

Registered Charity Number: 1186665

The Junction Church

Report and Accounts For the year ended 31st March 2023



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Charity Information

Charity Number:	1186665
Registered Office:	The Junction Church PO Box 10677 Loughborough LE11 9JT
Governing Document:	The Junction Church is governed by its Constitution dated 29 November 2019 and was created as a Charitable Incorporated Organisation ("the CIO") registered with the Charity Commission.
Trustees:	Mark Bean (Chair) Lydia Todd Carolyn Bean Joseph Ohajunwa
Banker:	Virgin Money 3 Eastgates Leicester LE1 5YA
Independent Examiner:	Paul Exton Accounting Services 53 West Leake Lane Kingston on Soar Nottingham NG11 0DN

The trustees present their annual report, together with the unaudited financial statements of the charity, for the year ended 31st March 2023.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The charity Trustees are responsible for the general control and management of the charity. The Trustees give their time freely and receive no remuneration or other financial benefits. The Trustees meet together at least three times a year and are responsible for all major decisions taken in relation to running the church and the activities provided by the charity. The day-to-day management of the church and activities are delegated to Senior Pastors Roy and Lydia Todd.

Roy and Lydia are supported by a team they lead and are developing. As the church has grown, some of these leaders have oversight in a paid capacity. Roy and Lydia have numerous mechanisms of oversight and accountability.

New Trustees

New trustees are appointed by existing trustees when appropriate. Suitable candidates are considered on the basis of their skills, experience and understanding of the aims of the church.

OBJECTIVES AND ACTIVITIES

The principal objects of the charity are:

- To advance the Christian Faith and the worship of God in any part of the world, including the teaching and training of Christian people and the printing and distribution of the Bible and Christian literature using any form of media.
- To relieve people in any part of the world who are aged or sick or who are in conditions of need, hardship and distress.
- To advance education based on Christian principles.

The main activities are:

- Working with churches and charities in the UK and overseas, to teach, empower and equip people to develop life skills that will help them find employment, a better balance of family life as well as helping serve their communities better.
- Teaching the values of the Christian faith helping build a society that defeats poverty and helps people to live honourable lives that both respect themselves and others.

ACHIEVEMENTS AND PERFORMANCE

Throughout 2022, The Junction Church continued to grow and flourish across all three campuses in Loughborough, Leicester, and Nottingham in addition to having a strong online presence which had grown and been established with viewers across the globe during the pandemic in 2020-2021. Life Groups have continued to run throughout the year, providing a space for the church community to gather and build relationships whilst exploring their faith in safe, more intimate setting than the larger Sunday gatherings. There are still a few groups that have chosen to meet online for these Life Groups, due to travel arrangements, childcare etc which we have been able to facilitate well.

The Junction Church is passionate about training and releasing leaders within the church and has been running courses such as our 'Developing Leaders Forum' which encourage those who come along to grow in their skills such as communication, decision-making, team-working and initiative. We have seen lots of young people from our Youth and Student ministries participate in this course and grow accordingly.

Our new Community Outreach programme FTW (For The Win) was run again this year, this is a week-long schools and community projects week, where a small team of volunteers went into local schools and helped out with grounds work, put on community fun-days and provided resources for families during the school break. Simultaneously, in conjunction with The Beacon Church in Loughborough, volunteers ran a Breakfast Club over that week, where families could come and get free breakfast and our Kids and Youth Workers put on some fun activities to keep children entertained for the morning. We saw lots of returning families from 2021 come back and join us for this week and it was great to be able to connect with the community in this way.

The Junction Church continues to work alongside and support The Beacon Church, with Pastor Roy Todd as their Senior Pastor. In October 2022 The Junction Church merged with another charity, Chapel Street Pentecostal Church (Charity No: 1051889). The Junction Church stepped in to support the existing congregation in Chapel Street at the current pastor's request, pre-empting his imminent retirement from the ministry. A team from The Junction Church go down every week and help the Chapel Street congregation to run their weekly service, which can vary from leading the services, arranging the worship or other practical elements of support. Upon the merger the Junction Church acquired a building from Chapel Street. This is currently being valued professionally and will be reflected in next year's accounts.

Christmas 2022 saw more community outreach in the production of this year's Nativity Service in our Loughborough campus. The kids and youth from the church put on a great Nativity service with a pantomime type production, followed by lots of games and activities for everyone to enjoy. Hundreds of people from the community came and it was a great event.

Early 2023 saw the launch of a new teaching resource on our YouTube channel, with a weekly podcast episode led by our Senior Pastor, Ps Roy Todd, with Dr John Huckle and some of our Pastoral Team. This has been well received by our congregation and we are looking to continue this throughout the rest of the year.

