

Crossroads Church, Ashington
Report and Unaudited Accounts
30 September 2022

Crossroads Church, Ashington
Report and accounts
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Crossroads Church, Ashington
Trustee's Annual Report For The Year Ended 30 September 2022

The Trustees present their Annual Report and the unaudited financial statements for the year ended 30 September 2022

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.

The year from October 2021 to September 2022 has seen the church gradually getting back to some sort of normality following the huge disruption during the previous year and a half due to the Covid pandemic. From September 2021 we began to meet face to face as a church again although some of our members only gradually felt confident to come together after several more months. Unfortunately a number of our congregation haven't re-established this into their normal routine so overall the numbers meeting together have not recovered to their pre Covid levels. The last financial year continued to see substantial disruption to our coffee shop operation. The reopening of the shop was delayed due to the long term illness of the coffee shop manager for more than half a year while the other paid member of staff was also on long term sick and was unable to return to work. She eventually handed in her notice in the summer of 2022. In March 2022 the coffee shop reopened two days a week staffed by volunteers. When the manager returned three months later on recuperative hours it became clear that we would be unable to continue to operate the coffee shop as a viable business. .

Summary of Main Activities (continued)

As at the year end the decision had been taken to close the shop by the elders and trustees in its present format with consideration as to how the facility could be used in the future to benefit the community in a less costly way to the church. At the year end the manager was therefore working her twelve week notice period with the shop opening two days a week prior to its planned closure in December 2022.

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.

Due to delays in being able to access our previous meeting venues after Covid 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. This arrangement has worked well and we have no plans to change this for the time being.

Plans for Future Development

The Church objectives over the next year is to continue to meet together for worship, prayer, teaching and support and to encourage others to join us. The plan for the coffee shop premises is to provide a community resource as a warm space providing a sociable warm place with free food and drinks for people to use and access over the coming months. This will be reviewed on a regular basis to see if we are meeting the needs of the community in a relevant way.

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 .

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.

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 £4,699 to various organisations and cases of individual need (up from £3,236 the previous year). The amount of giving has been increased and we have been pleased to do this to help particularly at this time of real financial hardship for many people. We will continue to look for opportunities to provide support in the future.

Financial Review

Deficit for the year £4,197.

The overall financial environment has been vastly different this year to the previous year when the church made an exceptional surplus of £28,401. That was driven by the church having minimal operating costs when we didn't meet together at all in the year due to Covid while the church members continued to give financially and due to the levels of grants and furlough support provided by the government during this period. This year the income of the church has reduced reflecting a smaller congregation and the previously documented difficulties with the coffee shop not opening but still incurring staff and running costs resulted in the overall deficit of £4,197. We anticipate the cost of planned redundancy payment to the shop manager will lead to a deficit in the next year however provision for this has already been made in the church accounts.

Review of Financial Results and Reserves

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

	2022	2021
	£	£
Unrestricted funds	-4,197	28,401
Restricted funds	-	-
Total surplus/deficit	-4,197	28,401

As a result of this the total reserves at the 30th September 2022 which are to be carried forward are

General reserves	64,914	69,111
Fixed assets fund	55,000	55,000
Total reserves carried forward	119,914	124,111

Income and Expenditure

	Church 2022 £	Coffee Shop 2022 £	Church 2021 £	Coffee Shop 2021 £
Gross Income (& grants)	19,559	7,232	25,149	43,908
Expenditure	10,655	24,320	5,535	32,631
Surplus/(Deficit)	8,904	-17,088	19,614	11,277

The Church transferred £1,206 (2021 £2,264) from its funds to support the Coffee Shop during the year.

Summary of Results		2022	2021
		£	£
Church surplus		8,904	19,614
Coffee Shop deficit/surplus		(17,088)	11,277
Add:	Bank interest received	106	-
Other – Redundancy provision/stock revaluation		4,331	(2,040)
		<u>(3,747)</u>	<u>28,851</u>
Less:	Governance costs	450	450
	Net Surplus	<u>(4,197)</u>	<u>28,401</u>
The Net Assets of the Charity as at 30 September 2022 were		<u>119,914</u>	<u>124,111</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 employed a full-time manager and one part time catering assistants at its Coffee Shop. The part time member of staff resigned due to ill health just before the year end. As at the year end the manager was serving a twelve week redundancy period. 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. As rules were relaxed after the Covid pandemic regarding meeting together the church meetings were able to recommence in September 2021. Some members were reluctant to meet up for many months after that and it is fair to say that a proportion of the usual congregation didn't resume meeting regularly again. With the coffee shop the part time staff member remained unable to return to work due to ill health and finally resigned in the summer of 2022. The full time shop manager was also unable to work due to illness for the more than 6 months of the current year and as a result the coffee shop had to remain closed for 6 months. In March 2022 it started to open 2 days a week run by volunteers. When the manager returned on recuperative hours the shop still opened 2 and then 3 days a week. It has become clear that with a greatly reduced turnover it would no longer be financially viable for the church to open the shop in its current form.

