

COMMUNITY CHURCH, PUTNEY

ACCOUNTS FOR THE YEAR

ENDED 31 DECEMBER 2021

Company number: 09012734
Charity number: 1158141

COMMUNITY CHURCH, PUTNEY
INDEX TO ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2021

CONTENTS	PAGE
Reference and administrative information	1
Trustees' Report	2 - 9
Independent Examiner's Report	10 - 11
Statement of Financial Activities	12
Balance Sheet	13
Notes to the accounts	14 - 23

COMMUNITY CHURCH, PUTNEY
REFERENCE AND ADMINISTRATIVE INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2021

Directors and Trustees	J T Howe S J Hansford B Walker D K Noble
Registered Office	Community Church, Putney Werter Road Putney London SW15 2LJ
Charity number	1158141
Company number	09012734
Independent Examiner	McBrides Accountants LLP Nexus House 2 Cray Road Sidcup Kent DA14 5DA

COMMUNITY CHURCH, PUTNEY**TRUSTEES' REPORT****FOR THE YEAR ENDED 31 DECEMBER 2021**

The trustees of Community Church, Putney present their report as Trustees and Directors together with the financial statements for the year ended 31 December 2021 as required by Charity and Company regulations and legislation.

Structure, Governance and Management***Introduction***

Community Church, Putney is registered as a charity with the Charity Commission in England and Wales (Charity Registration No. 1158141) and as a company limited by guarantee (Company Registration No. 09012734) and is governed by its Memorandum and Articles of Association.

The Trustees

The trustees who served the charity during the year were as follows:

Jeremy Thornton Howe
Susan Jean Hansford
Bridget Kathleen Walker
Deborah Kerry Noble

All trustees give of their time freely and no trustee remuneration was paid in the year.

Appointment of Trustees

The power of appointment or removal of Trustees is vested in the Trustees.

Structure and Decisions

The Trustees meet quarterly and decisions are achieved by a majority of those present at meetings.

The power of investment is as if the Trustees are the beneficial owners.

Risk

The Trustees ensure that they meet their obligation to manage the risks relating to the aims and objectives of the charity. These are reviewed annually by the Trustees. There have been no significant risks identified during the year.

Financial Risk Management Objectives and Policies

The main financial risks arising from the charity's activities are credit, liquidity, fraud and price risk.

COMMUNITY CHURCH, PUTNEY**TRUSTEES' REPORT*****Price Risk***

The Charity is not subject to any price risk.

Credit Risk

The charity receives most of its donations monthly by direct debit. There is also a weekly collection held every Sunday. The Charity does not hold any material balance sheet positions with regards to donations receivable and so does not consider credit risk a material risk. The Church does hold a balance receivable for gift aid which is receivable from the Government but considers this a low risk.

Liability Risk

The charity does not hold any material day to day liabilities on its balance sheet and always tries to settle any amounts owed to its creditors within the period of credit given of 30 days. The Charity does have a £1.2 million loan which was taken out to pay for the building redevelopment project. The monthly repayments on the loan are included within the Charities yearly budget and the Charity feels it can meet these requirements. The Charity provides yearly accounts to the lender to show that it has the financial resources to meet the loan requirements.

Cash Flow Risk

The charity prepares monthly management accounts and reports to its members on a quarterly basis. A detailed twelve-month budget is prepared for the start of the year and is used to compare against actual numbers. The board of trustees approves the forecast and signs off the year end accounts. The Charity understands its cash flow requirements and its policy is to maintain sufficient funds in a liquid form at all times to ensure that the Charity can meet its liabilities as they fall due. The Charity always keeps a £30,000 surplus in the bank account. The Charity is reliant on donations from the congregation, but numbers have been consistent over recent years which does not lead to any immediate concern on the level of donations received.

Public Benefit

The Trustees have regard to the Charity Commission's guidance on public benefit. The objectives of the charity are the advancement of the Christian faith according to the principles of the Baptist denomination. The level of public benefit is demonstrated by the high numbers of visitors.

Activities Review

To promote and explain the Christian faith through regular worship services, alpha courses, outreach activities and regular midweek groups. This includes regular events for different sectors of the community.

