

THE DEPTFORD RAGGED TRUST
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

Cansdales Audit LLP
Chartered Accountants & Statutory Auditors
St Mary's Court
The Broadway
Old Amersham
Bucks
HP7 0UT

THE DEPTFORD RAGGED TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Hugh Stickland (Chairman) Charlie Parker Darryl Veltman Rachel Thomas Sheree Urquhart
Charity number	1177319
Registered office	The Bear Church Shaftesbury Christian Centre Frankham Street London SE8 4RN
Auditor	Cansdales Audit LLP Chartered Accountants & Statutory Auditors St Mary's Court The Broadway Old Amersham Bucks HP7 0UT
Bankers	HSBC Bank 85 Lewisham High Street Lewisham London SE13 6BE
Solicitors	Simon Barrett BWH Legal Ashbrook House Westbrook Street Blewbury Oxfordshire OX11 9QA

THE DEPTFORD RAGGED TRUST

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THE DEPTFORD RAGGED TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2022

The trustees present their annual report and financial statements for the year ended 31 March 2022.

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 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 01 January 2019).

Objectives and activities

The Charity was set up as a Charitable Incorporated Organisation (CIO) on 26th February 2018 in order to carry on the work and vision of Deep Trust (1050844) and The Shaftesbury Christian Centre Deptford (1052105), previously known as The Deptford Ragged School. The Deptford Ragged School was founded in 1844, twenty-seven years before the state began providing education for all children. It was started by eight Christian men and women in a loft above a Deptford cowshed. The vision was to teach children to read and write, but it very often included feeding them too. The Deptford Ragged School was exclusively run for 'ragged children', the name given because they 'dressed in rags' with bare feet in all weathers. By 1886 the school had gained the support of the Earl of Shaftesbury, and by 1914 it had received the Royal Patronage of Princess Louise. There is no institution in England more worthy of support than the Deptford Ragged School - Earl of Shaftesbury 1886. The Deptford Ragged Trust is committed to continuing its 177-year-old mission to provide a place of worship and support those in need in Deptford.

The aims of the charity are:

1. To advance Christian faith and mission in and around Deptford in the London Borough of Lewisham, and also elsewhere in London, the UK and the rest of the world at the discretion of the trustees.
2. To relieve poverty, hardship, distress, homelessness and sickness in Deptford and the surrounding area, and also elsewhere at the discretion of the trustees.
3. To further or benefit the residents of Deptford and the surrounding area by associating together the said residents and the local authorities, voluntary and other organisations in a common effort to advance education, and to organise community activities and provide facilities in the interests of social welfare for recreation and leisure time occupation with the objective of improving conditions of life for the residents.
4. To fulfil other charitable purposes for the benefit of the people of Deptford and the surrounding area, and also across London and elsewhere at the discretion of the trustees. The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the Charity should undertake.

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Principle Activities

The overall main activity of the CIO consists of operating the bear Church.
See www.thebear.tv for more.

Review of the Year

Sunday mornings we began the year continuing with lockdown due to Covid-19, therefore services were all online via Zoom, including a Tenebrae service 1 April 2021. Services resumed in the building from 6 June 21, but we continued with a large content on Zoom alongside. We had a Memories of the building during the service in car park 11 April, the day before the archaeological dig. (Pre-develop Investigation to ascertain any historical or dangerous artefacts present on the Christian Aid Climate Change Service in May, outdoor service and barbecue as part of the Big Lunch community celebrations (5 Sept) and a Christingle Service outside 19 December. From July- November we focused on the Psalms both in the building and during online services. From April the evening service team focused on supporting two local social supermarkets, which has continued. Sunday evening services and soup kitchen returned to the building 12 Sept 2021.

