

THE DEPTFORD RAGGED TRUST
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

SKS Audit LLP
3 Sheen Road,
Richmond,
TW9 1AD

THE DEPTFORD RAGGED TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Hugh Stickland (Chairman)
Charlie Parker (Term ended Feb 2023)
Darryl Veltman
Rachel Thomas
Sheree Urquhart

Charity number 1177319

Registered office

The Bear Church
Shaftesbury Christian Centre
Frankham Street
London
SE8 4RN

Independent examiner

SKS Audit LLP
3 Sheen Road,
Richmond,
TW9 1AD

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

CONTENTS

	Page
Trustees' Trustees' report	1 - 7
Independent examiner's report	8
Statement of financial activities	9
Balance sheet	10
Statement of cash flows	11
Notes to the financial statements	12 - 21

THE DEPTFORD RAGGED TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2023

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

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charity's 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.

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

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

During this financial year there has been significant transition in the Bear building (Ragged Project) and within the leadership team. We moved out of the Shaftesbury Christian Centre on Frankham Street in November 2022 in preparation for the demolition and redevelopment of the site. From November we ran our activities in four separate locations across the borough and plan to continue for the duration of the build:

Bear Cubs, English Fridays and Offices – Leander Centre, Deptford
Sunday mornings – Church of the Ascension, Blackheath
Sunday evening – Evelyn Community Centre, Deptford
Storage – Olive Tree Lock-up, Lee

We anticipated a decline in attendance due to moving venues and changing the meeting time of our Sunday morning services. However, our community has remained at a steady number.

THE DEPTFORD RAGGED TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Services

On Sunday mornings, we studied Romans, and a series on Luke began in March.

During the year, we held several other services:

Tenebrae evening and an open-air service in Giffin Square - April

The Bear Sunday Adventures - Deptford, Tankerton Beach and camping at Frinton-On-Sea – July/August

Christingle service at Ascension - December 22

In addition, we hosted and supported:

NXDF Film Festival - showing Summer of Soul and Encanto – April

'Inside Out' - supporting and befriending ex-prisoners – April

The Big Lunch - June

Refugee Council Groups - May, July, August

Lewisham College Freshers Fair – September

Small Groups

Our small groups are to share life and grow in faith together. These include 3 groups which meet regularly in homes, a book group and a craftivism group (began Sept 22).

Leadership

The transition in leadership was about addressing new, broad and sustainable leadership. We want to create a pathway for growing leaders to take the vision forward. Leadership is about taking responsibility for and serving the wider community. We will allow people to explore their gifts, skills and vocation in a challenging and supportive environment. In June 2022, Paul Adlington was ordained a priest in the church of England. He continued to lead the Bear Church alongside training as a curate at the Good Shepherd, Lee. Paul began a 3-month sabbatical in February 2023. In an anticipated transition to new leadership, Bex Keer stepped into a probationary period on January 23 as Pastor of Bear Church/CEO of The Deptford Ragged Trust. Additional members of the church leadership team during FY 22-23 were Ada Jones (February 23) and Ben Nyman (March 23).

Inclusion Statement

Throughout the year, the leadership team committed to conversations around what to include in a statement of inclusion/belonging. The church reviewed the first draft in a church-wide meeting on November 22, and the leadership team took away feedback to revise the draft.

Fundraising for the Ragged Project

During the 22-23 FY The Deptford Ragged Trust as well as receiving £361,310 in grants, £262,024 was fundraised by The Deptford Ragged Trust of which £9,779 came in through the following special events:

The Bear Sleep Out - FY21-22

Lent Calendars - FY21-22

Vickie's Swim - FY 21-22

Blanket Raffle - FY21-22

Amazon Smile - All Year

Blanket Raffle - April

Wine & Dine - April

eBay Clothes Sale - May

Quilt Raffle - July

Exit Stage Left – July

Deptford X/Sale of Paintings - August

Alana Levandoski Gig - October

Digital Media

In April 2022 the DRSA project manager took on the role of Digital Content Officer for 6 months. We successfully recruited to the role in December 2022. Through digitising our services and having an online coherent presence across all channels, we have been able to provide information and engagement across all our activities, reach new audiences, further our community fundraising and share our stories of aspirations for the Ragged Project with grant-making trusts.