This year has seen both a challenge and an opportunity as to how we undertake our various activities as we have looked to provide more live events as the Covid restrictions have been lifted. While 2020 had an impact on our finances as we have gone through 2021 we have seen the income from the building increase and a return to being able to take up offering collections on Sunday, although our main source of income is regular giving from our congregation.

COMMUNITY CHURCH, PUTNEY

TRUSTEES' REPORT

Sunday services;

We started the year by providing live services every Sunday via Zoom. From feedback people felt this was better because it felt "live" and people could participate. Since May, as government restrictions lifted, we have been meeting in the building together as well as providing a live broadcast through our website. This has meant that as many people as possible are able to attend, even if they have had to isolate at home. This was how we continued until the end of the year. This proved to be a good decision, as towards the end of the year the attendance via zoom increased from an average of 10% to 30% each week as the Omicron variant started to have an impact. Over the year we have seen an average of 105 people attending each Sunday. Between October and December the numbers on Sundays have been increasing.

Over the year there have been just over 100 visitors to our Sunday services, 15 of whom have become regular attenders and joined the church.

This year we were able to have our Carol Service live in the building. This included a special service for children. We had a limit of 250 attendees to help facilitate Covid prevention measures. All the tickets were taken and 11 people return comment cards wanting to know more about the gospel.

Midweek groups;

Midweek groups have continued to be an important way of connecting and supporting people. Over the year our number of midweek groups has grown from 4 to 7. This has included one specifically for those aged 11-18 and one specifically for people who are new to christianity and want to find out more. Different groups have tailored how they meet to accommodate people in their groups. Some groups meet mainly via zoom, others meet completely in person and some combine a mixture of both. Groups leaders have encouraged members of the group to not only ring or message people in the group regularly but also be aware of those in the neighbourhood who might be isolated and need support. To encourage this we have also started something called SIV weeks. This stands for serve, invest and invite, where once month our groups focus on the, in their community, they can serve, develop friendship with and invite to events and activities in the church. We have also re-structured the oversight of our groups in to Hubs to better support, train and develop new leaders.

Our Youth and children's work, like everything else suffered as a result of the covid situation. But this year has seen more face to face meetings taking place with regular focused meetings on a Sunday for different age groups. Our regular in person youth activities have not happened since March but regular zoom social meetings on Fridays have taken place and regular check-ins via zoom or phone call have been carried out.

To support the work of New Ground, a group of churches working across the UK and Europe, through regular financial support and partnering with a church in Romania.

The church also financially supports the work of Bethany Children's Trust. Bethany Children's trust works with churches to provide training, care and development of children at risk in various nations.

The church has a building in Putney to provide space for groups in the community to use.

The main fundraising activities are through the regular giving of church members and an offering taken up each Sunday. The regular offering has not been possible during the Covid. Opportunities and guidance on how to give has been published through our website. In addition 2 special gift days to raise funds towards the building work was undertaken. There is no outside source fund raising at present.

COMMUNITY CHURCH, PUTNEY

TRUSTEES' REPORT

Achievements and performance

Community engagement and development:

It has been encouraging to see more face to face engagement with the community over the last year. We have seen groups come back and use the building. We encourage a wide range of activities from pre- and after schools clubs, to community exercise groups as well as different community groups.

We have two people trained through Citizens Advice bureau as part of a government grant scheme to provide initial advice and support to people to prevent people going in to crises. This is for people who are connected to us as a church through our congregation and our other outreach work. This was operating via phone appointment at the start of the year but once a week a clinic is held in the building by appointment only.

We continue to maintain relationship with other local charities. Through PLOD we have been able to continue to supply 22 meals a week to a local hotel that is temporarily housing people living on the streets. Through The Dons, we have received food supplies and been able to recruit volunteers to continue running our Serendipity cafe. Through Spear - a local homeless charity - we have been able to connect street living people to support services. While we have also seen a return to more face to face meetings of our primary community activities:

Lighthouse: This is a group that meets every fortnight to provide community and support to people living with Mental Health issues. Since May this has started to meet back in the building, as word has got round the numbers attending have gradually increased.

Serendipity Cafe: We run a Community Cafe operating on a Monday Lunch time. This is to provide a free lunch for anyone in the community. We have continued to operate this as a take away service. And during the last year we have seen the number increase to an average of 88 people receiving at least one meal and being able to take other supplies away. We have also been able to connect 10 people to the Citizens advice service operated through the church.

