

Crossroads Church, Ashington

Report and Unaudited Accounts

30 September 2021

Crossroads Church, Ashington
Report and accounts
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Crossroads Church, Ashington
Trustee's Annual Report For The Year Ended 30 September 2021

The Trustees present their Annual Report and the unaudited financial statements for the year ended 30 September 2021.

Objectives and Activities

The principle objectives of the Charity are the advancement of the Christian Faith and the relief of persons who are in need, hardship or distress, or who are aged or sick.

The provision of instruction in the Christian Faith at any educational establishment, and to give practical support and service to the local communities in Ashington and surrounding areas.

To promote life skills and healthy living options. To work with children and young people and promote and organise any other charitable activity which the trustees may from time to time decide.

The Charity is committed to achieving results for the public benefit and due regard is always given to this objective in all its work it undertakes in the community.

Vision

Inspiring and supporting the local community.

Vision that guides us.

We will promote our Christian aims and ideas through our engagement with people in our community

Mission Statement

To encourage the development of the Christian Faith in Church Members. To serve the local community through practical help and support.

We will achieve this:

Through teaching and pastoral support that will encourage, strengthen individuals and groups that will empower them to make and give help and support to others.

We will work in partnership with other churches.

We will work in partnership with the local authority, charity groups and educational establishments.

Our Values/Beliefs

We are committed to the values of the Christian Faith, and we have a passion to share this with others.

We believe that its message can and does make a difference to a person's life.

Summary of Main Activities

The Church was constituted by a Declaration of Trust on 8 December 1982. A new Declaration of Trust dated 23 June 2005 supersedes this.

There are currently three Church Elders along with the Treasurer, Trustees, Pastoral Team and Administration Team who deal with the practical affairs of the Church with additional pastoral support from the Rev. Brian Howell.

During the course of the financial year the church has seen a massive level of disruption due to the ongoing Covid epidemic which meant that no face to face services were held from October 2020 until early September 2021 when we began to meet again. Both our normal Sunday services and midweek services had to be suspended during this period. The operation of the church run coffee shop saw similar disruption. We were able to reopen on a restricted hours basis during the summer months of June to August after making adjustments so that we could operate in a Covid secure manner, however this then had to close for the time being due to the long term sickness of both paid staff members.

Summary of Main Activities (continued)

The shop is normally open to the general public with many people being served during the week in a non-threatening safe environment at its premises at 4 Myrtle Street, Ashington. The shop employed 2 paid staff during the year, supported by the government furlough scheme with wages being topped up to 100% as a goodwill gesture for most of this time. Remaining tips of around £300 were distributed to charity which brings the total raised over the last 15 years to around £23,000. This was hugely disrupted in the last year by the very short time the coffee shop was able to be open. All their gratuities continue to be given to charity.

Several Church members are actively involved with voluntary work within their local community. The Church supports and is involved with the local partnership of Churches Together in Ashington and Newbiggin. The pastoral support to members and to others from Rev Howell is invaluable. The Rev Howell has had to discontinue going into schools for the time being to take assemblies. The main methods of communication between church leaders and members has been by Whatsapp and Facebook posts as well as Zoom meetings and training sessions with smaller groups meeting online regularly to hold communion services.

Due to delays in being able to access our previous meeting venues an approach was made to The Salvation Army in Ashington and they have kindly allowed us to hire their church buildings both for our Sunday morning services and midweek meetings.

In addition a number of 'online bridge' events have been posted with topical local and national/international items being highlighted in professionally produced format for the benefit of the church members and the wider community. The aim of the church bridge events generally is to provide a none threatening occasion for church members and those outside the church, both from other churches and none church backgrounds to get together usually with food and music while being presented with an element of the Christian message. For the time being an online presentation has had to be used instead.

