

REGISTERED COMPANY NUMBER: 08039827 (England and Wales)  
REGISTERED CHARITY NUMBER: 1147465

**REPORT OF THE TRUSTEES AND**  
**UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020**  
**FOR**  
**READING FAMILY CHURCH**

Brindley Millen Ltd  
167 Turners Hill  
Cheshunt  
Hertfordshire  
EN8 9BH

## **READING FAMILY CHURCH**

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## **READING FAMILY CHURCH**

### **REPORT OF THE TRUSTEES** **for the Year Ended 31 December 2020**

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 December 2020. 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).

## **OBJECTIVES AND ACTIVITIES**

### **Objectives**

Reading Family Church's vision is to be a growing, Jesus-centred community, bringing God's Kingdom to Reading and beyond.

The Charity's Objectives, as set out in its Memorandum and Articles of Association, for the public benefit are: -

- to advance the Christian faith, in accordance with its Statement of Beliefs, in Berkshire and in some other parts of the United Kingdom and the world as the Trustees may from time to time think fit;
- the prevention or relief of poverty in Berkshire and in some other parts of the United Kingdom and the world as the Trustees may from time to time think fit; and
- to fulfill 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.

This report aims to clearly demonstrate the public benefit that Reading Family Church (RFC) continues to provide to the town of Reading and beyond; that it has achieved its aims and objectives (as above); and that the trustees have had regard to the Charity Commission's public benefit guidance.

### **Activities**

We are a vibrant church with a vision to be a growing, Jesus centred community, bringing God's kingdom to Reading and beyond.

We host three Sunday services across two sites and run outreach and social transformation ministries - Youth, Students, Toddler groups, Schools work, Job Club, Support groups, as well as courses to address marriage, parenting, relationships, addiction, bereavement, and more.

With the onset of the Coronavirus pandemic, all Sunday services were moved online from March 2020, and remained so throughout the rest of the year (no in-person Sunday services were held). Some transformational ministries continued in-person (compliant with government guidelines), but most were also transitioned online.

## **ACHIEVEMENT AND PERFORMANCE**

### **Services, prayer and worship**

Our congregation size in March 2020 was 500 attending (2019: 474) over two sites each week (but over 700 people meaningfully associated with us). Since March we have not grown numerically due to the challenges of the pandemic, but neither have we declined. Prayer and worship are the heartbeat of our church. Our weekly online prayer meetings and termly 'week of prayer' have grown, as have our regular Friday night online worship events.

### **Children and school's work**

In our children's work, we were aiming to continue to care for our church children and nurture their faith, as well as run after school clubs and RE lessons in local schools. This continued despite the Coronavirus pandemic, with church activities and school lessons delivered online once lockdown was in place. We held both live and pre-recorded midweek and Sunday online sessions for our church children, reaching up to 120 children each session, and managed to stay in touch with their families as well.

## **READING FAMILY CHURCH**

### **REPORT OF THE TRUSTEES** **for the Year Ended 31 December 2020**

#### **Lighthouse Youth Group**

The youth ministry (Lighthouse Youth) at RFC aims to help young people aged 11-18 grow in their understanding of their faith and what it looks like to live out their faith in their everyday lives, as well as provide a safe space for young people to socialise and build friendships. This was achieved through three activities - 1. Friday sessions during term time; 2. Sunday sessions and 3. Newday.

During 2020 we managed to run regular online sessions on a Friday and Sunday. Youth on a Friday provided young people with a safe space to socialise and build relationships with one another and youth leaders. The objective of this space was also to provide a space for young people to bring their friends. Our Sunday sessions were primarily aimed at young people aged between 11-16. In these sessions we focused on teaching the bible in easy, accessible ways that enabled them to apply it on a daily basis.

Due to COVID-19, we were unable to take young people to Newday, which is the summer camp run by Newfrontiers. We normally take around 35-40 young people and camp for seven days. Despite the challenges of COVID-19, we were still able to have four days watching online content with the youth.

#### **Supporting our congregation and community**

RFC has a team who provide pastoral support for our congregation and local community. We also have a team who support 30 midweek groups running in homes all over Reading, where attendees can experience the sense of belonging, friendship and spiritual growth that comes from joining a community within the church. In April 2020 we launched a COVID-19 Hardship Fund to support individuals and families within our church and the local and global community. During 2020 grants were committed to 21 beneficiaries, totalling £35k.

#### **Community work**

2020 proved to be a very different year for our work in the community. We had plans to build on previous years with the introduction of three part time community workers in order to grow our existing work as well as develop new initiatives. With the introduction of national lockdowns a number of projects had to stop in March and remained closed throughout the year.

Adapting to emerging needs, we were able to launch a new project of emergency food shopping for those who were shielding and couldn't get out due to COVID-19. We had a team of over 30 people who shopped three times a week and delivered the shopping back to those individuals.

In 2020 we also started a partnership with Chapter 2, a mentoring project for those without fathers. We have now trained a team and got our first link up. In addition our job club received ten referrals and we have been helping those people remotely.

Our pre-school toddler group, Rainbows, has also gone online with weekly live sessions.

#### **Marriage Support**

Marriage support continued in 2020 in the form of marriage preparation, marriage strengthening and crisis support.