Little Lambs; This is open to anyone with pre-primary school aged children and has a Christian emphasis through songs and story telling activities. From May they started to meet in Wandsworth Park having previously met through Whatsapp and live Zoom meetings. From September they started to meet back in the building.

Other ministries/Activities:

We provide an online daily devotional blog through our website. This to help people engage in, and grow in their understanding and faith as a Christian.

Two key areas of development were identified particularly coming out of Covid. One to develop relationship and support for men and the other to build connection, support and encourage those who are single. We have had one mens breakfast event. And a group has started for people who are single. This has been primarily to provide social context and 3 different events have been organised.

COMMUNITY CHURCH, PUTNEY

TRUSTEES' REPORT

We ran one online Alpha course to help people understand and explore the Christian faith with an average of 3 people attending. This is an addition to a new regular group that meets once a week for people new to the Christian faith. 4 people regularly attend this and have started attending the Sunday services.

We held a successful Christmas Pudding Making event in November back in the building. We saw over 50 people attending, half of which were not from the church.

Romania: We have not been able to visit this year due to Covid. We have held Zoom meetings and attended two of their services via zoom to build relationships between the churches and to teach and encourage the church there with their vision and development.

Building:

We continue to meet our mortgage commitments to pay off the building development through regular giving into the building fund and hire of the building.

Training and development:

This is to provide teaching, relationship building and pastoral support to people in the church. Funding was available and used to help those who could not afford to go.

The senior Leadership team had a weekend away to plan and set the new vision and goals for the following year.

4 separate training sessions were run online to support and develop the leaders in our midweek groups.

Financial review

Income

The charity relies on income from donations £304,552 (Jan - Dec 2021) and investment income £20,372 (Jan - Dec 2021).

While our income from building hire has been significantly reduced this year, we have not seen the reduction in donations that we had been anticipating. With this and a very generous response to our gift days, our income has not taken a significant hit this year.

Expenditure

Resources expended on Charitable Activity have been maintained at a level consistent with the previous year. We were able to pay off an extra lump sum of £50,000 towards the loan taken out for the redevelopment of the building.

Reserves policy

The regular, unrestricted income is sufficient to cover the day to day running of the church, whilst the expenditure relating to specific projects, such as the current building project, is covered through restricted funds, generated through gift days and regular giving.

COMMUNITY CHURCH, PUTNEY

TRUSTEES' REPORT

The agreed reserve policy for 2021 was to have available a minimum of £30,000 in unrestricted funds. Based on the risk profile of the income and expenditure, this was deemed as an appropriate amount to cover any sudden increases in expenditure, or decreases in income.

Any unrestricted funds held over and above this are regularly monitored with the intention of using them to forward the church's objectives and pay off the loan on the building.

This reserve policy is regularly assessed by the trustees for appropriateness.

Future plans

With the easing of restrictions we are looking to develop plans for more face to face activities but recognise the need to hold these lightly and be flexible. We look to continue to provide more flexible approaches to connecting people.

To develop a greater on-line presence providing resources and opportunities for interaction within and outside the church.

To multiply the number of midweek groups and provide increased support and training for existing and new leaders through the development of the Hub structure. This will include a group specifically to connect new people to the church.

To develop the volunteer teams that enable our Sunday mornings to run after 2 years of disruption.

To grow and develop the work with New Ground, especially in strengthening and supporting the church in Romania and encouragement of church members to attend the leadership conference in

To continue to develop and implement ideas that will encourage engagement of the community with the christian faith. This will include Alpha courses, both online and in person.

To maintain and develop relationships with the community organisations that we have been able to connect with, particularly through our cafe and partnership with Citizens advice.

For the Leadership team to have a yearly weekend together to review the vision and direction of the church and for the Leadership team and Trustee team to develop stronger relationships.

To continue and develop our community initiatives.

To revisit our staffing structure and the role of operation manager.

To continue to develop and put on activities that particularly engage men and single people in the life of the church.

Monthly review of our financial situation to ensure we are meeting our financial commitments. We aim to have 3 special gift days throughout the year in order to pay off another lump sum of £50,000 on our mortgage.

