



## **New Covenant Fellowship Church**

(A company limited by guarantee)

### **Annual Report and Financial Statements**

**For the year ended 31<sup>st</sup> October 2023**

**Charity number: 1147874**

**Company number: 7810922**



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(a company limited by guarantee)

## **Annual Report and Financial Statements**

**For the year ended 31<sup>st</sup> October 2023**

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## **Reference and Administrative Information**

### **New Covenant Fellowship Church (NCFC)**

The Trustees present its Management Committee Report and independently examined financial statements for the year ended 31<sup>st</sup> October 2023.

## **Reference and Administrative Information**

Charity Name: New Covenant Fellowship Church

Charity Registration Number: 1147874

Company Registration Number: 7810922

Registered Office: 28 Whipperley Way, Luton, LU1 5LG

Operational Address: Kestin House, 45 Crescent Road, Luton, LU2 0AH

### **Management Committee (Board of Trustees)**

Mr J Henrique dos Santos

Mrs I dos Santos

Mrs S Graham – Chair

Dr S J Pam

Mr N Lannap

Ms B Mutema

**Treasurer:** Mr D Graham

**Independent Examiner of Accounts** – Mr A Hickman, Accountant, Guyvers, Patmore End, Ugley, CM22 6JA

**Bankers** – HSBC, 63 George Street, Luton, LU1 2AR



## **Management Committee Report**

### **Structure, Governance and Management**

#### Governing Document

New Covenant Fellowship Church (NCFC) is a charitable company limited by guarantee. It was incorporated on 14<sup>th</sup> October 2011 and registered as a charity on 28<sup>th</sup> June 2012. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £10.

#### Recruitment and appointment of the Management Committee

The Directors of the company are also the charity trustees for the purposes of charity law and under the company's Articles are known as members of the Management Committee. Under the requirements of the Memorandum and Articles of Association, Directors continue in office until they resign, are removed or pass away.

As and when new members are required, potential candidates will be identified based on their skills, experience and involvement with NCFC. The Management Committee seeks to maintain a range of appropriate organisational and business skills on the committee.

Due to their oversight and responsibility for the Children's Ministry, the Management Committee undertake a Disclosure and Barring Service (DBS) check.

J Henrique dos Santos and Ivanilde dos Santos are both members of the Management Committee and Pastors of the church. J Henrique dos Santos and Ivanilde dos Santos are remunerated by the church for their roles as Pastors and are also permitted to be members of the Management Committee in accordance with the Memorandum and Articles of Association and by the Charity Commission. No other members of the Management Committee were remunerated. One member of the Management Committee received a benefit from the charity in the capacity of a beneficiary of the charity, as per article 6 (a) of the Articles of Association.

#### Trustee induction and training

During 2022-2023, no new trustees were appointed to the Board. All Trustees continued to be familiar with the work and life of the church and some held positions of responsibility within the church in addition to being a Trustee (e.g. as a home group leader).





Potential new Trustees will be provided with information on the roles and responsibilities of Trustees as part of an initial scoping conversation. The information will include previous minutes and company documents (e.g. Annual Reports). Potential candidates will need to successfully pass an interview process involving the Chair and other Trustees before being appointed.

#### Risk Management

The Management Committee previously considered the major risks to which the charity is exposed and identified mitigating actions in place to overcome these risks.

#### Organisational Structure

Six members served on the NCFC Board of Trustees during 2022-2023. The Board can be expanded as the charity requires. The Trustees meet approximately four times a year and they cover the financial and administrative matters of the charity. The Trustees have a mixture of Christian, charity and professional backgrounds relevant to the work of NCFC.

The spiritual leadership of the church has been delegated to the Pastors by the Trustees. Consequently, the Pastors are responsible for setting the spiritual direction for the church. To support the Pastors, the church has a Pastor Support Group who support the Pastors in spiritual and leadership matters. The Pastor Support Group also oversee or support various functions within the church.

#### Decision-making processes

NCFC has a number of decision-making processes in place to ensure that decisions are made in accordance with the aims and objectives of the charity and ensure good financial management.