In April 2022, we carried out a social impact survey, which evidenced that people come to The Deptford Ragged Trust to experience:

1. a sense of place and belonging 65%
2. learning from each other and enabling others 60%
3. learning, reflecting, and making sense of the world 55%
4. feeling connected and safe 53%

THE DEPTFORD RAGGED TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Evening Service and Evelyn Community Store - We received £2,096 in Donations and Gift Aid from congregation members committed to supporting the Evelyn Community Store, which exists to alleviate food poverty in the local community, and to support our soup kitchen on Sunday evenings. This year, we have donated £100 per week in fruit and vegetables to the social. The church's general budget covers the remaining funds for these projects, up to £6,012 this year. Members of the core team of this service also work closely with Bench Outreach (a local charity with which we have strong links). The High Street grocer Phil continued to sell us fruit and vegetables at wholesale value. Once again, the trustees would like to thank the facilitators of this project, those who gave financially and volunteered to help distribute food.

Bear Cubs - has continued to offer four play sessions a week, three indoor and one outdoor.

In October 2022, we moved from the Shaftesbury Centre to the Leander Centre, where we will be during the building work on Frankham Street. We spent a few weeks making the centre more habitable and making all the storage work! 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 many outdoor activities. Families have benefited from finding community and friendship in parks and commented on how helpful the outdoor sessions have been in introducing them to local green spaces in the area they didn't know existed. We have also continued our 'Build a Bear' weeks, which now happen a few times a term. We switch from the usual toy set-up and play with boxes, fabric and whatever other interesting things we can find. We have run two in-person parenting courses with 23 parents taking part and 23 children in the creche. During the year, we had 5,440 contacts with children, parents and carers across 152 sessions, averaging 36 people a session. This year, we have had 155 new families register with us. The majority of these hear about us through word of mouth. Still, we have seen an increase in those discovering us online or meeting us through the outdoor sessions.

For more details on Bear Cubs activities, please see the following link: <https://www.bonusprint.co.uk/view-online-photo-book?widgetId=2e92b2c2-df33-4355-9ca3-9fcb1dcae0a1>

ESOL English Classes - We have continued our English classes on Friday afternoons. Moving into Leander Centre has had challenges due to its 'off the beaten track' location, but we have succeeded in building up the class. Attendance has generally been between 5 and 15 people from different countries, including Iraq, Afghanistan, Iran, Syria, Saudi Arabia, Vietnam, Brazil and Peru, most 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 to The Lee Charity of William Hatcliffe, who granted us £3,450 this year to help run the classes. This year, we continued working closely with social services and the Refugee Council. We have had many students and their children from Stay City in Deptford, a facility used by the Home Office to house asylum seekers. ESOL students have gained English speaking, reading, and writing skills, helping them access training, education, and employment. Students without contact with other English speakers were exposed to new situations and gained self-esteem and confidence. Through our class, they have also been able to access other help they need, such as sources of legal advice, help with writing letters to the Home Office and their MP and so on. The volunteer team has become informed and more skilled in this area, which has been an unexpected positive outcome. Students from our ESOL classes joined in with our wider community socially and by volunteering across the trust. We have seen them find 'a home' in the heart of Deptford, their isolation reduced.

Deptford Ragged School Archive (DRSA) – the project leader, 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 projects enabled the local community to explore how the history of the Deptford Ragged School has shaped Deptford today. This gave a sense of community and pride of place as people uncovered stories that happened where they live, go to school and streets they walk down every day.

The collection is documented on www.ehive.com under Deptford Ragged School Archive.

