

Centre for Theology and
Community Limited

Report and Accounts

Period ended 31 March 2017

CENTRE FOR THEOLOGY AND COMMUNITY LIMITED

FOR THE PERIOD ENDED 31 MARCH 2017

COMPANY INFORMATION

Directors/Trustees	Dr David Staples, Chair Mr John Deacon Dr Ralph Walker
Company Secretary	Mr John Deacon
Executive Director	Canon Dr Angus Ritchie
Governing Document	Memorandum and Articles of Association
Company Registration Number	05848143
Charity Registration Number	1121648
Registered Office	East Crypt St George-in-the-East 14 Cannon St Road London E1 0BH
Independent Examiner	Stephen Mathews FCA Stewardship 1 Lamb's Passage LONDON EC1Y 8AB
Bankers	The Co-operative Bank plc P.O. Box 101 1 Balloon Street Manchester M60 4EP

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CENTRE FOR THEOLOGY AND COMMUNITY LIMITED

REPORT OF THE DIRECTORS FOR THE PERIOD ENDED 31 MARCH 2017

The Directors have pleasure in submitting the Report and Accounts for the year.

Objects of the charity

In considering the charity's aims and objectives, the directors confirm that they have had regard to the guidance issued by the Charity Commission on public benefit.

The object of the Centre for Theology and Community Limited is 'to advance public knowledge and mutual understanding of the teachings, traditions and practices of different faith communities including promoting good relations between persons of different faiths in particular but not exclusively by providing education and training, developing a network in order to share good practice and experience, by facilitating supervised placements for students and by engaging in research.'

Our main area of operation is East London, and our work is primarily with Christian congregations – equipping them to work with their neighbours for community transformation, through the practices of community organising, theological reflection and prayer, and helping them to use their resources more effectively to fulfil this mission. A key partner in this work is Citizens UK, and its local affiliate, London Citizens.

Government

The organisation is a charitable company limited by guarantee, incorporated on 15th June 2006 and registered as a charity on 21st November 2007. The company was established under a Memorandum of Association, which established its objects and powers, and is governed by its Articles of Association. In the event of the company being wound up, its members are required to contribute an amount not exceeding £1.

Recruitment and appointment of members of the Trustee Board:

The directors of the company are also charity Trustees for the purposes of charity law. At the end of the first year, all Trustees are required to retire, and one third will do so at subsequent Annual General Meetings. The Trustees have all received training on their responsibilities, and the Chair of Trustees is responsible for the induction of new Trustees, when the occasion arises. This involves ensuring awareness of a Trustee's responsibilities, the governing document and the work of the charity.

Organisational Structure:

The Trustees are responsible for setting policy and strategy. Day-to day management and running of the charity is delegated to Canon Dr Angus Ritchie, the Executive Director.

Membership:

The membership of the charity currently comprises the original signatories to the Memorandum of Association.

Achievements and Performance

Our work is now divided into three main streams:

1. Community Organising

Our year long **congregational development programme** engaged Church of England, Roman Catholic and Methodist congregations, helping hundreds of local people apply their faith to public life, building relationships of solidarity and trust with neighbours of other faiths and of none. We are developing specific streams of work with Roman Catholic and Pentecostal congregations.

Through specific partnerships with **St George-in-the-East Church** in Tower Hamlets and the **London Design & Engineering University Technical College** in Newham, we are demonstrating the capacity of organising for church growth (with average weekly attendance at St George's trebling in 18 months, and 50% of students choosing to engage in our pilot chaplaincy activity each week at the College).

Our month-long summer **Urban Leadership School** trained 11 young leaders in community organising, and helped "micro-organising" develop in Hoxton, Manor Park and Housing – with campaigns around housing and safety. Our year-long **Buxton Leadership Programme** placed 3 people in both Westminster and local churches to learn Christian political leadership.

We also continue to run the East London **Near Neighbours** Programme for DCLG and the Church Urban Fund. We have worked with the Church Urban Fund to ensure that our pilot **Church Credit Champions Network** is being scaled up by the national Just Finance Foundation. In both projects, we have harnessed the methods and insights of community organising. We also ran the **London Witness** media training course for the Diocese of London.

2. Reflection and resources

We published reports on **church growth, housing and using property for mission**, and hosted an international conference on **Strengthening our Institutions through Community Organising**.

