

COVENANT CHURCH

FINANCIAL STATEMENTS AND ANNUAL

REPORT

FOR THE YEAR ENDED 31 MARCH 2023

CHARITY NUMBER: 1169459

COMPANY NUMBER: 09692379

COVENANT CHURCH
FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2023

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COVENANT CHURCH
TRUSTEES ANNUAL REPORT
YEAR ENDED 31 MARCH 2023

The trustees, who are also directors for the purposes of company law, have pleasure in presenting their report and the unaudited financial statements of the charity for the year ended 31 March 2023.

REFERENCE AND ADMINISTRATIVE DETAILS

REGISTERED CHARITY NAME	COVENANT CHURCH
CHARITY REGISTRATION NUMBER	1169459
COMPANY NUMBER:	09692379
PRINCIPAL/REGISTERED OFFICE	THE DESTINY CENTRE KENT ROAD PORTSWOOD SOUTHAMPTON HAMPSHIRE SO17 2LJ

THE TRUSTEES

The trustees who served the church during the period were as follows:

- ❖ MRS CANDYLOR MUTANDIRO
- ❖ DR DAVID ANTWI
- ❖ MR JOSEPH ANERTY-QUAYE
- ❖ DR ABIGAIL PAUL-ODDOYE
- ❖ REV JAMES HANSEN-SACKEY
- ❖ MR EMMANUEL LAWAL
- ❖ MR KUDZAI CHIKODZORE

PASTORS & MINISTERS-IN-CHARGE

- ❖ DR. JOHN PAUL ODDOYE
- ❖ DR. ABIGAIL PAUL-ODDOYE

BANKERS

HSBC PLC
55 ABOVE BAR STREET
SOUTHAMPTON
SO14 7DS

ACCOUNTANT

JOSBEN ACCOUNTANCY LIMITED
(CHARTERED CERTIFIED ACCOUNTANTS)
30 BONCHURCH CLOSE,
SOUTHAMPTON. SO16 3EH

COVENANT CHURCH
TRUSTEES ANNUAL REPORT *(continued)*
YEAR ENDED 31 MARCH 2023

STATUS

The Charity is constituted and registered with the Charity Commission (charity number 1169459) and the Companies House (number 09692379).

STRUCTURE, GOVERNANCE AND MANAGEMENT

The trustees in conjunction make all decisions with the Senior Pastor who chairs all meetings. The charity has different functional areas, which are headed by the trustees or a member of the church according to the required expertise.

RELATIONSHIPS

The charity is associated with other reputable and recognised organisations nationally and internationally. From time to time, trustees or the ministers have been delegated to represent the church at meetings and conferences. The church has given financial and spiritual support to such organisations in the pursuit of our objectives and realisation of our visions.

OBJECTIVES AND ACTIVITIES

Covenant Church aims to enrich the spiritual, educational, social, physical and cultural needs of its members and the wider community through the advancement of the Christian faith by teaching Christian truth and such other means as the trustees shall in their discretion deem fit.

The specific objectives of which the ministry is established are:

1. Evangelism and Christian Education

- To reach out to all sectors of the community with the gospel
- To promote Youth and Christian Education (YCE) to interested members of the community
- Involvement in community life by promoting and publicising social and cultural interests
- Training and equipping believers to fulfil their calling in the body of Christ.

COVENANT CHURCH
TRUSTEES ANNUAL REPORT *(continued)*
YEAR ENDED 31 MARCH 2023

2. Community Care and Inter Church Relationships

- To undertake charitable activities within the community
- To operate a Southampton wide Christian help-line to support and relieve Christians who are experiencing pain and difficulties in their faith
- Provide free counselling and prayer sessions for the emotional, spiritual, and physical wellbeing of the sick and the hurting in the wider community
- Establishing links with local bible-based Churches (networking) to proactively strengthen relationships with other Christians and enhance community life.

ACHIEVEMENTS AND PERFORMANCE

Covenant Church celebrated its 17th year anniversary in October 2022, a milestone for which we are grateful to God that we have achieved. Our goal remains the same, to spread the Good News of our Lord Jesus Christ and make disciples of nations according to His Great Commission. Our prayer and expectation are that God will continue to use Covenant Church as an instrument of salvation in our world.

The world was still grappling with the effects of the COVID pandemic and while this has had many negative consequences around the globe, it helped the Church to be more resilient and reliant on the grace and strength of God to soldier through the tough times. Through the pandemic, we endeavoured to support members of the Church and the wider community through provision of food and other necessities. As a Church, we aimed to follow the COVID pandemic health protocols to ensure the health and welfare of those who attended our services.