The key decision-making processes in place are as follows:

1. Spiritual matters – delegated to the Pastors.
2. Financial matters – expenditure up to £200 can be carried out independently by the Pastors. Expenditure over £200 has to be agreed by the Trustees.
3. Governance matters – carried out by the Trustees.



### Related Parties

The charity is affiliated to New Covenant Fellowship in Brazil (Igreja Evangelica Nova Alianca). It is also supports a number of Christian charities and outreach projects including Compassion UK and Open Doors.

### Financial Review and Reserves

The church receives its funding from tithes, offerings, donations given by members of the congregation, events income and gift aid. The church's income remained broadly in line with the previous year, with income at £74,350 (2021-22: £73,506).

NCFC aims to hold sufficient unrestricted funds not designated or invested in fixed assets (i.e. "free reserves") to meet three months expected committed expenditure. In 2022-23, the charity had sufficient reserves to meet this level of expenditure. NCFC will continue to hold this level of reserves and take mitigating actions accordingly if reserves were to dip below this level.

## **Objectives and Activities**

### Purpose

New Covenant Fellowship Church is a registered charity and a company limited by guarantee. The charity's objects contained in the company's Memorandum of Association are:

- To advance the Christian faith for the public benefit.

The church has an overarching goal to 'make Jesus too big to ignore.' The church's vision and mission is based on seven key principles which govern the priorities and focus of the church.

The seven key principles are:

- 1) Love God
- 2) Love people
- 3) Live according to the Word of God (the Holy Bible)
- 4) Live in the power of the Holy Spirit
- 5) Live a life of holiness
- 6) Live a life of freedom
- 7) Live a life of revelation

The Trustees have regard to the Commission's public benefit guidance when exercising any powers or duties to which the guidance is relevant and take this into account when planning the



activities and focus for the year. The church continued key activity to help fulfil its purpose and mission.

#### Performance and Achievements

The church continued to develop its activities during the year through core activity (including church services, prayer meetings and discipleship) and developing new areas which helped to increase its impact and growth. Activities includes:

- Main Sunday daytime service – Sunday services took place throughout the year in-person (with an online presence). The services incorporated vibrant worship, teaching, preaching and prayer. The Sunday services were open to all church and non-church members.
- Portuguese service – a Sunday evening service was started for Portuguese-speaking people which helped to provide fellowship, teaching and discipleship.
- Young adults (18+) – ‘As One’ group – this continued for part of the year with good attendance. This came to a close after the coordinators moved back overseas, however the group will be resumed in the future.
- Children’s activities – these continued throughout the year with just a small number of children.
- Cell groups – the weekly meetings of smaller groups of church members took place throughout the year. Three groups met in person and one group met online and proved to be invaluable for providing fellowship, spiritual growth, accountability and support.
- Prayer, intercession and healing services – these continued throughout the year.
- Structured bible reading plan.
- Encounter with God (inner healing conference) – two conferences took place during the year which were well attended and had excellent feedback.
- Other outreach activity – e.g. street evangelism, a self-esteem course, men’s fellowship events (e.g. breakfasts, barbecue) and women’s fellowship events (breakfast, afternoon tea, preparation for a women’s conference).

The church continued to develop its social media presence and this grew significantly during the year, developing an established online presence on key social media platforms such as Instagram and Facebook.





During the financial year, the church continued to support missionary activity within Igreja Evangelica Nova Alianca, Brazil (with funds transferred retrospectively after the year-end each year). The church also supported mission work in Rwanda, Thailand and Turkey. It continued to sponsor two children through the charity, Compassion UK. NCFC supported the international charity, Open Doors, which provides support to persecuted Christians.

#### Plans for Future Periods

NCFC will continue to fulfil its mission and vision of loving God, loving people and making Jesus too big to ignore. It will continue to develop its social media presence and maintain its focus on outreach, teaching, intercession, prayer support, discipleship, fellowship and missionary support.

### **Responsibilities of the Management Committee**

Company law requires that the Management Committee prepare a Management Committee Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees (Management Committee) to prepare financial statements which give a true and fair view of the state of the affairs of the charitable company as at the balance sheet date and of its incoming resources and applications of resources, including income and expenditure, for the financial year.