3. Enterprise

We have played a key role in developing and then project managing **Clean for Good**, a new ethical Living Wage cleaning company for London, and it was launched in spring 2017.

The London Missional Housing Bond – which we have developed with the Diocese of London, the Eden Network and Mission Housing – continues to provide two properties to growing churches.

We have secured feasibility funding to explore a new church-backed **Social Lettings Agency** in London.

In planning these activities the Directors have had regard to the guidance on public benefit issued by the Charity Commission in December 2008.

Financial Review

The Charity's accounting period ended on 31 March 2017. Unrestricted free reserves at 31 March were £21,272 (2016 - £20,312).

Principal Funding Sources

The main funders for the year and income relating to the year for each funder are outlined in the accounts.

Conflicts of Interest

The Trustees regularly review potential conflicts of interest, and will be mindful of this in the recruitment and training of any new Trustees in the year ahead.

Investment Policy

The funds received during the period under review were not sufficient to justify separate investment.

Reserves Policy

The trustees recognise the need for a reasonable level of reserves to protect the charity from fluctuations in funding and sudden emergency requirements. It is our aim to build up a reserve representing three months' annual expenditure from unrestricted funds (currently approximately £35,000). We recognise that at the end of the year, reserves remain considerably below this level and we are seeking to increase the amount of income which is either grants towards CTC's core costs or earned income enabling us to make progress towards this target.

Having considered the current situation, the breadth and relationship with its funders and supporters together with a flexibility in its cost base lead the trustees to remain confident of the ongoing resilience of the charity.

Plans for future periods

We are planning to expand our Congregational Development Learning Community into a **School of Congregational Development**, offering support to participants on an ongoing basis.

We are exploring partnerships with two further congregations, alongside St George-in-the-East, so that there are three **Resource Churches modelling the potential of community organising for congregational renewal, and supporting other churches in harnessing this potential.**

We are redesigning our **Urban Leadership School** programmes to have a more intentional focus on local leaders, with a particular **Young Citizens** programme focusing on schools.

We are working on a new social enterprise to harness the potential of **church space** – an idea proposed in our report on using **property for mission.**

Risk Statement

A comprehensive review of risks was carried out in 2017. The responses to these have been implemented, and risks are kept under continuous review.

Directors' Responsibilities

Charity law requires us as Directors to prepare financial statements for each accounting year which give a true and fair view of the state of the charity and of its income and expenditure for the year.

1. Select suitable accounting policies and apply them consistently
2. Make judgements and estimates that are reasonable and prudent
3. State whether the applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts.
4. Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in business.

We are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable us to ensure that the financial statements comply with the Companies Act 2006.

We also have a responsibility to safeguard the assets of the charity and to take reasonable steps to prevent fraud or any other irregularities.

Preparation of the report

This report of the Board of Trustees has been prepared taking advantage of the small companies exemption of section 415A of the Companies Act 2006.

Approval

This report was approved by the Directors on ^{6th} December 2017 and signed on their behalf by:



John Deacon, Secretary

**INDEPENDENT EXAMINER'S REPORT
TO THE TRUSTEES OF**

**Centre for Theology and Community Limited
(‘the Company’)**

I report on the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2017.

Responsibilities and basis of report

As the charity’s trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 (‘the 2006 Act’).

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity’s accounts as carried out under section 145 of the Charities Act 2011 (‘the 2011 Act’). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner’s statement

Since the 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 matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
4. the accounts 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)].

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


Stephen Mathews FCA
The Institute of Chartered Accountants in England and Wales

13 December 2017

For and on behalf of:
Stewardship
1 Lamb’s Passage
London, EC1Y 8AB

CENTRE FOR THEOLOGY AND COMMUNITY LIMITED

Statement of Financial Activities

FOR THE PERIOD ENDED 31 MARCH 2017

Summary Income and Expenditure Account

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2017 £	Total Funds 2016 £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	61,521	228,196	289,717	342,528
Investments		20	-	20	138
<i>Incoming resources from charitable activities</i>					
Fee and consultancy income		75,250	5,000	80,250	46,796
Other income and endowments		3,191	-	3,191	4,613
Total income and endowments		139,982	233,196	373,178	394,075
EXPENDITURE ON					
Charitable activities	3	139,021	233,917	372,939	428,121
Total expenditure		139,021	233,917	372,939	428,121
Net Movement in Funds		960	(721)	239	(34,047)
Transfers between funds					
Reconciliation of funds:					
Total funds brought forward		20,312	721	21,033	55,078
Total funds carried forward		21,272	-	21,272	21,033

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

The notes on page 9-14 form part of these accounts.