COMMUNITY CHURCH, PUTNEY**TRUSTEES' REPORT****Impact of Covid**

While Covid had an impact on how we ran some of our services and activities, we are seeing not just a return to what we had been doing, but also a flexible development in how we can do things in the future. The other impact is on finances. We anticipate an increase in income as the people hiring the building increase and we see more people attending the church. However we also expect some increase in our expenditure on our activities and building and administration costs. The budget for 2022 reflects this, but as we have learned over the last year, it is not easy to predict where things will be in the next three to six months. The ongoing situation will be monitored and adjustments to plans and budget made accordingly.

Statement of Trustees' Responsibilities

The Trustees (who are also directors of Community Church, Putney for the purposes of Company Law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practices).

Company 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 Trust at the year end and of the incoming resources and application of resources of the Trust for that year. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities Statement of Recommended Practice ("SORP");
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Trust will continue in operation.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and which enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

COMMUNITY CHURCH, PUTNEYTRUSTEES' REPORT

In so far as the trustees are aware:

- There is no relevant information of which the charitable company's independent examiner is unaware; and
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant information and to establish that the independent examiner is aware of that information.

The report has been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Signed on behalf of the charity's trustees:

J Howe
Trustee



S J Hansford
Trustee



Approved by the trustees on ...15th September 2022

COMMUNITY CHURCH, PUTNEY**INDEPENDENT EXAMINER'S REPORT**

I report to the trustees (who are also Directors for the purpose of company law) on my examination of the financial statements of Community Church, Putney ('the charitable company') for the year ended 31 December 2021 which comprise the Statement of Financial Activities, the Balance Sheet and related notes.

This report is made solely to the charity's trustees, as a body, in accordance with section 145 of the Charities Act 2011. My work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in this 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 charity and the charity's trustees as a body, for my work, for this report, or for the opinions I have formed.

Responsibilities and basis of report

As the trustees of charitable company you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the financial statements of the charitable company are not required to be audited under Part 16 of the Act and are eligible for independent examination, I report in respect of my examination of the charitable company's financial statements carried out under section 145 of the Charities Act 2011 ('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.

An independent examination does not involve gathering all the evidence that would be required in an audit and consequently does not cover all the matters that an auditor considers in giving their opinion on the financial statements. The planning and conduct of an audit goes beyond the limited assurance that an independent examination can provide. Consequently I express no opinion as to whether the financial statements present a 'true and fair' view and my report is limited to those specific matters set out in the independent examiner's statement.

Independent examiner's statement

Since the charitable company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

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

- accounting records were not kept in respect of the charitable company as required by section 386 of the 2006 Act; or
- the financial statements do not accord with those records; or
- the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the financial statements give a 'true and fair view' which is not a matter considered as part of an independent examination; or
- the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

COMMUNITY CHURCH, PUTNEY**INDEPENDENT EXAMINER'S REPORT****Independent examiner's statement (continued)**

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



Andrew Warren, FCA

For and on behalf of McBrides Accountants LLP, Nexus House, 2 Cray Road, Kent, DA14 5DA

Date: 20/01/22.....

COMMUNITY CHURCH, PUTNEY

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2021
(Including the Income and Expenditure Account)

		Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
	Notes	2021 £	2021 £	2021 £	2020 £
INCOME					
Donations	2	254,006	50,546	304,552	314,950
Investment income	2	20,360	12	20,372	29,657
Other income		7,854	-	7,854	2,134
Total income		<u>282,220</u>	<u>50,558</u>	<u>332,778</u>	<u>346,741</u>
EXPENDITURE					
<i>Expenditure on Charitable activities</i>					
Ministry	3a	140,854	-	140,854	150,120
Mission	3a	10,385	-	10,385	9,062
Grants payable	3a	24,000	-	24,000	25,500
Support and Administration costs	3b	84,247	-	84,247	90,139
Total expenditure		<u>259,486</u>	<u>-</u>	<u>259,486</u>	<u>274,821</u>
Net movement in funds		<u>22,734</u>	<u>50,558</u>	<u>73,292</u>	<u>71,920</u>
Funds balances brought forward		835,869	704,592	1,540,461	1,468,541
Transfer of fund balances		-	-	-	-
Fund balances carried forward		<u>858,603</u>	<u>755,150</u>	<u>1,613,753</u>	<u>1,540,461</u>

All the above results are derived from continuing activities. There are no other gains or losses other than those shown above.

The notes on pages 14 to 23 form an integral part of these financial statements.

