

LONDON COMMUNITY CHURCH

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED
31 DECEMBER 2023

Charity Registration Number: 292014

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LEGAL & ADMINISTRATIVE INFORMATION

Name	London Community Church.
Registered Charity Number	292014
Trustees	<p>The Trustees who served during the year or who were serving at the date of this report were:</p> <p>Adam Bewsher (Resigned 22 June 2024) David J Goodship (Chair) Leigh J Turner Duncan Vann</p>
Key Management Personnel	Those in charge of directing, controlling, running and operating the church on a day to day basis are the Trustees, Philip Quinn (elder), and Malcolm Turner (elder).
Legal Status	Unincorporated Charity
Governing Instrument	Declaration of Trust dated 3 April 1985, amended by Special Resolution of 24 March 2003
Objects	<ul style="list-style-type: none">• The advancement of the Christian faith and the worship of God• To provide relief to people who are in need, hardship or distress or who are aged or sick• The advancement of education on the basis of Christian principles
Principal Address	14 Dersingham Road, Cricklewood, London NW2 1SL
Primary Bankers	Lloyds Banking Group, Covent Garden Branch, Southampton Row, London WC1B 5HR
Independent Examiner	John Helm ACA, Tandem Accounting 17 Heathville Road London N19 3AL

TRUSTEES' REPORT

The Trustees present their annual report and financial statements of the London Community Church ("the Church") for the year ended 31 December 2023. The financial statements have been prepared in the format prescribed the Statement of Recommended Practice: Accounting and Reporting by Charities (SORP2019 (FRS102)). The legal and administrative information set out earlier in this document forms part of this report.

1. ORGANISATION AND MANAGEMENT

The Church's affairs are normally conducted under the supervision and leadership of a team of elders. Trustees are appointed by the elders. A trustee can be removed by a resolution passed by a simple majority of the members of the Church.

Currently one of the elders acts in a part-time capacity within the Church and is responsible for day-to-day management. Responsibility for different areas of Church life is delegated to members by the elders. The elders meet together regularly and consult regularly with a wider group of leaders consisting of the elders, their spouses, and other couples in Church leadership. Formal trustee meetings are held at least three times a year and the elders meet informally with the trustees frequently throughout the year at various Church activities and events and maintain a close working relationship together.

Apart from the elder and paid office help, nearly all of the Church's activities and programmes are carried out with volunteer help from Church members, without which the Church would be unable to function, the trustees are very grateful for the help received from the volunteers.

To assist in achieving the objectives, the Church works closely with a wider group of churches known as Global Horizons, a separately registered UK charity. The Church is a member of the Evangelical Alliance.

Christopher Williams and Malcolm Turner continued to serve as elders throughout the year, with Philip Quinn joining the eldership team on 17 September 2023. Christopher Williams continued to serve as the full-time elder until 21 January 2024. Adam Bewsher, David Goodship, Leigh Turner and Duncan Vann continued to serve as Trustees throughout the year.

Risk Assessment

The trustees regularly review the major risks which the Church faces. They believe that maintaining the free reserves referred to below, combined with an annual review of the controls over key financial systems, will provide sufficient resources in the event of adverse conditions. The Trustees have also examined other operational and business risks which they face and confirm that they have established systems to mitigate the significant risks.

TRUSTEES' REPORT

2. ACTIVITIES CARRIED OUT TO ACHIEVE THE OBJECTS

During the course of the year the Church carried out the following activities in order to achieve the objects set out in the Trust Deed:

- Held public meetings, some virtual, in accordance with the Christian faith for worship, prayer and teaching;
- Made recordings of Sunday teaching and midweek meetings available on the internet to a wide audience free of charge and without restriction;
- Assisted and supported individuals in the outworking of their Christian faith through small group virtual meetings;
- Assisted and supported individuals in the outworking of their Christian faith on a one-to-one basis;
- Ran teaching programmes for children and teenagers, some virtual;
- Organised community events to reach out with the gospel;
- Provided financial and practical support to mission organisations, and individual missionaries, working in both the UK and overseas;
- Provided training in leadership through meetings with a number of Church members as they take responsibility for aspects of Church life (including leading worship teams, providing one-to-one care, teaching and preaching on Sundays and in small group settings, organising events and meetings, etc);
- Continued to run "Streets Food Project" initiative weekly within the O2 community venue. Responding to the cost of living crisis and the War in Ukraine, distributing food to more than 100 families each week (poor and in need) in the local community, and to Ukrainian refugees, supported by local volunteers.
- Forged links with other charitable bodies, e.g. Holy Trinity Brompton, JW3 and Camden council to maintain the "Streets food project" which is still ongoing in the community.