COVENANT CHURCH
TRUSTEES ANNUAL REPORT *(continued)*
YEAR ENDED 31 MARCH 2023

COMMUNITY EVENTS

1. Church partnerships

We believe the work of God requires strategic partnerships and alliances. As part of working together with other churches in the city, we are part of the Southampton Christian Network and Love Southampton. These were key alliances in the COVID pandemic as they allowed us to reach out to our community to deliver much needed support, supplying necessities and providing a listening ear to those who were experiencing isolation and loneliness. This outreach was to the wider community and was a great help and support to many people and we continue to carry out this work in the post-COVID environment.

2. Business & Employment Empowerment Network

Through the Business & Employment Empowerment Network (BEN), we continue to offer employment and business advice, empowering our community to be financially secure and promote social mobility. Our aim is to continue to offer services such as CV reviews, interview skills coaching, and business set up consultation to empower our community and help further their careers and business ventures.

We have also begun work to provide support on budgeting finances and dealing with debt, especially in this cost-of-living crisis, through our Christians Against Poverty (CAP) certified money managers.

COVENANT CHURCH
TRUSTEES ANNUAL REPORT *(continued)*
YEAR ENDED 31 MARCH 2023

3. Youth outreach

We took part in the student welcome events held by the universities, and this resulted in many students coming to Covenant Church and finding a place to belong. We continue to welcome students to the church and offering a support network of alumni students from the two universities in the city who are a wealth of knowledge and experience from which new students can draw.

Through Relentless Generation (RG), our Youth ministry which hold meetings in the two universities in the city, University of Southampton, and Solent University, we continue to support young people to navigate their journey through higher education. RG has been crucial in supporting young people with their mental health, mentoring them in their education and providing a platform on which they can discover their gifts and talents and serve God.

We started our weekly Passion service every Sunday, aimed at and run by RG, and this has grown in leaps and bounds, and we have seen many young people rise to serve God in various capacities. This has culminated in the Youth Conference in March where we had a footfall of about 1,000 people over the three-day conference with ministration from young people through songs, spoken word, and a musical.

COVENANT CHURCH
TRUSTEES ANNUAL REPORT *(continued)*
YEAR ENDED 31 MARCH 2023

4. Counselling

We continue to provide counselling to the community, focussing on various aspects of day-to-day life such as:

- Marriage and relationships
- Mental health
- Substance abuse
- Rehabilitation
- School and careers

We have seen a deep need in our community for this and we aim to provide more resources and support as we navigate a world that has become more financially constrained, leading many people to face more pressures in their lives.

4. Tender Hearts

We have mainly provided support for parents and children through our Covenant Kids ministry, where children engage in activities that provide them with confidence and knowledge in the word of God. This included providing a platform for young children to showcase their musical talents through our children's orchestra, where they come to learn how to play musical instruments as part of the orchestra. They have performed several times and we are encouraged by their development and progress.

5. Annual Christmas Carol Service

We held our annual Christmas Carol service where we invited the community for a night of carols, food, and free toy gifts for all children under 10 years. We were excited to see the community come and be a part of this occasion where we shared the love and joy of the season – our Saviour Jesus Christ. We will continue to reach out to our community in this and many other ways that engage them.

COVENANT CHURCH
TRUSTEES ANNUAL REPORT *(continued)*
YEAR ENDED 31 MARCH 2023

6. Summer Gospel Music Fiesta

This year was our inaugural Summer Gospel Music Fiesta, which was an outdoor open air gospel music concert held in the town square, the Guildhall square and led by our amazing Covenant Church choir.

The aim of this event was to celebrate Jesus Christ and reach out to our city with the good news through music. In a world where Christianity is being pushed to a corner, we believe that events such as these put into the consciousness of our community, the love of Jesus Christ and offer hope and light to a world that is becoming increasingly dark. We engage with many people on the day who were offered mini counselling sessions and prayers. We take this as our opportunity to arise and shine and declare to our city that Jesus saves. We aim to continue this annual event and reach out to more people.

7. Fund raising

As part of our drive to expand the work of the ministry we launched The Building Fund with the aim of raising money to build a purpose-built centre for worship and community service.

We completed the purchase of Christ Centre in January, and this will help us to grow and welcome more people from the community. This new facility will provide much needed space to carry out our community outreach activities and give us the visibility we need. We are grateful that many have given to the project as we look to renovate the building and impact communities for generations to come.