THE DEPTFORD RAGGED TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

We were given £20,000 by the Deptford Challenge Trust to continue helping with English Classes, for the DRSA and to assist with the transition during the redevelopment of the project. We received £3,165 in Donations and Gift Aid from members of the congregation committed to buying fruit and vegetables for two local social supermarkets, Evelyn and Pepys, which exist to support people in food poverty in the local community. From September 21 we reduced this to continued support of one supermarket, Evelyn, at £100 per week. The church general budget covered the rest of the funds, up to £6,012 during the year. Members of the core team of this service also work closely with Bench Outreach (a local charity with which we have strong links). Phil the High Street grocer continued to sell us fruit and vegetables at wholesale value. Once again, the trustees would like to thank all those who gave financially and volunteered to help distribute food, with special mention to Richard Bell who facilitated this project.

At the beginning of the FY Bear Cubs continued to provide services in line with Covid-19 guidelines which meant providing limited 1-hour sessions with a maximum number of 20 adults per session. We also fully launched our outdoor Bear Hunt sessions with which we were able to be less limited with numbers. After the summer we resumed a more 'normal' pattern of 3 x 2 hour indoor sessions with no limits on numbers. The Thursday morning outdoor sessions are now a fixed part of our timetable as they have been such a success. We go to a different local green space each week and provide lots of different outdoor activities. During the summer holidays we took part in a national initiative, Summer of Play, and provided an outdoor play event in the centre of Deptford - 'The Deptford Big box Build' This involved taking over Giffin Square with thousands of cardboard boxes. Families of all ages built, played, talked and had fun. In all over 200 people took part. We also launched 'Build a Bear' weeks which now happen a few times a term. We ditch the usual toy set up and play with boxes, fabric and whatever other interesting things we can find. During 2021-2022 we had 5,578 contacts with children, parents and carers across 152 sessions averaging at 37 people a session. This year we have had 101 new families register with us and the majority of these hear about us throughout word of mouth.

For more details of Bear Cubs activities please see the following link:

<https://www.bonusprint.co.uk/view-online-photo-book?widgetId=f9286f55b4da-4c6c-8571-9f96cdad1ec3>

ESOL English Classes - We have continued our English classes on a Friday afternoon. From 23 April lessons resumed in the hall with social distance. Attendance has generally been between 5 and 15 people from different countries, including Iraq, Afghanistan, Iran, Syria, Columbia, Dominican Republic, and more, all of whom are settling into the local area. There is usually a mix of ages and abilities, and people are welcome to bring their children. We are grateful to the volunteers who help every week, and especially grateful to The Deptford Challenge Trust who granted us £5,500 this year to help run the classes. This year we worked closely with the Refugee Council who have referred mainly newly arrived refugees to our classes and have also used the Shaftesbury building for many social events and training.

Deptford Ragged School Archive - Katharine Alston, PhD runs the DRSA with a committed group of volunteers, who have documented and catalogued the archive material – dating from 1844, and support the delivery of community activities. The collection is documented on www.ehive.com under Deptford Ragged School Archive.

For the financial year 2021-22 Katharine Alston delivered the following community activities to 146 children and 41 adults:

- Heritage Learning Workshop, a trail of 1800s Deptford: The Albany, Deptford. For children on Pupil Premium (free school meals)
- The Deptford Big Box Build: free, drop-in, creative open-air activity with Bear Cubs, Deptford Market Yard
- The Big Lunch: pop-up exhibition and all-age activities. Giffin Square, Deptford.

Katharine Alston was also interviewed about the DRSA for a Portrait of a Londoner podcast. With funding by Historic England, Katharine produced DRSA school learning resources for Historic England for the schools learning pages on their website, awaiting publishing. These resources will enable children to learn 'outside the classroom' about the History of Deptford, meeting National Curriculum aims for Key Stage 2.

DRSA Website: <https://www.deptfordraggedschoolarchive.org.uk>

Social media Twitter - @DeptfordRaggedS - Instagram - @deptford_ragged_school_archive.