Public Benefit

The Trustees have considered the public benefit guidance and consider that all activities carried out by the Church pass the public benefit test. In particular, each of the three charitable objects of the Church is supported by at least one activity in the list above and in practice most activities contribute to at least two of the objects.

There are no material restrictions on participating in any Church activities based on financial need. Our public meetings (every Sunday and midweek meetings – some virtual) are open to all free of charge. Although Church members are asked to make a financial commitment to the Church, there is no minimum commitment and no one is excluded on the grounds of finance.

TRUSTEES' REPORT

3. GOING CONCERN

Each year it's the Trustees' responsibility to state whether or not the annual accounts have been drawn up on a going concern basis (see the accounting policy note on page 11). Going concern is the assumption that an entity, in this case the Church, has the resources (financial or otherwise) needed to continue operating for the foreseeable future and in particular, for at least 12 months from the date of approval by the Trustees of these annual accounts. If the going concern principle did not apply then the accounts would be drawn up on an insolvent basis.

The Trustees have reviewed its financial forecast for 2024. This review indicates that by moving from full time to part time eldership in 2024, there will no longer be a deficit. Accordingly, it has concluded that it is appropriate to prepare the 2023 Accounts on a going-concern basis.

4. FINANCIAL REVIEW

The Church's main sources of funding are the free will tithes and offerings of Church members and others in attendance.

4.1 Financial Activity and Financial Position

The Statement of Financial Activities and Balance Sheet can be found on pages 9 and 10 respectively. The Church's reserves decreased by £28,591 (2022: decreased by £12,252) during the year. This was made up of a one-off return of funds to donors, following the closure of the property project (as no alternate purpose had been agreed) and a similar deficit to the previous year. The balance sheet shows total net assets of £75,670 (2022: £104,261). The trustees are confident that as there are no long term commitments, income and expenditure can continue to be closely matched.

4.2 Reserves Policy

The trustees have considered the level of reserves they wish to retain, appropriate to the Church's need. This is based on the Church's size and level of financial commitments. The Trustees aim to ensure that the Church will be able to continue to fulfil its charitable objectives even if there is a temporary shortfall in income or unexpected expenditure. The Trustees do not set aside funds unnecessarily. Currently reserves are set aside above those needed for day to day matters referred to above. At 31 December 2023 the Church had net free reserves of £66,506 (2022: £44,513) as follows:

TRUSTEES' REPORT

	2023 £	2022 £
Total reserves	75,670	104,261
Less: restricted funds	(8,769)	(59,230)
Less: unrestricted fixed assets	(395)	(518)
Free reserves	66,506	44,513
Free reserves requirement:		
3 month's budgeted routine expenditure	26,885	22,992

4.3 Grant-making policy

The Church provides regular support to Global Horizons, a charity which supports a network of churches of which London Community Church is a part and also for Alan and Betty Scotland who lead Global Horizons. The Trustees also receive individual applications for grants which are dealt with individually by reference to the funds available and the Trustees' perceptions of the merits of the application.

5. PLANS FOR FUTURE PERIODS

The Church plans to continue its current activities in order to achieve the objects set out in the Trust Deed. With the successful establishment of the "Streets food project", it is intended to continue to provide for Ukrainian Refugees and the surrounding communities, including volunteering opportunities, as well as food in the near term whilst the war in Ukraine and economic hardship continues.

6. TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The charity trustees are responsible for preparing a trustees' annual report and 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 charity trustees to prepare financial statements for each 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 period. In preparing the financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgements and estimates that are reasonable and prudent;

TRUSTEES' REPORT

- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the charity and taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

7. APPROVAL

Approved by the Trustees on 3 October 2024

Signed on their behalf by Trustee

David Goodship
Trustee

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES

I report to the trustees of London Community Church on the accounts for the year ended 31 December 2023 set out on pages 9-17.

