adult choir, a sewing class and a ukelele group. The church also rents the building to local families for children's birthday parties, and allows the local residents to use it for their street parties.

The church is a collection centre for a local food bank which seeks to provide individuals and families in need with food and toiletries. The church is also used as a local polling station.

Neighbourhood Sessions, a community focused evening of live music, meets approximately four times per year, and offers high-quality music at low cost.

Outreach

The church offered a well-received Alpha group which enabled adults to explore and develop their Christian faith. This then led to a follow-up group for people to keep exploring the Christian faith.

In October we held a 'Light it Up' event to coincide with Halloween – offering games, activities, snacks and treats from the church garden. Over a hundred adults and children stopped by.

And our Christmas events are always well-received by the local community - Carols around the Tree, Christmas Eve Carols, and a Pop-Up Nativity aimed at younger children.

Church Giving

The church gave money to people in need within the community and outside it, as deemed appropriate by the trustees and the leadership team.

Church Activities

In July, the church held another weekend away - the 2022 one had been so successful that we decided to do another. This was a wonderful time away giving opportunity for new members to integrate into the church and for relationships to be strengthened.

The church youth group offers a fun and varied programme for 11-18 year olds. Their recent teaching has included sessions on prayer and on relationships. They had a overnight trip away to a local residential activity centre and also attended a summer youth festival. They are planning to attend this event again in 2024.

The church 'Eco Team' has continued to raise awareness and challenge thinking about climate and ecological issues. They have begun developing our outside space to encourage and enable wildlife. We did a "No-Mow May" which attracted positive comments from local residents. They have also recently successfully applied for an Eco-Audit - to explore ways of making our building and organisation more environmentally friendly.

The church Leadership Team and Trustees regularly comment on the growth in numbers and church life that we see across the board - there is a buzz and energy amongst the people.

**NEIGHBOURHOOD CHURCH**  
**TRUSTEES' ANNUAL REPORT**  
**(INCORPORATING DIRECTORS' REPORT)**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**Financial Review**

The trustees were pleased with the financial results for the year; as a result of the church's generous giving from regular attendees, donations were higher than budgeted, and rental income, the church's second main source of income after giving, was in-line with the budgeted amount for the year. Total incoming resources for the year were £128,951 (2022 - £108,967), total resources expended for the year were £137,585 (2022 - £109,269) and total free reserves (total reserves less restricted reserves and fixed assets) were £43,936 (2022 - £51,633). Further details of the financial results can be seen in the Statement of Financial Activities (SOFA) on page 7.

The church is forecasting a deficit budget for 2024. However, the trustees were conservative in the budgeting of donations, and it is now anticipated these may exceed the budget for the 2024 financial year; actual donations for the first four months of 2024 are already above the budgeted average for the year. The trustees will continue to monitor the financial situation closely and are prepared to cut costs should this become necessary. The trustees are therefore satisfied that Neighbourhood Church is viable financially for the foreseeable future. Additionally, the church has reasonable reserves that can be relied upon in the short term for any unforeseeable events.

**Risk Management**

The church is exposed to various risks - be they operational, financial or reputational. The trustees review the church's activities regularly to identify significant risks and, where possible, they take appropriate measures to mitigate those risks. All major insurable risks are mitigated with normal church's and employer's liability insurance.

**Public Benefit**

In planning the activities of the church, the trustees have applied the guidance on public benefit issued by the Charity Commission. To ensure the church remains compliant, the objectives and aims of the church are reviewed annually in light of the Commission's two key principles of public benefit:

1. there must be an identifiable benefit or benefits, and
2. that benefit must be for the public, or a section of the public.

The trustees believe the church has fulfilled their public benefit by:

- providing a place of public worship on Sunday mornings;
- teaching on Sundays and at mid-week groups on how the Bible says Christians should live, promoting responsible and moral lives;
- discipling people through one-on-one study and via 'living our lives together' to assist in character development and reduced selfish/anti-social behaviour;
- regular church activities held for the community's benefit, such as Songbirds and Neighbourhood Sessions, and one-off activities which build community spirit and awareness, such as our Christmas and Easter services and events; and
- making the church building available to the community for rent and to be used for meetings which promote community awareness.

