

The Philadelphia Network Limited

Report and Accounts

Year ended 31 December 2019

Company Registration Number 06035697

Registered Charity Number 1134973

THE PHILADELPHIA NETWORK LIMITED

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The Philadelphia Network Limited

Trustees' report for the year ended 31 December 2019

The Trustees, who are also directors for the purposes of company law, are pleased to present their Annual Report, together with the independently examined financial statements for the year ended 31 December 2019.

These financial statements have been prepared in accordance with the Charity's Constitution, the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015), with FRS 102 and with the requirements of the Companies Act 2006 and the Charities Act 2011.

Objectives and Activities

Objectives

The Charity's objects are:

- a) To advance the Christian Faith for the benefit of the public in the Diocese of Sheffield and in such parts of the United Kingdom and the World as the Trustees think fit, through the establishment and operation of a church or churches.
- b) The provision of pastoral care for the congregation worshipping at the extra-parochial place known as St Thomas' Church at Philadelphia.
- c) To promote education and to prevent and relieve poverty in the Diocese of Sheffield and such parts of the United Kingdom and/or the World as the Trustees may from time to time think fit.

Within that framework, the primary object of the Charity is to work towards the transformation of the city of Sheffield, by making life better for its people, by inviting people to be followers of Jesus Christ, and by helping those who wish to do so, in partnership with other churches and agencies wherever this would be beneficial.

Main Objectives for the year

Key objectives were:

- ongoing leadership and volunteer development to achieve these aims;
- planting new household and community groups;
- increased partnership with other churches and city agencies across Sheffield to develop our work with youth, young adults and to vulnerable and marginalised people;
- continuing to explore the redevelopment of the Philadelphia campus, both to assist with our aims and to release resources for mission.

The success of this strategy is measured by:

- the stories of people's changed lives;
- using appropriate measurables in ministry to youth, young adults and vulnerable and marginalised adults;
- counting the number of leaders and volunteers who are trained and with whom the church works;
- the variety of ministries that are maintained and the numbers of beneficiaries who are supported by those ministries.

The Philadelphia Network Limited

Trustees' report for the year ended 31 December 2019

..... continued

Grant Making Policies

The Charity aims to give away a percentage of its unrestricted income to other beneficiaries and charities in furtherance of the Charity's objectives. The majority of grants are made to registered charities although assistance may be given to other constituted groups.

Statement of Public Benefit

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Church's aims and objectives and in planning future activities. The Trustees are also aware of the Charity Commission's guidance on public benefit in The Advancement of Religion for the Public Benefit and have had regard to it in their administration of the Charity. The Church provides the following activities for the benefit of the general public:

- the celebration of public worship;
- the teaching of the Christian faith;
- mission and evangelism;
- pastoral work, including visiting the sick and the bereaved;
- the provision of facilities with a Christian ethos for the local community (including but not restricted to) the elderly, the young and other group with special needs; and
- the support of other charities in the UK and overseas.

Volunteers

The Charity encourages a culture of volunteering in all areas of its work. During the year at least 260 volunteers provided their services to the Charity. No financial value of volunteers' time has been included in the financial statements.

Achievements and Performance

Some of the highlights for 2019 were:

- There have been 10 Baptisms.
- New Forge Youth projects were launched in Handsworth and Shiregreen and schools work continued to develop.
- Restore launched services within S6 Foodbank working to address the root causes of food poverty, including debt, budgeting and benefit support.
- S6 Foodbank distributed over 88 tonnes of food to people in need across Sheffield.
- Our average weekly attendance at services across all sites was 267 people.

Financial Review

Church members make annual financial commitments to the Charity. The annual budget is based on the vision of its leadership team, tempered by the income that is promised by church members and anticipated from grant making bodies.

The statement of financial activities on page 9 shows total unrestricted resources of £763,147 (2018: £744,616) and total unrestricted expenditure £759,279 (2018: £754,280). After net transfers of £52,930 (2018: £49,963) from restricted funds, this resulted in a surplus of £5,963 (2018: Surplus £19,542).

The Philadelphia Network Limited

Trustees' report for the year ended 31 December 2019

..... continued

Reserves Policy

The Trustees have reviewed the reserves of the Church. This review encompassed the nature of the income and expenditure streams, the need to match variable income with fixed commitments and the nature of the reserves. The review concluded that to allow the Church finances to be managed effectively and to provide a buffer for uninterrupted services, unrestricted reserves (excluding property and related loans) equivalent to six weeks' expenditure should be maintained. At 31 December 2019, the value of such reserves was £5,963. The Trustees are seeking to remedy this situation.

Structure, Governance and Management and Governing Document

The Charity is a registered charity and a company limited by guarantee. It was incorporated on 21 December 2006 as Network Church Limited. The name of the company was changed to The Philadelphia Network Limited on 29 March 2008.

The Charity is a Christian Church with Anglican, Baptist and Free Church roots. It has two major ministries: Forge Youth (children and young people) and Restore (marginalised and vulnerable adults) including S6 Foodbank. It operates from two bases: St Thomas Philadelphia (at Gilpin Street, Sheffield. S6) and the Kings Centre (at Union Road, Sheffield. S11). These two names, together with Forge Youth, Restore and S6 Foodbank are operating names of the Charity.

Recruitment of Members

Membership of the company is at the discretion of the Trustees. The current members of the company were drawn from key leaders at St Thomas Philadelphia and the Kings Centre and approved by the Trustees. None of the trustees has any beneficial interest in the company. All of the trustees are members of the company.

Organisational structure

The Board of Trustees is made up of two groups:

- a) Three of the Trustees are drawn from Executive Leadership Team and are employed by the Charity. They are not remunerated for their duties as trustees.
The Executive Leadership Team includes the Chief Executive and Chair. The Executive Leadership Team make day-to-day decisions in the running of the Charity within the guidelines and budgets approved by the whole Board. The Executive Leadership Team are accountable to the Board.
- b) The remainder and majority of the Trustees are non-executive and are unpaid.

Each individual appointment is recommended by the existing Trustees and approved by the Members.

Risk Management

The Trustees have assessed the major risks to which the charity is exposed. The Trustees are satisfied that systems are in place to mitigate exposure to the major risks.

The Philadelphia Network Limited

Trustees' report for the year ended 31 December 2019

..... continued

Independent Examiner

Under the Charities Act 2011, a charity's accounts are required to be audited where its annual income exceeds £1M. The annual income of The Philadelphia Network does not exceed this threshold and the trustees have decided that an Independent Examination should replace the audit. During the year under review Winter & Co. resigned as auditors. The Trustees appointed Peter Winter as the charity's Independent Examiner and he has expressed his willingness to be reappointed in that capacity.

