

BETHANY CHRISTIAN CENTRE

(a company limited by guarantee without share capital)

ANNUAL REPORT AND FINANCIAL STATEMENTS

31 March 2021

Stephenson Coates Audit Limited
Chartered Accountants
West 2, Asama Court
Newcastle Business Park
Newcastle upon Tyne
NE4 7YD

BETHANY CHRISTIAN CENTRE
(a company limited by guarantee without share capital)

REPORT OF THE DIRECTORS

The directors present their annual report and the financial statements for the year ended 31 March 2021.

Reference and administrative details

Company number	10409374
Charity number	1171176
Principal address	Bethany Christian Centre Hetton Road Houghton-le-Spring Tyne and Wear, DH5 8PF
Independent examiner	John Oswald BA FCA Stephenson Coates Audit Limited Chartered Accountants West 2, Asama Court Newcastle Business Park Newcastle upon Tyne, NE4 7YD
Bankers	Barclays Bank PLC Newcastle City Office Newcastle upon Tyne, NE1 4QL
Solicitors	Square One Law Anson House The Fleming Business Centre Burdon Terrace Jesmond Newcastle upon Tyne NE2 3AE

Directors

The directors who served during the year and up to the date of approval of this report were as follows:

S Anderson	
G Barber	
P J Gill	
D J Keith	
N Holmes	appointed 24 March 2021
K P Roberts	

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REPORT OF THE DIRECTORS
(*continued*)

Structure, governance and management

Governing documents

Bethany Christian Centre is a company limited by guarantee, governed by its Memorandum and Articles of Association dated 3 October 2016.

The charitable company was incorporated on 4 October 2016 (registration number 10409374) in order to provide a distinct legal entity to carry out the activities of Bethany Christian Centre which since 1995 had been undertaken through a charitable trust. The company was registered with the Charity Commission on 18 January 2017.

On 20 April 2017, the business of Bethany Christian Centre charitable trust (charity number 1060438) along with various associated assets and liabilities were transferred to the charitable company. On the same day, the charitable company entered into a lease of the property known as Bethany Christian Centre, Hetton Road, Houghton-le-Spring, DH5 8PF; the landlord for the purposes of the lease being the charitable company Bethany Christian Centre Property Trust (company registration number 10412204, charity number 1171231).

There are currently four members, each of whom agree to contribute £1 in the event of the charitable company winding up.

Appointment and retirement of directors

Appointment of directors is governed by the existing directors of the charitable company. New directors must declare their belief in and allegiance to the Statement of Beliefs set out in the Articles of Association. Directors are appointed for a term of three years, at the end of which they retire. Retiring directors are eligible for reappointment for two further terms, each of three years.

Director induction and training

Newly appointed directors will be from the existing leadership of the Church. New directors are furnished with a copy of the governing documents and a copy of the Charity Commission's guidance 'The Essential Trustee: What you need to know.'

Organisation

The directors meet regularly to review the activities of the Church. The leadership of the Church (which include the directors) meet monthly and all meetings are minuted. Day to day activities are controlled by the Church administrator.

Risk management

The directors have identified risks and taken steps to mitigate them:

- Risks to buildings and contents are insured.
- Public liability risks are insured.
- A safeguarding policy is in place, including vetting procedures.
- The fire safety risk has been assessed. Detection and fire fighting equipment is maintained to current standards. An evacuation policy is in place with designated responsibilities. All those involved were offered training during the period.

A member of staff is charged with health and safety and risk assessing.

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REPORT OF THE DIRECTORS
(*continued*)

Objectives and activities

The Church operates from premises at Hetton Road, Houghton-le-Spring, Tyne and Wear. Church membership is voluntary and free.

The aims of the charitable company set out in the objects clause of the Articles of Association are:-

- a) To advance the Christian Faith, in accordance with the Statement of Beliefs;
- b) The relief of persons who are in conditions of need, hardship or distress or who are aged or sick;
- c) To promote and fulfil such other charitable purposes as the directors may from time to time think fit.

These aims are pursued in the Houghton-le-Spring area and in such other parts of the United Kingdom or the World as the directors may from time to time think fit.

In setting our objectives and planning our activities, the directors have regard to the Charity Commission's public benefit guidance when exercising any powers or duties to which the guidance is relevant.