Respective Responsibilities of Trustees and Examiner

The organisation's Trustees are responsible for the preparation of the accounts. The organisation's Trustees consider that an audit is not required for this year under Section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts (under section 145 of the 2011 Act);
- follow the procedures laid down in the General Directions given by the Charity Commissioners (under section 145(5)(b) of the 2011 Act); and
- state whether particular matters have come to my attention.

Basis of Independent Examiner's Statement

My examination was carried out in accordance with General Directions given by the Charity Commissioners. An examination includes a review of the accounting records kept by the organisation and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeking explanations from the Trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent Examiners statement

I have completed my examination. I confirm that no material 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 church as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts 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 accounts to be reached.

John Helm ACA
3 October 2024

STATEMENT OF FINANCIAL ACTIVITIES

	Notes	Unrestricted Funds	Restricted Funds	Total 2023	Unrestricted Funds	Restricted Funds	Total 2022
Income and endowments from:							
Donations and Legacies	2a	80,037	(1,137)	78,900	76,562	7,121	83,683
Charitable Activities	2b	47	0	47	31	0	31
Total		80,084	(1,137)	78,947	76,593	7,121	83,714
Expenditure on:							
Raising funds	3a	0	0	0	5	0	5
Charitable activities	3b	91,827	15,711	107,538	89,904	6,057	95,961
Total		91,827	15,711	107,538	89,909	6,057	95,966
Net (expenditure)/income		(11,743)	(16,848)	(28,591)	(13,316)	1,064	(12,252)
Transfers between funds		33,613	(33,613)	0	0	0	0
Net Movement in Funds		21,870	(50,461)	(28,591)	(13,316)	1,064	(12,252)
Reconciliation of Funds:							
Total Funds Brought Forward		45,031	59,230	104,261	58,347	58,166	116,513
Total Funds Carried Forward		66,901	8,769	75,670	45,031	59,230	104,261

Movements on all reserves and all recognised gains and losses are shown above.

The notes on pages 13 -17 form part of these financial statements

BALANCE SHEET

	Notes	Unrestricted Funds	Restricted Funds	Total 31 Dec 2023	Total 31 Dec 2022
FIXED ASSETS:					
Tangible Assets	4	394	0	394	518
CURRENT ASSETS:					
Debtors	5	15,230	0	15,230	15,326
Cash at Bank and in hand	6	54,220	8,769	62,989	89,502
		69,450	8,769	78,219	104,828
LIABILITIES:					
Creditors: amounts falling due within one year	7	2,943	0	2,943	1,085
NET CURRENT ASSETS		66,507	8,769	75,276	103,743
NET ASSETS		66,901	8,769	75,670	104,261
Represented by:					
Unrestricted Funds		66,901	0	66,901	45,031
Restricted Funds	8	0	8,769	8,769	59,230
TOTAL FUNDS		66,901	8,769	75,670	104,261

The notes on pages 11-17 form part of these financial statements

Approved by the Trustees on 3 October 2024

Signed on their behalf by Trustee

David Goodship

NOTES TO THE FINANCIAL STATEMENTS

1.ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Basis of accounting

The financial statements have been prepared under the Charities Act 2011 and in accordance with the Charities Statement of Recommended Practice (Charities SORP (FRS 102)) and Financial Reporting Standard 102 (FRS 102). The financial statements are drawn up on the historical cost basis of accounting.

The financial statements include all transactions, assets and liabilities for which the Trustees are responsible in law. They do not include the accounts of Church groups that owe an affiliation to another body or those that are informal gatherings of Church members.

The London Community Church meets the definition of a public benefit entity under FRS 102.

Going Concern

There are no material uncertainties about the Church's ability to continue as a going concern and accordingly the accounts have been drawn up on a going concern basis.

Income recognition

Voluntary income and donations (including legacies) are accounted for once the Church has entitlement to the income, it is probable the income will be received and the amount of income receivable can be reliably measured.

Income from the recovery of tax on gift aided donations is accounted for in the period to which the relevant donation is received. Grant income is recognised on a receivable basis.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Church; this is normally upon notification of the interest paid or payable by the bank.

Expenditure recognition

Expenditure is accrued as soon as a liability is considered probable, and the amount of obligation can be measured reliably. Longer term liabilities are discounted to present value. Although the Church is registered for VAT under the Flat Rate Scheme, VAT is irrecoverable and therefore expenditure includes VAT where appropriate.

1.ACCOUNTING POLICIES (CONTINUED)

Charitable expenditure includes those costs in fulfilling The Church's principal objects, as outlined in the Report of the Trustees. These include grants made, governance costs and support costs.