Reference and Administrative Information

Board of Directors/Trustees	Dr Ade Adebajo Mr Timothy Armstrong (Appointed 5 November 2019) Mr Neill Birchenall (Appointed 29 January 2019) Mr Samuel Evans (Appointed 5 April 2020) Chief Executive - 8 June 2020 Revd. Peter Findley Chief Executive to 8 June 2020 Chair to 31 July 2020 (Resigned on 31 July 2020) Mr Brian Gooch Revd. Giles Holloway Revd. Michael Rutter (Appointed 5 April 2020) Chair - 31 July 2020 Mrs Rachel Marshall Mr James Wilson (until 31 December 2019)
Company Secretary	Mr Andrew Buckley
Legal Name	The Philadelphia Network Limited
Operating Names	Network Church Sheffield; St Thomas Philadelphia The Kings Centre; Forge Youth; Restore; S6 Foodbank
Website	www.ncsheffield.org
Company Number	6035697
Charity Number	1134973
Registered office and Business Address	6 Gilpin Street Sheffield, S6 3BL
Independent Examiner	Mr Peter Winter Chartered Certified Accountant 103 Wilkinson Street Sheffield S10 2GJ
Bankers	Yorkshire Bank Fargate, Sheffield S1 1LL

The Philadelphia Network Limited

Trustees' report for the year ended 31 December 2019

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Trustees' responsibilities

The Trustees are responsible for preparing an annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (UK Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements which give a true and fair view of the state of affairs of the Charity and of incoming resources and application of resources for that period. In preparing these financial statements the Trustees are required to:

- i. select suitable accounting policies and apply them consistently;
- ii. observe the methods and principles in the applicable Charities SORP;
- iii. make judgements and estimates that are reasonable and prudent;
- iv. state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts;
- v. prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The Trustees are responsible for keeping 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 Companies Act 2006, the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the Charity and taking reasonable steps for the prevention and detection of fraud and any other irregularities.

Approved by the Trustees on 16 September 2020 and signed on their behalf by:



Mr Samuel Evans
Director

**Independent Examiner's report to the trustees of
The Philadelphia Network Limited**

Independent Examiner's report to the Trustees of The Philadelphia Network Limited (the 'church')

I report to the charity Trustees on my examination of the accounts of the church for the year ended 31 December 2019.

This report is made solely to the church's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the church's Trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the church and the church's Trustees as a body, for my work or for this report.

Responsibilities and Basis of Report

As the Trustees of the church you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the 2011 Act').

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

Independent Examiner's Statement

Since the church'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 the Association of Chartered Certified Accountants, which is one of the listed bodies.

Your attention is drawn to the fact that the church has prepared the accounts in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102 (1A)) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

I understand that this has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

I have completed my examination. I can confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

**Independent Examiner's report to the trustees of
The Philadelphia Network Limited**

.....continued

- accounting records were not kept in respect of the church as required by section 130 of the 2011 Act;
or
- the accounts do not accord with those records; or
- 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.



Peter Colin Winter MA FCCA FCIE
Chartered Certified Accountant

Winter and Co
103 Wilkinson Street
Broomhill
Sheffield
S10 2GJ

Dated: 16 September 2020

THE PHILADELPHIA NETWORK LIMITED

**Statement of Financial Activities
(Incorporating the Income & Expenditure Account)
for the year ended 31 December 2019**

		Unrestricted Funds	Designated Funds	Restricted Funds				
	Note	Network Church Sheffield £	Property & Capital £	Sundry £	Tithe £	Building Fund: Philadelphia £	2019 £	2018 £
=								
Donations and legacies	6	552,007	-	178,862	-	3,574	734,443	903,245
Charitable activities	7	77,400	-	826	-	-	78,226	80,677
Investments	8	133,740	-	-	-	-	133,740	126,378
Total income		763,147	-	179,688	-	3,574	946,409	1,110,300
<u>Expenditure on:</u>								
Charitable activities:								
Grants and Donations	9	-	-	32,575	50,160	-	82,735	80,032
Projects and Training	10	25,456	-	12,755	-	-	38,211	187,194
Community Work	11	48,484	-	13,968	-	-	62,452	75,159
Staff	12	439,120	-	88,799	-	-	527,919	520,186
Support costs	13	187,894	55,025	14,048	-	1,883	258,850	280,458
Other	14	3,300	-	-	-	-	3,300	5,280
Total expenditure		704,254	55,025	162,145	50,160	1,883	973,467	1,148,309
Net Income/(Expenditure)		58,893	(55,025)	17,543	(50,160)	1,691	(27,058)	(38,009)
Transfers between funds	15	(52,930)	52,156	329	52,600	(52,155)	(2)	1
Net movement in Funds		5,963	(2,869)	17,872	2,440	(50,464)	(27,060)	(38,008)
Total Funds b/fwd		(3,912)	1,858,614	29,372	23,172	81,413	1,988,660	2,026,668
Total Funds at end of year		2,051	1,855,745	47,244	25,612	30,949	1,961,600	1,988,660

Movements on all reserves and all recognised gains and losses are shown above. All of the organisation's operations are classed as continuing.

The notes on pages 12 to 33 form an integral part of these financial statements.

THE PHILADELPHIA NETWORK LIMITED

Income and Expenditure Account for the year ended 31 December 2019

	Notes	Unrestricted Funds £	Restricted Funds £	2019 £	2018 £
<u>Income from:</u>					
Donations and legacies	6	552,007	182,436	734,443	903,245
Charitable activities	7	77,400	826	78,226	80,677
Investments	8	133,740	-	133,740	126,378
Total Income		<u>763,147</u>	<u>183,262</u>	<u>946,409</u>	<u>1,110,300</u>
Grants and donations	9	-	82,735	82,735	80,032
Projects and training	10	25,456	12,755	38,211	187,194
Community work	11	48,484	13,968	62,452	63,882
Staff wages and housing	12	439,120	88,799	527,919	520,186
Support (excluding depreciation)	13	187,694	15,931	203,625	212,566
Other costs	14	3,500	-	3,500	5,280
Total expenditure		<u>704,254</u>	<u>214,188</u>	<u>918,442</u>	<u>1,069,140</u>
Net Income/(Expenditure)		<u>58,893</u>	<u>(30,926)</u>	<u>27,967</u>	<u>41,160</u>

This Income and Expenditure Account excludes the Property & Capital Fund.

The notes on pages 12 to 33 form an integral part of these financial statements.

