

Charity Registration No. 01156053

Company Registration No. 08811198 (England and Wales)

NORTHWOOD CHAPEL
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

NORTHWOOD CHAPEL

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr A P Kellard Mr G A Peel Rev P D Roberts
Secretary	Mr A P Kellard
Charity number	01156053
Company number	08811198
Principal address	Northwood Chapel Bigdale Drive Northwood Kirkby Merseyside L33 6XG
Registered office	Northwood Chapel Bigdale Drive Northwood Kirkby Merseyside L33 6XG
Independent examiner	Jean Ellis BA FCA CTA DSG Castle Chambers 43 Castle Street Liverpool L2 9TL

NORTHWOOD CHAPEL

CONTENTS

	Page
Trustees report	1 - 3
Independent examiner's report	4
Statement of financial activities	5
Balance sheet	6
Notes to the financial statements	7 - 13

NORTHWOOD CHAPEL

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2020

The Trustees present their report and financial statements for the year ended 31 December 2020.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charity's governing document, the Companies Act 2006 and "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

The charity aims to present the Christian message of the Gospel of Jesus Christ as written in the Holy Scriptures, to men, women and children, in particular, but not limited to, those who live in Kirkby. These aims are met by reaching out to those in need, whatever those needs might be.

Our aim has been to minister to those who are in need spiritually and physically, through the preaching of God's Word and supply of food when possible. From March, due to Covid 19 we have met online through Zoom and other internet mediums.

The Charity was unable to hold a Mission week in August because of the current Covid 19 Pandemic. But during this time the people of Kirkby were able to access the Kirkby Foodbank, run by the charity for the local populace.

The Trustees have paid due regard to guidance issued by the Charities Commission in deciding what activities the charity should undertake.

Volunteers

The charity makes use of volunteers during the course of the year in many of its activities. These duties may include, and this list is not exhaustive – Assisting in the preparation of food, serving members of the public, helping with youth work, delivering tinned food etc. Most volunteers come from local churches in the Merseyside area, but some come from further afield.

Achievements and performance

In the last year there has been much activity with various church based activities, which have been accessed by certain areas of the community.

During the year a youth work has run on a Tuesday evening, and this has attracted a number of children from the local populace, both primary school and high school ages. They have enjoyed games, singing, Bible teaching and craftwork. This was curtailed somewhat by the Covid 19 Pandemic, but some meetings were held on line. As stated earlier, the charity was not able to carry out an evangelistic mission in the centre of Kirkby due to the Covid 19 Pandemic.

All of the activities during the year have been supported by church members and volunteers from other areas. The church also organizes a LAMB,s group, which is for Ladies and Mums with Babies. This group is primarily for ladies in the community, some who may have small children. This was well attended earlier in the year, but again had to be curtailed due to the Pandemic. The Charity were able, throughout the Pandemic, to continue with the Food Bank. For those who were unable to come out of their homes for whatever reason, deliveries were made to help and support those in need. This has been a vital work amongst the community, especially when so many found themselves in need of support because of loss of wages etc. We are grateful for those who have supported this work, financially and through the donation of tins etc. It has been a privilege to see Kirkby people supporting Kirkby people throughout this time of great need.

NORTHWOOD CHAPEL

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) **FOR THE YEAR ENDED 31 DECEMBER 2020**

Financial review

The charity received incoming resources of £52,910 (2019: £34,014) and expended £35,229 (2019: £35,687), resulting in a surplus of £17,681 (2019: net deficit of £1,673) in the period covered by the accounts. The balance sheet of the charity remains good with a net asset value of £28,674 (2019: £10,993).

Principle funding sources over the year have been from church offerings, private gifts, and one Trust.

It is the policy of the Charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six months' expenditure. The Trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

No funds were materially in deficit during the period covered by these accounts.

The Trustees have assessed the major risks to which the Charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Plans for the future:

To continue to seek out and identify a building suitable for the expansion of work amongst the community.

To continue to engage with the people of Kirkby to seek out new avenues of need.