COVENANT CHURCH
TRUSTEES ANNUAL REPORT *(continued)*
YEAR ENDED 31 MARCH 2023

RESPONSIBILITIES OF THE TRUSTEES

The trustees (who are also the directors of Covenant Church for the purposes of company law) are responsible for preparing the Trustees Annual Report and the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

In preparing these financial statements, the trustees are required to:

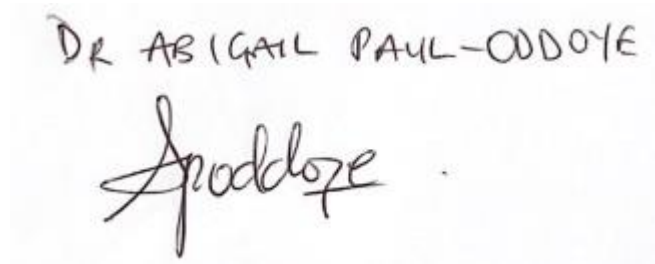
- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. The trustees are 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.

COVENANT CHURCH
TRUSTEES ANNUAL REPORT *(continued)*
YEAR ENDED 31 MARCH 2023

APPROVAL

This report was approved by the board of trustees on the 31/08/23 and signed on their behalf by:



DR ABIGAIL PAUL-ODDOYE

Spaddoze

31/08/2023

COVENANT CHURCH
INDEPENDENT EXAMINER'S REPORT TO THE MEMBERS OF
COVENANT CHURCH
YEAR ENDED 31 MARCH 2023

I report on the accounts of the charity for the year ended 31 March 2023 set out on page 12 to 18.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND INDEPENDENT EXAMINER

The charity's trustees (who are also the directors of Covenant Church for the purposes of company law) 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), as amended by section 28 of the Charities Act 2006) and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts (under section 43(3) (a) of the 1993 Act, as amended);
- to follow the procedures laid down in the General Directions given by the Charity Commission (under section 43(7)(b) of the 1993 Act, as amended); and
- to state whether particular matters have come to my attention.

Basis of Independent Examiner's Statement

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 items or disclosures in the accounts, and seeking explanations from you as trustees concerning any 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 whether the accounts present a 'true and fair view'.

COVENANT CHURCH
INDEPENDENT EXAMINER'S REPORT TO THE MEMBERS OF
COVENANT CHURCH
YEAR ENDED 31 MARCH 2023

Independent Examiner's Statement

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

(1) Which gives me reasonable cause to believe that in any material respect the trustees have not met the requirements to ensure that:

- Proper accounting records are kept (in accordance with section 386 of the Companies Act 2006); and
- Accounts are prepared which agree with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

ERIC GYIMAH MBA, FCCA



31/08/2023.

COVENANT CHURCH

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT)

YEAR ENDED 31 MARCH 2023

INCOMING RESOURCES	NOTES	UNRESTRICTED	RESTRICTED	2023	2022
		FUNDS	FUNDS	£	£
Incoming resources from Donors	2	210,314	188,174	398,488	360,020
Other Voluntary Income	3	103,315	-	103,315	67,116
TOTAL INCOMING RESOURCES		313,629	188,174	501,803	427,136
RESOURCES EXPENDED					
Charitable activities	4	40,548	-	40,548	21,259
Support costs	5	144,210	-	144,210	167,328
Governance costs	6	865	-	865	9,382
TOTAL RESOURCES EXPENDED		185,624	-	185,624	197,970
NET INCOME FOR THE YEAR	7	128,005	188,174	316,179	229,165
RECONCILIATION (NET MOVEMENT) OF FUNDS					
Total funds brought forward 01/04/2022		151,094	139,310	290,404	61,238
Restricted Funds Transfer		-	-	-	-
TOTAL FUNDS CARRIED FORWARD		279,099	327,484	606,583	290,404

The notes on pages 15 to 18 form part of these financial statements.

COVENANT CHURCH

BALANCE SHEET

31 MARCH 2023

		2023	2022
		£	£
FIXED ASSETS			
Tangible assets	8	989,886	61,563
CURRENT ASSETS			
Cash at bank and in hand		187,309	229,551
Other Assets		48,750	48,750
		236,059	278,301
CREDITORS: Amounts falling due within one year	9	8,146	3,746
NET CURRENT ASSETS		227,913	274,555
TOTAL ASSETS LESS CURRENT LIABILITIES		1,217,799	336,118
CREDITORS: Amounts falling due After one year	10	611,216	45,713
NET ASSETS		606,583	290,404
ACCUMULATED FUNDS (RESERVES)			
TOTAL FUNDS	11	606,583	290,404

The trustees are satisfied that the company is entitled to exemption from the provisions of the Companies Act 2006 (the Act) relating to the audit of the financial statements for the year by virtue of section 477, and that no member or members have requested an audit pursuant to section 476 of the Act.