Plans for Future Development

The Church objectives over the next two years will be to safely negotiate a return to normality with the coffee shop restarting as soon as staff can return to work or alternatives found. We aim to develop the new Bridge Meetings venture, and to continue to develop our activities with Church members and to increase our awareness of who we are in the community. We want to continue the use of our premises at 4 Myrtle Street, Ashington for other activities. We also want to increase the working together in partnership with other Churches or groups in the area. An immediate challenge is to resolve the coffee shop staffing situation. Prior to the first lockdown we had allowed the coffee shop staffing to reduce from 3 to 2 in an attempt to reduce the level of subsidy needed to sustain this community venture. The support of government and local government grants as well as HMRC furlough payments has meant that the coffee shop deficit has been replaced by a surplus this financial year.

Activities for the Public Benefit

The trustees confirm that they have complied with the duty to have due regard to the Charity Commission's general guidance on public benefit when reviewing aims and objectives and in the planning of future activities. The trustees are committed to ensuring that all its acts of worship services are available to all in the local community. No individual is excluded from playing an active part in the affairs of the Church because of race, ethnicity, gender or disability or sexuality or by geographic location unless there are restrictions on them following a DSB check for those who want to work within the children and youth department, this also applies to anyone who wants to become involved with visiting the elderly, sick or a person with a disability within the church fellowship or in the local community.

The venues that the Church rents for its Sunday services and for the mid-week meetings and for its other activities during the year are fully accessible. Its meetings are advertised on a regular basis and are promoted on the Church web site.

Achievements and Performance

The trustees would like to record their thanks to the church members for their continued generous support financially and otherwise in a very difficult time when face to face contact has been so restricted.

Achievements and Performance (continued)

Usually ,interactive, positive services are held with modern songs and music, and those attending the service are encouraged to participate in the various meetings. We are pleased that this has been able to start again from September 2021 although previous attendance levels have been lower due to a number of people continuing to avoid face to face contact as much as possible.

The Church continues to support various missionary or aid works at home or overseas, and during the current year it has contributed from its funds £3,236 to various organisations and cases of individual need (up from £2,373 the previous year).

Financial Review

Surplus for the year

The current year's surplus of £28,401 is largely due to the unique circumstances of last year when much of our day to day activities in the church and coffee shop have had to be suspended. The income of the church has continued almost unchanged due to the faithful giving of our members while there have been much less outgoings in terms of hall hire, speakers fees etc. In addition, the support grants available to the coffee shop have meant that the business has survived and is ready to restart as soon as staffing permits. We have also taken the opportunity to attend to a number of much needed repairs and refurbishments to the coffee shop during this period of closure.

The Church continues its financial support of its Coffee Shop as it considers this to be a vital part of having a visible presence in the community and in the main shopping thoroughfare in Ashington. No doubt it will be necessary to change some ways of working when we see how things settle down after the pandemic.

Review of Financial Results and Reserves

The surplus/deficit for the year has been credited/debited to reserves as follows:-

	2021	2020
	£	£
Unrestricted funds	28,401	8,344
Restricted funds	-	-
Total surplus/deficit	28,401	8,344

As a result of this the total reserves at the 30th September 2021 which are to be carried forward are

General reserves	69,111	40,710
Fixed assets fund	55,000	55,000
Total reserves carried forward	124,111	95,710

Income and Expenditure

	Church 2021 £	Coffee Shop 2021 £	Church 2020 £	Coffee Shop 2020 £
Gross Income (& grants)	25,149	43,908	24,783	44,530
Expenditure	5,535	32,631	10,766	46,917
Surplus/(Deficit)	19,614	11,277	14,017	-2,387

The Church transferred £2,264 (2020 £7,486) from its funds to support the Coffee Shop during the year.

Summary of Results		2021	2020
		£	£
Church surplus		19,614	14,017
Coffee Shop deficit/surplus		11,277	-2,387
Add:	Bank interest received	0	101
Other – Redundancy provision/stock revaluation		-2,040	-2,937
		<u>28,851</u>	<u>8,794</u>
Less:	Governance costs	450	450
	Net Surplus	<u>28,401</u>	<u>8,344</u>
The Net Assets of the Charity as at 30 September 2021 were		<u>124,111</u>	<u>95,710</u>

Trustees Expenses

No Trustees were reimbursed expenses incurred in their roles as Trustee or as Church Elder.