**Reserves Policy**

The trustees of Neighbourhood Church along with the leadership team have formed a reserves policy which they believe reflects wise stewardship of the generosity of the congregation and of the church's other income, and is in accordance with the charity law requirement that income received by a charity must be spent within a reasonable timeframe and that trustees should be able to justify holding income as reserves.

There are three components to the church's reserves: one being money set aside to cover ongoing church costs in the event of an unexpected loss of income or an unexpected increase in regular running costs, the second component is money set aside for a specific future project and the third is a more general amount set aside to safeguard the church against unforeseen events.

The church receives no guaranteed income. However, we have been blessed by very faithful and generous givers; at the end of 2023 we had 32 regular contributing individuals/family units (2022 - 27). However, out of that seven individuals/family units contribute approximately 50% of our average monthly giving. Therefore, as our giving is not spread as widely as it may be in other churches and we are more reliant on specific monthly donations, the trustees and leadership team have agreed that it's reasonable to strive to keep in our general reserves three months of our average monthly expenses, approximately £34,000. We also anticipate that at sometime in the future the roof of the building will need to be repaired- with this in mind we plan to set aside £2,000-£3,000 per year as funds will allow, to help with the cost of this repair when it is needed. And finally, it was agreed that the reserves should also include a lump sum to cover any unforeseen events; this amount was agreed at £5,000. Therefore, the trustees and the leadership team have agreed that the total free reserves at the year end 31 December 2023 of £43,936 (2022 - £51,633) are reasonable.

**NEIGHBOURHOOD CHURCH**  
**TRUSTEES' ANNUAL REPORT**  
**(INCORPORATING DIRECTORS' REPORT)**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**Responsibilities of Trustees Under Company Law**

The trustees are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year. In preparing these financial statements, the trustees are required to:

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

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

The trustees are responsible for the maintenance and integrity of the information included on the church website.

**Small Company Provisions**

This report has been prepared in accordance with the special provisions for small companies under part 15 of the Companies Act 2006.

Signed on behalf of the trustees:

  
RoyNunes (Aug 26, 2024 19:42 GMT+1)

Roy Nunes (chair)  
Trustee

Date: Aug 26, 2024

Charity number: 1146886  
Company number: 7990543

**INDEPENDENT EXAMINER'S REPORT**  
**TO THE TRUSTEES OF**  
**NEIGHBOURHOOD CHURCH**  
**('the Company')**

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 December 2023 on pages 7 to 16 following, which have been prepared on the basis of the accounting policies set out on pages 9 to 10.

**Responsibilities and basis of report**

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

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

**Independent examiner's statement**

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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

Lourens du Plessis  
Lourens du Plessis (Aug 29, 2024 10:49 GMT+1)

Lourens du Plessis ACA CA(SA)  
Stewardship  
1 Lamb's Passage  
London  
EC1Y 8AB

Date: Aug 29, 2024

**NEIGHBOURHOOD CHURCH**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**INCLUDING INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £	Total Funds 2022 £
<b>INCOME AND ENDOWMENTS FROM:</b>					
Donations	3	96,532	2,567	99,099	86,001
Charitable activities	4	13,129	-	13,129	6,612
Other trading activities	5	16,339	-	16,339	16,328
Investments	6	384	-	384	26
<b>Total income and endowments</b>		<b>126,384</b>	<b>2,567</b>	<b>128,951</b>	<b>108,967</b>
<b>EXPENDITURE ON:</b>					
Charitable activities	7	133,887	3,698	137,585	109,269
<b>Total expenditure</b>		<b>133,887</b>	<b>3,698</b>	<b>137,585</b>	<b>109,269</b>
<b>Net income/(expenditure)</b>		<b>(7,503)</b>	<b>(1,131)</b>	<b>(8,634)</b>	<b>(302)</b>
<b>Transfers between funds</b>	13	-	-	-	-
<b>Net movement in funds</b>		<b>(7,503)</b>	<b>(1,131)</b>	<b>(8,634)</b>	<b>(302)</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		333,625	3,543	337,168	337,470
<b>Total funds carried forward</b>	13	<b>326,122</b>	<b>2,412</b>	<b>328,534</b>	<b>337,168</b>

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

All income and expenditure derive from continuing operations.