With the outbreak of the Covid19 pandemic and the resulting restrictions imposed by UK Government, adopting new ways of carrying out our mission was the primary objective for the year. We also sought to maintain our strong finances in the light of these challenges.

The strategies adopted included broadcasting our Sunday services on YouTube and the use of various other social media platforms to carry out our mission. Initially, we also made use of the Government's Coronavirus Job Retention Scheme.

Achievements and performance

As a result of the pandemic coinciding with the bulk of the last financial year, very little of our usual Church activities have been able to take place. Apart from a few weeks in October and November 2020 when the Church was able to allow a congregation to meet for Sunday Services, all our services have been streamed on-line during the past 12 months. This necessitated us in having to purchase videoing cameras, lighting, and computer equipment to allow our services to be streamed live on-line each Sunday. Viewing figures on YouTube have averaged around 800 views each week which has been very encouraging. Over the past 12 months, total views have exceeded 47,000 from 15 different countries.

In June 2020, Craig Scott was appointed as 'Family Ministry Leader'. The children's ministry that he leads has been able to put on a service on-line for our children each week. Viewing figures for these live streams have averaged just over 50 views per week. We also offered an online Easter Club for children to participate. Over four days of broadcast, we had 2,000 views. As well as Craig's passion for children and youth, he has brought much needed social media skills to the Church staff.

Our 'Christians Against Poverty' CAP Centre (Registered Charity Number 1097217 and Company Registered Number 4655175) run by Jemma Jackson, plus a team of Church volunteers, has had a busy year despite the pandemic. Our relationship with various agencies in Houghton le Spring and the surrounding area remains very strong and they continue to promote the services of our CAP Centre to their clients. Since summer 2020, we have arranged and donated 35 food shops for client families, delivered Christmas Hampers to 22 families that included £40 per child Argos vouchers, and donated 23 Easter Blessing bags to seven individuals, four single parent families, and 12 other families. In addition, our CAP Centre applied for and received two grants this year. The first one was from the Greggs Trust to purchase a refurbished fridge/freezer for a client. The other was from the County Durham Community Foundation for £300 to buy a new washing machine for a client. And finally, we saw four individuals become completely debt free through CAP services.

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REPORT OF THE DIRECTORS
(continued)

Achievements and performance (continued)

Our food bank has had another busy year with 320 (380 in 2020) food parcels being distributed during the past 12 months. Since the start of the pandemic many other local agencies have sprung up also offering food parcels which has eased the pressure on our own food bank facilities. We are again extremely grateful for the support of the Church membership keeping our food bank topped up with items of food as well as donations of cash to allow us to buy in supplies. We have also received help with vouchers with a value of £600 from Sunderland City Council Crisis Team which has allowed us to buy toiletries etc to add to our food parcels. Other churches, such as Houghton Methodist Church, individuals and local organisations have continued to support our food bank with food items or cash donations. This support is greatly appreciated.

Within our local community, there are four primary schools very close to our church building. Last year, as part of our Christmas outreach, we donated 73 hampers that went to needy families within those schools. Those hampers were split as follows: Dubmire Primary Academy (18), Burnside Academy (18), Bernard Gilpin Primary School (15), and Gillas Lane Primary Academy (22). Each hamper was put together by our Church staff and volunteers. They included food, toiletries, and a Heron Frozen Foods gift card to the value of £15. In addition to this, Sunderland City Council gave £300 of High Street Vouchers (30 @ £10) which we put into the hampers at random.

Last summer, we organised a School Uniform and Supply Drive to benefit local families. We had a great response from the community and helped 30 children receive new uniforms. We were also able to donate a substantial amount of school supplies directly to Gillas Lane Primary Academy and Burnside Academy.

During the past 12 months a new church leader has been appointed which encompasses the role of Church elder, director and trustee. We are happy to welcome Norman Holmes, a long-standing member who brings additional skills to our board.

We have unfortunately lost a number of older members this year, many succumbing to Covid19 or age-related illnesses. These members will be greatly missed as they have worked hard in the past to make Bethany the Church it is today.