THE PHILADELPHIA NETWORK LIMITED

**Statement of Financial Position
as at 31 December 2019**

	Notes	2019 £	£	2018 £	£
Fixed assets					
Tangible assets	21		1,882,802		1,937,827
Current assets					
Debtors	22	72,516		77,681	
Cash at bank and in hand		146,044		189,768	
		<u>218,560</u>		<u>267,449</u>	
Creditors: amounts falling due within one year	23	(85,362)		(113,243)	
Net current assets			<u>133,198</u>		<u>154,206</u>
Total assets less current liabilities			2,016,000		2,092,033
Creditors: amounts falling due after more than one year	24		(54,400)		(103,373)
Net assets			<u>1,961,600</u>		<u>1,988,660</u>
Funds					
Unrestricted Funds	25		2,051		(3,912)
Designated Funds - Property	25		1,855,745		1,858,614
Restricted Funds	26		103,804		133,958
Members' funds			<u>1,961,600</u>		<u>1,988,660</u>

For the year ended 31 December 2019 the charitable company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies. The trustees have not required the charitable company to obtain an audit of its financial statements for the year in question in accordance with section 476.

The directors have not elected for these financial statements to be audited under the Charities Act 2011. The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

These accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 and the Financial Reporting Standard 102 SORP (effective January 2015) relating to small companies.

The accounts were approved by the Board of Trustees on 16 September 2020 and signed on its behalf by:



Samuel Evans

Director and Trustee

Registration number 06035697

The notes on pages 12 to 33 form an integral part of these financial statements.

THE PHILADELPHIA NETWORK LIMITED

**Statement of Cash Flows
for the year ended 31 December 2019**

	2019	2018
	£	£
<u>Reconciliation of operating income to net cash inflow (outflow) from operating activities</u>		
Net incoming/(outgoing) resources for the year	(27,058)	(38,009)
Depreciation	55,025	79,169
(Increase) / decrease in Debtors	5,165	39,949
Increase / (decrease) in Creditors	(26,338)	(12,734)
Interest Receivable	(863)	(627)
Net cash inflow/(outflow) from operating activities	<u>5,931</u>	<u>67,748</u>
 <u>STATEMENT OF CASH FLOWS</u>	 £	 £
Net cash inflow from operating activities	5,931	67,748
 <u>Returns on investments and servicing of finance</u>		
Interest Received	863	627
Purchase of tangible fixed assets	-	-
Disposal of fixed assets	-	-
	<u>6,794</u>	<u>68,375</u>
Net cash (outflow) inflow before financing	6,794	68,375
<u>Financing</u>		
Loan repayments	(50,517)	(49,336)
Cash at bank and in hand at beginning of year	189,768	170,729
At end of year	<u>146,045</u>	<u>189,768</u>
 <u>Funds</u>		
Cash at Bank	145,716	189,583
Cash in Hand	329	185
Net Funds at end of Year	<u>146,045</u>	<u>189,768</u>

The Philadelphia Network Limited

Notes to the financial statements for the year ended 31 December 2019

1. Principal Accounting Policies

1.1 Basis of accounting

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

The financial statements have been prepared on the going concern basis under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The accounts are prepared in accordance with:-

- a) Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - Charities SORP (FRS 102)
- b) The Charities Act 2011
- c) The Companies Act 2006
- d) The Church Accounting Regulations 2006

Accounting Policies

1.2 Form of Financial Statements

Balances are split between unrestricted and restricted funds held by the Charity.

- a) Unrestricted funds represent the funds that are not subject to any restrictions regarding their use and are available for application of general purposes of the Charity.
- b) Designated funds reflect funds set aside out of unrestricted funds for a particular purpose by the Board of The Philadelphia Network Limited, over whose use and purpose the Board has discretion.

This is predominantly the net book value of the buildings and fixed assets of The Philadelphia Network Limited.
- c) Restricted funds represent the funds that are subject to specific conditions imposed by the donor or by the specific terms of a trust deed or other legal measure.

1.3 Incoming Resources

- a) Incoming Resources are recognised and included in the Statement of Financial Activities when the Charity becomes entitled to the resources; the trustees are virtually certain that they will receive the resources; and the monetary value can be measured with sufficient reliability. The monetary value of foodbank donations of goods is not able to be measured with sufficient reliability and is not included in the Incoming resources of the charity.
- b) Where incoming resources have related expenditure (as with fundraising), the incoming resources and related expenditure are reported gross in the Statement of Financial Activities.
- c) The accounts reflect no amounts in respect of time provided by volunteer members of the Church.
- d) Bank interest is recognised when it is credited to the account.
- e) Rental income is accounted for on a receivable basis over the rental period.

The Philadelphia Network Limited

Notes to the financial statements for the year ended 31 December 2019

1.4 Grants Received

Grants are recognised in the year when the entitlement to the grant is confirmed. Grants for the purchase of equipment and towards the initial setting up of projects are credited in full to the relevant activities in furtherance of the charity's objects. Grants that provide core funding, or are of a general nature provided by government and charitable foundations, are recorded as voluntary income. Grants specifically for goods and services to be provided as part of charitable activities are recorded against the activity to which they relate.

1.5. Expenditure & Liabilities

- a) Expenditure is accounted for on an accruals basis.
- b) Liabilities are recognised as soon as there is a legal or constructive obligation to pay out resources.
- c) Governance costs include the costs of preparation and examination of the statutory accounts, the cost of trustee meetings and the cost of any legal advice to trustees on governance or constitutional matters.

1.6. Pension Costs

Contributions in respect of the defined benefits and defined contributions schemes are calculated as a percentage of the pensionable salaries of employees. For schemes such as The Pension Builder Scheme (PBS), formerly known as the Church of England Defined Contributions Scheme (DCS), paragraph 9(b) of FRS 17 requires the Board to account for pension costs on the basis of contributions actually payable to the scheme during the year. Contributions to the pension schemes are charged monthly to the income and expenditure account.

1.7. Assets

- a) Tangible fixed assets are capitalised if the individual item costs more than £5000 and has an economic life of more than one year.
- b) Realised gains on tangible assets used for pastoral purposes are treated as income resources. Unrealised gains on tangible assets used for pastoral purposes are included as other recognised gains.
- c) Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Freehold land	Nil
Freehold and leasehold buildings	2% straight line
Fixtures, fittings and equipment	25% straight line

- d) On first-time adoption of FRS 102 in 2016, the trustees opted to freeze the existing carrying values of the freehold and leasehold premises as at the start of the prior financial year. The then existing carrying values were respectively: freehold premises £1,485,000 (including King's Centre £300,000) and leasehold premises £636,100. These carrying valuations were based on professional valuations carried out and adopted in the accounts for the year ended 31 December 2015. Since 2016, the freehold and leasehold properties (excluding land) are being depreciated at 2% pa on a straight line basis.

The Philadelphia Network Limited

Notes to the financial statements for the year ended 31 December 2019

1.8. Taxation

The Charity is not liable to income or capital gains tax on its charitable activities. Irrecoverable VAT is included in the asset cost or expense to which it relates.