The statement of financial activities also complies with the requirements for an income and expenditure account required by the Companies Act 2006.

The notes on page 9 - 15 form part of these accounts.



**NEIGHBOURHOOD CHURCH**

**BALANCE SHEET**

**AS AT 31 DECEMBER 2023**

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £	Total Funds 2022 £
<b>FIXED ASSETS</b>					
Tangible assets	8	282,185	-	282,185	281,992
		<u>282,185</u>	<u>-</u>	<u>282,185</u>	<u>281,992</u>
<b>CURRENT ASSETS</b>					
Debtors	9	10,283	256	10,539	9,128
Cash at bank and in hand	10	38,436	2,156	40,591	52,155
		48,719	2,412	51,131	61,283
<b>CREDITORS: Amounts falling due within one year</b>	11	(4,782)	-	(4,782)	(6,107)
<b>Net current assets / (liabilities)</b>		<u>43,937</u>	<u>2,412</u>	<u>46,349</u>	<u>55,176</u>
<b>Total assets less current liabilities</b>		<u>326,122</u>	<u>2,412</u>	<u>328,534</u>	<u>337,168</u>
<b>Net assets / (liabilities) excluding pension asset / (liability)</b>		<u>326,122</u>	<u>2,412</u>	<u>328,534</u>	<u>337,168</u>
<b>TOTAL NET ASSETS</b>		<u>326,122</u>	<u>2,412</u>	<u>328,534</u>	<u>337,168</u>
<b>FUND BALANCES</b>	13				
Unrestricted Funds					
General funds		22,937	-	22,937	32,633
Designated funds		303,185	-	303,185	300,992
		<u>326,122</u>	<u>-</u>	<u>326,122</u>	<u>333,625</u>
Restricted Funds		<u>-</u>	<u>2,412</u>	<u>2,412</u>	<u>3,543</u>
		<u>326,122</u>	<u>2,412</u>	<u>328,534</u>	<u>337,168</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2023.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2023 in accordance with Section 476 of the Companies Act 2006 however, in accordance with Section 145 of the Charities Act 2011, the accounts have been examined by an independent examiner and their report has been included in these financial statements.

The directors (who are the charitable company's trustees for the purposes of charity law) acknowledge their responsibilities

- ensuring that the charitable company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and

- preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its net income or expenditure for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Directors and were signed on its behalf by:

Roy Nunes  
 Roy Nunes (Aug 26, 2024 19:42 GMT+1) ...  
 Roy Nunes  
 Date: Aug 26, 2024

Company number: 07990543

Charity number: 1146886

The notes on page 9 - 15 form part of these accounts.

**NEIGHBOURHOOD CHURCH**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**1 Statutory Information**

The charity is a charitable company limited by guarantee and is incorporated in the United Kingdom. The company's registered number and registered office address can be found on the Company Information page.

**2 Accounting Policies**

These financial statements are prepared on a going concern basis, under the historical cost convention.

These financial statements have been prepared in accordance with the "Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) ("the Charities SORP"), with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland ("FRS 102"), with the Companies Act 2006 and with the Charities Act 2011. The charity meets the definition of a public benefit entity as set out in FRS 102.

The principles adopted in the preparation of the financial statements are set out below.

a) Going concern

The trustees (who are the charitable company's directors for the purposes of company law) have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the trustees have considered the charity's forecasts and projections and the possible implications should projected income and / or expenditure vary unexpectedly. The trustees have concluded that there is a reasonable expectation that the charity has adequate resources to continue to operate for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

b) Income

Income including investment income is recognised in the period in which the charity becomes entitled to receipt, the amount receivable can be measured with reasonable certainty, and receipt is probable. For the most part, income is generally recognised when it is received. Income is only deferred when the charity has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period.

Income from donations includes:

- i) Recoverable gift aid. This is recognised when the related donation is received. Gift aid that has not been recovered by the balance sheet date is included as a debtor.
- ii) The charity relies on volunteers to carry out many of its activities. However, in accordance with the SORP, the value of these services has not been included in these financial statements as they cannot be reliably measured.

Income from charitable activities represents income receivable from goods, services and facilities supplied in furtherance of the charity's charitable objects. It includes income from church retreats and other events and courses.