NOTES TO THE FINANCIAL STATEMENTS

Governance costs comprise all costs involving the public accountability of the Church and its compliance with regulation and good practice. These costs include costs related to the independent examination and legal fees.

Tangible Fixed Assets

Expenditure is capitalised if the asset can be used for more than one year and costs at least £75. Assets are valued at cost or, if gifted, at the value to the charity on receipt.

Depreciation is calculated at a rate to write off the cost of tangible fixed assets on a straight line basis over their estimated useful lives. The rates applied per annum are as follows:

Café Fittings and Equipment	20% straight line basis
Fixtures and Fittings and Office Equipment	20% straight line basis
PA and Meeting Equipment	20% straight line basis

Debtors

Debtors are included at the settlement amount due. Prepayments are valued at the amount prepaid.

Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of opening of the deposit.

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation arising from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are recognised at their settlement amount.

Fund accounting

The funds held by the charity are either:

- Unrestricted general funds - these are funds which can be used in accordance with the charitable objects at the discretion of the trustees.
- Restricted funds - these are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

NOTES TO THE FINANCIAL STATEMENTS

2. INCOME

	Unrestricted Fund	Restricted Fund	Total 2023	Total 2022
(a) Donations and legacies				
Gifts and Donations	59,414	20	59,434	58,199
Regular Offerings	5,377	0	5,377	3,333
Property Fund Donations	0	(14,676)	(14,676)	0
Mission Fund Donations	200	3,544	3,744	1,620
Covid Donations	150	975	1,125	3,001
Food Project Grants	0	9,000	9,000	2,500
Tax Recoverable	14,896	0	14,896	15,030
	80,037	(1,137)	78,900	83,683
(b) Investment Income				
Bank Interest	47	0	47	31
	47	0	47	31
	80,084	(1,137)	78,947	83,714

3. EXPENDITURE

	Unrestricted Fund	Restricted Fund	Total 2023	Total 2022
(a) Expenditure on Raising Funds – Café				
Depreciation	0	0	0	5
	0	0	0	5

NOTES TO THE FINANCIAL STATEMENTS

3. EXPENDITURE (CONTINUED)

(b) Expenditure on Charitable Activities

	Unrestricted Fund	Restricted Fund	Total 2023	Total 2022
Activities				
Charitable Grants (see note below)	6,177	15,562	21,739	12,188
People Costs	70,553	0	70,553	69,994
Conference Fees	168	0	168	652
Other Training costs	173	0	173	131
Property Rental	6,544	0	6,544	5,021
Equipment Costs	584	0	584	931
Depreciation	124	0	124	61
Telephones	571	0	571	475
Printing Postage and Stationery	475	149	624	809
Travel Costs	211	0	211	116
Hospitality Costs	3,728	0	3,728	3,002
Insurance	350	0	350	347
Licences & Permits	474	0	474	578
Bank Service Charges	280	0	280	221
Sundry expenses	395	0	395	405
Professional Fees	60	0	60	130
Independent Examiner Fees	960	0	960	900
	91,827	15,711	107,538	95,961

Staff Costs and Numbers

Included within expenditure are the following staff costs:

	Total 2023	Total 2022
Salaried staff	0	0
Contracted staff	70,553	69,994
Employers National Insurance	0	0
Employer Allowance	0	0
Pension Contributions	0	0
	70,553	69,994
Of which the following contract payments were made in relation to Key Management Personnel:	68,400	68,400

Full time equivalent people represented	1.6	1.6
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NOTES TO THE FINANCIAL STATEMENTS

3. EXPENDITURE (CONTINUED)

The Charity no longer operates a PAYE scheme for employed members of staff but no employee received emoluments greater than £60,000 (2022: None)

The charity makes payments on a self-employed basis, and the charity also uses volunteers and casual labour to further the Church's objects. The elder is self-employed.