1.9. Lease Payments

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against income on a straight line basis over the period of the lease.

The Philadelphia Network Limited

Notes to the financial statements for the year ended 31 December 2019

2. Forge Youth

From our main accounts, we highlight the work we do for children and young people through 'Forge Youth'.

Forge Youth builds safe, encouraging communities built on relationships where children and young people have a sense of belonging, identity and opportunity. We are committed to making a positive impact in every aspect of children's lives. We empower them to explore who they are in God's image and make positive life choices allowing them to experience life to the full.

Recent Forge Youth developments and highlights include:

- Launching new youth clubs in Handsworth and Shiregreen, this now representing 7 interventions in Shiregreen weekly.
- Being able to increase the support offered to children in Firth Park Academy
- Developing partnerships beyond Sheffield, including agreeing to launch Forge Youth's first project beyond Sheffield in early 2020.
- Increasing the Forge Youth's engagement, such that it is now reaching approximately 600 children and young people each week.

Forge Youth: Statement of Financial Activities for the year ended 31 December 2019

	Unrestricted Funds	Restricted Funds	2019	2018
	£	£	£	£
<u>Income from:</u>				
Donations and legacies	-	20,148	20,148	24,547
Grants received	-	33,927	33,927	19,226
Charitable activities	49,676	-	49,676	50,363
Other income	1,819	-	1,819	1,100
Total income	51,495	54,075	105,570	95,236
<u>Expenditure on:</u>				
Grants and donations	-	100	100	376
Projects and training	8,990	9,927	18,917	15,112
Community work	11,687	1,259	12,946	16,831
Staff	83,281	36,232	119,513	114,581
Support costs	8,487	1,644	10,131	17,356
Total expenditure	(112,445)	(49,162)	(161,607)	(164,256)
Net Income/(Expenditure)	(60,950)	4,913	(56,037)	(69,020)
Transfers between funds	60,950	35	60,985	65,896
Net Movement in Funds	-	4,948	4,948	(3,124)
Total Funds brought forward	-	246	246	3,370
Total Funds at End of Year	-	5,194	5,194	246

The Philadelphia Network Limited

Notes to the financial statements for the year ended 31 December 2019

Forge Youth continued

Forge Youth: Grants from Institutions

	£	£
Children in Need	8,616	-
Hollowford Trust	600	700
Middlesex Sports Foundation	-	-
National Lottery	6,514	3,483
Police Crime Commissioner	2,040	2,640
Ronald and Kathleen Pryor Charity	-	1,000
Sanctuary Housing	-	5,679
Sheffield City Council	3,269	724
SOAR Community	1,888	-
Souter Charitable Trust	4,000	-
The Grant Foundation	2,000	-
Willats Charity	5,000	5,000
	<u>33,927</u>	<u>19,226</u>

Forge Youth: Grants to Institutions

	£	£
Albania Mission Trip	-	184
Survivors of Bereavement by Suicide	100	192
	<u>100</u>	<u>192</u>

Forge Youth: Payroll Costs

	£	£
General Fund	83,281	90,528
Restricted Fund	36,232	24,053
	<u>119,513</u>	<u>114,581</u>

Forge Youth: Analysis of Payroll

	£	£
Gross pay	107,781	103,674
Employer's NIC	5,692	5,470
Employer's pension contribution	6,040	5,437
	<u>119,513</u>	<u>114,581</u>

Forge Youth Restricted Funds

	Opening Balance	Income	Transfers	Expenditure	Closing Balance
	£	£	£	£	£
Youth Other	246	42,490	35	(37,578)	5,193
Youth Salaries	-	11,585	-	(11,585)	-
	<u>246</u>	<u>54,075</u>	<u>35</u>	<u>(49,163)</u>	<u>5,193</u>

The Philadelphia Network Limited

Notes to the financial statements for the year ended 31 December 2019

2. **Restore**

From our main accounts we want to highlight our work with the poor and marginalised through 'Restore'.

Restore has two objectives. Firstly, to address poverty in Sheffield and secondly to enable the most disadvantaged and marginalised people in our city to explore faith and grow in real relationship with Jesus. Restore seeks to address poverty by meeting the immediate needs of individuals and families, and through working to address the causes of poverty in their lives using a range of projects.

Recent Restore developments and highlights include:

Restore launched services within S6 Foodbank working to address the root causes of food poverty, including debt, budgeting and benefit support.

S6 Foodbank increased its capacity and distributed over 88 tonnes of food to people in need across Sheffield.

In partnership with Together for Sheffield, "Universal Credit Buddies" continued to offer support to people accessing benefits.

Restore was able to increase its offer to rough sleepers in Sheffield as it had "Revive" and "Good News Cafe" providing food to the community.

<u>Restore: Statement of Financial Activities</u>	Unrestricted	Restricted		
	Funds	Funds	2019	2018
	£	£	£	£
<u>Income:</u>				
Donations and legacies	-	61,171	61,171	201,901
Grants	-	16,632	16,632	9,234
Other income	-	826	826	1,892
Investments: rental income	1,916	-	1,916	14,595
Total Income	1,916	78,629	80,545	227,622
<u>Expenditure: Charitable activities</u>	£	£	£	£
Grants and donations	-	-	-	394
Ministry and training	2,363	2,483	4,846	158,533
Community work	2,285	9,517	11,802	8,430
Staff	19,479	48,937	68,416	64,197
Support costs	6,663	6,954	13,617	21,269
Total Expenditure	30,790	67,891	98,681	252,823
Net Income/(Expenditure)	(28,874)	10,738	(18,136)	(25,201)
Transfers between funds	28,874	164	29,038	17,223
Net movement in funds	-	10,902	10,902	(7,978)
Total funds brought forward	-	26,739	26,739	34,717
Total funds at end of year	-	37,641	37,641	26,739

The Philadelphia Network Limited

Notes to the financial statements for the year ended 31 December 2019

<u>Restore: Grants from Institutions</u>	2019	2018
Institution:	£	£
Acts 435	-	950
Bishop Radford Trust	1,370	-
Cutlers Company Charitable Trust	500	1,416
G & P Hillards	-	1,000
Green Pastures	-	250
Groundwork UK	1,000	2,000
Henderson's Relish	-	1,000
J G Graves Charitable Trust	2,000	-
JJ Eyre Trust	-	1,000
Sheffield City Council	-	350
Sheffield Evangelical Trust	-	750
St Agatha	400	-
The Constantine Trust	500	500
Trussell Trust	10,612	5,125
Whitecourt Charitable Trust	-	200
Zest	250	-
Total	16,632	14,541
<u>Restore: Grants to Institutions</u>		
Institution:	£	£
Besom	-	394
Total	-	394
<u>Restore: Payroll Costs</u>		
	£	£
General Fund	19,479	14,011
Restricted Fund	48,937	50,186
Total	68,416	64,197
<u>Total Payroll Analysis</u>	2019	2018
	£	£
Gross pay	60,553	57,661
Employer's NIC	3,946	3,133
Employer's pension contribution	3,917	3,403
Total payroll costs	68,416	64,197

The Philadelphia Network Limited

Notes to the financial statements for the year ended 31 December 2019

Restore continued

Restore Restricted Funds

	Balance 2018	Income	Transfers	Expenses	Balance 2019
Restricted Fund	£	£	£	£	£
Restore	26,739	78,629	164	(67,891)	37,641

3. Company limited by guarantee

The charity is a company limited by guarantee and has no share capital. It was incorporated on 21 December 2006. There were 31 members at 31 December 2019. The liability of each member in the event of winding up is limited to £1.