COMMUNITY CHURCH, PUTNEY

BALANCE SHEET AS AT 31 DECEMBER 2021

	Notes	Funds 2021 £	Funds 2021 £	Funds 2020 £
FIXED ASSETS				
Tangible Fixed Assets	9		2,389,435	2,397,156
			<u>2,389,435</u>	<u>2,397,156</u>
CURRENT ASSETS				
Debtors	10	20,271		19,541
Cash at bank		95,404		92,858
		<u>115,675</u>		<u>112,399</u>
CREDITORS: Amounts falling due within one year	11	<u>(88,135)</u>		<u>(83,854)</u>
NET CURRENT ASSETS			27,540	28,545
CREDITORS: Amounts falling due after one year	12		(803,222)	(885,240)
NET ASSETS			<u>1,613,753</u>	<u>1,540,461</u>
FUND BALANCES				
General unrestricted fund	13		858,603	835,869
Restricted funds	13		755,150	704,592
			<u>1,613,753</u>	<u>1,540,461</u>

For the year ended 31 December 2021, the charitable company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the charitable company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The trustees acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of the accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The accounts were approved by the Board of Trustees on 15th September 2022 and signed by:

J HOWE

S J Hansford

The notes on pages 14 to 23 form an integral part of these financial statements.

COMMUNITY CHURCH, PUTNEY

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2021

1. ACCOUNTING POLICIES

The financial statements have been prepared 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) (effective 1 January 2018) – (Charities SORP (FRS 102)), and applicable regulations. The financial statements are prepared to the nearest £1.

Community Church, Putney meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The following are the accounting policies which have been applied in dealing with material items:

- a) Going concern:
At the time of approving the financial statements, it is the opinion of the Trustees that the use of the going concern basis of accounting is appropriate because:
- there are no material uncertainties relating to events or conditions that may cast significant doubt about the ability of the charitable company to continue as a going concern:
 - there is reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future.
- b) Funds structure:
Unrestricted income funds comprise those funds which the trustees are free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds where the trustees, at their discretion, have created a fund for a specific purpose.
- Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor or trust deed. There is a single restricted fund, the Property Fund, which represents money held for future expenditure on purchasing or developing the property.
- Further details of each fund are disclosed in note 13.
- c) Incoming resources:
Donated income and grants receivable are taken into account when received by the charity. Income received in circumstances where a claim for repayment of tax has been made or will be made to H M Revenue and Customs is grossed up for the tax recoverable. Any amount of tax reclaimed from H M Revenue and Customs but not yet received is shown within the charity's debtors.

All income is recognised once the charity has entitlement to the income, there is sufficient certainty or receipt and so it is probable that the income will be received, and the amount of income receivable can be measured reliably.

COMMUNITY CHURCH, PUTNEY

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2021

1. ACCOUNTING POLICIES (Continued)

Donations, are recognised when they have been communicated is received in writing with notification of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting year.

Interest on funds held on deposit is included upon notification of the interest paid or payable by the Bank.

Rental income is taken in to account when receivable.

d) Resources expended:

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

All expenditure, including irrecoverable VAT, is accounted for on an accruals basis. All expenses, including support costs and governance costs, are allocated or apportioned to the applicable expenditure headings in the statement of financial activities. For more information on this allocation refer to note (f) below.

Grants payable are payments made to third parties in the furtherance of the charitable objects of the charity. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award. The notification gives the recipient a reasonable expectation that they will receive the one year or multi-year grant. Grants awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled conditions attaching to that grant are outside of the control of the Church. Grants for the support of missionaries are accounted for on the basis of support that relates to the financial year.

e) Irrecoverable VAT:

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

f) Allocation of support and governance costs:

Support costs have been differentiated between governance costs and other support costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees together with an apportionment of overhead and support costs relating to Trustee meetings.

g) Charitable activities:

The expenditure on charitable activities includes grants made, governance costs and an apportionment of support costs as shown in note 3.

COMMUNITY CHURCH, PUTNEY

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2021

1. ACCOUNTING POLICIES (Continued)

h) Fixed assets and depreciation:

Fixed assets acquired for use by the Church are capitalised and depreciated over their estimated useful life unless they cost less than £100 when they are written off on purchase.