For the financial year 2022-23 the DRSA leader also delivered the following community activities to 39 children and 122 adults:

- The Big Lunch: pop-up exhibition and all-age activities. Giffin Square, Deptford.
- Presentation, Religion Collections & Heritage Group Conference 2022
- Worked with d/Deaf artist, Nina Thomas, providing access to DRSA collection and content for the Liberty Festival 2022- Captioning Lewisham. We Are Lewisham
- Spoken Word workshop for young people at Bank of Things, Lewisham
- Deptford Heritage Walk
- AIM, Association of Independent Museums. Training, Setting Up a New Museum (attended training, not an activity but it used the budget)
- Worked with a volunteer to Interview with Joyce Mumford, age 100, a pupil at the Deptford Ragged School in 1920s. Collected audio and video material.

THE DEPTFORD RAGGED TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

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

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

Building Redevelopment Update

To provide 33 homes for socially affordable rent and new community facilities. We continue to fundraise within The Deptford Ragged Trust and from outside via friends and connections for the redevelopment of our building, the Ragged Project. We have continued our partnership with J49 (Registered Provider of Social Housing), Jubilee Resource Ltd and Bench. Expected costs remain at £1.5m. This year, we outsourced our fundraising to Bench Outreach to help us raise money to reach Shell and Core. We were able to begin work on site in November 2022. We are incredibly grateful to the board of J49 and our other partners for their unceasing work to complete this project.

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 Independent Examination for the year ended 31 March 2023. We have appointed SKS Audit LLP, for this purpose.

Our total income for the year ended 31st March 2023 was £826,013 (2022: £281,644) and our expenditure was £301,419 (2022: £252,726).

During the year, our total unrestricted income amounted to £162,643 (2022: £204,040) and our unrestricted expenditure was £180,605 (2022: £163,239), giving an unrestricted Deficit of £17,962 for the year (2022: Surplus of £40,801). The carried forward balance of unrestricted funds at the end of the year was £43,570 (2022: £61,532).

Total restricted income for the year was £663,370 (2022: £77,604) and restricted revenue expenditure was £120,814 (2022: £89,487), giving a Surplus for the year of £542,556 (2022: Deficit £11,883). The balance of restricted funds carried forward at the end of the year was £1,356,650 (2022: £814,095). Of this amount, £1,308,472 (2022: £759,285) relates specifically to the Shaftesbury Christian Centre Building, £39,052 (2022: £40,431) to the Bear Cubs fund and £1,196 (2022: £1,712) to the ESOL English Classes fund, £3,188 (2022: £4,822) to the DSRA Projects and £4,743 (2022: £7,845) 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 £1,400,221 as at 31st March 2023, of which, restricted funds of £1,269,838 (2022: £728,937) are represented by tangible fixed assets and restricted funds of £86,813 (2022: £85,158) are represented by net current assets. The remaining amount of £43,570 (2022: £61,532) are represented by unrestricted funds.

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

Reserves Policy

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 2023-24 at a total of £27,000. Due to the generosity of our family, friends and Church Community, we expect to meet the target for unrestricted funding for 23-24. £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. As at 31st March 2023, the level of unrestricted reserves available for essential cost was £43,570

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 2023

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 2023/24 will be:

1. The continued response of post-Covid pandemic economy and Brexit and 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. Ongoing funding for the Building Project – The main risk factor at the end of this FY is that we were still fundraising £1.5 million required before work goes ahead. (The risk is £377,000 still needed for the £1.1 m for shell and core), plus another £400K for the fit out of the church and community space.

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 new church leader is seconded to the charity Rahab UK (Adoratrices) 4 days a month, with the arrangement to be reviewed April 2024.

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 2023

- Charlie Parker (term ended-Feb 2023)
- 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. Early in the next financial year the trustees will identify the skills, knowledge and experience required in appointing 2-4 new trustees in the coming year.