Investment income represents income generated by the charity's assets and includes income from letting the charity's property and bank interest.

c) Expenditure

Expenditure, including irrecoverable VAT, is recognised when it is incurred or, if earlier, when a legal or constructive obligation for a payment arises provided that it is probable that settlement will be required and the amount of the obligation can be measured reliably.

The charity makes grants to other institutions and individuals to further its charitable objectives. Grants payable are recognised as constructive obligations arise, which is generally when the charity expresses a commitment to the recipient that can be measured reliably and then only to the extent that any conditions associated with the grant are outside of the control of the charity.

Governance costs, which are included in expenditure on charitable activities but are identified separately in the notes to the accounts, includes costs associated with the independent examination of the financial statements, compliance with constitutional and statutory requirements and any other expenditure incurred on the strategic management of the charity.

d) 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 charity. Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. Restricted funds are donations which are to be used in accordance with specific restrictions imposed by donors; they include donations received from appeals for specific activities or projects.

**NEIGHBOURHOOD CHURCH**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

e) Tangible fixed assets

Items purchased or donated for the charity's own use are capitalised when the cost of purchased items, or the fair value of donated items, is more than £500 and the item is expected to benefit the charity over more than one accounting period. Depreciation is charged on a straight line basis so as to write down the value of each asset to its estimated residual value (if any) over its expected useful economic life. To achieve this objective the following rates of depreciation are charged:

Freehold land	Is not depreciated (because it is not consumed by use)
Freehold buildings	Over 50 years after taking account of the building's residual value
Equipment	Over 3 to 7 years

The carrying values of tangible fixed assets are reviewed for impairment in periods when events or changes in circumstances indicate that the carrying value may not be recoverable.

f) Pension scheme arrangements

The charity operates defined contribution pension schemes for its employees. Obligations for contributions to these schemes are recognised as an expense when the liability arises. The assets of these schemes are held separately from those of the charity in independently administered funds.

g) Taxation

The company is a registered charity; it has taken advantage of the various reliefs from taxation available to charities and no tax is payable on the charity's income.

h) Financial instruments

The charity's financial assets and financial liabilities all qualify as basic financial instruments, as defined by FRS102. Except for loans, creditors and debtors are measured at their expected settlement value (normally the amount of cash that the charity expects to pay or receive). The charity recognises liabilities for the principal of those loans that remains outstanding at the year end (i.e. the liabilities exclude any interest chargeable on the loans in future years).

i) Exemption from preparing a cashflow statement

The charity has taken advantage of an exemption conferred by the Charities SORP and has not prepared a cash flow statement.

j) Critical accounting estimates and areas of judgement

The trustees do not consider that there are any material sources of estimation or uncertainty at the balance sheet date that could result in a material adjustment to the carrying values of assets and liabilities in the next reporting period.

**3 Donations**

	2023	2022
	£	£
Donations of cash and similar	82,240	70,106
Income tax recoverable	16,858	15,895
	<u>99,099</u>	<u>86,001</u>

**4 Income from charitable activities**

	2023	2022
	£	£
Songbirds (children's music group)	2,194	2,125
Community events	4,682	2,227
Weekend away	4,905	2,260
Youth trips	1,348	-
	<u>13,129</u>	<u>6,612</u>

**5 Income from other trading activities**

	2023	2022
	£	£
Hall rental income	16,339	16,328
	<u>16,339</u>	<u>16,328</u>

**6 Investment income**

	2023	2022
	£	£
Bank interest	384	26
	<u>384</u>	<u>26</u>

**NEIGHBOURHOOD CHURCH**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**7 Analysis of expenditure**

**a Charitable activities**

An analysis of the charitable activities and their expenditure is as follows:

	Activities undertaken directly £	Support costs (note 6b) £	Total 2023 £	Total 2022 £
Teaching and pastoral work	51,705	3,610	55,315	46,743
Outreach ( <i>including Alpha &amp; other courses</i> )	8,402	-	8,402	7,075
Children's work	13,691	722	14,413	11,288
Community activities and church gatherings	43,817	2,888	46,705	37,139
Church giving ( <i>to institutions and individuals see Note 6c</i> )	12,749	-	12,749	7,024
	<u>130,364</u>	<u>7,221</u>	<u>137,585</u>	<u>109,269</u>

