

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 2021
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 2021**

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 2021. 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 currently host 1 Sunday service (at a local school) and run outreach and social transformation ministries - Youth, Students, Toddler groups, Schools work, Job Club, Debt Centre, Support groups, as well as courses to address marriage preparation, marriage enhancement, parenting, relationships, bereavement, and more.

Sunday services moved back to in-person from the 1st August 2021 and also continued online for the remainder of the year. Almost all of our transformational ministries have re-started in-person (compliant with government guidelines), but some have continued online.

ACHIEVEMENT AND PERFORMANCE

Services, prayer and worship

The number watching our online service July 2021 was 183 (195 in 2020). This includes families watching online together making it difficult to know the exact numbers. A combined in person/online service started in August 2021 with our highest in-person attendance being for the 20th Anniversary Celebration with 450 people attending (500 up to March 2020 prior to the pandemic). Whilst we have had significant numbers of new people attending, overall numbers are slightly down. We are, however, reaching a wider audience of people as many are listening online sometimes days or weeks after the event. The termly 'week of prayer' continued to be well attended with a mixture of zoom and live meetings.

The average attendance to our weekly groups that meet in homes was 224 (239 in 2020). The membership of the church was 284 adults (275 in 2020).

Children and school's work

In our children's work, we have continued to care for our church children and families with a combination of online and in-person sessions. We have adapted well to our new venue with the team increasing in size. By the end of 2021 we were running eight children's groups concurrently on a Sunday morning. In our school's work, we were invited back in-person as soon as the lockdown ended and have run termly after school clubs as well as RE lessons in a Whitley primary school.

Reading Family Church Youth

The youth ministry at Reading Family Church aims to help young people aged 11-18 grow in the understanding of their faith and what it looks like to live out their faith in their everyday lives, as well as providing 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
3. Newday Online.

READING FAMILY CHURCH

REPORT OF THE TRUSTEES **for the Year Ended 31 December 2021**

During 2021 we ran regular 'on-line' sessions on a Friday evening and a Sunday morning until July 2021. From September 2021 we ran 'in-person' sessions for the remainder of the year. The Friday night youth sessions (online & in-person) provided young people with a safe space to socialise, build relationships with one another and youth leaders. Our Sunday sessions (online and in person) were primarily focused on teaching the bible in easy, accessible ways that enabled young people to apply the bible's teaching to their daily lives.

Due to COVID-19, we were unable to take young people to Newday which is the in-person summer camp run by Newfrontiers. We normally take around 35-40 young people and camp for 7 days. Despite the challenges of COVID-19, we were still able to have 3 days watching online content with the youth as well as having food together and playing games.

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 a 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 2021 grants were committed to 10 (2020:21) beneficiaries, totalling £30k (2020: £35K).

Community work

A number of our projects, which had closed because of the pandemic, re-opened as national restrictions were eased in 2021:

Rainbows toddler group started to meet again every week from September 2021 at Katesgrove community centre. We also launched another group in Whitley at the community centre; which continues to grow.

Job club was relocated to the community café in Whitley as we began to build a partnership with Whitley Community Development Association. The links with them grew throughout 2021 with members of RFC visiting their café in order to befriend people in the community.

RFC's Friday group has also re-started and offers a meeting place for those who are lonely and/or on their own. Here we chat, play games and share a light lunch together.

Our CAP debt centre continues to flourish providing support and advice to individuals and families who are struggling in debt. On average, we provide support/advice to 10 new clients every month. In 2021, the team managed to support 13 households in getting free from debt.

Chapter 2, a mentoring project for boys without a male role model, continued to grow in 2021. It now has 7 men from RFC actively involved and another 4 training to become mentors.

Starting Point Reading, an initiative set up by RFC in partnership with The Mustard Tree Foundation in 2012, works with young people aged 16 - 25 who are currently not in education, employment or training. During 2021 this project was replicated in Swindon and Milton Keynes.

At the end of the year we started to build a community hub in south Reading with churches and charities working to serve that community.

Marriage Strengthening & Support

Support in 2021 was restricted to online and telephone support due to the Covid-19 pandemic and limitations on meeting face to face.