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.

2. 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.

Employees

Staff have been employed during the year in the following roles: Church Leader, Probationary Church Leader, Youth Worker, Assistant Church Leader, Church Operations Manager, Finance Officer, Cleaner, Digital Content Officer, Cleaner, Bear Cubs Manager, Bear Cubs Project Worker, Bear Cubs Administrator All contracted Staff are employed under The Deptford Ragged Trust Pay and Pensions Policy. The Church Leader is employed at 40 hours per week, all other staff have been employed on a pro rata, part-time basis. We also pay two teachers term-time for the English Fridays classes. Part-time hours of contracted and English Fridays staff equate to 98.5 hrs per week, which with the church leader equates to 3.5 employees in regular employment. We also pay sessional creche workers for Bear Cubs biannual Parenting Courses. All staff contracted or sessional 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 2023

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.

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

.....
Mr. Hugh Stickland

Date:

THE DEPTFORD RAGGED TRUST

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE DEPTFORD RAGGED TRUST

I report to the trustees on my examination of the financial statements of The Deptford Ragged Trust (the Charity) for the year ended 31 March 2023.

This report is made solely to the charity's trustees, as a body, in accordance with section 145 of the Charities Act 2011. My work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for my Independent Examination, for this report, or for the opinions I have formed.

Responsibilities and basis of report

As the trustees of the Charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the Charity's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the Charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of ICAEW, which is one of the listed bodies.

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 that in any material respect:

- 1 accounting records were not kept in respect of the Charity as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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 financial statements to be reached.

Caroline Brazier ACA

For and on Behalf of SKS Audit LLP

3 Sheen Road
Richmond
TW9 1AD

Dated:

THE DEPTFORD RAGGED TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

		Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Total 2022 £
	Notes				
Income from:					
Incoming Resources from Generating Funds					
Voluntary Income - Donations & Grants	2	138,443	658,136	796,579	255,927
Incoming Resources from Charitable Activities	3	23,985	5,234	29,219	25,717
Investments	4	215	-	215	-
Total income		162,643	663,370	826,013	281,644
Expenditure on:					
Charitable activities	5	180,605	120,814	301,419	252,726
Net (expenditure)/income for the year/ Net movement in funds		(17,962)	542,556	524,594	28,918
Fund balances at 1 April 2022		61,532	814,095	875,627	846,709
Fund balances at 31 March 2023		43,570	1,356,651	1,400,221	875,627

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 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	8		1,269,838		728,937
Current assets					
Debtors	9	3,133		3,053	
Cash at bank and in hand		136,214		151,610	
		<u>139,347</u>		<u>154,663</u>	
Creditors: amounts falling due within one year	10	<u>(8,964)</u>		<u>(7,973)</u>	
Net current assets			130,383		146,690
Total assets less current liabilities			<u>1,400,221</u>		<u>875,627</u>
Income funds					
Restricted funds	11		1,356,651		814,095
Unrestricted funds			43,570		61,532
			<u>1,400,221</u>		<u>875,627</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 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash generated from operations	15		540,556		47,775
Investing activities					
Purchase of tangible fixed assets		(556,167)		-	
Investment income received		215		-	
Net cash used in investing activities			(555,952)		-
Net cash used in financing activities			-		-
Net (decrease)/increase in cash and cash equivalents			(15,396)		47,775
Cash and cash equivalents at beginning of year			151,610		103,835
Cash and cash equivalents at end of year			136,214		151,610

THE DEPTFORD RAGGED TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

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

The Charity's Financial Statements show total income of £826,013 (2022: £281,644) for the year and free reserves of £43,570 (2022: £61,532). The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements with respect to a period of at least one year from the date of approval of these financial statements including considering the impact of Ukraine crisis and Cost of living on the charity's income, expenditure and reserves; and its beneficiaries. They have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern and are fully engaged on a strategy to create a sustainable and resilient organisation during challenging times. Therefore, the trustees are of opinion that the financial statements for the year ended March 2023 can be prepared on a going concern basis.