Capitalised equipment is depreciated at 20% reducing balance. The land and freehold property are not depreciated on the basis that the estimated life is deemed to be so long and the estimated residual values so high that any depreciation would not be material.

i) Reserves

The regular, unrestricted income is sufficient to cover the day to day running of the church, whilst the expenditure relating to specific projects, such as the current building project, are covered through restricted funds, generated through gift days and regular giving.

The agreed reserve policy for 2021 was to have available a minimum of £30,000 in unrestricted funds. Based on the risk profile of the income and expenditure, this was deemed an appropriate amount to cover any sudden increases in expenditure or decreases in income.

Any unrestricted funds held over and above this are regularly monitored with the intention of using them to forward the church's objectives.

The reserve policy is regularly assessed by the trustees for appropriateness.

j) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

k) Cash at bank and in hand

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

l) Creditors and provisions

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

l) Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement as financial assets or financial liabilities. The charitable company only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value.

COMMUNITY CHURCH, PUTNEY

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2021

1. ACCOUNTING POLICIES (Continued)

m) Fund accounting

Funds held by the charitable company are either:

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

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

n) Key judgements and estimations

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

COMMUNITY CHURCH, PUTNEY

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2021

2. ANALYSIS OF INCOMING RESOURCES

(a) Donations

	Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
	2021	2021	2021	2020
	£	£	£	£
General donations	208,930	41,290	250,220	257,922
Tax recoverable	45,076	9,256	54,332	57,028
Grants	-	-	-	-
	254,006	50,546	304,552	314,950

(b) Investment Income

	Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
	2021	2021	2021	2020
	£	£	£	£
Rent	20,360	-	20,360	29,633
Interest received	-	12	12	24
	20,360	12	20,372	29,657

3. CHARITABLE EXPENSES

(a) Direct Charitable Costs

	Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
	2021	2021	2021	2020
	£	£	£	£
Ministry				
Wages, NIC and pension	140,854	-	140,854	150,120
	140,854	-	140,854	150,120
Mission				
Childrens' work	1,827	-	1,827	705
Catering	512	-	512	663
Training and education	656	-	656	652
Conferences	385	-	385	2,702
Other	7,005	-	7,005	4,339
	10,385	-	10,385	9,062
Grants payable	24,000	-	24,000	25,500
	175,239	-	175,239	184,682

COMMUNITY CHURCH, PUTNEY

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2021

(b) Support and Administration Costs

	Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
	2021	2021	2021	2020
	£	£	£	£
Support Costs				
Building repairs and renewals	9,658	-	9,658	8,952
Depreciation	12,889	-	12,889	15,318
Lighting, heating and water	9,469	-	9,469	4,693
Telephone	1,105	-	1,105	1,031
Building projects	-	-	-	-
Cleaner	2,881	-	2,881	4,737
Profit/(loss) on disposal of assets	-	-	-	-
	36,002	-	36,002	34,731
Administration Expenses				
Postage and stationery	103	-	103	385
Other expenses	8,394	-	8,394	10,479
Interest	23,249	-	23,249	27,009
Insurance	4,723	-	4,723	4,639
Photocopier	5,673	-	5,673	4,994
Publicity	85	-	85	44
Licences	1,020	-	1,020	952
Travel	-	-	-	-
Computer costs	-	-	-	-
	43,247	-	43,247	48,502
Governance costs				
Bank charges	417	-	417	508
Accounts and examination	4,581	-	4,581	6,398
	4,998	-	4,998	6,906
	84,247	-	84,247	90,139

(c) Grants payable

	Institutions	Individuals	Total	Total
	2021	2021	2021	2020
	£	£	£	£
New Frontiers	-	-	-	-
Bethany Children's Trust	2,400	-	2,400	2,800
New Ground Churches	21,600	-	21,600	21,700
MacMillan	-	-	-	1,000
	24,000	-	24,000	25,500

COMMUNITY CHURCH, PUTNEY

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2021

4. PRIOR YEAR STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted 2020	Restricted 2020	Total 2020
	£	£	£
Donations	263,432	51,518	314,950
Income from investments	29,633	24	29,657
Other income	2,134	-	2,134
TOTAL INCOME	295,199	51,542	346,741
<i>Expenditure on Charitable activities</i>			
Ministry	150,120	-	150,120
Mission	9,062	-	9,062
Grants payable	25,500	-	25,500
Support and Administration costs	63,130	27,009	90,139
TOTAL EXPENDITURE	247,812	27,009	274,821
Net movement in funds	47,387	24,533	71,920

5. STAFF COSTS

	2021	2020
	£	£
Salaries	119,090	127,369
Social security costs	11,110	11,470
Pensions costs	10,654	11,281
	140,854	150,120

No employee earned over £60,000 (including taxable benefits but excluding employer pension contributions) during the year.