##### *Marriage Preparation*

At the start of 2020 we intended to support four to five couples over the year with marriage preparation in a face to face format, working through a nine week course. With the onset of the COVID-19 pandemic we have in fact supported six couples with marriage preparation and support, through the use of video conferencing. With this support, the majority of these couples have gone on to have small scale weddings and begin married life whilst a small minority have come to the conclusion that more work would need to happen in the way of preparation before they consider marriage.

## **READING FAMILY CHURCH**

### **REPORT OF THE TRUSTEES** **for the Year Ended 31 December 2020**

#### *Marriage Support*

The Marriage Course has been run successfully over the past 10 years as a tool for strengthening marriages. Again, as a result of the pandemic, this has moved online and a far greater number of couples have been able to access the course. Over the year eighteen couples have accessed the online course. One quote from a participant read: "We found the format very convenient, being able to stop and chat when we wanted to was handy. We tried to keep to Saturday evenings but that wasn't always possible, so choosing our own time was convenient."

#### *Marriage Crisis Support*

As part of the general pastoral support in the church, members of our team have met with couples to discuss ongoing issues they may have and were able to signpost to other organisations to enable these couples to take responsibility for the struggles they were facing. Numbers have accessed counselling, used apps which were recommended or have used online marriage surveys to self-diagnose what might be happening in their relationship. We are committed as a church to have a range of resources to meet different needs, whether online, face to face or through specialist services.

#### **Starting Point Reading**

Starting Point Reading is an initiative set up by Reading Family Church in partnership with The Mustard Tree Foundation in 2012. It works with young people aged 16 - 25 who are currently not in education, employment or training, providing them with mentors and work experience placements where appropriate.

Over the last 12 months Starting Point has provided mentoring for over 110 young people with the support of over 101 volunteer mentors.

#### **HOPE**

HOPE (Helping Other People Everywhere) is a ministry aimed at people with learning disabilities. It is an open and welcoming environment where everyone is free to come as they are. Our aim is to make church relevant and accessible to all, regardless of their level of learning disability, and to provide community and friendship to those who attend.

Unfortunately, due to COVID-19 and the vulnerability of those that attend we were not able to run HOPE as usual but look forward to restarting in 2021 if possible.

#### **Support of other charities**

In addition to our ongoing support for Starting Point, the church has continued to financially support a number of other local, national and international charities. These include:

- **Reading Lifeline** which provides signposting, counselling and support to those facing an unplanned pregnancy in Reading.
- **Creating Better Futures**, a charity based in Reading devoted to helping children and their guardians in the Domboshowa and Mutare regions of Zimbabwe.
- **Bed for the night**. Bed for the Night is a night shelter run by local churches in Reading, Berkshire. It is led by Faith Christian Group and provides a warm bed, evening meal and breakfast for a number of homeless men and women during the winter months of January and February. In 2020 RFC partnered again with another local church, All Nations, to serve the homeless on Saturday nights. Members of the churches cooked and served the guests food, chatted with them, playing games late into the evening and stayed the night too.
- **Hope into Action**, a national charity with a team based in Reading, fighting homelessness. The charity works with the most disadvantaged members of society, helping them to find permanent homes rather than just short term beds for the night. Our partnership with Hope into Action ended at the end of 2020.

#### **Support of overseas Missionaries**

The church has financially supported individuals who work overseas. These missionaries are engaged in work that either advances the Christian faith or relieves or prevents poverty.

#### **Building purchase**

RFC has a goal of purchasing a building to function as a home for its church congregation and a hub for the local community. With the onset of the pandemic, little progress was made on this during 2020. Funds remain in place for such a time as the economic environment improves.

## **READING FAMILY CHURCH**

### **REPORT OF THE TRUSTEES** **for the Year Ended 31 December 2020**

#### **FINANCIAL REVIEW**

##### **Financial overview**

At 31 December 2020, Reading Family Church had total funds of £2.5m (2019: £2.2m), of which £0.9m were available for the general purposes of the charity (2019: £0.7m), £1.5m were designated for future purposes by the trustees (2019: £1.5m) and £61,998 were restricted (2019: £9,773).

Total income for 2020 was £821,457 (2019: £917,630). This comprised of two key elements:

- £703,288 (2019: £642,996) of unrestricted donations from the attendees of the church and the associated reclaimed gift aid tax. These donations are intended to cover the regular running costs and activities of the church.
- £12,133 (2019: £231,994) which came from donations from the attendees of the church towards the Vision Fund and the associated reclaimed gift aid tax. The fund is a designated fund, intended for future projects in our community such as a building, but has no restriction on its specific use.

Expenditure for the year, was £567,924 (2019: £565,178). Of this, 78% (2019: 86%) was spent on the church's various ministries, and 18% (2019: 12%) was spent on gifts and associated support costs to support organisations and individuals with objectives aligned to those of Reading Family Church.

Reading Family Church acted as an agent for the disbursement of a small number of gifts made by church attendees to other attendees, where they wished for the gift to remain anonymous. As at 31 December 2020 it held a balance of £55 (2019: £2,488), which was passed on to the organisation in 2020.