The trustees acknowledge their responsibilities for:

- (i) ensuring that the company keeps adequate accounting records which comply with section 386 of the Act, and
- (ii) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of sections 394 and 395, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company.

The notes on pages 15 to 18 form part of these financial statements.

COVENANT CHURCH

BALANCE SHEET

31 MARCH 2023

These financial statements were approved and signed by the member of the committee on 31/08/2023

DR ABIGAIL PAUL-ODDOYE
Spaddocke

31/08/2023

The notes on pages 15 to 18 form part of these financial statements.

COVENANT CHURCH
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2023

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards, the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in March 2005 (SORP 2005) and the Companies Act 2006.

Cash flow statement

The trustees have taken advantage of the exemption in Financial Reporting Standard No 1 (revised) from including a cash flow statement in the financial statements on the grounds that the company is small.

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

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

Furniture, Fixtures & Fittings	- 10% straight line method
Church Equipment	- 20% straight line method
Computer & Accessories	- 20% straight line method

COVENANT CHURCH
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2023

2. INCOME FROM DONORS

	2023	2022
	£	£
Offering	71,599	89,618
Tithe	138,716	137,862
Building Fund - Restricted	188,174	132,540
	398,488	360,020

3. OTHER VOLUNTARY INCOME

	2023	2022
	£	£
Gift Aid	103,315	67,116
	103,315	67,116

4. COSTS OF CHARITABLE ACTIVITIES

	2023	2022
	£	£
Donations & Honorarium	6,359	9,858
Church Outreach	600	600
Travel and accommodation	7,686	3,416
Training costs	1,433	2,063
Community & Welfare /Events	24,471	5,322
	40,548	21,259

5. SUPPORT COSTS

	2023	2022
	£	£
Salaries & Wages	56,629	69,203
Rent	41,871	38,473
Light and heat	2,400	2,400
Repairs and maintenance	4,190	6,406
Vehicle & Transport expenses	2,444	2,167
Telephone and postage	1,800	2,087
Media expenses	-	1,705
Stationery and printing	2,170	5,769
Premises expenses	3,472	2,310
Equipment hire	8,966	7,396
Depreciation	13,797	19,786
Other Church Running Expense	6,472	9,628
	144,210	167,328

COVENANT CHURCH
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2023

6. GOVERNANCE COSTS	2023	2022
	£	£
Bank charges/Interest payable	367	187
Other professional fees	498	9,195
	865	9,382

7. NET INCOMING RESOURCES FOR THE YEAR

	2023	2022
	£	£
This is stated after charging:		
Depreciation of tangible fixed assets	13,797	19,786

8. TANGIBLE FIXED ASSETS

	LAND & BUILDING	MUSICAL EQUIP	FURN & FITTINGS	CHURCH EQUIP	COMPUTER & ACCESS	TOTAL
COST	£	£	£	£	£	£
At 1 Apr 2022	-	42,423	96,018	18,977	2,000	159,418
Additions	942,120	-	-	-	-	942,120
At 31 Mar 2023	942,120	42,423	96,018	18,977	2,000	1,101,538

DEPRECIATION

At 1 Apr 2022	-	42,423	42,707	11,924	800	97,854
Disposal	-	-	-	-	-	-
Charge for the year	-	-	9,602	3,795	400	13,797
At 31 Mar 2023	-	42,423	52,309	15,719	1,200	111,651

NET BOOK VALUE

At 31 Mar 2023	942,120	-	43,709	3,257	800	989,886
At 31 Mar 2022	-	-	53,311	7,053	1,200	61,563

COVENANT CHURCH
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2023

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Creditors	502	508
HMRC	7,644	3,238
	<hr/> 8,146	<hr/> 3,238
	<hr/> <hr/>	<hr/> <hr/>

10.CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR

	2023	2022
	£	£
Bank Loan	30,581	45,713
Mortgage	580,635	-
	<hr/> 611,216	<hr/> 45,713
	<hr/> <hr/>	<hr/> <hr/>

11. ACCUMULATED FUNDS (RESERVES)

	Balance at 1 Apr 2022	Incoming resources	Outgoing resources	Balance at 31 Mar 2023
	£	£	£	£
General Funds	290,404	501,803	185,624	606,583