Marriage Preparation

We supported five engaged couples who were due to get married in 2021 or 2022 with a couple to couple nine-week course. The course builds skills in the different areas of working out a healthy lifelong relationship. Couples are supported on the wedding day and into their first year of marriage. Following the course, one couple decided against marriage. This was seen as a positive outcome which came as a result of working through the implications of a long-term commitment.

Marriage Support

Throughout the lockdown period, we were able to host one 'lifegroup' which focussed on marriage. Couples signed up themselves to an online version of The Marriage Course and went through the materials in the comfort of their own homes. Participants received a weekly 'encouragement' email to keep going with the course and a whatsapp group was created to hear any insights, difficulties, views and concerns. We have received feedback from group members and, if run again, recordings will be played from a central screenshare to encourage participation on a set evening. At least six couples signed up to this group.

Marriage Crisis Support

As part of the pastoral team our team spoke with several couples in the church to discuss ongoing struggles and how they may be resolved. This has involved further signposting to support services, completing online marriage surveys with focussed work or longer-term regular pastoral support.

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REPORT OF THE TRUSTEES **for the Year Ended 31 December 2021**

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:

Creating Better Futures: a charity based in Reading devoted to helping children and their guardians in the Domboshowa and Mutare regions of Zimbabwe.

Mercy Central: a charity who provide support and services to people facing financial difficulty in the County of Berkshire

Transform Reading: a network of churches and Christian organisations working together to see Reading transformed.

Throughout 2021 RFC also developed links with Brighter Futures for Children (West and South); Cowshed, Readifood, Faith Christian group, Home for Good, Christian Community Action, Communicare and Reading Refugee Support Group.

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 2021. Funds remain in place for such a time as the economic environment improves and a suitable building is available for purchase.

FINANCIAL REVIEW

Financial overview

At 31 December 2021, Reading Family Church had total funds of £2.6m (2020: £2.5m), of which £1m were available for the general purposes of the charity (2020: £0.9m), £1.6m were designated for future purposes by the trustees (2020: £1.5m) and £13,233 were restricted (2020: £61,998).

Total income for 2021 was £780,829 (2020: £821,456). This comprised of two key elements:

- £752,428 (2020: £703,287) 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.
- £8,444 (2020: £12,133) 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 £668,865 (2020: £567,923). Of this, 83% (2020: 78%) was spent on the church's various ministries, and 16% (2020: 18%) was gifted 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 2021 it held a balance of zero (2020: £55).

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 3 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 3 months in the extreme scenario that its income reduces materially over a very short period of time.

READING FAMILY CHURCH

REPORT OF THE TRUSTEES **for the Year Ended 31 December 2021**

FINANCIAL REVIEW

At 31 December 2021 the charity's general reserves were £1.0m. 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 members throughout the year, as well as the prudent saving over the last 18 months to support the higher operating costs and immediate maintenance required in order to use the planned new building once purchased. These costs never materialised due to the termination of the purchase, but a future purchase is still part of the church's strategy. 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.

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 20 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 2021**

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. Currently there are seven Elders, three of whom are full time employees of the church, one of whom is a part time employee and three of whom are 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 11, 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
Sarah Horne	Kids Church
Simon Starling	Visual Team
Gavin & Lucy Thomas	Marriage Ministries
Tex Chettiar	Youth Ministry
Kat Starling	Prophetic Co-ordinator
Clayton Chettiar	Projects
David & Helen Putley	Life Groups
Emma Chettiar	Children with additional needs

Governance

There are four 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 3 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 Transform Reading. 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.

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

READING FAMILY CHURCH

REPORT OF THE TRUSTEES **for the Year Ended 31 December 2021**

Trustees

S E P Green Chair
J R Davis
G Munemo (resigned 14.9.21)
G P Thomas (resigned 14.9.21)
N Davidson
M D Blake
P I Chigada (appointed 10.5.22)
P J Harley (appointed 10.5.22)
M Abdul (appointed 10.5.22)

Company Secretary

N Davidson

Independent Examiner

Brindley Millen Ltd
167 Turners Hill
Cheshunt
Hertfordshire
EN8 9BH

Elders

Mr S Green (Senior Pastor)
Mr S Taylor
Mr R Walker
Mr A Dickens
Mr M Amos
Mr D Mosimabale
Mr A McCullough

Bankers

HSBC plc
26 Broad Street,
Reading,
Berkshire
RG1 2BU

Shawbrook Bank Ltd
Lutea House
Warley Business Park
The Drive, Great Warley
Brentwood
Essex
CM13 3BE

Nationwide Building Society
Kings Park Road
Moulton Park
Northampton
NN3 6NW

Consultants

Stewardship
1 Lambs Passage
London
1 EC1Y 8AB

Solicitors

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

Approved by order of the board of trustees on Sep 20, 2022 and signed on its behalf by:

Sean Green

Sean Green (Sep 20, 2022 16:03 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 2021.