##### **Reserves Policy**

Reading Family Church has three types of funds:

- Unrestricted funds which can be used for any purpose and which make up the charity's general reserves.
- Designated funds which have been set aside by the trustees for a particular purpose and require the trustees' permission to be used for any other purpose. This includes Reading Family Church's Vision Fund.
- Restricted funds that are given for a specific purpose and require the permission of the giver or the Charity Commission to use them for any other purpose. Only small proportions of Reading Family Church's funds are restricted.

The charity needs general reserves as a source of working capital and to cover expenditure in the event of an unexpected decrease in income or other change in circumstances. The trustees have defined the minimum level of reserves permissible as three months' worth of the charity's operating expenditure. Operating expenditure is defined as all of the charity's essential costs, and excludes discretionary spend such as voluntary donations to third parties. The rationale for this is to allow Reading Family Church to continue to operate for at least three months in the extreme scenario that its income reduces materially over a very short period of time.

At 31 December 2020 the charity's general reserves were £0.9m. This represented approximately 18 months of operating expenditure. The fact that this is significantly higher than our minimum level represents the generosity of the church over recent years, and temporarily reduced operating costs as a result of COVID-19 restrictions. The reserves policy is reviewed on an annual basis by the Directors, and the level of reserves held is reviewed monthly as part of the management reporting.

## **READING FAMILY CHURCH**

### **REPORT OF THE TRUSTEES** **for the Year Ended 31 December 2020**

#### **Investment Policy**

Reading Family Church has a duty to protect its investments, while balancing the rate of return that these investments produce. Currently the charity's assets are predominately cash, and the majority is for general use or in a designated fund. These funds may be needed at relatively short notice (3-6 months). The following criteria apply to the management of these funds:

- Any investment shall minimise the risk of loss of capital.
- It shall be possible to access the investment of general reserves with a maximum of three months' notice and longer-term designated funds with a maximum of six months' notice.
- The rate of return shall be as high as possible, but is secondary to the two criteria above.

Any risk associated with holding reserves in deposit accounts shall be minimised. The likelihood of financial institutions failing is low, however the potential impact of such as failure on Reading Family Church could be substantial, and this risk shall be mitigated as much as possible.

On this basis, Reading Family Church shall:

- Only invest in cash deposit accounts that are covered by the FSCS.
- Spread the level of investment over a number of accounts. The number of accounts should be reviewed by the trustees periodically and reflect the relative stability of the financial institutions.
- Only invest in deposit accounts with a notice period of up to six months (more if any penalties for early withdrawals do not impact the capital invested).
- Select cash deposit accounts with a high rate of return wherever possible.

#### **Risk Policies**

The trustees have a risk management strategy that includes an annual review of the principle risks and uncertainties facing the charity and its subsidiaries and the establishment of policies and procedures to mitigate those risks.

The primary risks and uncertainties were again safeguarding and health and safety (with a focus on keeping staff, volunteers and those attending in-person events safe from COVID-19). These risks are managed by ensuring effective policies and procedures are in place and staff and volunteers are appropriately trained.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

#### **Governing document**

Reading Family Church has been in existence for 19 years and was originally planted by Kerith Community Church in Bracknell. The charity is controlled by its governing document, the memorandum and articles of association, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006. The company was incorporated on 20th April 2012 and commenced trading on 1st September 2012. Prior to that date, Reading Family Church was an unincorporated charity (Charity Registration Number 1090328).

## **READING FAMILY CHURCH**

### **REPORT OF THE TRUSTEES** **for the Year Ended 31 December 2020**

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

##### **Management**

Reading Family Church is led by a team of Elders, who provide spiritual governance, and set the vision and strategy of the church. The Elders meet to discuss and oversee the affairs of the church and the charity. They work alongside other members of staff and a team of volunteers to implement the vision, goals and objectives of the trust. In 2020 there were eight Elders, three of whom were full time employees of the church, one of whom is a part time employee and four of whom were volunteers. The Trustees have delegated day to day management of the charity to the Senior Pastor.

The increasing number of ministries and activities of the church are led by a team of Deacons, some of whom are employed by the charity but most of whom do so on a voluntary basis. The numbers of deacons is 15, each responsible or jointly responsible for running and managing one of the church's activities that help deliver its public benefit.

The Deacon Team are:

Ian Anderson	Facilities & Integration
Sarah Horne	Kids Church
Ioan Hoare	Setup & Pack Away RGS
Simon Starling	Visual Team
Gavin & Lucy Thomas	Marriage Ministries
Tex Chettiar	Youth Ministry
Kat Starling	Prophetic Co-ordinator
Clayton Chettiar	Projects
Judy Anderson	Pastoral Care
David & Helen Putley	Life Groups
Emma Chettiar	Children with additional needs
Aaron & Cat Morgan	

##### **Governance**

There are six Directors (or Trustees) who provide the governance of the church. They meet at least three times a year in their role overseeing the financial, legal and employment elements of the church. Sean Green chairs the Directors and is the only paid Director; he is also an Elder of the Church.

The Trustees have processes and procedures in place that determine when Trustee approval is needed, which includes unbudgeted staff appointments and significant unbudgeted spend, alongside a number of matters reserved for the Trustees. A trustee induction process is in place whereby existing Trustees support those incoming and external training is offered when necessary.