**b Support costs**

The allocation of support costs has been based on the estimated time the church spends on any given activity. The overall allocation is as follows:

	Teaching £	Children £	Community activities £	Total 2023 £	Total 2022 £
Governance costs	923	185	738	1,845	1,033
Stationery and supplies	534	107	427	1,068	1,650
Insurance and memberships	1,866	373	1,493	3,732	5,994
Payroll administration fee	288	58	230	576	551
	<u>3,610</u>	<u>722</u>	<u>2,888</u>	<u>7,221</u>	<u>9,228</u>

Included in the total governance costs is the fee payable to the independent examiner for preparing and examining the accounts, £1,770 (2022: £990); in addition the charity paid £576 (2022: £551) to Stewardship for payroll bureau services.

**c Grants payable**

	Institutions £	Individuals £	2023 £
Grants for UK and overseas mission	3,000	-	3,000
Grants for the relief of poverty	7,000	2,278	9,278
Grants for support of social care	471	-	471
	<u>10,471</u>	<u>2,278</u>	<u>12,749</u>

The comparatives for the previous year are as follows:

	Institutions £	Individuals £	2022 £
Grants for UK and overseas mission	3,000	-	3,000
Grants for the relief of poverty	2,650	1,374	4,024
Grants for support of social care	-	-	-
	<u>5,650</u>	<u>1,374</u>	<u>7,024</u>

The charity's principal grants to institutions comprised:

	2023 £	2022 £
InterChristian Fellowships' Evangelical Mission (IcFEM)	3,000	3,000
Christians Against Poverty (CAP)	2,240	-
Christian Aid	2,000	-
Living Well Bromley	1,830	-
Grants to institutions for less than £1,000 each	1,401	2,650
	<u>10,471</u>	<u>5,650</u>

**NEIGHBOURHOOD CHURCH**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**8 Analysis of staff costs, the cost of key management personnel and trustee remuneration**

	2023	2022
	£	£
Gross wages and salaries	75,935	63,950
Social security	2,976	1,523
Pension costs	4,950	4,320
Other employment benefits	-	-
	<u>83,861</u>	<u>69,793</u>

The average monthly number of employees during the year was 2 (2022: 2). Most of the charity's activities are carried out by volunteers.

No staff received salaries at a rate of more than £60,000 per annum.

The charity's key management comprise the key staff named on the Company Information page.

The charity's key management comprise the key staff named on the Company Information page. Total employment benefits payable to key management for the year were as follows:

During the year key management received employment benefits totalling £83,861 (2022: £69,793).

No trustees received employment benefits in either the current or preceding year.

**8 Tangible fixed assets**

	Freehold Building £	Equipment £	Total 2023 £
Cost (or valuation)			
At 1 January 2023	280,000	2,349	282,349
Additions	-	1,211	1,211
Gains / (losses) on revaluation	-	-	-
Disposals	-	-	-
At 31 December 2023	<u>280,000</u>	<u>3,560</u>	<u>283,560</u>
Accumulated depreciation			
At 1 January 2023	-	357	357
Charge for the year	-	1,018	1,018
Eliminated on disposal	-	-	-
At 31 December 2023	<u>-</u>	<u>1,375</u>	<u>1,375</u>
Net book value			
At 31 December 2023	<u>280,000</u>	<u>2,185</u>	<u>282,185</u>
At 31 December 2022	<u>280,000</u>	<u>1,992</u>	<u>281,992</u>

During 2019, The Hall Evangelical Church Trust donated the Hall Evangelical Church building to Neighbourhood Church. The church has had sole use, rent free, of the land and building since 2011. The trustees of Neighbourhood Church have been unable to obtain a reasonable historic cost value of the land and building as the original purchase was in 1925 and no records can be found.

The land has little commercial value due to the schedule of restrictive covenants held on the Register of Title. Since 2011 Neighbourhood Church has made multiple applications for planning permission to extend the building which have been denied by the council. Taking this into consideration the trustees have decided that it would be inappropriate to include a value for the land in these accounts, as without any developmental potential the land is virtually worthless.