Charitable Grants

Included within expenditure are the following charitable grants made in accordance with the objects of the Church:

	Unrestricted Fund	Restricted Fund	Total 2023	Total 2022
To organisations:				
Global Horizons	6,000	0	6,000	6,000
Awareness Foundation	0	2,370	2,370	0
Holy Trinity Brompton	0	0	0	2,500
To individuals:	177	13,192	13,369	3,688
	6,177	15,562	21,739	12,188

4. TANGIBLE FIXED ASSETS

		Café Fittings & Equipment	PA & Meeting Equipment	Fixtures Fittings & Office Equipment	Total
Cost or Valuation					
At start of the year	1 Jan 2023	298	18,147	9,246	27,691
Additions		0	0	0	0
Disposals		(298)	(9,931)	(8,048)	(18,277)
At end of the year	31 Dec 2023	0	8,216	1,198	9,414
Depreciation and impairments					
At start of the year	1 Jan 2023	298	17,629	9,246	27,173
Depreciation Charge		0	124	0	124
Disposals		(298)	(9,931)	(8,048)	(18,277)
At end of the year	31 Dec 2023	0	7,822	1,198	9,020
Net Book Value	31 Dec 2023	0	394	0	394
Net Book Value	31 Dec 2022	0	518	0	518

NOTES TO THE FINANCIAL STATEMENTS

5. DEBTORS

	Unrestricted Fund	Restricted Fund	Total 2023	Total 2022
Tax recoverable	14,827	0	14,827	15,020
Prepayments and Accrued Income	403	0	403	306
	15,230	0	15,230	15,326

6. CASH AT BANK AND IN HAND

	Unrestricted Fund	Restricted Fund	Total 2023	Total 2022
Cash in Hand	93	0	93	93
Lloyds Current Account	47,227	685	47,912	58,454
Lloyds Deposit Account	328	0	328	325
CAF Current Account	6,561	8,084	14,645	30,619
CAF Deposit Account	11	0	11	11
	54,220	8,769	62,989	89,502

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Unrestricted Fund	Restricted Fund	Total 2023	Total 2022
Creditors and Accruals	1,060	0	1,060	100
Lloyds Charge Card	923	0	923	85
Independent Examiner Fees	960	0	960	900
	2,943	0	2,943	1,085

8. RESTRICTED FUNDS

8a Current year

	At 1 Jan 2023	Income	Expenditure	Transfers	At 31 Dec 2023
Property Fund - Funds	52,928	(14,676)	0	(37,567)	685
Streets Food Project	1,042	9,975	11,065	3,954	3,906
Mission Fund	5,260	3,564	4,646	0	4,178
	59,230	(1,137)	15,711	(33,613)	8,769

NOTES TO THE FINANCIAL STATEMENTS

8. RESTRICTED FUNDS (continued)

8b Prior year

	At 1 Jan 2022	Income	Expenditure	Transfers	At 31 Dec 2022
Property Fund - Funds	52,928	0	0	0	52,928
Streets Food Project	0	5,501	4,459	0	1,042
Mission Fund	5,238	1,620	1,598	0	5,260
	58,166	7,121	6,057	0	59,230

Descriptions of the funds:

Property Fund - This was originally set up to purchase a building for church use. In 2016 we did purchase a lease for a building - this was subsequently closed, but proceeds from the disposal were returned to the fund. As an alternate purpose was not specified when the original donations were made, an exercise was conducted to contact all donors to this fund to enquire if they wanted to choose another project or have their funds returned as there are no longer plans to purchase a building as prices or rent are no longer affordable given the income of the church and property prices.

Of the original 69 donors, 9 requested that their donations of £14,676 were returned, 8 nominated "streets food project" so £3,954 was transferred and 34 requested that their donations, £33,475, be allocated to un-restricted funds for general projects. 11 Donors with donations of £685 did not decide, so this amount remains in the restricted property fund, a further 3 month deadline was set for donors to nominate an alternate project, have funds returned to a specified bank account, or else the funds would be moved to the unrestricted fund. 7 donors were uncontactable so £138 has been re-designated on the basis that these donors made up 0.25% of the original fund and all means to contact have failed.

Streets Food Project - funds given by external donors for the 'Streets Food Project' initiative. This meets weekly within the O2 community venue, responding to the pandemic environment, cost of living crisis and the War in Ukraine.

Mission Fund - funds given to support missionary activities. Most of this funding supports 2 missionaries in Zambia, largely spent on fuel for a vehicle.

9. TRUSTEES AND OTHER RELATED PARTIES

No payments (2022: £1000) were made to any trustee or persons connected with them other than reimbursements of expenses incurred whilst carrying out Church business.

The Trustees gave a total of £6,064 (2022: £5,186) in unrestricted offerings and donations during the year.