Financial review

Much to our surprise Church unrestricted income from the membership increased during the year and not decreased as originally thought. Although collections taken up on a Sunday have fallen, many members have posted in cheques or set up standing orders in favour of the Church, so our income has remained encouraging. The Church accounts show an unrestricted surplus of £29,769 this financial year compared to a deficit of £19,073 last year.

Initially, we thought our collections would take a bit of a dive so decided to furlough some of our staff during the April to June 2020 first lock-down period and claimed under the Government's Job Retention Scheme. Because our income remained buoyant, we decided in September 2020 to repay HMRC the money we initially claimed under the JRS.

Restricted income includes the grant of £15,000 we received from the Allchurches Trust back in March 2020, which was released this year to pay for improvements to our sports hall. During the year we received mission gifts totalling £13,723. The bulk of these donations were raised to help pay for a blood analysing machine for Kalane Hospital in Zambia, where one of our leaders Peter Gill worked as a surgeon for many years up until his recent retirement. Another amount was raised for Bethany Hospital in Thana, India, a hospital run by Doctor Stephen Alfred who has visited our Church many times over the past 30 years.

We have continued to set aside funds to pay for future building refurbishments. We have increased the proportion of our members giving set aside from 2% to 2.2%. We have set aside so far £19,630 (2020: £13,840) in this reserve. Our aim is to get to £25,000 by the end of the next financial year when the Bethany Christian Centre Property Trust's commitment to cover all repair bills for a five year period comes to an end.

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REPORT OF THE DIRECTORS
(*continued*)

Investment and reserves policies

Surplus funds are held in interest bearing accounts which allow quick access to the funds should the need arise. A review of returns is periodically undertaken to ensure a competitive return and maximum security of our funds.

The directors seek to maintain free reserves at around £60,000 to provide working capital for the activities of the Church and also to provide cover for unforeseen changes in income. At the end of the year, free reserves were £124,231 (2020: £94,514).

Plans for future

It is hoped that during this next year, activities at the Church will slowly start to resume. Whether all activities will be exactly the same as pre pandemic is not yet clear. However, because of the better than expected financial performance this last year, the Church has a strong financial base upon which to move forward in confidence into the future.

Statement of directors' responsibilities in relation to the financial statements

The directors are responsible for preparing the directors' 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 directors 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 income and expenditure of the charitable company for that period.

In preparing these financial statements, the directors 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The directors are responsible for keeping 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. They 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.

This report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

Approved by the directors on 12 July 2021 and signed on their behalf by:

S Anderson
Director

REPORT OF THE INDEPENDENT EXAMINER TO THE DIRECTORS OF BETHANY CHRISTIAN CENTRE

I report to the charity trustees on my examination of the accounts of the charitable company for the year ended 31 March 2021, which are set out on pages 7 to 12.

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 report

I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales.

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 accounting 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.

John Oswald BA FCA
Stephenson Coates Audit Limited
Chartered accountants
West 2 Asama Court
Newcastle Business Park
Newcastle upon Tyne
NE4 7YD

12 July 2021

BETHANY CHRISTIAN CENTRE
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STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31 March 2021

	Unrestricted funds	Restricted funds	Total	2020 Total
INCOME FROM				
Donations and legacies:				
Church members	224,895	31,723	256,618	261,030
Gift aid tax recoverable	45,751	7,718	53,469	54,833
Grants	1,820	15,000	16,820	3,150
	<u>272,466</u>	<u>54,441</u>	<u>326,907</u>	<u>319,013</u>
Charitable activities:				
Use of facilities donations	-	-	-	3,415
Ministries	26	-	26	10,373
Miscellaneous	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>26</u>	<u>-</u>	<u>26</u>	<u>13,788</u>
Investment income:				
Interest receivable	<u>301</u>	<u>-</u>	<u>301</u>	<u>687</u>
Total	<u>272,793</u>	<u>54,441</u>	<u>327,234</u>	<u>333,488</u>
EXPENDITURE ON				
Charitable activities:				
Evangelism	18,696	5,713	24,409	36,332
Gifts and missionary support	16,554	18,687	35,241	65,866
Staff costs (note 2)	138,622	11,161	149,783	156,068
Premises and office costs	59,041	21,250	80,291	80,343
Independent examiner's fee	1,620	-	1,620	1,520
Depreciation	<u>8,491</u>	<u>-</u>	<u>8,491</u>	<u>8,811</u>
Total	<u>243,024</u>	<u>56,811</u>	<u>299,835</u>	<u>348,940</u>
Net income	29,769	(2,370)	27,399	(15,452)
Funds brought forward	<u>122,132</u>	<u>3,813</u>	<u>125,945</u>	<u>141,397</u>
Funds carried forward	<u>£151,901</u>	<u>£1,443</u>	<u>£153,344</u>	<u>£125,945</u>