Structure, Governance and Management

Crossroads Church was constituted by a Declaration of Trust on 8 December 1982. A new Declaration of Trust dated 23 June 2005 supersedes this.

Crossroads Church is a membership organisation and is managed by appointed Elders and with other appointed Church Officials and Trustees. Regular formal management meetings are held throughout the year. The Church has its own constitution for the governance of the spiritual and moral welfare of its religious activities. The Church holds an Annual General meeting and also other regular meetings. The members receive details of the business meetings through the publishing of the minutes.

Staffing

The Church employs a full-time manager and one part time catering assistants at its Coffee Shop. They also retain the freelance services of the Rev B Howell for pastoral support and other ministry duties.

Report of a Serious Incident

The trustees confirm that they have not had to report any serious incident or issue to the Charity Commission in this financial year.

The Church members responsible for safeguarding issues are Mrs C. Rogers assisted by Mr D. Bruce

Policy for Monitoring and Review

The level of reserves and the financial affairs of the Charity are monitored on a regular basis. An annual review is also undertaken to ensure that the overall level of reserves continues to meet the needs of the Charity.

Risk Strategy

The major risks to which the Charity is exposed to is reviewed on a regular basis, and the Trustees are aware that with an ageing congregation, that new robust initiatives need to be put in place over the next few years to address this problem. The Trustees along with other Church officials are continuing to review its policies and procedures to ensure that they comply with current legislation. There is also the risks caused by the covid 19 pandemic preventing us as a church and as the coffee shop from pursuing our normal routines and practices and we will continue to follow government guidance on when and how we can safely resume activities. In addition, the long term sickness of both coffee shop employees will pose a risk to its continued viability as a business.

Reference and Administration Details

Charity Name	Crossroads Church
Charity Number	513430
Principal Address	109 Front Street Newbiggin by the Sea Northumberland NE64 6AD
Board of Trustees	W G S Rogers V Addison M J Graham
Independent Examiner	Walsh & Co Chartered Accountants 103 Station Road Ashington Northumberland NE63 8RS
Bankers	Unity Trust Bank plc Nine Brindley Place Birmingham B1 2HR

The Trustees conclude their Annual Report in recording their sincere thanks to the staff at the Coffee Shop, the volunteers, the Church officials, the worship and musical teams and all other participants who have contributed to the church activities during the last financial year.

Approval

This report was approved by order of the Board of Trustees on _____ and signed on its behalf by _____

W G S Rogers
Trustee

M J Graham
Trustee

Crossroads Church, Ashington
STATEMENT OF THE TRUSTEES RESPONSIBILITIES

Charity law 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 its financial activities for that period. In preparing those Financial Statements the Trustees are required to:

- Select suitable accounting policies and apply them consistently.
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable accounting standards have been followed.
- State whether applicable statements of recommended practice have been followed.
- Prepare the Financial Statements on the going concern basis.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and to enable them to ensure that the accounts comply with current legislation. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud or other irregularities.

Crossroads Church, Ashington

**INDEPENDENT ACCOUNTANTS REPORT TO THE TRUSTEES OF CROSSROADS CHURCH,
ASHINGTON FOR THE YEAR ENDED 30 SEPTEMBER 2021**

I report on the accounts of the Charity for the year ended 30 September 2021, which are set out on pages 9 to 15.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 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;

to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and

to state whether particular matters have come to my attention.