Specific responsibilities are also delegated to the Salary Committee, a sub-committee of the Board with a membership of three individuals, all of whom are also Directors. This committee performs an annual pay review, and also sets the pay and remuneration of key management personnel, as well as performing the Senior Pastor's appraisal. The Senior Pastor is not a member of the Salary Committee.

The Elders of the church make recommendations for the appointment of Directors. The nominee is then appointed by a resolution of the existing Directors and remains in office thereafter. The Directors of the charity are drawn primarily from the active members of the church with the appropriate skills for Board membership, and also include one independent member from a different church.

##### **Affiliations**

Reading Family Church is a member of the Evangelical Alliance and Reading Christian Network. The church is also affiliated to Newfrontiers, which is a worldwide family of churches. This affiliation enables the church to help other Christian churches in the UK and abroad. It also provides a support network that allows the church to draw on the experience and expertise of other churches.



**READING FAMILY CHURCH**

**REPORT OF THE TRUSTEES**  
**for the Year Ended 31 December 2020**

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Company number**

08039827 (England and Wales)

**Registered Charity number**

1147465

**Registered office**

448a Basingstoke Road  
Reading  
United Kingdom  
RG2 0RX

**Trustees**

S E P Green Chair  
C A Bailey (resigned 14.1.20)  
A Bactor (resigned 2.3.20)  
J R Davis  
G Munemo  
G P Thomas  
N Davidson (appointed 14.1.20)  
M D Blake (appointed 22.9.20)

**Company Secretary**

N Davidson

**Independent Examiner**

Brindley Millen Ltd  
167 Turners Hill  
Cheshunt  
Hertfordshire  
EN8 9BH

**Elders**

Mr S Green (Lead Elder)  
Mr S Taylor  
Mr R Walker  
Mr A Dickens  
Mr J Betts (until March 2021)  
Mr M Amos  
Mr D Mosimable

**Bankers**

HSBC plc  
26 Broad Street  
Reading, Berkshire  
RG1 2BU

**Solicitors**

Clifton Ingram LLP  
22-24 Broad Street  
Workingham, RG40 1BA

Approved by order of the board of trustees on ..... Sep 16, 2021 ..... and signed on its behalf by:

*S.E.P. Green*

S.E.P. Green (Sep 16, 2021 10:38 GMT+1)

.....  
S E P Green - Trustee

## **INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF READING FAMILY CHURCH**

### **Independent examiner's report to the trustees of Reading Family Church ('the Company')**

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 December 2020.

#### **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**

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of Institute of Chartered Accountants in England and Wales which is one of the listed bodies.

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.

*mwbrindley*

mwbrindley (Sep 21, 2021 12:35 GMT+1)

Maurice Brindley FCA BSc  
Institute of Chartered Accountants in England and Wales  
Brindley Millen Ltd  
167 Turners Hill  
Cheshunt  
Hertfordshire  
EN8 9BH

Date: ..... Sep 21, 2021 .....

**READING FAMILY CHURCH****STATEMENT OF FINANCIAL ACTIVITIES**  
**(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)**  
**for the Year Ended 31 December 2020**

	Notes	Unrestricted fund £	Vision Fund £	Restricted funds £	31.12.20 Total funds £	31.12.19 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>						
Donations and legacies	2	703,288	12,133	92,013	807,434	884,720
<b>Charitable activities</b>	3					
Conferences, events and other income		540	-	-	540	18,686
Investment income	4	<u>3,440</u>	<u>10,043</u>	<u>-</u>	<u>13,483</u>	<u>14,224</u>
<b>Total</b>		707,268	22,176	92,013	821,457	917,630
<b>EXPENDITURE ON Charitable activities</b>						
Church Ministries	5	444,663	-	230	444,893	485,182
Grants and Ministry gifts		64,386	-	39,558	103,944	69,985
Vision Fund		-	19,087	-	19,087	10,011
<b>Total</b>		<u>509,049</u>	<u>19,087</u>	<u>39,788</u>	<u>567,924</u>	<u>565,178</u>
<b>NET INCOME</b>		198,219	3,089	52,225	253,533	352,452
<b>Transfers between funds</b>	15	<u>1,331</u>	<u>(1,331)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net movement in funds</b>		199,550	1,758	52,225	253,533	352,452
<b>RECONCILIATION OF FUNDS</b>						
<b>Total funds brought forward</b>		<u>690,371</u>	<u>1,539,911</u>	<u>9,773</u>	<u>2,240,055</u>	<u>1,887,603</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u><u>889,921</u></u>	<u><u>1,541,669</u></u>	<u><u>61,998</u></u>	<u><u>2,493,588</u></u>	<u><u>2,240,055</u></u>