To continue to support the local citizens through a food bank operating from the church premises.

To plan and prepare for a week long mission in the centre of Kirkby, and to provide activities for the community during the five day long "Passion for Kirkby" event.

Structure, governance and management

The Charity is a company limited by guarantee.

The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr A P Kellard

Mr G A Peel

Rev P D Roberts

New Trustees will always be appointed following nominations and voting by existing Trustees. They must possess a good balance of skills, and be of good character.

None of the Trustees has any beneficial interest in the Company. All of the Trustees are members of the Company and guarantee to contribute £1 in the event of a winding up.

New Trustees undergo a full induction process and receive copies of key and relevant documents from both the Charity Commission and Companies House, outlining the roles and responsibilities of the Charity Trustee.

The position of Church Pastor (Remunerated) is occupied by Mr G A Peel. This is a salaried position and was approved by the Charity Commission when the charity was established.

There were three Trustees at the end of the financial year. The Trustees are responsible for the finances of the charity and employment of all staff. The Church Pastor is responsible for overseeing the pastoral and spiritual life of the Charity.

NORTHWOOD CHAPEL

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) ***FOR THE YEAR ENDED 31 DECEMBER 2020***

The Trustees report was approved by the Board of Trustees.

Mr A P Kellard

Trustee

Dated: 9 September 2021

NORTHWOOD CHAPEL

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF NORTHWOOD CHAPEL

I report to the Trustees on my examination of the financial statements of Northwood Chapel (the Charity) for the year ended 31 December 2020.

Responsibilities and basis of report

As the Trustees of the Charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the Charity 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 the Charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

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

- 1 accounting records were not kept in respect of the Charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements 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 financial statements 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 financial statements to be reached.

Jean Ellis BA FCA CTA
DSG
Castle Chambers
43 Castle Street
Liverpool
L2 9TL

Dated: 9 September 2021

NORTHWOOD CHAPEL

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2020

		Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £
	Notes						
<u>Income from:</u>							
Donations and legacies	2	17,686	35,219	52,905	17,701	16,302	34,003
Investments	3	5	-	5	11	-	11
Total income		17,691	35,219	52,910	17,712	16,302	34,014
<u>Expenditure on:</u>							
Charitable activities	4	10,707	24,522	35,229	19,385	16,302	35,687
Net income/(expenditure) for the year/ Net movement in funds		6,984	10,697	17,681	(1,673)	-	(1,673)
Fund balances at 1 January 2020		10,993	-	10,993	12,666	-	12,666
Fund balances at 31 December 2020		17,977	10,697	28,674	10,993	-	10,993

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

NORTHWOOD CHAPEL

BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
Current assets					
Cash at bank and in hand		29,593		11,932	
Creditors: amounts falling due within one year	8	<u>(919)</u>		<u>(939)</u>	
Net current assets			<u>28,674</u>		<u>10,993</u>
Income funds					
Restricted funds	9		10,697		-
Unrestricted funds			<u>17,977</u>		<u>10,993</u>
			<u>28,674</u>		<u>10,993</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2020.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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.

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

The financial statements were approved by the Trustees on 9 September 2021

Mr A P Kellard
Trustee

Company Registration No. 08811198

NORTHWOOD CHAPEL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

Charity information

Northwood Chapel is a private company limited by guarantee incorporated in England and Wales. The registered office is Northwood Chapel, Bigdale Drive, Northwood, Kirkby, Merseyside, L33 6XG.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Charity's governing document, the Companies Act 2006 and "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)". The Charity is a Public Benefit Entity as defined by FRS 102.

The Charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the Charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the Charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the Charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

1.5 Expenditure

Income and expenses are included in the financial statements as they become receivable or due.

Expenses include VAT where applicable as the company cannot reclaim it.

NORTHWOOD CHAPEL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

1.6 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Impairment of financial assets

Financial assets, other than those held at fair value through income and expenditure, are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected.