As at the end of the year the manager was serving a twelve week redundancy period with the shop during this period continuing to be open two days per week.

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 D Todd (replacing 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

Tuesday, May 16, 2023

Crossroads Church, Ashington
Statement of Financial Activities
for the year ended 30 September 2022

	Note	Unrestricted Funds £	Restricted Income Funds £	2021 Total Funds £	2020 Total Funds £
Incoming Resources					
Income and Endowment From:-					
Donations and legacies		19,559	-	19,559	25,149
Charitable Activities		7,338	-	7,338	43,908
Total	3	26,897	-	26,897	69,057
Charitable Activities		34,975	-	34,975	38,166
Governance Cost		450	-	450	450
Redundancy Provision/Stock Revaluation		(4,331)	-	(4,331)	2,040
Total	4	31,094	-	31,094	40,656
Net Income/ (expenditure)		(4,197)	-	(4,197)	28,401
Total Funds brought forward		124,111	-	95,710	95,710
Total Funds carried forward	10	119,914	-	91,513	124,111

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 2022

	Notes	2022 £	2021 £
Fixed assets			
Tangible assets	6	55,000	55,000
		<u>55,000</u>	<u>55,000</u>
Current assets			
Stocks		300	300
Debtors		-	177
Cash at bank and in hand	8	73,810	82,295
		<u>74,110</u>	<u>82,772</u>
Creditors: amounts falling due within one year		(9,196)	(13,661)
Net current assets		<u>64,914</u>	<u>69,111</u>
Total assets less current liabilities		<u>119,914</u>	<u>124,111</u>
Net assets		<u>119,914</u>	<u>124,111</u>
Funds of the Charity			
Unrestricted funds		119,914	124,111
Total Funds	10	<u>119,914</u>	<u>124,111</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 2022

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 2022

This schedule does not form part of the statutory accounts

	2,022	2,021
	£	£
3 ANALYSIS OF INCOME		
Gift aid reclaimed	3,815	3,807
Coffee shop sales	6,339	7,946
Bank interest	106	-
Other/grant support	893	35,962
TOTAL INCOME	<u><u>26,897</u></u>	<u><u>69,057</u></u>

The analysis of the total resources expended is:

Ministry Cost	1,490	1,199
Premises Rent and Equipment	3,119	-
Administration	1,347	1,100
	<u><u>10,655</u></u>	<u><u>5,535</u></u>
Wages	18,981	26,523
Purchases	428	787
Premises Running Cost	3,403	3,528
Administration	1,508	1,793
Amendment to redundancy provision	- 4,331	1,040
Stock write down	-	1,000
	<u><u>19,989</u></u>	<u><u>34,671</u></u>
Total Resources expended on charitable activities	<u><u>30,644</u></u>	<u><u>40,206</u></u>
The analysis of the Governance cost is:		
Independent Examiner's Remuneration	450	450
Total unrestricted resources expended	<u><u>31,094</u></u>	<u><u>40,656</u></u>

Crossroads Church, Ashington
NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
for the year ended 30 September 2022
This schedule does not form part of the statutory accounts

Disposals

As at 30 September 2022	55,000	55,000	55,000
Depreciation			
As at 1 October 2021	-	-	-
Charge for the year	-	-	-
Disposals	-	-	-
As at 30 September 2022	-	-	-
Net Book Value at 30 September 2022	55,000	55,000	55,000

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.

	2022	2021
	£	£
7 Debtors		
Coffee Shop Accounts	0	177

8 CASH AT BANK

The bank balances at 30 September 2022 were as follows:

Church deposit account	35631	35525
Church main account	35106	27858
Coffee Shop Account	2973	18812
Cash in hand	100	100
	73810	82295

Crossroads Church, Ashington
NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
for the year ended 30 September 2022
This schedule does not form part of the statutory accounts

9 CREDITORS

Sundry Coffee Shop accounts	0	134
Sundry Church accounts	450	450
Redundancy Liability	8746	13077
	<u>9196</u>	<u>13661</u>

10 CHARITY FUNDS

Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Designated Funds £	Total £
Fund Balances at 30 September 2022 are represented by:-				
Tangible Fixed Assets	55000	0	0	55000
Net Current Assets	<u>64914</u>	<u>0</u>	<u>0</u>	<u>64914</u>
Total Net Assets	<u>119914</u>	<u>0</u>	<u>0</u>	<u>119914</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 2022

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 2022
This schedule does not form part of the statutory accounts

15 CHARITABLE GIVING

The gifts made by the Church during the year were £4,699 (2021 £3,236).

They were made to the following:

	£
Samaritan's Purse	600
Compassion	336
Open Doors	600
Premier Radio	600
Salvation army	400
External gifts	800
In House Gifts	863
Wansbeck Food bank	500
TOTAL	4699

16 UNLIMITED 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.