4. Trustees' remuneration and related party transactions

The Church has a written agreement to pay annual rent to a trustee. Details of the rent paid during the year are as follows:

Revd. Peter Findley to provide a minister's house - £18,000 (2018: £18,000)

The Non-executive Trustees have approved this written agreement. The Charities Act 2011 specifically allows the Church to make payments of this nature.

Travel and other expenses amounting to £3,312 (2018: £3,679) were reimbursed to Trustees.

During the year under review, two Trustees and a Trustee's partner were paid for their services as employees. These payments are in accordance with the provisions in the Church's Memorandum of Association dated 21 December 2006. Details are as follows:

	Salary £	Pension £	House costs £
Revd. Peter Findley	22,929	3,119	21,614
Revd. Giles Holloway	35,525	3,719	-
Mrs Amanda Gooch	4,935	344	-

Neill Birchenall, who was appointed a trustee on 29 January 2019, is the managing director of a company which provides IT software support to the charity. The value of this software support amounted to £16,348 for the year under review. The charity owed £1,686 to this company at the year end. Neill Birchenall is also a trustee and director of the Sheffield Diocesan Board of Finance which received a support grant of £8,040 from the charity during the year. Apart from these transactions and the amounts received under written agreements, no Trustee or other person related to the Trustees had any personal interest in any contract or transaction entered into by the Charity during the year (2018 : Nil).

Aggregate donations to the Church from members of the Board of Trustees during the year amounted to £37,553 (2018: £35,491)

The Philadelphia Network Limited

Notes to the financial statements for the year ended 31 December 2019

5. Pension Scheme

Church of England Pension Builder Scheme

The Philadelphia Network Limited (PB 2014) participates in the Pension Builder 2014 Scheme section of The Church Workers Pension Fund (CWPF) for lay staff.

Pension Builder 2014 is a cash balance scheme that provides a lump sum that members use to provide benefits at retirement. The pensions costs charged to the SoFA in the year are contributions payable.

At 31 December 2019, the Church had 22 (2018: 26) active members and 125 (2018: 100) deferred members in the Pension Builder 2014 scheme.

The employer contributes 7% of basic salary and the employees contribute a minimum of 2%. The employer's contributions for the year totalled £28,102 (2018: £27,760). Employer's contributions outstanding at the year-end amounted to £3,522 (2018: £3,190), representing December's liability payable in January 2020.

Baptist Minister's Pension Fund

Baptist Ministers were eligible up to December 2011 to be members of the Baptist Ministers' Pension Fund which is a final salary scheme. From January 2012 Baptist Ministers are eligible for membership of the Baptist Pension Scheme ("the Scheme") which is a defined contributions scheme. The Church has one current member of this scheme.

From January 2012, pension provision is being made through the Defined Contribution (DC) Plan within the Scheme. In general, members pay 8% and employers pay 6% respectively of members' pensionable income into individual pension accounts. In addition, the employer pays a further 4% of pensionable income to cover death and income protection benefits for scheme members.

Benefits in respect of service prior to 1 January 2012 are provided through the Defined Benefit (DB) Plan within the Scheme. The main benefits for pre-2012 service were a defined benefit pension of one eightieth of final minimum pensionable income for each year of pensionable service. The Scheme, previously known as the Baptist Ministers' Pension Fund was closed to future accrual of defined benefits on 31 December 2011.

A formal valuation of the Defined Benefit (DB) Plan was performed at 31 December 2016 by a professionally qualified actuary. The market value of the DB Plan assets at the valuation date was £219 million compared to a target level of assets valuation of £312 million needed to pay benefits resulting in a deficit of £93 million (equivalent to a past service funding level of 70%).

The Church's own share of this total scheme deficit is estimated to be £54,400 (2018: £75,600). As a result of the valuation, in addition to the contributions to the DC Plan set out above, it was agreed to increase the standard rate of deficiency contributions from churches and other employers involved in the DB Plan from 11% of pensionable income/ minimum pensionable income to be based on a 12% rate from 1 January 2016.

As indicated above, the BPS has informed the Church that its share of the total scheme deficit is estimated to be £54,400 (2018: £75,600) and the accounts include a provision for this amount. The profit and loss charge for the period represents the reduction in the deficit provision and the employer contributions payable. The employer contributions payable for the year under review are £7,105 (2018: £4,493).

If the Church were to withdraw completely from the Scheme, its liability would be calculated and would be payable, although there would be a two-year period of grace.

The Philadelphia Network Limited

Notes to the financial statements for the year ended 31 December 2019

	Unrestricted Funds	Designated Funds	Restricted Funds					
	Network Church Sheffield	Property & Capital	Sundry	Tithe	Building Fund: Philadelphia	2019	2018	
	£	£	£	£	£	£	£	£
6. Donations and legacies								
Committed giving and donations	462,865	-	104,498	-	3,108	570,471	604,846	
Other income	452	-	-	-	-	452	5,305	
Tax claims received	88,690	-	12,761	-	466	101,917	101,071	
Sundry restricted other income	-	-	1,704	-	-	1,704	7,794	
Sundry restricted grants	-	-	50,754	-	-	50,754	28,460	
Restore - Food Bank	-	-	9,145	-	-	9,145	155,769	
	552,007	-	178,862	-	3,574	734,443	903,245	
7. Charitable activities	£	£	£	£	£	£	£	£
Form	10,542	-	-	-	-	10,542	19,401	
Playtime and other takings	23,572	-	826	-	-	24,398	17,062	
Youth Work	43,286	-	-	-	-	43,286	44,214	
	77,400	-	826	-	-	78,226	80,677	
8. Investments	£	£	£	£	£	£	£	£
Rent and conference fees	132,877	-	-	-	-	132,877	111,469	
Bank Interest received	863	-	-	-	-	863	627	
Restore - Cuthbert Bank	-	-	-	-	-	-	14,282	
	133,740	-	-	-	-	133,740	126,378	