The average number of employees during the year was as follows:

	2021	2020
Management	2	2
Project staff	1	1
Administration	2	2
	5	5

6. TRANSACTIONS WITH TRUSTEES

The trustees all give freely of their time and expertise without any form of remuneration or other benefit in cash or kind.

During the year no trustee received any remuneration or expenses.

COMMUNITY CHURCH, PUTNEY

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2021

7. NET INCOME FOR THE YEAR

This is stated after charging:

	2021 £	2020 £
Depreciation	12,889	15,318
Independent examiners fees for reporting on the accounts	600	550
Other fees (Accountancy, advice and payroll services)	3,050	3,050
	<u>16,539</u>	<u>18,918</u>

8. FEES FOR EXAMINATION OF ACCOUNTS

	2021 £	2020 £
Independent examiners fees for reporting on the accounts	600	550
Other fees - Accountancy	3,050	3,050
	<u>3,650</u>	<u>3,600</u>

9. FIXED ASSETS

	Freehold Property £	Equipment £	Total £
Cost			
Brought forward	2,335,505	152,391	2,487,896
Additions	-	5,168	5,168
Carried forward	<u>2,335,505</u>	<u>157,559</u>	<u>2,493,064</u>
Depreciation			
Brought forward	-	90,740	90,740
Charge	-	12,889	12,889
Carried forward	<u>-</u>	<u>103,629</u>	<u>103,629</u>
NBV at 31 December 2021	<u>2,335,505</u>	<u>53,930</u>	<u>2,389,435</u>
NBV at 31 December 2020	<u>2,335,505</u>	<u>61,651</u>	<u>2,397,156</u>

The charity's freehold properties were last revalued on 27 November 2014 by an independent valuer. The trustees do not believe the fair value of the property has significantly changed.

COMMUNITY CHURCH, PUTNEY

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2021

10. DEBTORS

	2021 £	2020 £
Tax recoverable	15,727	16,400
Prepayments and accrued income	4,544	3,141
	<u>20,271</u>	<u>19,541</u>

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Loans and borrowings	58,343	61,419
Accruals	29,792	22,435
	<u>88,135</u>	<u>83,854</u>

12. CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR

	2021 £	2020 £
Loans and borrowings	803,222	885,240
	<u>803,222</u>	<u>885,240</u>

Loans and borrowings

Bank loan	<u>861,565</u>	<u>946,660</u>
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The bank loan is a repayment mortgage denominated in Sterling and accrues interest at a nominal interest rate of 3.15%.
The final instalment is due on 13 October 2031. The carrying amount at year end is £861,565 (2020: £946,660).

The loan is secured by a first fixed charge over the freehold property.

Included in loans and borrowings are the following amounts due after more than five years:

	2021 £	2020 £
After more than five years not by instalments	<u>569,849</u>	<u>639,563</u>

COMMUNITY CHURCH, PUTNEY

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2021

13. FUNDS

	At 31/12/20	Incoming Resources £	Outgoing Resources £	At 31/12/21 £
General fund	835,869	282,220	(259,486)	858,603
Property fund	704,592	50,558	-	755,150
Carried forward	1,540,461	332,778	(259,486)	1,613,753

The Property Fund is a restricted fund to be used for future expenditure on purchasing or developing property.

Analysis of funds between net assets

	Fixed Assets £	Net Current Assets £	Long Term Liabilities £	Total £
General fund	2,058,965	(1,200,362)	-	858,603
Property fund	330,470	1,227,902	(803,222)	755,150
Carried forward	2,389,435	27,540	(803,222)	1,613,753

14. TAXATION

The church is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

15. RELATED PARTY TRANSACTIONS

There were no related party transactions during the year.

16. MEMBERS' LIABILITY

The church is a registered company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the charitable company in the event of winding up.

17. ULTIMATE CONTROLLING PARTY

In the opinion of the Trustees there is no ultimate controlling party of the charity.