In preparing those financial statements, the Management Committee are required to:

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

The Management Committee is responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable





them to ensure that the financial statements comply with the Companies Act 1985, the Financial Reporting Standard for Smaller Entities, the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. The Management Committee is also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### Members of the Management Committee

Members of the Management Committee, who are Directors for the purpose of company law and trustees for the purpose of charity law, who served during the year and up to the date of this report, are set out on page A3. Donald Graham continued to serve as a treasurer but does not serve as a trustee.

In accordance with company law, as the company's directors, we certify that:

- so far as we are aware, there is no relevant information of which the company's independent examiner of accounts is unaware;
- as the directors of the company we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant information and to establish that the charity's independent examiner of accounts is aware of that information.

#### Independent Examiner of Accounts

Mr A Hickman was appointed as the charitable company's accountant and independent examiner of the accounts.

The Trustees consider that an audit is not required for this year and that an Independent Examination is needed (as per the conditions set out in the Charities Act 2011).

Approved by the Management Committee on 25/07/24 and signed on its behalf by:

Mrs S Graham (Director) *Sally L. Graham*

**New Covenant Fellowship Church  
Company Limited by Guarantee**

**Year ended 31 October 2023**

I report on the Accounts of the Charity for the year ended 31st October 2023 which are set out on the following pages.

**Respective responsibilities of Trustees and Examiner**

The Charity's Trustees are responsible for the preparation of the Accounts. The Charity's Trustees consider that an audit is not required for this year under section 43 (2) of the Charities Act 1993 (the 1993 Act) and that an Independent Examination is needed

It is my responsibility to:

- (i) examine the Accounts under Section 43(3)(a) of the 1993 Act;
- (ii) follow the procedures laid down in the General Directions given by the Charity Commission under Section 43(7)(b) of the said 1993 Act; and
- (iii) state whether particular matters have come to my attention.

**Basis of Independent Examiner's Report**

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the Charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts

**Independent Examiner's Statement**

In connection with my examination no matter has come to my attention:

- (1) which gives me reasonable cause to believe in any material respect the requirements (i) to keep accounting records in accordance with Section 41 of the Charities Act 1993; and
- (ii) to prepare Accounts which accord with the accounting records and to comply with the accounting requirements of the said 1993 Act have not been met, or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the Accounts to be reached.

Mr A Hickman - Accountant

Guyvers  
Patmore End  
Ugley  
CM22 6JA

**New Covenant Fellowship Church  
Company Limited by Guarantee  
Statement of Income and Retained Earnings  
Year ended 31 October 2023**

	Note	2023 £	2022 £
Turnover		57922	57389
Operating Income		<u>57922</u>	<u>57389</u>
Administrative expenses		74695	79387
other operating income		<u>16428</u>	<u>16117</u>
Surplus / (deficit) Income & Expenditure		-344	-5881
Deficit before taxation	5	<u>-344</u>	<u>-5881</u>
Tax on surplus		-	-
Deficit for the financial year and total comprehensive income		<u><u>-344</u></u>	<u><u>-5881</u></u>
Retained earnings at the start of the year		<u>48362</u>	<u>54243</u>
Retained earnings at the end of the year		<u><u>48018</u></u>	<u><u>48362</u></u>

All the activities of the company are from continuing operations.



**New Covenant Fellowship Church  
Company Limited by Guarantee  
Statement of Financial Position  
31st October 2023**

		2023	2022
Fixed assets	Note	£	£
Tangible assets	6	1040	0
Current assets			
Cash at bank and in hand		47268	48642
Creditors: due within one year	7	290	280
Net current assets		46978	48362
Total assets less current liabilities		<u>48018</u>	<u>48362</u>
Net assets		<u><u>48018</u></u>	<u><u>48362</u></u>
Capital and reserves			
Profit and loss account		48018	48362
Members funds		<u><u>48018</u></u>	<u><u>48362</u></u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with Section 1A of FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland. For the year ending 31 October 2023 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

**Directors' responsibilities**

- \* The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- \* The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements. These financial statements were approved by the board of directors and authorised for issue on 25/07/24, and are signed on behalf of the board by:



S Graham  
Director

Company registration number: 07810922

The notes on pages 5 to 7 form part of these financial statements.