The notes form part of these financial statements

**READING FAMILY CHURCH (REGISTERED NUMBER: 08039827)****BALANCE SHEET**  
**31 December 2020**

	Notes	Unrestricted fund £	Vision Fund £	Restricted funds £	31.12.20 Total funds £	31.12.19 Total funds £
<b>FIXED ASSETS</b>						
Tangible assets	12	17,623	4,087	-	21,710	11,932
<b>CURRENT ASSETS</b>						
Debtors	13	31,558	6,458	90	38,106	43,106
Cash at bank and in hand		<u>850,964</u>	<u>1,531,124</u>	<u>66,758</u>	<u>2,448,846</u>	<u>2,214,622</u>
		882,522	1,537,582	66,848	2,486,952	2,257,728
<b>CREDITORS</b>						
Amounts falling due within one year	14	(10,224)	-	(4,850)	(15,074)	(29,605)
<b>NET CURRENT ASSETS</b>		<u>872,298</u>	<u>1,537,582</u>	<u>61,998</u>	<u>2,471,878</u>	<u>2,228,123</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>889,921</u>	<u>1,541,669</u>	<u>61,998</u>	<u>2,493,588</u>	<u>2,240,055</u>
<b>NET ASSETS</b>		<u>889,921</u>	<u>1,541,669</u>	<u>61,998</u>	<u>2,493,588</u>	<u>2,240,055</u>
<b>FUNDS</b>	15					
Unrestricted funds:						
General fund					889,921	690,371
Vision Fund					<u>1,541,669</u>	<u>1,539,911</u>
					2,431,590	2,230,282
Restricted funds:						
Tribe of Benjamin Fund					-	1,143
Church Plant Fund					22,184	8,500
Covid 19 Fund					39,308	-
Other restricted funds					<u>506</u>	<u>130</u>
					61,998	9,773
<b>TOTAL FUNDS</b>					<u>2,493,588</u>	<u>2,240,055</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2020.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2020 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) 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 surplus or deficit 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 notes form part of these financial statements

**READING FAMILY CHURCH (REGISTERED NUMBER: 08039827)**

**BALANCE SHEET - continued**

**31 December 2020**

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 .....<sup>Sep 16, 2021</sup> and were signed on its behalf by:

*N Davidson*

N Davidson (Sep 16, 2021 12:34 GMT+1)

N Davidson - Trustee

**READING FAMILY CHURCH****CASH FLOW STATEMENT****for the Year Ended 31 December 2020**

	Notes	31.12.20 £	31.12.19 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	<u>239,220</u>	<u>715,327</u>
Net cash provided by operating activities		<u>239,220</u>	<u>715,327</u>
 <b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(18,479)	(12,980)
Interest received		<u>13,483</u>	<u>14,224</u>
Net cash (used in)/provided by investing activities		<u>(4,996)</u>	<u>1,244</u>
 <b>Change in cash and cash equivalents in the reporting period</b>		 234,224	 716,571
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u>2,214,622</u>	<u>1,498,051</u>
 <b>Cash and cash equivalents at the end of the reporting period</b>		<u><u>2,448,846</u></u>	<u><u>2,214,622</u></u>

The notes form part of these financial statements

**READING FAMILY CHURCH****NOTES TO THE CASH FLOW STATEMENT**  
**for the Year Ended 31 December 2020****1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	31.12.20	31.12.19
	£	£
<b>Net income for the reporting period (as per the Statement of Financial Activities)</b>	253,533	352,452
<b>Adjustments for:</b>		
Depreciation charges	8,479	7,264
Loss on disposal of fixed assets	223	-
Interest received	(13,483)	(14,224)
Decrease in debtors	4,999	372,665
Decrease in creditors	<u>(14,531)</u>	<u>(2,830)</u>
<b>Net cash provided by operations</b>	<u>239,220</u>	<u>715,327</u>

**2. ANALYSIS OF CHANGES IN NET FUNDS**

	At 1.1.20	Cash flow	At 31.12.20
	£	£	£
<b>Net cash</b>			
Cash at bank and in hand	<u>2,214,622</u>	<u>234,224</u>	<u>2,448,846</u>
	<u>2,214,622</u>	<u>234,224</u>	<u>2,448,846</u>
<b>Total</b>	<u>2,214,622</u>	<u>234,224</u>	<u>2,448,846</u>

## **READING FAMILY CHURCH**

### **NOTES TO THE FINANCIAL STATEMENTS** **for the Year Ended 31 December 2020**

#### **1. ACCOUNTING POLICIES**

##### **Basis of preparing the financial statements and assessment of going concern**

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.

The accounts have been prepared on the going concern basis, as there are no material uncertainties about the charity's ability to continue. Based on the adequacy of the charity's reserves as at the balance sheet date, along with their knowledge of the charity's ability to meet bills, payments and other liabilities as they fall due, the directors have a reasonable expectation that the charity has sufficient resources to continue in operational existence for the foreseeable future.

The financial statements are presented in sterling (£).

##### **Critical accounting judgements and key sources of estimation uncertainty**

In preparing financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements. The following judgements and estimates are considered by the trustees to have the most significant effect on amounts recognised in the financial statements.

Useful economic life of tangible fixed assets:

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets.

##### **Donated and grant income**

Donated income and grants receivable are taken into account when received by the charity. Income received in circumstances where a claim for repayment of tax has been or will be made to HM Revenue & Customs is grossed up for the tax recoverable. Any amount of tax reclaimed from HM Revenue & Customs but not yet received is shown within the charity's debtors.