Other activities - due to continued Covid-19 we were restricted in the other activities that we were able to do. An online book club started. At Christmas we had a Christingle Service in Giffin Square. Other activities including fundraising events arranged by members of the congregation for the social housing Ragged Project:

- July 2021 - Walk to Wales
- August 2021 - Supper Club
- September 2021 - Gig in The Garden -
- November 2021 - Movember -
- November 2021 - Gig at The Wickham

THE DEPTFORD RAGGED TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

- November 2021 - Outdoor Swims
- February 2022 - Lent Calendar
- March 2022 - Bake Sale
- March 2022 - Supper Club
- March 2022 - The Bear Sleep Out

Fundraising for the Purchase of the Shaftesbury Christian Centre Building/Building Redevelopment

Since we were granted planning permission in December 2020 for the redevelopment of our building to provide 33 homes for socially affordable rent and new community facilities, we continued our partnership with J49 (Registered Provider of Social Housing), Jubilee Resource Ltd and Bench Outreach to plan the redevelopment for social housing and new church/community space. We anticipate that the project will cost around £10 m in total. We continued to pay a fundraiser until mid Feb 22 to help us raise money up to £1m. However, Our contribution was increased to £1.5m during this year, Deptford Ragged Trust's financial commitment to the project. (The TDRT is contributing the land and up to £1.5 M to the Ragged Project. J49 have grants pledged £1.7M from Lewisham, increased from 2.8 to £3.8m from the GLA, £290,000 from the government's renewable heating incentive and an increase of a loan from £2.9 to £3m from Troidas bank). During 21-22 we were unable to begin on site and anticipate that we will start 22-23. We are extremely grateful to the board of J49 and our other partners for the unceasing work

Financial review

We continue to raise funds to support the redevelopment of the Shaftesbury Christian Centre site and in order to provide clear financial statements to our potential investors, we have elected to carry out an audit for the year ended 31 March 2022.

Once again we have appointed statutory auditors Cansdales Audit LLP, for this purpose.

Our total income for the year ended 31st March 2022 was £281,644 (2021: £244,839) and our expenditure was £252,726 (2021: £243,677).

During the year, our total unrestricted income amounted to £204,040 (2021: £170,555) and our unrestricted expenditure was £163,239 (2021: £171,425), giving an unrestricted surplus of £40,801 for the year (2021: deficit of £870). The carried forward balance of unrestricted funds at the end of the year was £61,532 (2021: £20,731).

Total restricted income for the year was £77,604 (2021: £74,284) and restricted revenue expenditure was £89,487 (2021: £72,252), giving a deficit for the year of £11,883 (2021: Surplus £2,032). The balance of restricted funds carried forward at the end of the year was £814,095 (2021: £825,978). Of this amount, £759,285 (2021: £768,157) relates specifically to the Shaftesbury Christian Centre Building, £40,431 (2021: £38,544) to the Bear Cubs fund and £1,712 (2021: £3,414) to the ESOL English Classes fund, £4,822 (2021: £4,872) to the DSRA Projects and £7,845 (2021: £10,991) to the Social Projects fund.

The general operation costs of the church are funded by unrestricted gifts and donations from the regular congregants. Restricted funds are for various projects and capital appeals. The church aims to give 10% of unrestricted funds to aid work and mission overseas. The leadership of the church also set aside £1,500 per year for a 'hardship fund' to help relieve people in immediate need. This is assessed and distributed by the 'finance team' that meets once a month to review budget vs actual costs.

Net assets stand at £875,627 as at 31st March 2022, of which, restricted funds of £728,937 (2021: £744,203) are represented by tangible fixed assets and restricted funds of £85,158 (2021: £81,775) are represented by net current assets. The remaining amount of £61,532 (2021: £20,731) are represented by unrestricted funds.

Tangible fixed assets of the Trust relate to the purchase of The Shaftesbury Christian Centre Building.

Unrestricted Funds: The Trustees have established a policy to hold unrestricted reserves to cover 3 months of essential unrestricted operating costs, (staff wages and utility/insurance contracts that might require a fee to cancel), which are estimated for 2022-23 at a total of £27,000. As at 31 March 2022, the level of unrestricted reserves available for essential costs, was £45,000. Due to the generosity of our family, friends and Church Community, we expect to meet the target for unrestricted funding for 22-23. £22,000 is to cover staff wages (not covered by restricted funding) and £5,000 to cover contracts e.g. insurance, utilities that would require cancelling if the charity was to close.