Basis of independent examiner's report

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

Independent examiner's statement

In connection with my examination, no matter has come to my attention which gives reasonable cause to believe that in any material respect the requirements:

to keep accounting records in accordance with section 130 of the 2011 Act; and
to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act, have not been met; or

To which in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Walsh & Co Chartered Accountants
103 Station Road
Ashington
Northumberland
NE63 8RS

20 April 2022

Crossroads Church, Ashington
Statement of Financial Activities
for the year ended 30 September 2021

	Note	Unrestricted Funds £	Restricted Income Funds £	2021 Total Funds £	2020 Total Funds £
Incoming Resources					
Income and Endowment From:-					
Donations and legacies		25,149	-	25,149	24,783
Charitable Activities		43,908	-	43,908	44,530
Investments		-	-	-	101
Total	3	69,057	-	69,057	69,414
Charitable Activities		38,166	-	38,166	57,683
Governance Cost		450	-	450	450
Redundancy Provision/Stock Revaluation		2,040	-	2,040	2,937
Total	4	40,656	-	40,656	61,070
Net Income/ (expenditure)		28,401	-	28,401	8,344
Total Funds brought forward		95,710	-	95,710	87,366
Total Funds carried forward	10	124,111	-	124,111	95,710

The statement of financial activities includes all gains and losses in the year. All incoming resources expended derive from continuing activities.

Crossroads Church, Ashington
Balance Sheet
as at 30 September 2021

	Notes	2021 £	2020 £
Fixed assets			
Tangible assets	6	55,000	55,000
Current assets			
Stocks		300	1,300
Debtors		177	342
Cash at bank and in hand	8	82,295	52,281
		<u>82,772</u>	<u>53,923</u>
Creditors: amounts falling due within one year		(13,661)	(13,213)
Net current assets		<u>69,111</u>	<u>40,710</u>
Net assets		<u>124,111</u>	<u>95,710</u>
Funds of the Charity			
Unrestricted funds		124,111	95,710
Total Funds	10	<u>124,111</u>	<u>95,710</u>

The financial statements were approved by the Board of Trustees on
signed on its behalf by:

and were

W G S Rogers
Trustee

The notes on pages 11 to 15 for part of these financial statements.

Crossroads Church, Ashington
Notes to the unaudited financial statements
for the year ended 30 September 2021

1 Basis of Preparation

Basis of Accounting

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain financial assets and liabilities and properties measured at fair value through the statement of financial activities. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102) and the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS102. The financial statements have been prepared on the going concern basis which assumes that the Charity will continue in operational existence for the foreseeable future.

Transition to FRS102

The entity transitioned from previous UK GAAP to FRS 102 as at 1 October 2015.

2 Accounting Policies

Income

The main source of income is from Church donations and Coffee shop sales with provision being made for any outstanding accounts at the end of the financial year. In the last year government and local government grants have supported the coffee shop finances during the covid pandemic.

Expenditure

This includes Expenses of the Charity with provision being made for any outstanding accounts at the end of the financial year.

Expenditure on items of equipment are written off in the Income and Expenditure Account in the year of purchase.

Depreciation

The Coffee Shop freehold and property improvements have not been depreciated as fair value has been applied.

Stocks

Stock items are valued at cost.

Fund Accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds 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.

Crossroads Church, Ashington
NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
for the year ended 30 September 2021

This schedule does not form part of the statutory accounts

	2021	2020
	£	£
3 ANALYSIS OF INCOME		
Donations from church services	21,342	21,270
Gift aid reclaimed	3,807	3,513
Coffee shop sales	7,946	24,213
Bank interest	-	101
Other/grant support	35,962	20,317
	<u>69,057</u>	<u>69,414</u>
TOTAL INCOME	<u><u>69,057</u></u>	<u><u>69,414</u></u>
4 ANALYSIS OF EXPENDITURE		
The analysis of the total resources expended is:		
Church Running Costs		
Ministry Cost	1,199	3,629
Charity Giving	3,236	2,373
Premises Rent and Equipment	-	3,264
Administration	1,100	1,500
	<u>5,535</u>	<u>10,766</u>
Coffee Shop		
Wages	26,523	32,734
Purchases	787	6,907
Premises Running Cost	3,528	4,964
Administration	1,793	2,312
Amendment to redundancy provision	1,040	2,937
Stock write down	1,000	-
	<u>34,671</u>	<u>49,854</u>
Total Resources expended on charitable activities	<u><u>40,206</u></u>	<u><u>60,620</u></u>
The analysis of the Governance cost is:		
Independent Examiner's Remuneration	450	450
Total unrestricted resources expended	<u><u>40,656</u></u>	<u><u>61,070</u></u>

Crossroads Church, Ashington
NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
for the year ended 30 September 2021
This schedule does not form part of the statutory accounts

5 PAID EMPLOYEES

The average monthly number of employees during the year was three.
 No employee received emoluments in excess of £60,000.