The Philadelphia Network Limited

Notes to the financial statements for the year ended 31 December 2019

		Unrestricted Funds	Designated Funds	Restricted Funds				
		Network Church Sheffield	Property & Capital	Sundry	Tithe	Building Fund: Philadelphia	2019	2018
		£	£	£	£	£	£	£
9. Grants and Donations								
	Grants and donations payable	-	-	32,575	50,160	-	82,735	80,032
		-	-	32,575	50,160	-	82,735	80,032
10. Projects and Training		£	£	£	£	£	£	£
	Projects and Training	25,456	-	12,755	-	-	38,211	187,194
		25,456	-	12,755	-	-	38,211	187,194
11. Community Work		£	£	£	£	£	£	£
	Staff expenses	12,173	-	-	-	-	12,173	12,332
	Staff training	11,585	-	244	-	-	11,829	13,365
	Worship and audio-visual	2,858	-	-	-	-	2,858	2,855
	Community Life	10,077	-	-	-	-	10,077	8,919
	Missional communities including food	11,791	-	7,437	-	-	19,228	16,814
	Travel and transport	-	-	6,287	-	-	6,287	20,874
		48,484	-	13,968	-	-	62,452	75,159
12. Staff		£	£	£	£	£	£	£
	Wages and salaries	417,205	-	88,799	-	-	506,004	493,670
	Staff housing	21,915	-	-	-	-	21,915	26,516
		439,120	-	88,799	-	-	527,919	520,186

The Philadelphia Network Limited

Notes to the financial statements for the year ended 31 December 2019

	Unrestricted	Designated	Restricted Funds			2019	2018
	Funds	Funds					
	Network Church Sheffield	Property & Capital	Ministry	Tithe	Building Fund: Philadelphia		
	£	£	£	£	£	£	£
13. Support Costs							
Administration	21,053	-	8,706	-	-	29,759	22,046
Bank charges	832	-	-	-	-	832	1,239
Hire of equipment	3,015	-	-	-	-	3,015	6,316
Legal fees	24,665	-	-	-	-	24,665	28,260
Depreciation	-	55,025	-	-	-	55,025	79,169
Development costs and loan interest	-	-	-	-	1,883	1,883	3,964
Information technology	2,169	-	-	-	-	2,169	2,958
Insurance	14,434	-	-	-	-	14,434	13,954
Conferences	-	-	-	-	-	-	145
Utilities	62,836	-	-	-	-	62,836	47,266
Repairs and maintenance	49,967	-	881	-	-	50,848	47,096
Ground rent and rates	1,711	-	-	-	-	1,711	1,089
Staff telephones	2,502	-	-	-	-	2,502	2,228
Events/Venue hire	-	-	-	-	-	-	10,351
Sundry equipment	4,710	-	4,461	-	-	9,171	14,377
	187,894	55,025	14,048	-	1,883	258,850	280,458
14. Other expenditure	£	£	£	£	£	£	£
Independent Examiner	3,300	-	-	-	-	3,300	5,280
	3,300	-	-	-	-	3,300	5,280
15. Transfers	£	£	£	£	£	£	£
Tithe	(67,599)	-	-	67,599	-	-	-
Building fund	-	1,639	-	-	(1,639)	-	-
Loan repayments	-	50,517	-	-	(50,517)	-	-
Sundry restricted	(328)	-	328	-	-	-	-
Tithe Fund Transfers	15,000	-	-	(15,000)	-	-	-
Rounding adjustments	(3)	-	1	1	1	-	-
	(52,930)	52,156	329	52,600	(52,155)	-	-

The Philadelphia Network Limited

Notes to the financial statements for the year ended 31 December 2019

16. Income and Expenditure Account for the year ended 31 December 2018

	Note	Unrestricted Funds £	Designated Property & Capital £	Sundry Restricted Funds £	Tithe £	Building Fund Philadelphia £	2018 £	2017 £
Income from:								
Donations & legacies	6	551,843	-	306,106	-	45,296	903,245	897,078
Charitable activities	7	80,677	-	-	-	-	80,677	79,174
Investments	8	112,096	-	14,282	-	-	126,378	151,933
Total Income		744,616	-	320,388	-	45,296	1,110,300	1,128,185
Expenditure on:								
Charitable activities:								
Grants & donations	9	416	-	24,456	55,160	-	80,032	81,392
Projects & training	10	21,627	-	163,876	1,691	-	187,194	155,231
Community work	11	43,289	-	31,870	-	-	75,159	75,975
Staff	12	436,660	-	83,526	-	-	520,186	549,064
Support costs	13	167,839	79,169	29,486	-	3,964	280,458	319,519
Other	14	5,280	-	-	-	-	5,280	4,160
Total expenditure		675,111	79,169	333,214	56,851	3,964	1,148,309	1,185,341
Net Income/(Expense)		69,505	(79,169)	(12,826)	(56,851)	41,332	(38,009)	(57,156)
Transfers	15	(49,963)	49,335	2	49,960	(49,335)	1	-
Net movement		19,542	(29,834)	(12,824)	(6,891)	(8,003)	(38,010)	(57,156)
Total funds b/fwd		(23,457)	1,888,448	42,197	30,064	89,416	2,026,668	2,083,824
Total funds cfwd		(3,915)	1,858,614	29,373	23,173	81,413	1,988,658	2,026,668

As required under FRS 102 (1A) , this summary provides comparative information relating to the separate classes of funds for the previous year ie the year ended 31 December 2018.

The Philadelphia Network Limited

Notes to the financial statements for the year ended 31 December 2019

17. Employees

Number of employees

2019	2018
Number	Number
35	36
<u>35</u>	<u>36</u>

The number of employees calculated on the average 'head count' number of staff during the year :

Payroll costs

2019	2018
£	£
417,205	410,144
-	-
88,799	83,526
<u>506,004</u>	<u>493,670</u>
506,004	493,670

Network Church Sheffield - General fund

Tithe fund

Sundry restricted funds

As reported on page 22 note 12

Total pay, NI and pension

The total pay breaks down as follows

Gross pay to employees

Employer's gross NIC

Employer's pension contributions

Baptist Pension deficit adjustment

465,220	448,617
26,777	22,500
35,207	32,253
(21,200)	(9,700)
<u>506,004</u>	<u>493,670</u>
506,004	493,670

In addition:

Annual value of staff housing

<u>21,915</u>	<u>26,516</u>
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No employee received remuneration of more than £60,000 during the year. (2018: None).

Redundancy payments of £Nil were made during the year (2018: £156).

Volunteers

The Charity encourages a culture of volunteering in all areas of its work.

At least 260 people regularly give more than 1 hour per week.

50 gave over 5 hours per week.