The trustees have agreed not to have the building professionally valued as they do not believe the benefit of the valuation would outweigh the cost. The SORP states that donated facilities should be measured at their value to the charity. Neighbourhood Church uses the building for meeting on Sundays, mid-week gatherings, church-run groups which benefit the community and for rental purposes which raise funds for the church. The trustees, after taking into account that the local planning authorities have not granted any of the formal planning requests made to extend the building, have made an assessment of the value of the building to be £280,000 and have insured it for this amount.

The trustees plan to keep the building in good working order and therefore anticipate a high residual value. No depreciation is provided on the building as the currently estimated residual value of the property is not less than its carrying value and the remaining useful life of the building currently exceeds 50 years, so that any annual depreciation charge and the accumulated depreciation would be immaterial.

An impairment review will be carried out at each year-end by the trustees and any resultant loss identified included in expenditure for the year.

**NEIGHBOURHOOD CHURCH**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**9 Debtors**

	2023 £	2022 £
<b>Falling due within one year:</b>		
Trade debtors	1,320	719
Tax recoverable	9,173	7,959
Prepayments and accrued income	47	450
	<u>10,539</u>	<u>9,128</u>

**10 Cash at Bank and in Hand**

	2023 £	2022 £
Cash at bank with immediate access	40,454	52,019
Petty cash	137	136
	<u>40,591</u>	<u>52,155</u>

**11 Creditors: liabilities falling due within one year**

	2023 £	2022 £
Accruals	3,072	4,907
Deferred income	1,710	1,200
	<u>4,782</u>	<u>6,107</u>

**12 Pension commitments**

During the year employer's pension contributions totalling £4,950 (2022: £4,320) were payable to defined contribution personal pension schemes. No pension contributions were owing at the balance sheet date (2022: £566).

**13 Funds**

During the year the movements in the charity's funds were as follows:

	Opening balance 2023 £	Incoming resources 2023 £	Outgoing resources 2023 £	Transfers in the year 2023 £	Gains and losses 2023 £	Closing balance 2023 £
<i>Designated Funds</i>						
Roof maintenance fund	14,000	-	-	2,000	-	16,000
Unforeseen events fund	5,000	-	-	-	-	5,000
Fixed Assets fund	281,992	-	-	193	-	282,185
	<u>300,992</u>	<u>-</u>	<u>-</u>	<u>2,193</u>	<u>-</u>	<u>303,185</u>
<i>General Unrestricted Funds</i>	32,633	126,384	(133,887)	(2,193)	-	22,937
	<u>333,625</u>	<u>126,384</u>	<u>(133,887)</u>	<u>-</u>	<u>-</u>	<u>326,122</u>
<i>Restricted Funds</i>						
Welfare fund	2,802	1,000	(2,278)	-	-	1,524
Giving fund	741	1,567	(1,420)	-	-	888
	<u>3,543</u>	<u>2,567</u>	<u>(3,698)</u>	<u>-</u>	<u>-</u>	<u>2,412</u>
<b>Aggregate of funds</b>	<u>337,168</u>	<u>128,951</u>	<u>(137,585)</u>	<u>-</u>	<u>-</u>	<u>328,534</u>

**NEIGHBOURHOOD CHURCH**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

The transfers referred to above were made for the following reasons:

- a) The transfer from the General funds to the Roof maintenance fund represents the amount set aside annually towards the cost of a new roof.
- b) The transfer from the General funds to the Fixed Assets fund represents the fixed asset additions and depreciation charged for the year.

**Analysis of net assets by fund**

The assets and liabilities of the various funds were as follows:

	<u>Unrestricted Funds</u>		Restricted funds	2023
	General funds	Designated funds	funds	
	£	£	£	£
Tangible fixed assets	-	282,185	-	282,185
Debtors	10,283	-	256	10,539
Cash at bank and in hand	17,436	21,000	2,156	40,591
Creditors falling due within one year	(4,782)	-	-	(4,782)
	<u>22,937</u>	<u>303,185</u>	<u>2,412</u>	<u>328,534</u>

In the previous year the movements in the charity's funds were as follows:

