

Charity registration number 1168131

TRANSFORM SOUTHWARK
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

TRANSFORM SOUTHWARK

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Obafemi Omisade Chris Price Lincoln Serwanga Philip Stokes
Charity number	1168131
Registered office	The Wells Community Church Wells Way London SE5 7SY
Accountant	Richard F Hopper 4 Rhodfa Clawdd Offa Denbigh Denbighshire LL16 4RJ

TRANSFORM SOUTHWARK

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TRANSFORM SOUTHWARK

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2023

The trustees present their annual report and financial statements for the year ended 31 March 2023.

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 constitution, the Charities Act 2011 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's objects are to advance the Christian religion for the benefit of the public, primarily through partnering with, supporting and facilitating unity and action among Southwark churches and faith-based organisations.

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

Achievements and performance

Details of the charity's achievements during the year are set out in a separate annual report.

Financial review

The income and expenditure for the year and the financial position at the end of the year are summarised in the attached accounts. The trustees consider the financial position to be satisfactory.

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 month's 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.

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.

Structure, governance and management

The charity is a charitable incorporated organisation.

The trustees who served during the year and up to the date of signature of the financial statements were:

Obafemi Omisade

Chris Price

Lincoln Serwanga

Philip Stokes

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.

The charity is run by the trustees who are appointed by the other trustees or by the members in general meeting from representatives of churches and other supporting organisations in the London Borough of Southwark.

TRANSFORM SOUTHWARK

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

The trustees' report was approved by the Board of Trustees.

Philip Stokes
.....
Philip Stokes
Trustee

Date:

TRANSFORM SOUTHWARK

CHARTERED ACCOUNTANT'S REPORT TO THE TRUSTEES ON THE PREPARATION OF THE UNAUDITED FINANCIAL STATEMENTS OF TRANSFORM SOUTHWARK FOR THE YEAR ENDED 31 MARCH 2018

In order to assist you to fulfil your duties under the Charities Act 2011, I have prepared for your approval the financial statements of Transform Southwark for the year ended 31 March 2023, which comprise the statement of financial activities and the related notes from the charity's accounting records and from information and explanations you have given me.

As a practising member firm of the Institute of Chartered Accountants in England and Wales, I am subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance/>

This report is made to the charity's trustees, as a body, in accordance with the terms of my engagement letter dated 22 February 2018. My work has been undertaken solely to prepare for your approval the financial statements of Transform Southwark and state those matters that I have agreed to state to the charity's trustees, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than Transform Southwark and the charity's trustees as a body, for my work or for this report.

It is your duty to ensure that Transform Southwark has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and deficit of Transform Southwark. You consider that Transform Southwark is exempt from the statutory audit requirement for the year, and is not required to obtain an independent examiner's report.

I have not been instructed to carry out an audit or a review of the financial statements of Transform Southwark. For this reason, I have not verified the accuracy or completeness of the accounting records or information and explanations you have given to me and I do not, therefore, express any opinion on the statutory financial statements.

Richard F Hopper

Chartered Accountant

Richard Hopper
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4 Rhodfa Clawdd Offa
Denbigh
Denbighshire
LL16 4RJ

TRANSFORM SOUTHWARK

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

		Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
	Notes						
<u>Income from:</u>							
Donations and legacies	3	2,800	1,980	4,780	1,800	2,030	3,830
Investments	4	25	-	25	-	-	-
Total income		<u>2,825</u>	<u>1,980</u>	<u>4,805</u>	<u>1,800</u>	<u>2,030</u>	<u>3,830</u>
<u>Expenditure on:</u>							
Charitable activities	5	<u>3,927</u>	<u>1,859</u>	<u>5,786</u>	<u>363</u>	<u>2,232</u>	<u>2,595</u>
Net (expenditure)/income for the year/ Net movement in funds		(1,102)	121	(981)	1,437	(202)	1,235
Fund balances at 1 April 2022		<u>12,499</u>	<u>4,311</u>	<u>16,810</u>	<u>11,062</u>	<u>4,513</u>	<u>15,575</u>
Fund balances at 31 March 2023		<u><u>11,397</u></u>	<u><u>4,432</u></u>	<u><u>15,829</u></u>	<u><u>12,499</u></u>	<u><u>4,311</u></u>	<u><u>16,810</u></u>

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

All income and expenditure derive from continuing activities.