CENTRE FOR THEOLOGY AND COMMUNITY LIMITED

BALANCE SHEET

FOR THE PERIOD ENDED 31 MARCH 2017

	Note	Unrestricted Funds £	Restricted Funds £	2017 £	2016 £
FIXED ASSETS					
Investments	5	10,000	-	10,000	-
		10,000	-	10,000	-
CURRENT ASSETS					
Debtors	6	26,497	-	26,497	50,225
Cash at bank	7	10,388	22,684	33,072	46,318
		36,885	22,684	59,569	96,543
CURRENT LIABILITIES					
Liabilities falling due within one year	8	25,613	22,684	48,297	75,510
Net Current Assets/(Liabilities)		11,272	-	11,272	21,033
NET ASSETS/(LIABILITIES)		21,272	-	21,272	21,033
FUND BALANCES					
Unrestricted funds	10				
General Funds		21,272	-	21,272	20,312
Restricted Funds	10	-	-	-	721
		21,272	-	21,272	21,033

For the period ended 31 March 2017, the company was entitled to the exemption from audit under Section 477 of the Companies Act 2006 relating to small companies.

Responsibilities of directors/trustees:

- The members have not required the charitable company to obtain an audit of its accounts for the year in question in accordance with Section 476 of the Companies Act - however, in accordance with Section 145 of the Charities Act 2011 the accounts have been examined by an independent examiner whose report forms part of this document.*
- The directors/trustees acknowledge their responsibilities for complying with the requirements of the Companies Act with respect to accounting records and the preparation of accounts.*

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

Approved by the Directors and signed on their behalf on the ^{6th} December 2017 by:



John Deacon

Company number: 05848143 Charity number: 1121648

The notes on page 9-14 form part of these accounts.

CENTRE FOR THEOLOGY AND COMMUNITY LIMITED

**Notes to the Accounts
FOR THE PERIOD ENDED 31 MARCH 2017**

1 Accounting Policies

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless states in the relevant note(s). The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Charities Act 2011.

The Centre for Theology and Community Limited (the "Charity" or "Company") meets the definition of a public benefit entity under FRS 102. The financial statements are prepared under the historical cost convention, with the exception that investments are included at fair value.

The accounts have been prepared on the going concern basis, as there are no material uncertainties about the charity's ability to continue. Based on the adequacy of the charity's reserves as at the balance sheet date, along with their knowledge of the charity's ability to meet bills, payments and other liabilities as they fall due, the directors have a reasonable expectation that the charity has sufficient resources to continue in operational existence for the foreseeable future.

Reconciliation with previous Generally Accepted Accounting Policies

In preparing the accounts, the Trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP (FRS 102), any restatement was required to comparative or opening balances. No adjustments were considered necessary.

a) Donated and grant income:

Donated income and grants receivable are generally taken into account when received by the charity. Grant funding is also recognised in situations where entitlement to the funding is obtained by the charity but where funds have not been received (see note 6). In addition, elements of grants are deferred where performance related conditions are not met by the end of the accounting year (see note 9). Income received in circumstances where a claim for repayment of tax has been or will be made to HM Revenue & Customs is grossed up for the tax recoverable. Any amount of tax reclaimed from HM Revenue & Customs but not yet received is shown within the charity's debtors.

b) Other income and expenditure:

Investment income is taken into account when receivable.

Expenditure, including irrecoverable VAT is recognised, when incurred by the charity, regardless of when payment is made. Most projects make a fair and proportional contribution to overheads as agreed with the relevant funder. Grants payable are taken into account at the earlier of when they are paid or become constructive obligations.

c) Funds:

Unrestricted funds are donations and other income received or generated for the objects of the charity without specified purpose and are available for purposes as directed by the trustees. Restricted funds are amounts received where the donor has specified the purpose for which it should be used.

d) Fixed assets and depreciation:

Fixed assets acquired for use by the charity are capitalised and depreciated over their estimated useful life unless they cost less than £500 when they are written off on purchase.

