

New Covenant Church Brixton

**Financial Statements
And Trustees Report
31 December 2020**

Charity no. 1175774

NEW COVENANT CHURCH BRIXTON
FINANCIAL STATEMENTS AND TRUSTEES REPORT
YEAR ENDED 31 DECEMBER 2020

ADDRESS

2a Monks Orchard Road, Beckenham BR3 3BW

REGISTERED CHARITY NUMBER

1175774

TRUSTEES

Oluyemisi Olasode
Adeleke Opeodu
Gloria Orosungunleka
Rolake Folorunso
Kikelomo Ashaye

BANKERS

Metro Bank Plc
1 Southampton Row
London WC1B 5HA

ACCOUNTANTS

TL First Accountants Ltd
1 Copers Cope Road
Beckenham
London
BR3 1NB

TRUSTEES REPORT

Reference and administrative information on page 1 forms part of this report. The financial statements comply with current statutory requirements and the Statement of Recommended Practice - Accounting and Reporting by Charities (issued in March 2005).

Organisational Structure

The key management, financial and administrative functions of the Foundation are managed by an International Secretariat. The Secretariat is responsible for the management of grants awarded to the Foundation on behalf of the centres and for carrying out the secretariat function for the board of trustees.

Risk Management

The trustees and staff team review the Foundation's activities to identify the risks to which it is exposed, in particular in operations and finances. A register of risks is presented to the Board for review, via the Executive Committee, on a regular basis. The register shows controls that are in place and further actions required to manage the risk. The likelihood and potential impact determine whether each risk is classed as high, medium or low.

Charity Activities

The activities for which the Charity is established are:

- Provides places for Christian worship to the public in UK
- Make available range of community programmes to address various needs
- Assist with improving health, drop-in centres, care, counselling, referrals
- Provision of food, clothing, advice, education and training, visitation for the sick and elderly

Financial Review

Policy on Financial Reserves

The trustees have examined the requirement for free reserves which are those unrestricted funds not invested in fixed assets, designated for specific purposes or otherwise committed. The policy objective is "to maximise the programme impact of beneficiaries and maximise the value of net income".

The trustees consider that given the nature of our work, ideally the general reserve should at least cover three months ongoing costs, which gives flexibility to cover temporary timing differences for grant claims, adequate working capital for our core costs, and will allow us to respond quickly in unexpected situations. OneWorld International Foundation is taking measures to gradually build the general reserve from a historically low level to reflect the long-term nature of our work.

The board of trustees has reviewed the policy and will continue to do so, on an annual basis. The trustees consider the current financial position of the Charity as significantly below the required Reserves.

Statement of Responsibilities of the Trustees

Charity and Company law requires the trustees, who are also 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 at the end of the year and of its income and expenditure during the financial period. In preparing those financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Make judgements and estimates that are reasonable and prudent
- State whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statement

NEW COVENANT CHURCH BRIXTON
FINANCIAL STATEMENTS AND TRUSTEES REPORT
YEAR ENDED 31 DECEMBER 2020

- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity 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 group and charity and which enable them to ensure that the financial statements comply with the Companies Act 1985. The trustees are also responsible for safeguarding the assets of the group and charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

Approved by the trustees onand signed on their behalf by

Chairman

ACCOUNTANTS AND INDEPENDENT EXAMINERS'S REPORT

I report on the accounts of the charity for the period ended 31 March 2018, as are set out on pages 8 to 14.

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) or under Regulation 10(1) (a) to (c) of the Charities Accounts (Scotland) Regulations 2006 (the 2006 Regulations) and that an independent examination is needed.

The charity is preparing accrued accounts and I am qualified to undertake the examination by being a qualified member of the ACCA.

It is my responsibility to:

- Examine the accounts under Section 43 of the Charities 1993 Act and under Section 44(1) (c) of the Charities and Trustee Investment (Scotland) Act 2005 (the 2005 Act);
- To follow the procedures laid down in the general Directions given by the Charity Commission under section 43(7)(b) of the 1993 Act; and
- To 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 and is in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006.

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 no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Emphasis of matter

I have relied on documents and representations made by Trustees with respect to transfers made to OneWorld UK, Africa and India for delivery of projects funded through the Charity.

Going concern

The Trustees have confirmed that the large reduction in the activities of the Charity is part of a planned scale down and decentralisation of the Charity/Foundation. As part of this, the staffing strength of the Charity/Foundation has significantly reduced. The charity does not currently have enough funds over the foreseeable future to continue operations.