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 2023

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 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.

THE DEPTFORD RAGGED TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.8 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.

1.9 Employee benefits

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

1.10 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.

1.11 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.

1.12 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.

1.13 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

1.14 Significant Judgments and Estimates

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

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

THE DEPTFORD RAGGED TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

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

	Unrestricted funds	Restricted funds	Total	Total
	2023 £	2023 £	2023 £	2022 £
Gift aided one off and standing orders and donations	95,209	182,948	278,157	109,277
Non Gift aided one off and standing order donations	19,534	428,804	448,338	118,070
Income tax recoverable on SO & gift aid	23,700	46,384	70,084	28,580
	<u>138,443</u>	<u>658,136</u>	<u>796,579</u>	<u>255,927</u>
For the year ended 31 March 2023	138,443	658,136	796,579	255,927
For the year ended 31 March 2022	184,277	71,650		255,927

3 Incoming Resources from Charitable Activities

	Unrestricted Fund 2023 £	Restricted Fund 2023 £	Total 2023 £	Total 2022 £
Bear Cubs- Subscriptions & Others	-	5,234	5,234	5,954
Contributions towards Expenditure	8,020	-	8,020	7,014
Rental Income and Car Park Contribution	8,660	-	8,660	6,874
Hall Hire, Film Locations and other	-	-	-	2,217
Special Event Weekend Away	7,305	-	7,305	2,710
Special event - Others	-	-	-	948
	<u>23,985</u>	<u>5,234</u>	<u>29,219</u>	<u>25,717</u>
For the year ended 31 March 2023	23,985	5,234	29,219	25,717
For the year ended 31 March 2022	19,763	5,954		25,717

4 Investments

	Unrestricted funds	Total
	2023 £	2022 £
Interest receivable	<u>215</u>	<u>-</u>

THE DEPTFORD RAGGED TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

5 Charitable activities

	Unrestricted Fund 2023 £	Restricted Funds 2023 £	Total 2023 £	Total 2022 £
Staff costs (Note 7)	106,231	34,914	141,145	138,481
Depreciation	-	15,266	15,266	15,266
Special Event Costs	7,217	29,295	36,512	19,256
Repairs and Renewals	2,075	-	2,075	4,371
Insurance & Subscriptions	5,222	-	5,222	4,798
Office Costs	4,980	4,599	9,579	9,283
Bank Charges	141	-	141	138
General Expenses	4,082	8,459	12,541	13,970
Gifts & Donations (Note 6)	16,355	-	16,355	15,930
Professional Fees	(536)	28,281	27,745	(420)
Auditors Remuneration *	3,270	-	3,270	3,870
Rent & Rates	26,247	-	26,247	21,348
Telephone & Utilities	3,908	-	3,908	4,543
Travel & Entertainment	1,413	-	1,413	1,892
	<u>180,605</u>	<u>120,814</u>	<u>301,419</u>	<u>252,726</u>
For the year ended 31 March 2022	163,239	89,487		252,726

Auditors remuneration includes a fee of £2,070 for Independent Examination (2022: £2,670) For Audit and £1,200 (2021: £1,200) in relation to services for preparation of the year end accounts.

6 Gifts & Donations

	2023 £	2022 £
Mission Gifts	12,875	12,600
Other Ministries	3,480	3,330
	<u>16,355</u>	<u>15,930</u>

7 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Average number in the year	8	8
Full Time Equivalent	4	3
	<u>12</u>	<u>11</u>

THE DEPTFORD RAGGED TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

7	Employees	(Continued)	
	Employment costs	2023 £	2022 £
	Wages and salaries	127,633	124,426
	Social security costs	2,516	2,943
	Other pension costs	10,996	11,112
		<u>141,145</u>	<u>138,481</u>

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

The Church paid salaries and pensions of £67,940 (2022: £62,114) to 4 key management personnel (2022: 3). These are included in the above.