Depreciation periods are as follows:

Equipment	Between 3 and 7 years
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e) Pension costs:

The company operates a defined contribution scheme for certain of its employees. Pension premiums are charged as they are paid.

f) Taxation

The company is a registered charity and is exempt from taxation under the Income & Corporation Taxes Acts.

g) Cashflow statement

The company has taken advantage of the exemption provided by the Financial Reporting Standard 1 and has not prepared a Cash Flow Statement for the year.

CENTRE FOR THEOLOGY AND COMMUNITY LIMITED

**Notes to the Accounts
FOR THE PERIOD ENDED 31 MARCH 2017**

1 Accounting Policies (continued)

h) Investments

Investments are a form of basic financial instrument and are initially recognised at their transactional value and subsequently measured at their fair value as at the balance sheet date. The Statement of Financial Activities includes net gains and losses arising on revaluations and disposals throughout the year.

i) Accounting period

The Charity has changed its accounting period end date from 5th April to 31st March

2 Voluntary income

	Unrestricted Funds	Restricted Funds	Total 2017	Total 2016
	£	£	£	£
Grants	59,584	224,833	284,417	339,510
General donations	1,937	3,363	5,300	3,018
Tax recoverable	-	-	-	-
	<u>61,521</u>	<u>228,196</u>	<u>289,717</u>	<u>342,528</u>

3 Charitable activities

	Unrestricted Funds	Restricted Funds	Total 2017	Total 2016
	£	£	£	£
a Direct Charitable Costs				
Staff & Management costs	57,644	161,441	219,086	266,486
Other staff costs	1,119	5,487	6,606	-
Consultants	2,616	30,059	32,675	500
Office costs	234	246	480	-
Donations	100	-	100	-
Postage	48	171	218	-
Bad debt	370	-	370	599
Projects - General Expenses	5,830	7,235	13,065	22,810
Travel	153	2,761	2,914	-
Grant Payment	-	26,517	26,517	39,775
			-	
	<u>68,113</u>	<u>233,917</u>	<u>302,030</u>	<u>330,170</u>

b Support Costs

	Unrestricted Funds	Restricted Funds	Total 2017	Total 2016
	£	£	£	£
Bank charges	129	-	129	121
Rent and utilities	27,668	-	27,668	29,869
Office costs	5,063	-	5,063	7,621
Publications, publicity, website	-	-	-	2,207
Staff expenses	-	-	-	49
Staff & Management costs	18,822	-	18,822	28,830
Insurance	1,441	-	1,441	1,419
Legal	1,285	-	1,285	-
Miscellaneous	-	-	-	7,819
Accounts and examination	12,717	-	12,717	19,733
Training/Development	3,784	-	3,784	282
	<u>70,909</u>	<u>-</u>	<u>70,908</u>	<u>97,950</u>
Combined charitable activity cost	<u>139,022</u>	<u>233,917</u>	<u>372,939</u>	<u>428,121</u>

c Grants

	Institutions	Individuals	2017	2016
	£	£	£	£
Community grants	26,517	-	26,517	39,775
	<u>26,517</u>	<u>-</u>	<u>26,517</u>	<u>39,775</u>

CENTRE FOR THEOLOGY AND COMMUNITY LIMITED

**Notes to the Accounts
FOR THE PERIOD ENDED 31 MARCH 2017**

3 Charitable activities (continued)

c Grants (continued)

The main features of the grants made were:	2017	2016
Liverpool Together for the Church Credit Champions Network (based on funding received)	26,517	39,775

4 Staff & Trustees

	2017	2016
	£	£
Gross wages, salaries & benefits in kind	204,244	264,652
Employer's National Insurance costs	15,356	21,427
Pension costs	9,673	9,188
Total staff costs	229,273	295,267

The charity has 9.1 full time equivalent employed staff (2016: 8.2).

No staff received salaries at a rate of more than £60,000 per annum.

Total remuneration paid to key management as defined by the SORP is £92,134 (2016:£92,708).

No remuneration was paid to any trustee during the year nor to any person connected to them.