Restricted Funds: There is some concern still over the shortfall in the building project and continued impact of Covid19 in the coming year. As described in the plans for future periods above, we have addressed this with the employment of a fundraiser. So far Coronavirus has not significantly the unrestricted funds of the Bear Church, although it has affected the Bear Cubs Project. The trustees are reviewing the finances on a monthly basis to manage the funding of the project.

THE DEPTFORD RAGGED TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Risk Policy

The Trustees review the risks of the Charity under five headings:

1. Regulatory (e.g., Safeguarding of Children & Vulnerable Adults, Health & Safety, Data Protection and Employment Law)
2. Financial (e.g., fraud, loss of data or expertise and viability)
3. Operational (e.g., food hygiene and maintenance)
4. Organisational (e.g., management of resources and processes); and
5. Insurable (e.g., property and accident)

In terms of both likelihood and impact, the key risks are Regulatory and Financial, and relevant policies are reviewed annually, with a person or management group designated to give detailed oversight of each. Financial controls are specified to give accountability with diversity and confidentiality, contingency plans are in place to ensure continuity of finance management and financial reports are made for every 'finance meeting' and forwarded to The Bear Leadership Team and The Trustees for comment and approval. The Budget is agreed by the end of January each year, in time for the financial year to begin on 1st April. Safe procedures are established for day to day activities, and risk assessments carried out for non-standard, one-off programmes such as weekends away or community events. The Charity Commission's Big Board Talk checklist provides a helpful set of 15 questions for the trustees to consider, reflect and respond to, with the aim of reducing risks as much as possible.

Risk Assessment

The trustees have carried out a risk assessment in relation to the charity's activities and have concluded that the main risks for 2022/23 will be:

1. The delayed response of post-Covid pandemic economy and Brexit, the effects of the war in Ukraine. Most of our funding comes from gifts and donations, based on a percentage of people's incomes. With economic uncertainty continuing, we will need to have 3 months essential operating costs in reserve and act quickly if income starts to drop.
2. Building Project – The main risk factor in February 22 is that we were still fundraising £1.5 million required before work goes ahead.
3. We were still working on an agreement with J49 registered provider for the Ragged Project. We expect this to be finalised in 22-23.

Plans for future periods

Over the coming year we plan to continue running the Bear church services and related activities, offering community activities for children and parents/carers, teaching English as a second language, running community events, supporting the local homeless and contributing to overseas mission work. It is still hard to tell what impact the ongoing effects of Coronavirus will have on our ability to run these activities either in person or online and to what capacity. However, we have managed to be flexible and adapt to the circumstance and expect to continue with this. During the year we have been both broadcasting the services and meeting in person, and plan to continue in 22/23. During the year donations did not decrease. Bear Cubs will continue to run all their preschool/carer sessions and parenting courses adapting to whatever Covid-19 rules are in place. Our Bear Cubs benefactor will continue to support the project financially at the current rate. We also plan to progress the redevelopment of our building. The redevelopment costs are now likely to be in the region of £10m, to be confirmed 22-23. To date, along with Jubilee Resource Ltd, J49 have secured £8.5m of the £10m required for the project from the GLA, Lewisham council and a loan from Troidos bank. We continue to look at a scale of what is deliverable and how we might engineer some of the shortfall out.

We will continue to employ 1 full-time and 9 part-time members of staff for the coming year. Notably the church leader, Paul Adlington, continues to be on placement for one day a week and one Sunday a month at the Good Shepherd Church in Lee. This arrangement will continue until January 2023.

We hope to continue providing opportunities for the many volunteers who serve the work of the trust in Deptford. For all activities we have an excess of 200 volunteers and are always open for more.

Structure, governance and management

The Deptford Ragged Trust/The Bear Church is a Charitable Incorporated Organisation (CIO) (Charity no 1177319). The current situation with trustees is as follows.