TRANSFORM SOUTHWARK

BALANCE SHEET

AS AT 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
Current assets					
Cash at bank and in hand		16,770		18,005	
Creditors: amounts falling due within one year	11	<u>(941)</u>		<u>(1,195)</u>	
Net current assets			<u>15,829</u>		<u>16,810</u>
Income funds					
Restricted funds	12		4,432		4,311
Unrestricted funds			<u>11,397</u>		<u>12,499</u>
			<u>15,829</u>		<u>16,810</u>

The financial statements were approved by the Trustees on

Chris Price

.....
Chris Price
Trustee

Philip Stokes

.....
Philip Stokes
Trustee

TRANSFORM SOUTHWARK

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

Charity information

Transform Southwark is a charitable incorporated organisation

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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 not to prepare a Statement of Cash Flows.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

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, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. 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 Incoming resources

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 Resources expended

Expenditure is charged in the accounts at the time when a liability to make payment is incurred.

TRANSFORM SOUTHWARK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

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.

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.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2023 £	2023 £	2023 £	2022 £	2022 £	2022 £
Donations and gifts	2,800	1,980	4,780	1,800	2,030	3,830

TRANSFORM SOUTHWARK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

4 Investments

	Unrestricted funds	Total
	2023 £	2022 £
Interest receivable	25	-

5 Charitable activities

	General church projects 2023 £	General church projects 2022 £
Direct project costs	1,832	2,013
Grant funding of activities (see note 6)	50	-
Share of support costs (see note 7)	3,874	282
Share of governance costs (see note 7)	30	300
	<u>5,786</u>	<u>2,595</u>
Analysis by fund		
Unrestricted funds	3,927	363
Restricted funds	<u>1,859</u>	<u>2,232</u>
	<u>5,786</u>	<u>2,595</u>

6 Grants payable

	General church projects 2023 £	2022 £
Grants to institutions:		
Grants to individuals	50	-
	<u>50</u>	<u>-</u>

-

TRANSFORM SOUTHWARK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

7 Support costs

	Support costs	Governance costs	2023	Support costs	Governance costs	2022
	£	£	£	£	£	£
Administrative expenses	3,874	-	3,874	282	-	282
Accountancy	-	30	30	-	300	300
	<u>3,874</u>	<u>30</u>	<u>3,904</u>	<u>282</u>	<u>300</u>	<u>582</u>
Analysed between						
Charitable activities	<u>3,874</u>	<u>30</u>	<u>3,904</u>	<u>282</u>	<u>300</u>	<u>582</u>

Governance costs includes payments to the independent accountant of £330 (2022- £300) for accountancy fees

8 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

9 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Total	<u>-</u>	<u>-</u>

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

10 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

11 Creditors: amounts falling due within one year

	2023 £	2022 £
Accruals and deferred income	<u>941</u>	<u>1,195</u>

TRANSFORM SOUTHWARK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

12 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			
	Balance at 1 April 2021	Incoming resources	Resources expended	Balance at 1 April 2022	Incoming resources	Resources expended	Balance at 31 March 2023
	£	£	£	£	£	£	£
Street Pastors	4,513	2,030	(2,232)	4,311	1,980	(1,859)	4,432

13 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total Unrestricted funds	Restricted funds	Total
	2023	2023	2023	2022	2022
	£	£	£	£	£
Fund balances at 31 March 2023 are represented by:					
Current assets/(liabilities)	11,397	4,432	15,829	12,498	16,810
	11,397	4,432	15,829	12,498	16,810

14 Related party transactions

There were no disclosable related party transactions during the year (2022 - none).