The charity has relied significantly upon volunteers in carrying out its activities during the year. In accordance with paragraph 6.18 of the SORP, the role of volunteers has not been recognised as income from donated services in the accounts.

##### **Other income and expenditure**

Investment income is taken into account when receivable and expenditure, including irrecoverable VAT, when incurred by the charity, regardless of when payment is made. Grants payable are taken into account at the earlier of when they are paid or become constructive obligations.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

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

Equipment over £500 with a value for more than two years is capitalised, with depreciation charged at the rate of 15% - 33.3% per annum calculated using the Straight Line Method.

##### **Taxation**

The company is a registered charity and is exempt from taxation under the Income & Corporation Taxes Act.

##### **Debtors**

Gift aid repayable and other debtors are recognised at the settlement amount. Prepayments are valued at the amount prepaid.

##### **Cash at bank and in hand**

Cash at bank and in hand includes cash, current bank accounts and deposit bank accounts.

##### **Creditors**

Creditors are recognised where then charity has a present obligation resulting from a past event that will result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are recognised at their settlement amount.



## **READING FAMILY CHURCH**

### **NOTES TO THE FINANCIAL STATEMENTS - continued** **for the Year Ended 31 December 2020**

#### **1. ACCOUNTING POLICIES - continued**

##### **Fund accounting**

Designated Funds, shown in the notes to the accounts, principally represent funds set aside by the church on a regular basis to meet certain specific objectives. These are described in greater detail in the Trustees' Report. Restricted funds are those which are received for specific purposes by the donor or in response to specific requests by the charity and held on trust to be used for those purposes.

##### **Pension costs**

Pension contributions are accounted for in the month they fall due.

##### **Financial instruments**

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially settled at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

#### **2. DONATIONS AND LEGACIES**

	Unrestricted funds £	Restricted funds £	31.12.20 Total funds £	31.12.19 Total funds £
Donations	596,351	78,209	674,560	740,376
Gift aid	<u>119,070</u>	<u>13,804</u>	<u>132,874</u>	<u>144,344</u>
	<u>715,421</u>	<u>92,013</u>	<u>807,434</u>	<u>884,720</u>

In addition to the above, £2,835 was received and £5,268 disbursed as agent (2019: £4,547 received and £2,059 distributed). These amounts do not form part of the transactions owned and controlled by the charity and as a result are excluded from the income and expenditure in these accounts. The remaining balance of £55 is shown as a creditor on the balance sheet as the monies do not form part of the charity's funds.

#### **3. INCOME FROM CHARITABLE ACTIVITIES**

	Activity	31.12.20 £	31.12.19 £
Conferences, events and other income	Conferences, events and other income	<u>540</u>	<u>18,686</u>

#### **4. INVESTMENT INCOME**

	Unrestricted funds £	Restricted funds £	31.12.20 Total funds £	31.12.19 Total funds £
Deposit account interest	<u>13,483</u>	<u>-</u>	<u>13,483</u>	<u>14,224</u>

# **READING FAMILY CHURCH**

## **NOTES TO THE FINANCIAL STATEMENTS - continued** **for the Year Ended 31 December 2020**

### **5. CHARITABLE ACTIVITIES COSTS**

	Direct Costs £	Grant funding of activities (see note 6) £	Support costs (see note 7) £	Totals £
Church Ministries	311,510	-	133,383	444,893
Grants and Ministry gifts	2,642	97,435	3,867	103,944
Vision Fund	-	-	19,087	19,087
	<u>314,152</u>	<u>97,435</u>	<u>156,337</u>	<u>567,924</u>

### **6. GRANTS PAYABLE**

	31.12.20 £	31.12.19 £
Grants and Ministry gifts	<u>97,435</u>	<u>63,221</u>

The total grants paid to institutions during the year was as follows:

	31.12.20 £	31.12.19 £
Catalyst Network of Churches	19,396	26,000
Catalyst: Oxford Hub	20,000	20,987
Baptist Missionary Society	3,125	7,500
Creating Better Futures	6,000	3,000
Tribe of Benjamin	1,143	734
Reading Lifeline	200	1,200
Starting Point	7,000	10,000
John 3:16 Trust	200	1,200
Hope into Action	-	3,000
Transforming Reading	1,998	-
Cedar Home	3,000	-
Peter's Work	499	-
Gifts to other organisations <£1,000	1,712	400
Release of historic commitment	-	(15,000)
	<u>64,273</u>	<u>59,021</u>

### **7. SUPPORT COSTS**

	Finance, management, overhead and administration £	Information technology and systems £	Premises, facilities and depreciation £	Governance costs £	Totals £
Church Ministries	33,478	20,057	76,774	3,074	133,383
Grants and Ministry gifts	2,555	252	1,014	46	3,867
Vision Fund	<u>15,000</u>	-	<u>4,087</u>	-	<u>19,087</u>
	<u>51,033</u>	<u>20,309</u>	<u>81,875</u>	<u>3,120</u>	<u>156,337</u>

## **READING FAMILY CHURCH**

### **NOTES TO THE FINANCIAL STATEMENTS - continued** **for the Year Ended 31 December 2020**

#### **8. NET INCOME/(EXPENDITURE)**

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

	31.12.20	31.12.19
	£	£
Depreciation - owned assets	8,478	7,264
Deficit on disposal of fixed assets	223	-
Independent examiners fee	<u>3,120</u>	<u>3,120</u>

#### **9. TRUSTEES' REMUNERATION AND BENEFITS**

Mr S E P Green was paid £70,447 (2019: £68,776) which includes employers NI and employer pension. This was paid to him in his capacity as Senior Pastor, and not as a trustee, as permitted by the governing document.