BETHANY CHRISTIAN CENTRE
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BALANCE SHEET
at 31 March 2021

	<i>Note</i>	2021	2020
FIXED ASSETS			
Tangible fixed assets	3	27,670	27,618
		<hr/>	<hr/>
CURRENT ASSETS			
Sundry debtors	4	10,857	8,664
UKET deposit		122,292	111,874
Bank accounts		26,026	15,219
Cash in hand		<u>423</u>	<u>479</u>
		159,598	136,236
		<hr/>	<hr/>
CREDITORS: amounts falling due within one year	5	<u>33,924</u>	<u>37,909</u>
NET CURRENT ASSETS		125,674	98,327
		<hr/>	<hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES		£153,344	£125,945
		<hr/>	<hr/>
FUNDS			
Unrestricted funds		151,901	122,132
Restricted funds	7	1,443	3,813
		<hr/>	<hr/>
		£153,344	£125,945
		<hr/>	<hr/>

In approving these financial statements (which include the notes on pages 9 to 12) as directors of the charitable company, we hereby confirm:

- (a) that for the period stated above the charitable company was entitled to the exemption conferred by Section 477 of the Companies Act 2006;
- (b) that no notice has been deposited at the registered office of the charitable company pursuant to Section 476 requesting that an audit be conducted for the year ended 31 March 2021 and
- (c) that we acknowledge our responsibilities for:
 - ensuring that the charitable company keeps accounting records which comply with Section 386, 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 the financial period and of its profit or loss for the period then ended in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the provisions of the Companies Act relating to financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small entities regime of Financial Reporting Standard 102.

These financial statements were approved by the directors on 12 July 2021 and are signed on their behalf by:

S Anderson
Director
Company registration number: 10409374

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2021

1 Accounting policies

1.1 Basis of preparation of financial statements

The financial statements of the charitable company have been prepared under the historical cost convention and in accordance with the 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 Companies Act 2006 and United Kingdom Generally Accepted Accounting Practice applicable to smaller entities. The charitable company is a public benefit entity as defined by FRS102.

The financial accounts are prepared in Sterling (£), which is the functional currency of the charitable company.

1.2 Going concern

The directors of the charitable company are satisfied that there are no material uncertainties concerning the charitable company's ability to continue as a going concern for a period of at least 12 months from the date of approval of the financial statements. Accordingly, the financial statements continue to be prepared on the going concern basis.

1.3 Fund accounting

Unrestricted funds are those available for use at the discretion of the directors in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are those that are to be used in accordance with the specific restrictions imposed by donors or which have been raised by the charity for particular purposes.

Designated funds are earmarked by the directors for particular purposes.

1.4 Income

Giving - Collections are recognised when received by or on behalf of the Church. Planned giving under Gift Aid is recognised only when received. Income tax recoverable on Gift Aid donations is recognised when the income is recognised. Grants and legacies are accounted for as soon as the Church is notified of its legal entitlement, the amount due is quantifiable and its ultimate receipt by the Church is certain.

Investment income – Interest entitlements are accounted for as they accrue.

1.5 Expenditure

Charitable activities – The cost of charitable activities represents the cost of undertaking the charity's objectives. All expenditure is accounted for on an accruals basis. Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Value added tax is not recoverable by the charitable company and as such it is included in the relevant costs in the Statement of Financial Activities.

1.6 Tangible fixed assets

Depreciation is provided on tangible fixed assets at rates calculated to write off the cost over their expected useful economic lives as follows:

Fixtures and fittings	20% straight line basis
Equipment	20% straight line basis
Computer equipment	33⅓% straight line basis

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NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2021 (continued)

1 Accounting policies (continued)

1.7 Impairment of fixed assets

Fixtures, fittings and equipment are reviewed for impairment if events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared against its carrying amount. Where the estimated recoverable amount is lower, an impairment loss is recognised immediately in the Statement of Financial Activities.