6 TANGIBLE FIXED ASSETS

	Freehold Property £	Total 2021 £	Total 2020 £
Cost or Valuation			
As at 1 October 2020	55,000	55,000	55,000
Disposals			
As at 30 September 2021	<u>55,000</u>	<u>55,000</u>	<u>55,000</u>
Depreciation			
As at 1 October 2020	-	-	-
Charge for the year	-	-	-
Disposals	-	-	-
As at 30 September 2021	<u>-</u>	<u>-</u>	<u>-</u>
Net Book Value at 30 September 2021	<u>55,000</u>	<u>55,000</u>	<u>55,000</u>

The charity owns the freehold property of the Church Coffee Shop at 4 Myrtle Street, Ashington. The gross cost was £51,900; a grant of £25,000 was received from the Coalfields Regeneration Trust leaving a net cost of £26,900. Some improvements have been carried out to the premises and the net cost to Church funds after grants received was £11,817. The net investment in property is therefore £38,717. The property was assessed in April 2018 by an independent professional valuer. The fair value of the property is estimated to be £55,000 and an appropriate adjustment has been made in the accounts. No depreciation charge is necessary.

	2021 £	2020 £
7 Debtors		
Coffee Shop Accounts	<u>177</u>	<u>342</u>

Crossroads Church, Ashington
NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
for the year ended 30 September 2021
This schedule does not form part of the statutory accounts

8 CASH AT BANK

The bank balances at 30 September 2021 were as follows:

Church deposit account	35525	35525
Church main account	27858	10958
Coffee Shop Account	18812	5698
Cash in hand	100	100
	<u>82295</u>	<u>52281</u>

Crossroads Church, Ashington
NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
for the year ended 30 September 2021
This schedule does not form part of the statutory accounts

9 CREDITORS

Sundry Coffee Shop accounts	134	726
Sundry Church accounts	450	450
Redundancy Liability	13077	12037
	<u>13661</u>	<u>13213</u>

10 CHARITY FUNDS

Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Designated Funds £	Total £
Fund Balances at 30 September 2021 are represented by:-				
Tangible Fixed Assets	55000	0	0	55000
Net Current Assets	<u>69111</u>	<u>0</u>	<u>0</u>	<u>69111</u>
Total Net Assets	<u>124111</u>	<u>0</u>	<u>0</u>	<u>124111</u>

11 CHARITABLE RATES RELIEF

The Charity has received the statutory 80% rates relief in respect of its freehold property at 4 Myrtle Street, Ashington.

12 CAPITAL COMMITMENTS

There were no capital commitments as at 30 September 2021.

13 PENSIONS

A workplace pension scheme with auto enrolment is now in operation for eligible staff.

14 RELATED PARTY TRANSACTIONS

There were no material transactions with related parties during the year.

Crossroads Church, Ashington
NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
for the year ended 30 September 2021
This schedule does not form part of the statutory accounts

15 CHARITABLE GIVING

The gifts made by the Church during the year were £3,236 (2020 £2,373).
They were made to the following:

	£
Samaritan's Purse	600
Compassion	336
Open Doors	600
Premier Radio	600
Salvation army	500
External gifts	100
In House Gifts	500
	<hr/>
TOTAL	<u><u>3236</u></u>

16 ULTIMATE CONTROLLING PARTY

In the opinion of the trustees, although they have the legal responsibility for the safeguarding of the assets of the Charity, the ultimate control of the Charity is with the membership of the Church.