VOLUNTEERS

Across all our churches there are more than 120 volunteers involved in serving and leading. We could not operate and do everything we do without the generosity and dedication of those who diligently serve each year.

FINANCIAL REVIEW

The net of income and expenditure for the year resulted in a healthy surplus of £24,582 on unrestricted funds. Restricted funds net was a surplus of £2,672. Bank balances held on 31 March 2023 were £159,449 held in unrestricted funds and £156,468 held in restricted funds.

GOING CONCERN

After making appropriate enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

RESERVES POLICY

The reserves policy set by the Trustees is to carry net unrestricted income equal to a minimum of 6 months' committed expenditure. Committed expenditure includes Sunday venue costs, all salary costs plus any direct debits. Unrestricted net income at the year-end were £230,075 and the Trustees are happy that this amount is well above the policy set.

TRUSTEES' APPROVAL OF THE ANNUAL REPORT

The annual report was approved by the trustees on 10th January 2024.

SUMMARY

The Trustees consider that they have complied with the Charities Act 2011 and that the church and its membership are meeting the charitable objectives that were determined when the church was formed. As it grows, it is expected that the church's community will have further opportunities to increase its activity and influence.



Mark Bean

Trustee

Independent Examiner's Report to the Trustees of The Junction Church

I report to the charity trustees on my examination of the accounts of The Junction Church for the year ended 31 March 2023, which are set out on pages 8 and 9.

RESPONSABILITIES AND BASIS OF REPORT

As the charity's trustees of the Company, you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 Act ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

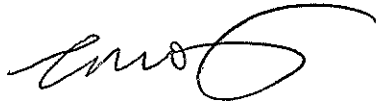
INDEPENDENT EXAMINER'S STATEMENT

Since the Company'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 Association of Accounting Technicians, 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:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

A handwritten signature in black ink, appearing to read 'Emma Waldron', with a large, stylized flourish at the end.

Emma Waldron
MAAT

Paul Exton Accounting Services
53 West Leake Lane
Kingston on Soar
Nottingham
NG11 0DN

19 January 2024

The Junction Church

Statement of Financial Activities for the year ended 31 March 2023

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Unrestricted Funds £	Restricted Funds £	Total 2022 £
Incoming resources:							
Donations and legacies	2	220,977	-	220,977	217,250		217,250
Charitable Activities		2,250	-	2,250	1,650		1,650
Events and Activities		23,074	-	23,074	25,389		25,389
Interest Received		1,334	-	1,334	328		328
Restricted Income		-	105,772	105,772		82,385	82,385
Total incoming resources		247,636	105,772	353,408	244,616	82,385	327,002
Resources expended:							
Charitable activities	3	223,054	-	223,054	187,700	-	187,700
Restricted Activity		-	103,099	103,099	-	17,908	17,908
Total resources expended		223,054	103,099	326,153	187,700	17,908	205,608
Net surplus / (Deficit) for the year		24,582	2,672	27,255	56,916	64,477	121,394
Transfer between funds		-	-	-	-	-	-
Net movement in funds		24,582	2,672	27,255	56,916	64,477	121,394
Reconciliation of funds:							
Total funds brought forward		205,492	153,795	359,287	148,576	89,318	237,894
Total funds carried forward		230,075	156,468	386,542	205,492	153,795	359,287

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure has arisen from continuing operations.


The notes from page 12 onwards form part of these accounts.

The Junction Church

Balance Sheet as at 31 March 2023

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Unrestricted Funds £	Restricted Funds £	Total 2022 £
Fixed Assets							
Tangible assets	6	38,534	-	38,534	-	-	-
Current Assets							
Debtors	7	35,681	-	35,681	-	-	-
Cash at Bank		159,449	156,468	315,917	205,492	153,795	359,287
Total current assets		195,130	156,468	351,598	205,492	153,795	359,287
Creditors							
Amounts falling due within one year	8	3,589	-	3,589	-	-	-
Net current assets		191,541	156,468	348,009	205,492	153,795	359,287
Total net assets		230,075	156,468	386,543	205,492	153,795	359,287
Represented by							
Unrestricted funds		230,075	-	230,075	205,492	-	205,492
Restricted funds		-	156,468	156,468	-	153,795	153,795
Total funds		230,075	156,468	386,543	205,492	153,795	359,287

The financial statements were approved by the trustees on 10th January 2024 and were signed on its behalf by:



Mark Bean
Chair of trustees

1 Accounting policies

The financial statements have been prepared in accordance with applicable accounting standards in the United Kingdom (FRS 102), the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), and with the Charities Act 2011. The financial statements are prepared on a going concern basis and the accounting policies have been applied consistently, other than where new policies have been adopted. The charity meets the definition of a public benefit entity as set out in FRS 102

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (accounts and Reports) Regulation 2008 only to the extent required to provide a 'true and fair' view. The departure has involved following the Charities SORP (FRS 102) published on 16th July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1st April 2005 which has since been withdrawn.