1.8 Debtors and creditors due within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses from impairment are recognised in expenditure.

1.9 Operating leases

Rentals applicable to operating leases where substantially all the benefits and risks of ownership remain with the lessor are reflected in the Statement of Financial Activities as incurred.

1.10 Pension costs

The charity operates defined contribution pension schemes for its staff. The schemes and their assets are held by independent managers. The pension charge in the financial statements represents contributions due from the charity for the period.

1.11 Voluntary assistance

Time is expended on the charity's activities and governance which is donated free of charge. It is impractical to quantify the value of the time given, and accordingly it is neither recorded as donated income nor as an expense in the financial statements.

2. Staff costs

No remuneration was paid to directors in the year, nor were any expenses reimbursed to them. For the purposes of FRS102, the directors are considered to be key management personnel.

Staff costs in the period comprised:

	2021	2020
	£	£
Wages and salaries	130,760	106,740
Ministry fees	-	10,375
Social security costs	7,679	4,978
Pensions contributions	11,635	10,898
Recruitment expenses	<u>-</u>	<u>23,077</u>
	<u>150,074</u>	<u>156,068</u>

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

Employees	<u>5</u>	<u>6</u>
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No employee received remuneration amounting to more than £60,000 in either period.

BETHANY CHRISTIAN CENTRE
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NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2021 (continued)

3 Tangible fixed assets

	Fixtures & fittings £	Equipment £	Computer equipment £	Total £
Cost:				
At 1 April 2020	9,925	32,879	11,615	54,419
Additions	2,562	5,981	-	8,543
At 31 March 2021	12,487	38,860	11,615	62,962
Depreciation:				
At 1 April 2020	7,371	15,226	4,204	26,801
Charge for year	458	5,727	2,306	8,491
At 31 March 2021	7,829	20,953	6,510	35,292
Net book amount:				
At 31 March 2021	4,658	17,907	5,105	27,670
At 31 March 2020	2,554	17,653	7,411	27,618

All fixed assets are used for charitable purposes.

4 Debtors

	2021 £	2020 £
Due within one year:		
Gift aid tax recoverable	6,514	4,418
Interest receivable	78	205
Prepayments	3,951	4,041
Other debtors	314	-
	<u>10,857</u>	<u>8,664</u>

5 Creditors: amounts falling due within one year

	2021 £	2020 £
Other taxes and social security	3,081	2,497
Accrued expenditure	9,893	6,572
Building maintenance provision	19,630	13,840
Other creditors	1,320	-
Deferred grant income	-	15,000
	<u>33,924</u>	<u>37,909</u>

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NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2021 (continued)

6 Related party disclosures

No person connected with the directors has been paid or is payable remuneration or other benefits from the funds of the charity. The charity operates from premises owned by Bethany Christian Centre Property Trust (company registration 10412204); under a 25 year lease at a peppercorn rent. Mr S Anderson is a director of both companies.

7 Restricted funds

	Movement		
	At 1 April 2020	Income	Expenditure
	£	£	£
Mission gifts	-	13,724	-13,724
Katoka School building project	3,464	1,500	-4,964
CAP gifts	-	11,161	-11,161
Food bank cash donations	349	6,806	-5,712
Video equipment donation	-	6,250	-6,250
Allchurches Trust grant	-	15,000	-15,000
	<hr/>	<hr/>	<hr/>
	3,813	54,441	-56,811
	<hr/>	<hr/>	<hr/>
			1,443

The video equipment donation was given to provide resources necessary to deliver online Church meetings.

The Allchurches Trust grant was made to carry out upgrades to the sports hall to turn it into an 'all purpose' facility.

	Movement		
	At 1 April 2019	Income	Expenditure
	£	£	£
Mission gifts	-	10,695	-10,695
Katoka School building project	-	50,887	-47,423
CAP gifts	-	16,452	-16,452
Food bank cash donations	192	3,541	-3,384
	<hr/>	<hr/>	<hr/>
	192	81,575	-77,954
	<hr/>	<hr/>	<hr/>
			3,813

Restricted funds are held as current assets.