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, 2022 12:39 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, 2022

READING FAMILY CHURCH**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
for the Year Ended 31 December 2021**

	Notes	Unrestricted fund £	Vision Fund £	Restricted funds £	31.12.21 Total funds £	31.12.20 Total funds £
INCOME AND ENDOWMENTS FROM						
Donations and legacies	2	752,428	8,444	5,249	766,121	807,433
Charitable activities	4					
Conferences, events and other income		3,264	-	-	3,264	540
Investment income	3	3,414	8,030	-	11,444	13,483
Total		759,106	16,474	5,249	780,829	821,456
EXPENDITURE ON Charitable activities						
	5					
Church Ministries		555,125	-	518	555,643	444,892
Grants and Ministry gifts		55,639	-	53,496	109,135	103,944
Vision Fund		-	4,087	-	4,087	19,087
Total		610,764	4,087	54,014	668,865	567,923
NET INCOME/(EXPENDITURE)		148,342	12,387	(48,765)	111,964	253,533
RECONCILIATION OF FUNDS						
Total funds brought forward		889,921	1,541,669	61,998	2,493,588	2,240,055
TOTAL FUNDS CARRIED FORWARD		1,038,263	1,554,056	13,233	2,605,552	2,493,588

The notes form part of these financial statements

BALANCE SHEET**31 December 2021**

	Notes	Unrestricted fund £	Vision Fund £	Restricted funds £	31.12.21 Total funds £	31.12.20 Total funds £
FIXED ASSETS						
Tangible assets	12	28,488	-	-	28,488	21,710
CURRENT ASSETS						
Debtors	13	39,274	6,260	-	45,534	38,106
Cash at bank and in hand		1,000,619	1,547,796	13,358	2,561,773	2,448,846
		<u>1,039,893</u>	<u>1,554,056</u>	<u>13,358</u>	<u>2,607,307</u>	<u>2,486,952</u>
CREDITORS						
Amounts falling due within one year	14	(30,118)	-	(125)	(30,243)	(15,074)
NET CURRENT ASSETS		<u>1,009,775</u>	<u>1,554,056</u>	<u>13,233</u>	<u>2,577,064</u>	<u>2,471,878</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,038,263	1,554,056	13,233	2,605,552	2,493,588
NET ASSETS		<u><u>1,038,263</u></u>	<u><u>1,554,056</u></u>	<u><u>13,233</u></u>	<u><u>2,605,552</u></u>	<u><u>2,493,588</u></u>
FUNDS	15					
Unrestricted funds:						
General fund					1,038,263	889,921
Vision Fund					1,554,056	1,541,669
					<u>2,592,319</u>	<u>2,431,590</u>
Restricted funds:						
Church Plant Fund					-	22,184
Covid 19 Fund					12,058	39,308
Other restricted funds					1,175	506
					<u>13,233</u>	<u>61,998</u>
TOTAL FUNDS					<u><u>2,605,552</u></u>	<u><u>2,493,588</u></u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2021.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2021 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- ensuring that the charitable company keeps accounting records that 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 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

BALANCE SHEET - continued

31 December 2021

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 Sep 20, 2022 and were signed on its behalf by:

Natasha Davidson
Natasha Davidson (Sep 20, 2022 16:28 GMT+1)
.....
N Davidson - Trustee

READING FAMILY CHURCH**CASH FLOW STATEMENT****for the Year Ended 31 December 2021**