No remuneration was paid to any other trustee during the year.

##### **Trustees' expenses**

There were no trustees' expenses paid for the year ended 31 December 2020 nor for the year ended 31 December 2019.

#### **10. STAFF COSTS**

	31.12.20	31.12.19
	£	£
Wages and salaries	280,645	239,940
Social security costs	24,764	23,385
Other pension costs	<u>29,428</u>	<u>27,354</u>
	<u>334,837</u>	<u>290,679</u>

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

	31.12.20	31.12.19
All employees	<u>8</u>	<u>6</u>

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

Pension costs represent the premiums paid to a non-contributory Group Personal Pension Plan offered to all eligible employees, to which the Church contributes 10% of salary.

Key management is considered to cover Mr S E P Green, Mrs E J Green, Mr S Taylor and Mr I G Anderson directly employed by the charity.

Remuneration payable to key management (excluding trustees) amounted to £137,357 (2019: £131,201) in the year.

**READING FAMILY CHURCH****NOTES TO THE FINANCIAL STATEMENTS - continued**  
**for the Year Ended 31 December 2020****11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted fund £	Vision Fund £	Restricted funds £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>				
Donations and legacies	642,996	231,994	9,730	884,720
<b>Charitable activities</b>				
Conferences, events and other income	18,686	-	-	18,686
Investment income	<u>5,161</u>	<u>9,063</u>	<u>-</u>	<u>14,224</u>
<b>Total</b>	666,843	241,057	9,730	917,630
<b>EXPENDITURE ON</b>				
<b>Charitable activities</b>				
Church Ministries	485,182	-	-	485,182
Grants and Ministry gifts	68,151	-	1,834	69,985
Vision Fund	-	10,011	-	10,011
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Total</b>	553,333	10,011	1,834	565,178
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>NET INCOME</b>	113,510	231,046	7,896	352,452
<b>RECONCILIATION OF FUNDS</b>				
<b>Total funds brought forward</b>	576,861	1,308,865	1,877	1,887,603
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u>690,371</u>	<u>1,539,911</u>	<u>9,773</u>	<u>2,240,055</u>

**12. TANGIBLE FIXED ASSETS**

	Fixtures, fittings & equipment £
<b>COST</b>	
At 1 January 2020	97,384
Additions	18,479
Disposals	(54,602)
At 31 December 2020	<u>61,261</u>
<b>DEPRECIATION</b>	
At 1 January 2020	85,452
Charge for year	8,478
Eliminated on disposal	(54,379)
At 31 December 2020	<u>39,551</u>
<b>NET BOOK VALUE</b>	
At 31 December 2020	<u>21,710</u>
At 31 December 2019	<u>11,932</u>

# READING FAMILY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS - continued for the Year Ended 31 December 2020

### 13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.20	31.12.19
	£	£
Tax recoverable	9,996	10,695
Other debtors	8,026	11,697
Prepayments	<u>20,084</u>	<u>20,714</u>
	<u>38,106</u>	<u>43,106</u>

### 14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.20	31.12.19
	£	£
Other creditors	9,445	2,488
Accrued expenses	4,579	27,117
Deferred income	<u>1,050</u>	<u>-</u>
	<u>15,074</u>	<u>29,605</u>

### 15. MOVEMENT IN FUNDS

	At 1.1.20 £	Net movement in funds £	Transfers between funds £	At 31.12.20 £
<b>Unrestricted funds</b>				
General fund	690,371	198,219	1,331	889,921
Vision Fund	<u>1,539,911</u>	<u>3,089</u>	<u>(1,331)</u>	<u>1,541,669</u>
	2,230,282	201,308	-	2,431,590
<b>Restricted funds</b>				
Tribe of Benjamin Fund	1,143	(1,143)	-	-
Church Plant Fund	8,500	13,684	-	22,184
Covid 19 Fund	-	39,308	-	39,308
Other restricted funds	<u>130</u>	<u>376</u>	<u>-</u>	<u>506</u>
	<u>9,773</u>	<u>52,225</u>	<u>-</u>	<u>61,998</u>
<b>TOTAL FUNDS</b>	<u>2,240,055</u>	<u>253,533</u>	<u>-</u>	<u>2,493,588</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	707,268	(509,049)	198,219
Vision Fund	<u>22,176</u>	<u>(19,087)</u>	<u>3,089</u>
	729,444	(528,136)	201,308
<b>Restricted funds</b>			
Tribe of Benjamin Fund	-	(1,143)	(1,143)
Church Plant Fund	13,750	(66)	13,684
Covid 19 Fund	74,358	(35,050)	39,308
Other restricted funds	<u>3,905</u>	<u>(3,529)</u>	<u>376</u>
	<u>92,013</u>	<u>(39,788)</u>	<u>52,225</u>
<b>TOTAL FUNDS</b>	<u>821,457</u>	<u>(567,924)</u>	<u>253,533</u>