**New Covenant Fellowship Church  
Company Limited by Guarantee  
Notes to the Financial Statements  
Year ended 31 October 2023**

**1. General information**

The company is a private company limited by guarantee, registered in England and Wales. The address of the registered office is 28 Whipperley Way, Luton, Beds, LU1 5LG.

**2. Statement of compliance**

These financial statements have been prepared in compliance with Section 1A of FRS 102, The Financial Reporting Standard applicable in the UK and the Republic of Ireland

**3. Accounting policies**

**Basis of preparation**

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity

**Tangible assets**

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation & subsequent accumulated impairment losses. An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit and loss.

**Depreciation**

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Musical & sound equipment - 25% straight line

**Impairment of fixed assets**

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.



**New Covenant Fellowship Church  
Company Limited by Guarantee  
Notes to the Financial Statements (continued)  
Year ended 31 October 2023**

3. Accounting policies (continued)

Impairment of fixed assets (continued)

For impairment testing of goodwill, the goodwill acquired in a business combination is from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities. Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability. Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

4. Company limited by guarantee

The company has no share capital and is limited by guarantee.

5. Deficit before taxation

Deficit before taxation is stated after charging:

	2023	2022
	£	£
Depreciation of tangible assets	<u>228</u>	<u>2047</u>
6. Tangible assets		
Equipment Total	Equipment	Total
	£	£
Cost		
At 1 November 2022 and 31 October 2023	13110	13110
Additions	1268	
<u>Depreciation</u>		
At 1 November 2022	13110	11063
Charge for the year	<u>228</u>	<u>2047</u>
At 31 October 2023	13338	13110
Carrying amount		
At 31 October 2023	<u>1040</u>	<u>0</u>
At 31 October 2022	<u>0</u>	<u>0</u>



**New Covenant Fellowship Church  
Company Limited by Guarantee  
Notes to the Financial Statements (continued)  
Year ended 31 October 2023**

7. Creditors: amounts falling due within one year

	2023	2022
£		£
	290	280

8. Related party transactions

No transactions with related parties were undertaken such as are required to be disclosed

**New Covenant Fellowship Church  
Company Limited by Guarantee  
Management Information  
Year ended 31 October 2023**

The following pages do not form part of the financial statements

**New Covenant Fellowship Church**  
**Detailed Income Statement**  
**Year ended 31 October 2023**

	2023	2022
	£	£
Turnover	57922	57389
Operating Income	<u>57922</u>	<u>57389</u>
Sundry Income	2320	57389
	<u>60242</u>	
Overheads		
Administrative expenses	74695	79387
Other operating income	14108	16117
Surplus / (deficit) income & expenditure	<u>-344</u>	<u>-5881</u>
Deficit before taxation	<u><u>-344</u></u>	<u><u>-5881</u></u>



**New Covenant Fellowship Church**  
**Notes to the Detailed Income Statement**  
**Year ended 31 October 2023**

	2023	2022
	£	£
<u>Establishment expenses</u>		
Rent & rates	8579	7800
Insurance and compliance	572	875
	<u>9151</u>	<u>8675</u>
<u>General expenses</u>		
Travel and conference costs	1924	1660
Pastor & speaker costs	50450	47343
Mission costs	0	8258
Printing, Postage and Stationery	174	0
Equipment/building repairs and renewals	56	599
Staff costs	145	4289
Payroll costs	0	24
Subscriptions	741	199
Events/Evangelism/advertising	1128	1204
Giving	0	100
Gifts /Hardship Fund	5240	0
Books	0	0
Computer/Zoom & accessories	3299	2703
Hospitality	723	873
Legal and professional fees	719	536
Accountancy fees	290	280
Sundry Expenses	259	406
Depreciation of tangible assets	228	2047
	<u>65375</u>	<u>70520</u>
 Financial costs		
Bank charges	169	192
	<u>65544</u>	<u>70712</u>
 Other operating income		
Other operating income - Gift Aid	12543	15083
Other operating income - Events	1565	1034
	<u>14108</u>	<u>16117</u>