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

8	Tangible fixed assets	Freehold land and buildings £
	Cost	
	At 1 April 2022	763,285
	Additions	556,167
	At 31 March 2023	<u>1,319,452</u>
	Depreciation	
	At 1 April 2022	34,348
	Depreciation charged in the year	15,266
	At 31 March 2023	<u>49,614</u>
	Carrying amount	
	At 31 March 2023	<u>1,269,838</u>
	At 31 March 2022	<u>728,937</u>

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

Addition includes the development cost of Demolition of existing building on the premises and construction on the premises of thirty-three residential units of Social Housing , a new church and community space .This is not Depreciated Since development is under process .

THE DEPTFORD RAGGED TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

9 Debtors

	2023	2022
	£	£
Amounts falling due within one year:		
Gift Aid Receivable	2,008	2,008
Prepayments and accrued income	1,125	1,045
	<u>3,133</u>	<u>3,053</u>

10 Creditors: amounts falling due within one year

	2023	2022
	£	£
Payroll Liability	5,424	3,833
Other creditors	270	270
Accruals and deferred income	3,270	3,870
	<u>8,964</u>	<u>7,973</u>

THE DEPTFORD RAGGED TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

11 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 2021	Movement in funds		Balance at 1 April 2022	Movement in funds		Balance at 31 March 2022
	£	Income £	Expenditure £	£	Income £	Expenditure £	£
Restricted funds							
Bear Cubs Fund	38,544	39,029	(37,142)	40,431	38,234	(39,613)	39,052
Building Project Fund	768,157	27,635	(36,507)	759,285	620,275	(71,088)	1,308,472
English Friday	3,414	5,502	(7,204)	1,712	3,450	(3,966)	1,196
DRSA Projects	4,872	2,572	(2,622)	4,822	-	(1,634)	3,188
Social Projects	10,991	2,866	(6,012)	7,845	1,411	(4,513)	4,743
	<u>825,978</u>	<u>77,604</u>	<u>(89,487)</u>	<u>814,095</u>	<u>663,370</u>	<u>(120,814)</u>	<u>1,356,651</u>
 General Funds	 20,731	 204,040	 (163,239)	 61,532	 162,643	 (180,605)	 43,570
Total Funds	<u>846,709</u>	<u>281,644</u>	<u>252,726</u>	<u>875,627</u>	<u>826,013</u>	<u>(301,419)</u>	<u>1,400,221</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 2023

12 Analysis of net assets between funds

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Total 2022 £
Fund balances at 31 March 2023 are represented by:				
Tangible assets	-	1,269,838	1,269,838	728,937
Current assets/(liabilities)	43,570	86,813	130,383	146,690
	<u>43,570</u>	<u>1,356,651</u>	<u>1,400,221</u>	<u>875,627</u>

13 Operating lease commitments

At 31 March 2023, the trust had commitments under non-cancellable operating leases of:

	2023 £	2022 £
Not later than one year	20,400	18,700
Later than one year but not later than five years	1,700	22,100
	<u>22,100</u>	<u>40,800</u>

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

14 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 £30,677 (2022: £6,720).

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 £46,210. (2022: £23,995).

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) (2022: £20,400) for Church Leader's accommodation (see Note 13 above). However, the Church Leader contributed £692 per month for 12 months (£8,310 per annum) (2021: £6,750 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 2023

15	Cash generated from operations	2023 £	2022 £
	Surplus for the year	524,594	28,918
	Adjustments for:		
	Investment income recognised in statement of financial activities	(215)	-
	Depreciation and impairment of tangible fixed assets	15,266	15,266
	Movements in working capital:		
	(Increase)/decrease in debtors	(80)	2,216
	Increase in creditors	991	1,375
	Cash generated from operations	540,556	47,775