No financial value of volunteers' time has been included in the financial statements.

18. Independent Examiner's Remuneration

2019	2018
£	£
<u>3,300</u>	<u>5,280</u>

Independent Examiner's fee (2018: Audit fee)

The Philadelphia Network Limited

Notes to the financial statements for the year ended 31 December 2019

19. Grants from Institutions

	2019	2018
	£	£
Grants received over £1,000		
Bishop Radford Trust	1,370	7,921
Children In Need	8,616	-
Cutlers' Company Charitable Trust	500	1,416
G & P Hillards	-	1,000
Groundwork UK	1,000	2,000
Henderson's Relish	-	1,000
J G Graves Charitable Trust	2,000	-
J J Eyre Trust	-	1,000
National Lottery	6,514	3,483
Police Crime Commissioner	2,040	2,640
Ronald and Kathleen Pryor Charity	-	1,000
Sanctuary Housing	-	5,679
Sheffield City Council	3,269	1,074
SOAR Community	1,888	-
Souter Charitable Trust	4,000	-
The Grant Foundation	2,000	-
Trussell Trust	10,612	5,125
Willats Charity	5,000	5,000

20. Donations and Grants to individuals and institutions

		2019	2018
Donee	Nature of charitable activity	£	£
A and M Burgess	Training and support Church leaders in Peru	26,652	24,990
Baptist Union	Support for Baptists in the UK	1,400	1,400
Basiles	Working with poor or marginalised in Sicily	12,490	6,740
Daniel Brown	Support for mission work in Sheffield	-	3,000
Diocese of Sheffield	Support work of Church in Sheffield Diocese	8,040	8,040
Foodbank	Operation of foodbank for local community	154,267	150,644
Fusion	Support Sheffield & national student work	1,500	1,500
Gowers	Training for Church leaders	5,040	5,040
House Churches		2,000	2,000
Kairos Connexion	Network and training of Church leaders	6,000	6,000
Kennedy	Support for work with orphans	5,105	5,328
Message Trust		5,000	5,000
Nepal - Mosa	Support for Missionary leaders	-	2,000
Tearfund	Support Tearfund Rohingya refugee appeal	-	2,624
The Order of Mission	Support for Missionary leaders	2,400	2,400
Yorks Baptist	Support for Baptists in Yorkshire	3,220	2,469

The Philadelphia Network Limited

Notes to the financial statements for the year ended 31 December 2019

21. Tangible fixed assets	Land and buildings freehold £	Long leasehold property £	Fixtures, fittings and equipment £	Total £
Cost				
At 1 January 2019	1,485,000	636,100	328,393	2,449,493
Disposals	-	-	(38,232)	(38,232)
At 31 December 2019	<u>1,485,000</u>	<u>636,100</u>	<u>290,161</u>	<u>2,411,261</u>
Depreciation				
At 1 January 2019	148,500	62,444	300,722	511,666
On disposals	-	-	(38,232)	(38,232)
Charge for the year	29,700	12,722	12,603	55,025
At 31 December 2019	<u>178,200</u>	<u>75,166</u>	<u>275,093</u>	<u>528,459</u>
Net book values				
At 31 December 2019	<u>1,306,800</u>	<u>560,934</u>	<u>15,068</u>	<u>1,882,802</u>
At 31 December 2018	<u>1,336,500</u>	<u>573,656</u>	<u>27,671</u>	<u>1,937,827</u>

The Philadelphia Network Limited

Notes to the financial statements for the year ended 31 December 2019

21. Tangible fixed assets (Continued)

Philadelphia Campus

<u>St. Thomas' Designation</u>	<u>Plot</u>	<u>Deemed Cost at 31/12/18 £</u>	<u>Improvements and Legal Costs £</u>	<u>Disposals £</u>	<u>Deemed Cost at 31/12/19 £</u>
Location:					
<u>Administration Block</u>					
Gilpin Street/Gilpin Lane/	2				
Cross Bedford Street	7	200,000	-	-	200,000
<u>Piazza, Warehouse and Prayer Room</u>					
Gilpin Lane/Cross Bedford Street/	1 & 3				
Portland Street	6A & 6B	215,000	-	-	215,000
<u>Garage and Car Park</u>					
Gilpin Street/Cross Gilpin Street	11	150,000	-	-	150,000
<u>Playtime Centre</u>					
58 Cross Bedford Street	5	175,000	-	-	175,000
<u>Teaching Hall</u>					
Cross Bedford Street and	4 & 5	320,000	-	-	320,000
Gilpin Lane					
<u>Chapel</u>	9A	125,000	-	-	125,000
Gilpin Street	9B				
Freehold Property		<u>1,185,000</u>	<u>-</u>	<u>-</u>	<u>1,185,000</u>
<u>Conference Centre</u>					
Portland Street and Cross Bedford Street	10	636,100	-	-	636,100
Leasehold property		<u>636,100</u>	<u>-</u>	<u>-</u>	<u>636,100</u>
		<u>1,821,100</u>	<u>-</u>	<u>-</u>	<u>1,821,100</u>

Note

The freehold and leasehold properties at the Philadelphia Campus, Sheffield are included in the accounts at a deemed cost of £1,821,100 and are being depreciated at 2% pa on a straight line basis.

The 'deemed cost' under FRS 102 is allocated between the various properties on the basis of the area that each property relates to the total area. Accordingly, the allocated cost for each property is an estimated figure and should not be taken as representing each property's actual cost.

The freehold land and buildings formerly known as the King's Centre Christian Church were legally transferred to the Philadelphia Network Limited on 9 January 2009 and are included in the accounts at a deemed cost of £300,000. Depreciation is charged on this property at 2% pa on a straight line basis.

The Philadelphia Network Limited

Notes to the financial statements for the year ended 31 December 2019

22. Debtors	2019	2018
	£	£
Accounts receivable	12,478	39,073
Gift aid tax recoverable	24,688	19,506
Sundry debtors and prepayments	35,350	19,102
	<u>72,516</u>	<u>77,681</u>

23. Creditors: amounts falling due within one year	2019	2018
	£	£
Bank loan - secured (24 (a))	27,056	49,800
Trade creditors	9,198	5,591
Other taxes and social security costs	13,122	11,929
Other creditors	4,648	4,283
Accruals and deferred income	31,338	41,641
	<u>85,362</u>	<u>113,244</u>

24. Creditors: amounts falling due after more than one year	2019	2018
	£	£
Bank loan - Secured (24 a)	-	27,773
Baptist Ministers' pension scheme deficit	54,400	75,600
	<u>54,400</u>	<u>103,373</u>

- a) The loan is with Clydesdale Bank PLC and is repayable in monthly instalments over a period of 12 years from August 2008. Interest is charged at a rate of 1.95% per annum over the Bank's base rate. The loan is secured by way of a debenture, giving the bank a fixed and floating charge over all the assets of the Charity, whether acquired before or after the date of the debenture.