If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in net income/(expenditure) for the year.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in net income/(expenditure) for the year.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the Charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Charity's contractual obligations expire or are discharged or cancelled.

NORTHWOOD CHAPEL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

1.7 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.8 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2020 £	2020 £	2020 £	2019 £	2019 £	2019 £
Donations and gifts	14,205	35,219	49,424	17,701	16,302	34,003
Covid-19 Job Retention Scheme Grant	3,481	-	3,481	-	-	-
	<u>17,686</u>	<u>35,219</u>	<u>52,905</u>	<u>17,701</u>	<u>16,302</u>	<u>34,003</u>

3 Investments

	Unrestricted funds	Unrestricted funds
	2020 £	2019 £
Interest receivable	<u>5</u>	<u>11</u>

NORTHWOOD CHAPEL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

4 Charitable activities

	2020 £	2019 £
Staff costs	13,403	12,949
Passion for Kirby	960	7,270
Affiliation	3,000	3,000
Utilities	2,717	2,382
Missionary giving	900	1,000
Insurance	1,084	1,041
Speaker expenses	215	899
Books and CD's	127	380
Outreach/Evangelism	699	2,185
Easter gift	1,100	445
Consumables	108	133
Building and equipment costs	1,446	803
Foodbank	8,233	1,984
	<u>33,992</u>	<u>34,471</u>
Share of governance costs (see note 5)	1,237	1,216
	<u>35,229</u>	<u>35,687</u>
Analysis by fund		
Unrestricted funds	10,707	19,385
Restricted funds	24,522	16,302
	<u>35,229</u>	<u>35,687</u>

NORTHWOOD CHAPEL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

5 Support costs

	Support costs £	Governance costs £	2020 £	Support costs £	Governance costs £	2019 £
Legal and professional	-	349	349	-	301	301
Independent examination fees	-	888	888	-	915	915
	-	1,237	1,237	-	1,216	1,216
Analysed between Charitable activities	-	1,237	1,237	-	1,216	1,216

Governance costs includes payments to the independent examiner of £888 (2019: £915) for examination fees.

6 Trustees

Other than as noted below, none of the Trustees (or any persons connected with them) received any remuneration, expenses or benefits from the Charity during the year.

The position of Church Pastor (Remunerated) is occupied by Mr G A Peel, a Trustee of the charity. This is a salaried position and was approved by the Charity Commission when the charity was established. Salary and pension contributions of of £13,403 (2019: £12,949) were paid in the year.

7 Employees

The average monthly number of employees during the year was:

	2020 Number	2019 Number
Church pastor and support	1	1
Employment costs	2020 £	2019 £
Wages and salaries	13,205	12,766
Other pension costs	198	183
	13,403	12,949

There were no employees whose annual remuneration was £60,000 or more.

NORTHWOOD CHAPEL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

8 Creditors: amounts falling due within one year

	2020 £	2019 £
Accruals and deferred income	919	939

9 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			Movement in funds		
	Incoming resources	Resources expended	Balance at 1 January 2020	Incoming resources	Resources expended	Balance at 31 December 2020
	£	£	£	£	£	£
Donations	8,955	(8,955)	-	26,359	(17,863)	8,496
Evangelism	7,347	(7,347)	-	3,860	(1,659)	2,201
National Lottery Awards for All	-	-	-	5,000	(5,000)	-
	16,302	(16,302)	-	35,219	(24,522)	10,697

Donations - this represents gifts given towards the Pastor's salary, foodbank, books and CDs, and Easter gifts.

Evangelism - this represents gifts given towards Passion for Kirby and The Vine project.

National Lottery Awards for All - this represents a grant given towards the Kirkby Foodbank service.

10 Analysis of net assets between funds

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £
Fund balances at 31 December 2020 are represented by:						
Current assets/ (liabilities)	17,977	10,697	28,674	10,318	675	10,993
	17,977	10,697	28,674	10,318	675	10,993

NORTHWOOD CHAPEL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

11 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2020 £	2019 £
Aggregate compensation	13,403	12,949