	Notes	31.12.21 £	31.12.20 £
Cash flows from operating activities			
Cash generated from operations	1	118,620	239,220
Net cash provided by operating activities		118,620	239,220
Cash flows from investing activities			
Purchase of tangible fixed assets		(17,137)	(18,479)
Interest received		11,444	13,483
Net cash used in investing activities		(5,693)	(4,996)
Change in cash and cash equivalents in the reporting period		112,927	234,224
Cash and cash equivalents at the beginning of the reporting period		2,448,846	2,214,622
Cash and cash equivalents at the end of the reporting period		2,561,773	2,448,846

The notes form part of these financial statements

READING FAMILY CHURCH

NOTES TO THE CASH FLOW STATEMENT
for the Year Ended 31 December 2021

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

	31.12.21	31.12.20
	£	£
Net income for the reporting period (as per the Statement of Financial Activities)	111,964	253,533
Adjustments for:		
Depreciation charges	10,359	8,479
Loss on disposal of fixed assets	-	223
Interest received	(11,444)	(13,483)
(Increase)/decrease in debtors	(7,428)	4,999
Increase/(decrease) in creditors	15,169	(14,531)
	<hr/>	<hr/>
Net cash provided by operations	118,620	239,220
	<hr/>	<hr/>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.21	Cash flow	At 31.12.21
	£	£	£
Net cash			
Cash at bank and in hand	2,448,846	112,927	2,561,773
	<hr/>	<hr/>	<hr/>
	2,448,846	112,927	2,561,773
	<hr/>	<hr/>	<hr/>
Total	2,448,846	112,927	2,561,773
	<hr/>	<hr/>	<hr/>

READING FAMILY CHURCH

NOTES TO THE FINANCIAL STATEMENTS **for the Year Ended 31 December 2021**

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 2021**

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 £	31.12.21 Total funds £	31.12.20 Total funds £
Donations	642,982	4,508	647,490	674,559
Gift aid	117,890	741	118,631	132,874
	<u>760,872</u>	<u>5,249</u>	<u>766,121</u>	<u>807,433</u>

In addition to the above, £6,696 was received and £6,751 disbursed as agent (2020: £2,835 received and £5,268 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. There was no balance at the year end (2020: £55) is shown as a creditor on the balance sheet as the monies do not form part of the charity's funds.

3. INVESTMENT INCOME

	Unrestricted funds £	Restricted funds £	31.12.21 Total funds £	31.12.20 Total funds £
Deposit account interest	<u>11,444</u>	<u>-</u>	<u>11,444</u>	<u>13,483</u>

4. INCOME FROM CHARITABLE ACTIVITIES

	Activity	31.12.21 £	31.12.20 £
Conferences, events and other income	Conferences, events and other income	<u>3,264</u>	<u>540</u>

READING FAMILY CHURCH

NOTES TO THE FINANCIAL STATEMENTS - continued **for the Year Ended 31 December 2021**

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Grant funding of activities (see note 6) £	Support costs (see note 7) £	Totals £
Church Ministries	336,653	-	218,990	555,643
Grants and Ministry gifts	1,739	102,926	4,470	109,135
Vision Fund	-	-	4,087	4,087
	<u>338,392</u>	<u>102,926</u>	<u>227,547</u>	<u>668,865</u>

6. GRANTS PAYABLE

	31.12.21 £	31.12.20 £
Grants and Ministry gifts	<u>102,926</u>	<u>97,435</u>

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

	31.12.21 £	31.12.20 £
Africa Inland Mission	5,000	-
Baptist Missionary Society	2,875	3,125
Catalyst Network of Churches	5,000	19,396
Catalyst: Oxford Hub	20,000	20,000
Cedar Home	-	3,000
Chapter 2	3,000	-
Creating Better Futures	3,000	6,000
John 3:16 Trust	-	200
Mercy Central	20,000	-
Peter's Work	-	499
Reading Lifeline	-	200
Stanton House	280	-
Starting Point	5,000	7,000
Transforming Reading	1,000	1,998
Tribe of Benjamin	-	1,143
Gifts to other organisations <£1,000	-	1,712
	<u>65,155</u>	<u>64,273</u>

7. SUPPORT COSTS

	Finance, management, overhead and administration £	Information technology and systems £	Premises, facilities and depreciation £	Governance costs £	Totals £
Church Ministries	42,765	21,382	151,761	3,082	218,990
Grants and Ministry gifts	2,251	263	1,918	38	4,470
Vision Fund	-	-	4,087	-	4,087
	<u>45,016</u>	<u>21,645</u>	<u>157,766</u>	<u>3,120</u>	<u>227,547</u>