(a) Fund Accounting

Unrestricted funds	These are available for use at the discretion of the trustees in furtherance of the general objects of the charity.
Designated funds	These are unrestricted funds earmarked by the trustees for particular purposes.
Restricted funds	These are available for use subject to restrictions imposed by the donor or through terms of an appeal.

(b) Income

Income is composed principally of donations by Church members and gift aid reclaimed on donations where eligible. The nature of the Church's regular income means that income is brought into account only when the income is received. Gift aid reclaimed is recognised in the financial period to which it relates.

Income from any other activities is recognised when earned.

Investment income is recognised on a receivable basis and arises from interest bearing deposit accounts.

(c) Voluntary Help and Gifts in kind

The charity relies on volunteers to carry out many of its activities. However, in accordance with the SORP, the value of these services has not been included in these accounts as they cannot be reliably measured.

Donated goods and services, where significant, are included in income at an estimate of their value to the charity. An expense is recognised as those goods, facilities and services are consumed or distributed to beneficiaries.

(d) Expenditure

Expenditure, including irrecoverable VAT, is recognised as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Charitable activities is accounted for on an accruals basis, the costs incurred on the charity's operations, including support costs and costs relating to the governance of the charity apportioned to charitable activities.

Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

(e) Government Grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the statement of financial activities over the expected useful lives of the assets concerned. Other grants are credited to the statement of financial activities as the related expenditure is incurred.

The Junction Church

Notes to the financial statements for the year ended 31 March 2023

1 Accounting policies (Continued)

(f) Taxation

The Church is a registered charity, and as such, is entitled to certain exemptions on income and profits from investments and surplus on any activities carried on in furtherance of the Church's primary objectives, based on the assumption that these surpluses are applied solely for charitable purposes.

The Church is not registered for VAT. Irrecoverable Value Added Tax is charged to the relevant expenditure heading to which the net cost is associated.

(g) Tangible Fixed Assets

Fixed Assets are recorded at cost of purchase less accumulated depreciation. The Church generally capitalises assets which meet or exceed a de minimis value of £500 and are likely to have a useful economic life of more than one year.

Depreciation is charged at the following annual rates, commencing in the year of acquisition at rates estimated to write off their cost, less any estimated residual value, over their expected useful lives.

Motor vehicles	25% straight Line, accrued from the month after purchase
Freehold Property	1.5% straight Line, accrued from the month after purchase
Other assets	33.3% straight Line, accrued from the month after purchase

(h) Debtors & Creditors

The Church recognises all transactions on an accruals basis, which is to say that all sums due to or from the Church are included in the year which they occurred. If they have not been paid or received, they are included as a debtor or creditor.

(i) Pensions

The church operates a defined contribution pension scheme, contributions payable to the scheme are charged to the Statement of Financial Activities in the period to which they relate.

(j) Going concern

The trustees have determined that there is no material uncertainty that casts doubt on the entity's ability to continue as a going concern.

(k) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments, which are initially recognised at transaction value and subsequently measured at their settlement value.

The Junction Church

Notes to the financial statements for the year ended 31 March 2023

2 Donations and legacies

The majority of the incoming resources are donations from Church members.

	Unrestricted Funds	Restricted Funds	Total 2023	Unrestricted Funds	Restricted Funds	Total 2022
	£	£	£	£	£	£
Income from donations	200,977	105,772	306,749	217,250	82,385	299,635
Gift Aid	20,000	-	20,000	-	-	-
	220,977	105,772	326,749	217,250	82,385	299,635

3 Resources expended

	Unrestricted Funds	Restricted Funds	Total 2023	Unrestricted Funds	Restricted Funds	Total 2022
	£	£	£	£	£	£
Ministry & Pastoral Care	37,001	-	37,001	35,260	-	35,260
Events	17,616	-	17,616	3,610	-	3,610
Employer Costs	111,669	-	111,669	102,144	-	102,144
Venue Hire	24,890	-	24,890	16,805	-	16,805
Admin and Operational costs	31,878	-	31,878	29,881	-	29,881
Restricted Activity	-	103,099	103,099	-	17,908	17,908
	223,054	103,099	326,153	187,700	17,908	205,608

4 Governance Costs

The costs of governance is included in resources expended and is split as follows:

	Total 2023	Total 2022
	£	£
Legal & Professional	6,161	-
Examiner	250	250
Bank charges	161	6
	6,572	256

The Junction Church

Notes to the financial statements for the year ended 31 March 2023

5 Staff Costs

An analysis of staff costs is as follows:

	Total 2023	Total 2022
	£	£
Wages and Salaries	101,165	97,857
Employers national Insurance	4,379	2,676
Employers pensions contributions	2,419	2,207
	107,963	102,740

No employees received employment benefits of more than £60,000 in either the current or preceding year.