THE DEPTFORD RAGGED TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

- Charlie Parker
- Hugh Stickland (Chair)
- Dr. Rachel Thomas
- Darryl Veldtman
- Sheree Urquhart

In selecting individuals for appointment as charity trustees, the charity trustees must have regard to the skills, knowledge and experience needed for the effective administration of the CIO. Any person retiring as a charity trustee is eligible for reappointment. The governing document/constitution is provided to all trustees and made available to others on request.

The company's current policy concerning the payment of trade creditors is to follow the CBI's Prompt Payers Code (copies are available from the CBI, Centre Point, 103 New Oxford Street, London WC1A 1DU).

The company's current policy concerning the payment of trade creditors is to:

- settle the terms of payment with suppliers when agreeing the terms of each transaction;
- ensure that suppliers are made aware of the terms of payment by inclusion of the relevant terms in contracts; and
- pay in accordance with the company's contractual and other legal obligations.

Each year, after reviewing the budget, The Trustees delegate the running of a leadership teams:

1. The Bear Leadership Team. Led by the church leader (de facto CEO), and including one member of the trustees, to oversee the day-to-day running of all aspects of the church, including the finances, activities, building, employment and safeguarding.

The Bear leadership team delegates powers to the finance team, the buildings team, the services teams, and each of the teams that run activities. Notably: Bear Cubs, English Fridays, DRSA, and Global (overseas missions team) Bear live.

The board of trustees is thankful for the commitment and hard work of staff and many volunteers who often go beyond the call of duty to serve others in this community.

The board recognises the invaluable financial support from members of the church and other donors who have contributed generously to this work.

Staff employed during the year have been as follows: Paul Adlington, Iain Jones, Emily Adlington, Tracy Jones, Tessa Chapman, Celia Papadopoulos, Kelly Hunt, Maureen Biddiscombe, Fiona Quinn & Rebecca Keer. Staff are employed under the TDRT Pay and Pensions Policy. All staff are employed at or above the London Living Wage.

Public Benefit: The trustees have complied with the duty imposed by Section 4 of the Charities Act 2006 to have due regard to the public benefit guidance published by the Charity Commission in December 2008.

THE DEPTFORD RAGGED TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Statement of Trustees' responsibilities

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales 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 Charity and of the incoming resources and application of resources of the Charity for that year.

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 accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

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

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Mr. Hugh Stickland

Date:

THE DEPTFORD RAGGED TRUST

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF THE DEPTFORD RAGGED TRUST

Opinion

We have audited the financial statements of The Deptford Ragged Trust (the 'Charity') for the year ended 31 March 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2022 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

THE DEPTFORD RAGGED TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF THE DEPTFORD RAGGED TRUST

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on trustees' report, the trustees are responsible for the preparation of financial statements which give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach was as follows:

We obtained an understanding of the legal and regulatory frameworks that are applicable to the entity.

We communicated identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit. We examined and discussed with management any known or suspected instances of fraud or non-compliance with laws and regulations.

We assessed the risks of material misstatement in respect of fraud as follows:

The audit team discussed whether there were any areas that were susceptible to misstatement as part of their fraud discussion.

In addressing the risk of management override of controls, we tested the appropriateness of journal entries with a focus on large or unusual transactions based on criteria determined using our knowledge of the organisation and industry. We also challenged assumptions and judgements made.

We incorporated an element of unpredictability in the selection of the nature, timing and extent of our audit procedures.

Based on the results of our risk assessment we designed our audit procedures to identify and to address material misstatements in relation to fraud, including bribery and non compliance.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

THE DEPTFORD RAGGED TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF THE DEPTFORD RAGGED TRUST

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Other matters

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with "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)" (as amended) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

James Foscett (Senior Statutory Auditor)
for and on behalf of Cansdales Audit LLP
Chartered Accountants & Statutory Auditors

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St Mary's Court
The Broadway
Old Amersham
Bucks HP7 0UT

THE DEPTFORD RAGGED TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2022

		Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Total 2021 £
	Notes				
Income from:					
Incoming Resources from Generating Funds					
Voluntary Income - Donations & Grants	2	184,277	71,650	255,927	218,976
Incoming Resources from Charitable Activities	3	19,763	5,954	25,717	25,863
Total income		204,040	77,604	281,644	244,839
Expenditure on:					
Charitable activities	4	163,239	89,487	252,726	243,677
Net income/(expenditure) for the year/ Net movement in funds		40,801	(11,883)	28,918	1,162
Fund balances at 1 April 2021		20,731	825,978	846,709	845,547
Fund balances at 31 March 2022		61,532	814,095	875,627	846,709

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

All income and expenditure derive from continuing activities.