TL First Accountants Limited
1 Copers Cope Road
Beckenham
BR3 1NB

STATEMENT OF FINANCIAL ACTIVITIES

		2020	2019
		TOTAL	TOTAL
	Note	£	£
<i>Incoming resources</i>			
Tithes & Offerings	-	5,544	14,400
Other Income	-	-	-
Total Incoming Resources	-	<u>5,544</u>	<u>14,400</u>
<i>Costs of generating funds:</i>			
Fundraising costs	-	-	-
<i>Charitable activities</i>			
Programme Costs	-	8,400	17,405
Governance	-	-	-
Total Resources Expended	-	<u>8,400</u>	<u>17,405</u>
Net Income for the year	-	<u>(2,856)</u>	<u>(3,005)</u>
Net movement in funds	-	<u>(2856)</u>	<u>(3,005)</u>
Total funds brought forward	-	<u>11,025</u>	<u>14,030</u>
Prior Year Adjustment			
Total funds carried forward	-	<u><u>8,169</u></u>	<u><u>11,025</u></u>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 10 to the financial statements.

NEW COVENANT CHURCH BRIXTON
FINANCIAL STATEMENTS AND TRUSTEES REPORT
YEAR ENDED 31 DECEMBER 2020

BALANCE SHEET

	Note	2020 £	2019 £
Fixed assets			
Tangible fixed assets		-	-
		<u>-</u>	<u>-</u>
		-	-
Current assets			
Cash at bank and in hand		<u>8,169</u>	<u>11,025</u>
		8,169	11,025
Creditors less than one year		<u>-</u>	<u>-</u>
		-	-
Net current assets		<u>8,169</u>	<u>11,025</u>
		8,169	11,025
Net assets		<u>8,169</u>	<u>11,025</u>
		8,169	11,025
FUNDS OF CHARITY			
Unrestricted funds		8,169	11,025
Total Funds		<u>8,169</u>	<u>11,025</u>
		8,169	11,025

Oluyemisi Olasode

Trustee

28 May 2021

NOTES TO THE FINANCIAL STATEMENTS

1. Accounting policies

- a) The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards and the Companies Act 2006. They follow the recommendations in the Statement of Recommended Practice, Accounting and Reporting by Charities (issued in March 2005).
- b) Income represents the amounts receivable from grant making bodies and sales to third parties for services provided, exclusive of VAT.

Grant income is recognised in the period in which the foundation was entitled to receipt and the amount can be measured with reasonable certainty. Grant income is deferred only when the foundation has to fulfil conditions before becoming entitled to it, or where the donor has specified that the income is to be expended in a future period.

- c) Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund together with a fair allocation of management and support costs.
- d) Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the charity. Designated funds are unrestricted funds earmarked by the governing body for particular purposes.
- e) All assets costing more than £500 are capitalised at cost. Depreciation is provided on all tangible assets at rates calculated to write each asset down to its estimated residual value over its expected useful life, as follows:
- | | |
|----------------------------------|-------------|
| Computer equipment | 33% on cost |
| Fixtures, fittings and equipment | 25% on cost |
- f) Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the profit or loss for the period.
- g) Operating lease rentals are charged to the statement of financial activities on a straight-line basis over the term of the lease.
- h) Fundraising costs include the appropriate proportions of salary, direct costs of staff and support costs apportioned to the fundraising costs.
- i) Overhead costs include office costs and appropriate proportions of salaries and staff working in the area of finance, office, management, human resources and technical support in OneWorld offices. The total overhead cost is included within support costs and has been apportioned to the various projects based on the proportion of staff time charged to each category.
- j) Governance costs represent the costs of the governance and financial management of the company. They include appropriate proportions of salaries, audit and legal fees and support costs.
- k) Transfers are made from unrestricted to restricted funds for any deficits for which future funding is not expected. Other transfers are only made with approval from the relevant funder.

NEW COVENANT CHURCH BRIXTON
FINANCIAL STATEMENTS AND TRUSTEES REPORT
YEAR ENDED 31 DECEMBER 2020

2. Incoming Revenues

	2020	2019
	£	£
Tithes & Offerings	5,544	14,400
Other Income	0	0
	<u>5,544</u>	<u>14,400</u>

3. Resources Expended

	Salaries and NI	Direct Costs	Other costs	Total 2020	Total 2019
	£	£	£	£	£
Programme Cost	-	8,400	-	8,400	17,405
Governance	-	-	-	-	0
	<u>-</u>	<u>8,400</u>	<u>-</u>	<u>8,400</u>	<u>17,405</u>

4. Trustees remuneration

Trustees are not remunerated. Costs incurred in connection with attendance at meetings are borne by the charity.

5. Staff costs

	2020	2019
	£	£
Salaries and wages	-	-
Social security costs	-	-
	<u>-</u>	<u>-</u>

No employee earned more than £60,000 pro rata during the year.