The loan outstanding is repayable by instalments over 8 months as follows:

	2019	2018
	£	£
Within one year	27,056	49,800
Between 1 and 5 years	-	27,773
	<u>27,056</u>	<u>77,573</u>
After 5 years	-	-
	<u>27,056</u>	<u>77,573</u>

The Philadelphia Network Limited

Notes to the financial statements for the year ended 31 December 2019

	2019		2018	
	£	£	£	£
25. <u>Unrestricted Funds</u>				
<u>Unrestricted funds - Network Church Sheffield</u>				
Opening balance of Funds at 1 January 2019				
Network Church Sheffield	(3,912)		(23,457)	
		(3,912)		(23,457)
Tithe	(52,930)		(49,960)	
Property fund transfer	-		-	
Transfers from restricted funds	-		-	
Surplus/(deficit) of funds this year	59,093		69,505	
		6,163		19,545
		2,251		(3,912)
<u>Designated fund - Property and Capital</u>				
Opening balance of Funds at 1 January 2019				
Property and capital fund	1,858,614		1,888,448	
		1,858,614		1,888,448
Transfer - capital loan repayments	52,156		49,335	
Capital fund depreciation	(55,025)		(79,169)	
Transfer to capital fund	-		-	
Transfer from capital fund	-		-	
		(2,869)		(29,834)
		1,855,745		1,858,614
Unrestricted funds		1,857,996		1,854,702

- (a) The Designated Fund represents the net book value of tangible fixed assets, less the bank loan. This fund will be reduced over the useful economic life of the tangible fixed assets in line with depreciation.
- (b) The transfer to the Capital Fund relates to the net movement of fixtures and vehicles acquired out of general funds.

The Philadelphia Network Limited

Notes to the financial statements for the year ended 31 December 2019

	Note	2019	2018
		£	£
26. Restricted Income Funds			
Sundry Restricted	i	47,244	29,372
Philadelphia Building Project	ii	30,949	81,413
Tithe	iii	25,612	23,172
		103,805	133,957

(i) Sundry Restricted Funds		Opening				Closing
		Balance	Income	Transfers	Expenditure	Balance
		£	£	£	£	£
Basiles - Italy	iv	100	7,450	-	(7,450)	100
Children / playtime		-	36	-	(36)	-
Form Mission & contingencies	v	336	8,283	-	(7,500)	1,119
Gifts to be forwarded	vi	-	18,934	130	(17,765)	1,299
Iranian & asylum seekers ministries	vii	-	3,854	-	(3,551)	303
King's Centre - Generosity pot	viii	576	-	-	(200)	376
King's Centre - gifts to be forwarded	ix	-	814	-	(470)	344
Peru - A & M Burgess	x	126	7,354	-	(6,612)	868
Philadelphia - Worship	xi	1,249	259	-	(1,508)	-
Restore	xiii	26,739	78,629	164	(67,890)	37,642
Youth other	xiv	246	42,490	35	(37,578)	5,193
Youth salaries	xv	-	11,585	-	(11,585)	-
Total		29,372	179,688	329	(162,145)	47,244

(ii) Philadelphia Building and Development Project

This is funded by regular and one-off gifts. The fund encompasses:

- a) The development of the Philadelphia campus and King's Centre campus.
- b) The servicing of the mortgage on the Philadelphia campus.

	Opening				Closing
	Balance	Income	Transfers	Expenditure	Balance
	£	£	£	£	£
Movement of funds	81,413	3,574	(52,155)	(1,883)	30,949

(iii) Tithe

The Church is committed to setting aside a proportion of its income in a Tithe Fund. Money is given from the fund to individuals and missional organisations with charitable objectives compatible with those of the Church.

	Opening				Closing
	Balance	Income	Transfers	Expenditure	Balance
	£	£	£	£	£
Movement of funds	23,172	-	52,600	(50,160)	25,612

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(iv) Basiles - Italy

Marco and Cinzia Basile are Italian nationals and are missionaries working in Sicily. The Church supports them with regular gifts from its Tithe Fund. This restricted fund is separate and is for receiving gifts which are then passed on to them.

(v) Form Mission & Contingencies

Form seeks to train and disciple young adults to take up positions of leadership in missional contexts. Most of the program is funded through the Church budget, however, Form mission trips and events are often financed separately through this fund. The fund is also used for various Form contingency needs.

(vi) Gifts to be forwarded

Donors sometimes send gifts through the Church to be forwarded anonymously to beneficiaries. The Church also receives gifts for designated missions or charities. They are forwarded according to the donors' wishes.

(vii) Iranian & Asylum Seekers Ministries

The Church supports outreach among Iranian communities and Asylum Seekers in the United Kingdom through this fund. This fund is also used to support groups and individuals from other minority communities.

(viii) King's Centre - Generosity Pot

This is funded from individual gifts to be available when cases of personal need arise.

(ix) King's Centre - Gifts to be forwarded

Donors sometimes send gifts through the King's Centre to be forwarded anonymously to beneficiaries. King's Centre also receives gifts for designated missions or charities. They are forwarded according to the donors' wishes.

(x) Peru - A & M Burgess

Anna and Mark Burgess are working with a church in Peru. Gifts are received into this fund for their work and travel expenses and are then forwarded onto the Burgesses.

(xi) Philadelphia - Worship

This is a fund set up after a substantial donation was made for the purchase of Worship equipment at St Thomas Philadelphia.

(xii) Restore

Restore project supports vulnerable people across Sheffield. Funds have been set up for different aspects of this work. The funds are:

- Vulnerable People - for general projects among vulnerable people
- Christians Against Poverty - provision of debt support.
- Food Bank - a project to provide food and support to individuals and families across Sheffield in need. Donations received include individual donations, gifts from companies and grants. The Foodbank also received and distributed food and toiletries. Food donations amounted to 88,153 kgs with an estimated value of £154,267 (assuming a value of £1.75 per kg).

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(xiii) Youth - Other

Youth - Other is funded by grants and individual donations. The fund supports the work of Forge Youth.

(xiv) Youth Salaries

Youth Salaries is funded principally by regular individual gifts to support part-time youth outreach workers.

27. Capital commitments

Details of capital commitments at the accounting date are as follows:

	2019	2018
	£	£
Contracted for but not provided in the financial statements	-	-

28. Operating lease commitments

At 31 December 2019 the Church had annual commitments under non-cancellable operating leases as follows:

	Land and Buildings	
	2019	2018
	£	£
Operating leases which expire:		
Within one year	-	-
In the second to fifth years inclusive	-	-
In over five years	-	-