THE DEPTFORD RAGGED TRUST

BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	7		728,937		744,203
Current assets					
Debtors	8	3,053		5,269	
Cash at bank and in hand		151,610		103,835	
		<u>154,663</u>		<u>109,104</u>	
Creditors: amounts falling due within one year	9	<u>(7,973)</u>		<u>(6,598)</u>	
Net current assets			146,690		102,506
Total assets less current liabilities			<u>875,627</u>		<u>846,709</u>
Income funds					
Restricted funds	10		814,095		825,978
Unrestricted funds			61,532		20,731
			<u>875,627</u>		<u>846,709</u>

The financial statements were approved by the Trustees on

.....
Mr. Hugh Stickland
Trustee

THE DEPTFORD RAGGED TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	14		47,775		(10,434)
Net cash used in investing activities			-		-
Net cash used in financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			47,775		(10,434)
Cash and cash equivalents at beginning of year			103,835		114,269
Cash and cash equivalents at end of year			151,610		103,835

THE DEPTFORD RAGGED TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

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 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 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.

Rental income is credited to income in the period in which they are receivable.

1.5 Expenditure

Resources used are included on an accruals basis inclusive of VAT, which is not recoverable.

Grants and Donations for missionary and charitable giving are accounted for when paid over, or when awarded, if that award creates a binding obligation on the charity.

THE DEPTFORD RAGGED TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Gifts in kind of fixed assets are capitalized at their estimated market value and depreciated in accordance with the policy for that particular class of asset.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	50 years of Useful Life
-----------------------------	-------------------------

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Taxation

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Value Added Tax is not recoverable by the charity, and is therefore included in the relevant costs in the Statement of Financial Activities.

1.8 Employee benefits

The church operates an auto- enrolment pension scheme. Contributions paid are charged against income in the period in which they become payable.

1.9 Leases

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

1.10 Debtors and creditors receivable / payable 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 arising from impairment are recognised in expenditure.

1.11 Foreign exchange

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date.

THE DEPTFORD RAGGED TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

1.12 Financial instruments

Classification

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs).

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the Charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Fair value measurement

The best evidence of fair value is a quoted price for an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is estimated by using a valuation technique.

2 Incoming Resources from Generating Funds Voluntary Income - Donations & Grants

	Unrestricted funds	Restricted funds	Total	Total
	2022	2022	2022	2021
	£	£	£	£
Gift aided one off and standing orders and donations	96,787	12,490	109,277	120,553
Non Gift aided one off and standing order donations	62,895	55,175	118,070	70,302
Income tax recoverable on SO & gift aid	24,595	3,985	28,580	28,121
	<hr/>	<hr/>	<hr/>	<hr/>
For the year ended 31 March 2022	184,277	71,650	255,927	218,976
	<hr/>	<hr/>	<hr/>	<hr/>
For the year ended 31 March 2021	150,255	68,721		218,976

THE DEPTFORD RAGGED TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

3 Incoming Resources from Charitable Activities

	Unrestricted Fund 2022 £	Restricted Fund 2022 £	Total 2022 £	Total 2021 £
Bear Cubs- Subscriptions & Others	-	5,954	5,954	5,563
Contributions towards Expenditure	7,014	-	7,014	3,297
Rental Income and Car Park Contribution	6,874	-	6,874	8,530
Hall Hire, Film Locations and other	2,217	-	2,217	2,536
Special Event Weekend Away	2,710	-	2,710	1,067
Special Event - Deptford Ragged Trust Archives	-	-	-	3,000
Special event - Others	948	-	948	1,870
	<u>19,763</u>	<u>5,954</u>	<u>25,717</u>	<u>25,863</u>
For the year ended 31 March 2022	19,763	5,954	25,717	25,863
	<u>20,300</u>	<u>5,563</u>		<u>25,863</u>
For the year ended 31 March 2021	20,300	5,563		25,863