	Opening balance 2022 £	Incoming resources 2022 £	Outgoing resources 2022 £	Transfers in the year 2022 £	Gains and losses 2022 £	Closing balance 2022 £
<i>Designated Funds</i>						
Roof maintenance fund	12,000	-	-	2,000	-	14,000
Unforeseen events fund	5,000	-	-	-	-	5,000
Fixed Assets fund	280,621	-	-	1,371	-	281,992
	<u>297,621</u>	<u>-</u>	<u>-</u>	<u>3,371</u>	<u>-</u>	<u>300,992</u>
<i>General Unrestricted Funds</i>	35,442	105,966	(106,224)	(2,551)	-	32,633
	<u>333,063</u>	<u>105,966</u>	<u>(106,224)</u>	<u>820</u>	<u>-</u>	<u>333,625</u>
<i>Restricted Funds</i>						
Welfare fund	2,988	1,188	(1,374)	-	-	2,802
Giving fund	1,419	1,813	(1,671)	(820)	-	741
	<u>4,407</u>	<u>3,001</u>	<u>(3,045)</u>	<u>(820)</u>	<u>-</u>	<u>3,543</u>
Aggregate of funds	<u>337,470</u>	<u>108,967</u>	<u>(109,269)</u>	<u>-</u>	<u>-</u>	<u>337,168</u>

**Analysis of net assets by fund**

In the previous year, the assets and liabilities of the various funds were as follows:

	<u>Unrestricted Funds</u>		Restricted funds	2022
	General funds	Designated funds	funds	
	£	£	£	£
Tangible fixed assets	-	281,992	-	281,992
Debtors	9,128	-	-	9,128
Cash at bank and in hand	29,612	19,000	3,543	52,155
Creditors falling due within one year	(6,107)	-	-	(6,107)
	<u>32,633</u>	<u>300,992</u>	<u>3,543</u>	<u>337,168</u>

**NEIGHBOURHOOD CHURCH**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

*Restricted Funds*

The Welfare Fund is used to help individuals and families who are struggling financially on a short-term basis. Members of the church give specifically into this fund and money is paid out to recipients as and when it's deemed appropriate by the leadership team.

The Giving Fund represents donations received specifically for youth work.

**14 Transactions with related parties**

During the year the charity:

- a) received donations totalling £21,759 (2022: £19,810) from related parties (which includes trustees, any other members of key management and anyone closely connected to them).
- b) No expenses (2022: £nil) were paid to, or for, the trustees.

Except as disclosed in note 7 'Analysis of staff costs', there have been no other transactions with related parties during the year.

**15 Members**

Each member of the company commits to contribute if the charity is wound up an amount of £1.



**NEIGHBOURHOOD CHURCH**  
**DETAILED STATEMENT OF FINANCIAL ACTIVITIES WITH COMPARATIVES**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

	Note	Unrestricted funds				Unrestricted funds			
		General	Designated	Restricted	Total	General	Designated	Restricted	Total
		2023	2023	2023	2023	2022	2022	2022	2022
		£	£	£	£	£	£	£	
<b>INCOME AND ENDOWMENTS FROM:</b>									
Donations	3	96,532		2,567	99,099	83,000		3,001	86,001
Charitable activities	4	13,129			13,129	6,612			6,612
Other trading activities	5	16,339			16,339	16,328			16,328
Investments	6	384			384	26			26
<b>Total income and endowments</b>		126,384	-	2,567	128,951	105,966	-	3,001	108,967
<b>EXPENDITURE ON:</b>									
Charitable activities:	7	133,887		3,698	137,585	106,224		3,045	109,269
<b>Total Expenditure</b>		133,887	-	3,698	137,585	106,224	-	3,045	109,269
<b>Net income/(expenditure)</b>		(7,503)	-	(1,131)	(8,634)	(258)	-	(44)	(302)
<b>Transfers between funds</b>	13	(2,193)	2,193	-	-	(2,551)	3,371	(820)	-
<b>Net movement in funds</b>		(9,696)	2,193	(1,131)	(8,634)	(2,809)	3,371	(864)	(302)
<b>Reconciliation of funds:</b>									
Total funds brought forward		32,633	300,992	3,543	337,168	35,442	297,621	4,407	337,470
<b>Total funds carried forward</b>	13	22,937	303,185	2,412	328,534	32,633	300,992	3,543	337,168