READING FAMILY CHURCH

NOTES TO THE FINANCIAL STATEMENTS - continued **for the Year Ended 31 December 2021**

8. NET INCOME/(EXPENDITURE)

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

	31.12.21	31.12.20
	£	£
Depreciation - owned assets	10,359	8,478
Deficit on disposal of fixed assets	-	223
Independent examiners fee	3,120	3,120
	<u> </u>	<u> </u>

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2021 nor for the year ended 31 December 2020.

Mr S E P Green was paid £59,451 (2020: £57,965) 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 2021 nor for the year ended 31 December 2020.

10. STAFF COSTS

	31.12.21	31.12.20
	£	£
Wages and salaries	290,933	280,646
Social security costs	26,344	24,764
Other pension costs	31,876	29,427
	<u> </u>	<u> </u>
	<u>349,153</u>	<u>334,837</u>

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

	31.12.21	31.12.20
All employees	9	8
	<u> </u>	<u> </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 £139,899 (2020: £137,357) in the year.

READING FAMILY CHURCH**NOTES TO THE FINANCIAL STATEMENTS - continued**
for the Year Ended 31 December 2021**11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted fund £	Vision Fund £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM				
Donations and legacies	703,287	12,133	92,013	807,433
Charitable activities				
Conferences, events and other income	540	-	-	540
Investment income	3,440	10,043	-	13,483
Total	707,267	22,176	92,013	821,456
EXPENDITURE ON				
Charitable activities				
Church Ministries	444,662	-	230	444,892
Grants and Ministry gifts	64,386	-	39,558	103,944
Vision Fund	-	19,087	-	19,087
Total	509,048	19,087	39,788	567,923
NET INCOME	198,219	3,089	52,225	253,533
Transfers between funds	1,331	(1,331)	-	-
Net movement in funds	199,550	1,758	52,225	253,533
RECONCILIATION OF FUNDS				
Total funds brought forward	690,371	1,539,911	9,773	2,240,055
TOTAL FUNDS CARRIED FORWARD	889,921	1,541,669	61,998	2,493,588

READING FAMILY CHURCH

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2021

12. TANGIBLE FIXED ASSETS

	Fixtures, fittings & equipment £
COST	
At 1 January 2021	61,261
Additions	17,137
	<hr/>
At 31 December 2021	78,398
	<hr/>
DEPRECIATION	
At 1 January 2021	39,551
Charge for year	10,359
	<hr/>
At 31 December 2021	49,910
	<hr/>
NET BOOK VALUE	
At 31 December 2021	28,488
	<hr/>
At 31 December 2020	21,710
	<hr/>

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.21 £	31.12.20 £
Tax recoverable	10,626	9,996
Other debtors	16,149	8,026
Prepayments	18,759	20,084
	<hr/>	<hr/>
	45,534	38,106
	<hr/>	<hr/>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.21 £	31.12.20 £
Other creditors	6,043	9,445
Accrued expenses	23,565	4,579
Deferred income	635	1,050
	<hr/>	<hr/>
	30,243	15,074
	<hr/>	<hr/>

READING FAMILY CHURCH**NOTES TO THE FINANCIAL STATEMENTS - continued**
for the Year Ended 31 December 2021**15. MOVEMENT IN FUNDS**

	At 1.1.21 £	Net movement in funds £	At 31.12.21 £
Unrestricted funds			
General fund	889,921	148,342	1,038,263
Vision Fund	1,541,669	12,387	1,554,056
	<hr/>	<hr/>	<hr/>
	2,431,590	160,729	2,592,319
Restricted funds			
Church Plant Fund	22,184	(22,184)	-
Covid 19 Fund	39,308	(27,250)	12,058
Other restricted funds	506	669	1,175
	<hr/>	<hr/>	<hr/>
	61,998	(48,765)	13,233
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<hr/> 2,493,588 <hr/>	<hr/> 111,964 <hr/>	<hr/> 2,605,552 <hr/>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	759,106	(610,764)	148,342
Vision Fund	16,474	(4,087)	12,387
	<hr/>	<hr/>	<hr/>
	775,580	(614,851)	160,729
Restricted funds			
Church Plant Fund	412	(22,596)	(22,184)
Covid 19 Fund	2,650	(29,900)	(27,250)
Other restricted funds	2,187	(1,518)	669
	<hr/>	<hr/>	<hr/>
	5,249	(54,014)	(48,765)
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<hr/> 780,829 <hr/>	<hr/> (668,865) <hr/>	<hr/> 111,964 <hr/>