4 Charitable activities

	Unrestricted Fund 2022 £	Restricted Funds 2022 £	Total 2022 £	Total 2021 £
Staff costs (Note 6)	90,134	48,347	138,481	118,488
Depreciation	-	15,266	15,266	15,266
Special Event Costs	9,430	9,826	19,256	22,534
Repairs and Renewals	2,832	1,539	4,371	2,318
Insurance & Subscriptions	4,798	-	4,798	3,322
Office Costs	3,250	6,033	9,283	15,464
Bank Charges	138	-	138	73
General Expenses	5,495	8,475	13,970	12,456
Gifts & Donations (Note 5)	15,930	-	15,930	16,197
Professional Fees	(420)	-	(420)	1,015
Auditors Remuneration *	3,870	-	3,870	3,708
Rent & Rates	21,348	-	21,348	24,153
Telephone & Utilities	4,543	-	4,543	6,578
Travel & Entertainment	1,892	-	1,892	2,105
	<u>163,239</u>	<u>89,487</u>	<u>252,726</u>	<u>243,677</u>
For the year ended 31 March 2021	171,425	72,252		243,677

Auditors remuneration includes a fee of £2,670 (2021 £2,472) for the audit of the accounts and £1,200 (2021: £1,236) in relation to services for preparation of the year end accounts.

THE DEPTFORD RAGGED TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

5 Gifts & Donations

	2022	2021
	£	£
Mission Gifts	12,600	12,450
Other Ministries	3,330	3,547
Visiting Speakers	-	200
	<u>15,930</u>	<u>16,197</u>

6 Employees

The average monthly number of employees during the year was:

	2022	2021
	Number	Number
Average number in the year	8	8
Full Time Equivalent	3	3
	<u>11</u>	<u>11</u>

Employment costs

	2022	2021
	£	£
Wages and salaries	124,426	106,840
Social security costs	2,943	1,220
Other pension costs	11,112	10,428
	<u>138,481</u>	<u>118,488</u>

Neither the trustees nor any persons connected with them have received any remuneration.

The Church paid salaries and pensions of £62,114 (2021: £72,564) to 3 key management personnel. These are included in the above.

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

THE DEPTFORD RAGGED TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

7 Tangible fixed assets

Freehold land and buildings

£

Cost

At 1 April 2021

763,285

At 31 March 2022

763,285

Depreciation

At 1 April 2021

19,082

Depreciation charged in the year

15,266

At 31 March 2022

34,348

Carrying amount

At 31 March 2022

728,937

At 31 March 2021

744,203

All the assets are used for activities in furtherance of the group's objectives.

8 Debtors

2022

2021

Amounts falling due within one year:

£

£

Gift Aid Receivable

2,008

2,008

Other debtors

-

2,230

Prepayments and accrued income

1,045

1,031

3,053

5,269

9 Creditors: amounts falling due within one year

2022

2021

£

£

Payroll Liability

3,833

2,333

Other creditors

270

270

Accruals and deferred income

3,870

3,995

7,973

6,598

THE DEPTFORD RAGGED TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

10 Movement Between 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:

	Balance at 1 April 2020	Movement in funds		Balance at 1 April 2021	Movement in funds		Balance at 31 March 2022
	£	Income £	Expenditure £	£	Income £	Expenditure £	£
Restricted funds							
Bear Cubs Fund	35,790	39,062	(36,308)	38,544	39,029	(37,142)	40,431
Building Project Fund	787,647	8,672	(28,162)	768,157	27,635	(36,507)	759,285
English Friday	509	7,000	(4,095)	3,414	5,502	(7,204)	1,712
DRSA Projects	-	5,250	(378)	4,872	2,572	(2,622)	4,822
Social Projects	-	14,299	(3,308)	10,991	2,866	(6,012)	7,845
	<u>823,946</u>	<u>74,283</u>	<u>(72,251)</u>	<u>825,978</u>	<u>77,604</u>	<u>(89,487)</u>	<u>814,095</u>
 General Funds	 21,601	 170,555	 (171,425)	 20,731	 204,040	 (163,239)	 61,532
Total Funds	<u>845,547</u>	<u>244,839</u>	<u>(243,677)</u>	<u>846,709</u>	<u>281,644</u>	<u>(252,726)</u>	<u>875,627</u>

Bear Cubs Fund: Funds supporting a toddlers group which is designed to be a stimulating play space for children.

Building Project Fund: Set up to collect funds to support the purchase of freehold property known as "The Shaftsbury Christian Centre" and to development the land and buildings to provide for flexible church, community, exhibition, archive, café and office space, and the upper floors for residential accommodation at 'London Affordable Rent'. In the year ended 31 March 2020, a grant was received of £604,600 towards the purchase of The Shaftsbury Christian Centre. There are conditions attached to the grant and if these conditions are not met within five years of the grant being made, the grant will become fully repayable. We are confident that the conditions will be met and therefore a low probability of repayment however the conditions will be reviewed each financial year. The full grant received has therefore been recognised in income in the current year.

English Fridays: Funds to support a conversational English class for speakers of another language, to which anybody is welcome

DRSA Projects - is the Deptford Ragged School Archive as detailed on pg. 2

Social Projects - was introduced to account for the donations towards our evening service team who were providing fruit & veg to social supermarkets through lockdown

THE DEPTFORD RAGGED TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

11 Analysis of net assets between funds

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Total 2021 £
Fund balances at 31 March 2022 are represented by:				
Tangible assets	-	728,937	728,937	744,203
Current assets/(liabilities)	61,532	85,158	146,690	102,506
	<u>61,532</u>	<u>814,095</u>	<u>875,627</u>	<u>846,709</u>

12 Operating lease commitments

At 31 March 2022, the trust had commitments under non-cancellable operating leases of:

	2022 £	2021 £
Not later than one year	18,700	20,400
Later than one year but not later than five years	22,100	-
	<u>40,800</u>	<u>20,400</u>

Lease commitments relate to the rent that the Church is committed to pay in relation to the Church Leader's Housing allowance.

13 Related party transactions

Expenses are on occasion reimbursed to the Trustees and key management personnel in the instance that such expenses are incurred wholly on the Church's behalf. Reimbursement of expenses to Trustees and Key Management Personnel amounted to £6,720 (2021: £2,230).

The Trustees, key management personnel and their families also contribute to the Church's income through donations. These are unrestricted in nature and are considered confidential by the Church. The cumulative contributions by trustees, key management personnel, their family and other related parties to the Church's general fund in the year amounted to £23,995.(2021: £33,449).

The Church also pays a housing allowance in respect of the housing of the Church Leader as he is required to be living within the pastoral catchment area of the Bear Church. The amounts are payable monthly and are set out within the Pastoral Pay Policy, which are agreed by the Trustees. The Church has paid rent of £1,700 per month (£20,400 per annum) (2021: £20,400) for Church Leader's accommodation (see Note 12 above). However, the Church Leader contributed £750 per month for 9 months (£6,750 per annum) (2021:£9,000 per annum) to the Church in respect of the rent.

THE DEPTFORD RAGGED TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

14	Cash generated from operations	2022 £	2021 £
	Surplus for the year	28,918	1,162
	Adjustments for:		
	Depreciation and impairment of tangible fixed assets	15,266	15,266
	Movements in working capital:		
	Decrease in debtors	2,216	3,053
	Increase/(decrease) in creditors	1,375	(29,915)
		<hr/>	<hr/>
	Cash generated from/(absorbed by) operations	47,775	(10,434)
		<hr/> <hr/>	<hr/> <hr/>