6 Tangible Fixed Assets

	Media & Sound Equipment	Software and Systems	Freehold Property	Motor Vehicles	Total
	£	£	£	£	£
Cost					
Brought forward	-	-	-	-	-
Additions in year	-	-	-	43,015	43,015
Carried forward	-	-	-	43,015	43,015
Depreciation					
Brought forward	-	-	-	-	-
Charge for the year	-	-	-	4,481	4,481
Carried forward	-	-	-	4,481	4,481
Net Book Value					
at 31 Mar 2023	-	-	-	38,534	38,534
at 31 Mar 2022	-	-	-	-	-

7 Debtors

	Total 2023	Total 2022
Gift Aid debtor	20,000	-
Prepayments	2,763	-
Other debtors	12,918	-
	35,681	-

8 Creditors

	Total 2023	Total 2022
Other Creditors	3,589	-
	3,589	-

The Junction Church

Notes to the financial statements for the year ended 31 March 2023

9 Analysis of movement in Funds

	Opening Balance 1st April 2022	Incoming Resources 2022/23	Outgoing Resources 2022/23	Transfers 2022/23	Closing Balance 31st March 2023
	£	£	£	£	£
Restricted Funds					
Vision	39,906	17,609	18,293	-	39,222
Building Fund	61,066	3,046	-	-	64,112
Community Fund	9	158	-	-	167
National Grid Grant	-	10,000	10,000	-	-
Other	52,814	74,959	74,806	-	52,967
	153,795	105,772	103,099	-	156,468
Unrestricted Funds	205,492	247,636	223,054	-	230,075
Total	359,287	353,408	326,153	-	386,542

	Opening Balance 1st April 2021	Incoming Resources 2021/22	Outgoing Resources 2021/22	Transfers 2021/22	Closing Balance 31st March 2022
	£	£	£	£	£
Restricted Funds					
Vision	22,835	27,460	10,389	-	39,906
Building Fund	59,042	2,024	-	-	61,066
Community Fund	1,635	1,493	3,119	-	9
Other	5,806	51,408	4,400	-	52,814
	89,318	82,385	17,908	-	153,795
Unrestricted Funds	148,576	244,616	187,700	-	205,492
Total	237,894	327,001	205,608	-	359,287

Restricted Funds and the use of these funds are as follows:

Vision	To help further the vision and expansion of the Junction Church
Building Fund	An ongoing fund to be used to purchase a building for the Church
Community Fund	To support those in need in our local community and our church

10 Transactions with trustees

None of the trustees received any fees for their services as Trustees. Lydia Todd is a Trustee and engaged in Ministry for the Church, for which employment costs of £28,865 (2022: £33,960) were made during the year, this includes all employer costs. Included in this amount, employer pension contributions of £1,002 (2022: £914) were made.

These payments are permitted by section 6 (2g) of the charities governing document.

Except for the reimbursement of expenses incurred when acting as agent for the charity, no expenses were paid to, or for, the trustees.

The Junction Church

Notes to the financial statements for the year ended 31 March 2023

11 Transaction with related parties

The following is a summary of organisations and individuals, which are related to The Junction Church together with details of the transactions made with them during the year.

Remuneration in the year was paid to Roy Todd (husband of Trustee Lydia Todd) who was employed in their own right. Employment costs and benefits totalling £51,017 (2022: £46,880) were made.

The charity received donations totalling £21,200 (2022: £11,717) from related parties, including any related gift aid (related parties includes the trustees, any other members of key management and anyone closely connected to them).

A company owned and controlled by Mark Bean (Trustee) and Carolyn Bean (Trustee) received £72 (2022: £679) for providing printing services to the charity.

There are no further related party transactions to disclose apart from these above.

12 Fund Transfers

Income and Expenditure from the prior year has been corrected in this year for income and expenditure that had been allocated to unrestricted funds rather than restricted funds.

13 Control

There is no ultimate controlling party.

14 Going Concern

The trustees have determined that there is no material uncertainty that casts doubt on the entity's ability to continue as a going concern.