READING FAMILY CHURCH**NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2021****15. MOVEMENT IN FUNDS - continued****Comparatives for movement in funds**

	At 1.1.20 £	Net movement in funds £	Transfers between funds £	At 31.12.20 £
Unrestricted funds				
General fund	690,371	198,219	1,331	889,921
Vision Fund	1,539,911	3,089	(1,331)	1,541,669
	<u>2,230,282</u>	<u>201,308</u>	<u>-</u>	<u>2,431,590</u>
Restricted funds				
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	130	376	-	506
	<u>9,773</u>	<u>52,225</u>	<u>-</u>	<u>61,998</u>
TOTAL FUNDS	<u>2,240,055</u>	<u>253,533</u>	<u>-</u>	<u>2,493,588</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	707,267	(509,048)	198,219
Vision Fund	22,176	(19,087)	3,089
	<u>729,443</u>	<u>(528,135)</u>	<u>201,308</u>
Restricted funds			
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	3,905	(3,529)	376
	<u>92,013</u>	<u>(39,788)</u>	<u>52,225</u>
TOTAL FUNDS	<u>821,456</u>	<u>(567,923)</u>	<u>253,533</u>

READING FAMILY CHURCH

NOTES TO THE FINANCIAL STATEMENTS - continued for the Year Ended 31 December 2021

15. MOVEMENT IN FUNDS - continued

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

	At 1.1.20 £	Net movement in funds £	Transfers between funds £	At 31.12.21 £
Unrestricted funds				
General fund	690,371	346,561	1,331	1,038,263
Vision Fund	1,539,911	15,476	(1,331)	1,554,056
	<u>2,230,282</u>	<u>362,037</u>	<u>-</u>	<u>2,592,319</u>
Restricted funds				
Tribe of Benjamin Fund	1,143	(1,143)	-	-
Church Plant Fund	8,500	(8,500)	-	-
Covid 19 Fund	-	12,058	-	12,058
Other restricted funds	130	1,045	-	1,175
	<u>9,773</u>	<u>3,460</u>	<u>-</u>	<u>13,233</u>
TOTAL FUNDS	<u>2,240,055</u>	<u>365,497</u>	<u>-</u>	<u>2,605,552</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,466,373	(1,119,812)	346,561
Vision Fund	38,650	(23,174)	15,476
	<u>1,505,023</u>	<u>(1,142,986)</u>	<u>362,037</u>
Restricted funds			
Tribe of Benjamin Fund	-	(1,143)	(1,143)
Church Plant Fund	14,162	(22,662)	(8,500)
Covid 19 Fund	77,008	(64,950)	12,058
Other restricted funds	6,092	(5,047)	1,045
	<u>97,262</u>	<u>(93,802)</u>	<u>3,460</u>
TOTAL FUNDS	<u>1,602,285</u>	<u>(1,236,788)</u>	<u>365,497</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 2021**

16. RELATED PARTY DISCLOSURES

During the year the charity received £9,162 from and paid £20,000 to Mercy Central, an organisation for which Mr S Green is Chair of Trustees.

During the year the charity received £7,036 from and paid £200 to Oakwood Youth Challenge, an organisation for which Mr J Davis is the Chair of Trustees.

Mrs E J Green, who is the spouse of Mr S E P Green (a Trustee) received £26,840 (2020: £26,285) gross salary and £2,587 (2020: £2,568) employer pension contributions, in her capacity as Executive Officer.

Ms Z Green who is the daughter of Mr S E P Green (a Trustee) received £1,802 gross salary, in her capacity as office cleaner.

The total amount of donations funded by trustees (and connected parties) and other related parties, was £43,270 (2020: £33,281).

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.