**READING FAMILY CHURCH****NOTES TO THE FINANCIAL STATEMENTS - continued**  
**for the Year Ended 31 December 2020****15. MOVEMENT IN FUNDS - continued****Comparatives for movement in funds**

	At 1.1.19 £	Net movement in funds £	At 31.12.19 £
<b>Unrestricted funds</b>			
General fund	576,861	113,510	690,371
Vision Fund	<u>1,308,865</u>	<u>231,046</u>	<u>1,539,911</u>
	1,885,726	344,556	2,230,282
<b>Restricted funds</b>			
Tribe of Benjamin Fund	1,877	(734)	1,143
Church Plant Fund	-	8,500	8,500
Other restricted funds	<u>-</u>	<u>130</u>	<u>130</u>
	<u>1,877</u>	<u>7,896</u>	<u>9,773</u>
<b>TOTAL FUNDS</b>	<u><u>1,887,603</u></u>	<u><u>352,452</u></u>	<u><u>2,240,055</u></u>

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	666,843	(553,333)	113,510
Vision Fund	<u>241,057</u>	<u>(10,011)</u>	<u>231,046</u>
	907,900	(563,344)	344,556
<b>Restricted funds</b>			
Tribe of Benjamin Fund	-	(734)	(734)
Church Plant Fund	8,500	-	8,500
Other restricted funds	<u>1,230</u>	<u>(1,100)</u>	<u>130</u>
	<u>9,730</u>	<u>(1,834)</u>	<u>7,896</u>
<b>TOTAL FUNDS</b>	<u><u>917,630</u></u>	<u><u>(565,178)</u></u>	<u><u>352,452</u></u>

## **READING FAMILY CHURCH**

### **NOTES TO THE FINANCIAL STATEMENTS - continued** **for the Year Ended 31 December 2020**

#### **15. MOVEMENT IN FUNDS - continued**

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

	At 1.1.19 £	Net movement in funds £	Transfers between funds £	At 31.12.20 £
<b>Unrestricted funds</b>				
General fund	576,861	311,729	1,331	889,921
Vision Fund	<u>1,308,865</u>	<u>234,135</u>	<u>(1,331)</u>	<u>1,541,669</u>
	1,885,726	545,864	-	2,431,590
<b>Restricted funds</b>				
Tribe of Benjamin Fund	1,877	(1,877)	-	-
Church Plant Fund	-	22,184	-	22,184
Covid 19 Fund	-	39,308	-	39,308
Other restricted funds	<u>-</u>	<u>506</u>	<u>-</u>	<u>506</u>
	<u>1,877</u>	<u>60,121</u>	<u>-</u>	<u>61,998</u>
<b>TOTAL FUNDS</b>	<u><u>1,887,603</u></u>	<u><u>605,985</u></u>	<u><u>-</u></u>	<u><u>2,493,588</u></u>

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	1,374,111	(1,062,382)	311,729
Vision Fund	<u>263,233</u>	<u>(29,098)</u>	<u>234,135</u>
	1,637,344	(1,091,480)	545,864
<b>Restricted funds</b>			
Tribe of Benjamin Fund	-	(1,877)	(1,877)
Church Plant Fund	22,250	(66)	22,184
Covid 19 Fund	74,358	(35,050)	39,308
Other restricted funds	<u>5,135</u>	<u>(4,629)</u>	<u>506</u>
	<u>101,743</u>	<u>(41,622)</u>	<u>60,121</u>
<b>TOTAL FUNDS</b>	<u><u>1,739,087</u></u>	<u><u>(1,133,102)</u></u>	<u><u>605,985</u></u>

The General Fund represents funds received and expended on the general running costs.

The Vision Fund is an unrestricted fund designated by the Trustees to allow for future expenditure on cost of rent of larger premises, new staff, saving for or purchase of, a building, or other general church use.

The Tribe of Benjamin Fund is a restricted fund that is managed for Ben Davies where churches in the group historically sent the income to Reading Family Church and Ben Davies puts in his expenses for conferences and other expenses needed to run the group. No further income was received in the period and the fund is now being spent down.

The Church Plant Fund is a restricted fund being held to support the establishment of new churches.

The Covid 19 fund is a restricted fund set up to make financial gifts to individuals and organisations who are experiencing financial hardship as a result of the Covid-19 crisis.

The Other Restricted Funds represent monies donated by church members who have specified their use on particular areas such as supporting those in financial difficulty.

**READING FAMILY CHURCH**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**for the Year Ended 31 December 2020**

**16. RELATED PARTY DISCLOSURES**

E J Green, who is the spouse of Mr S E P Green (a Trustee) received £26,285 (2019: £23,620) gross salary and £2,568 (2019: £2,365) employer pension contributions, in her capacity as Executive Officer.

The total amount of donations funded by trustees (and connected parties) and other related parties, was £33,281 (2019: £47,350).

No other transactions have taken place with related parties during the year.

**17. MEMBERS**

Each member of the company commits to contribute if the charity is wound up an amount of £10.