5 Tangible Fixed Assets

	Program related Investments	Computer equipment & furniture £	Total 2017 £
Cost			
At 6 April 2016	-	2,376	2,376
Additions	10,000	-	10,000
Fair value movement			
At 31 March 2017	10,000	2,376	12,376
Accumulated Depreciation			
At 6 April 2016	-	2,376	2,376
Charge for the year	-	-	-
At 31 March 2017	-	2,376	2,376
Net book value			
At 31 March 2017	10,000	-	10,000
At 6 April 2016	-	-	-

The charity has a program related investment in the unlisted share capital of Clean for Good Ltd. The £10,000 investment is less than 20% of the issued share capital and does not therefore constitute a subsidiary, joint venture or associate of the Charity. The Trustees assessed the fair value of the company based on the net book value as at the balance sheet date. Clean for Good Ltd had not commenced trading prior to the balance sheet date but has since started trading and is line with the current business plan.

	2017	2016
	£	£
6 Debtors and Prepayments		
Other Debtors	18,179	7,635
Accrued income	8,318	42,590
	26,497	50,225

CENTRE FOR THEOLOGY AND COMMUNITY LIMITED

**Notes to the Accounts
FOR THE PERIOD ENDED 31 MARCH 2017**

6 Debtors and Prepayments (continued)

Accrued income represents amounts receivable where entitlement for grant funding is obtained by the charity, normally when the offer of funding is communicated in writing by the grantor, but payment has not been received by the year end.

7 Cash at Bank and in Hand

	2017 £	2016 £
Bank operating accounts	33,072	46,318
	<u>33,072</u>	<u>46,318</u>

8 Creditors: liabilities falling due within one year

Trade creditors	560	3,738
Taxation and social security	4,162	7,002
Accruals	16,892	7,100
Deferred Income (Note 9)	26,684	57,670
	<u>48,297</u>	<u>75,510</u>

9 Deferred Income

	Opening balance £	Income release in year £	Income deferred £	Closing balance £
Donation and grant income deferred	57,671	(57,671)	26,684	26,684
	<u>57,671</u>	<u>(57,671)</u>	<u>26,684</u>	<u>26,684</u>

The deferred income at the year end primarily reflects the element of grants received in the year with performance related conditions which had not been completed until the 2017/2018 accounting period.

10 Restricted Funds

The restricted funds represent amounts received for specific purposes and the movements in the year are as follows:

	Opening balance £	Incoming resources £	Outgoing resources £	Transfers in the year £	Closing balance £
Buxton 180	721	6,786	(7,507)	-	-
Buxton 180 (Primrose Hill)	-	256	(256)	-	-
Church & Community - ConDev	-	10,000	(10,000)	-	-
Church Urban Fund	-	10,000	(10,000)	-	-
Church Urban Fund/Near Neighbours	-	45,000	(45,000)	-	-
Esmee Fairburn	-	10,000	(10,000)	-	-
James Knott	-	23,581	(23,581)	-	-
Lillian Nash	-	10,000	(10,000)	-	-
Lloyds - ABC	-	59,991	(59,991)	-	-
London Diocese Fund	-	15,000	(15,000)	-	-
MB Reckitt	-	5,000	(5,000)	-	-
Sir Halley Stewart Yr3 (Parts 1-4)	-	2,000	(2,000)	-	-
Thames Water	-	10,000	(10,000)	-	-
The Mercers	-	9,000	(9,000)	-	-
William Leech	-	4,252	(4,252)	-	-
All Churches	-	10,731	(10,731)	-	-
Lady Peel Trust	-	1,600	(1,600)	-	-
Total	<u>721</u>	<u>233,196</u>	<u>(233,917)</u>	<u>-</u>	<u>-</u>

CENTRE FOR THEOLOGY AND COMMUNITY LIMITED

**Notes to the Accounts
FOR THE PERIOD ENDED 31 MARCH 2017**

10 Restricted Funds (continued)

The assets and liabilities represented by the various funds are as follows:

	Fixed assets £	Bank& cash balances £	Other net assets £	Total £
Restricted funds	-	22,684	(22,684)	-
Unrestricted funds	10,000	10,388	884	21,272
	<u>10,000</u>	<u>33,072</u>	<u>(21,800)</u>	<u>21,272</u>

11 Events since the year end

None

12 Members

Each member of the company commits to contribute if the charity is wound up an amount of £1.

CENTRE FOR THEOLOGY AND COMMUNITY LIMITED
Detailed Statement of Financial Activities with Comparatives
FOR THE PERIOD ENDED 31 MARCH 2017

		Unrestricted Funds - General		Restricted Funds		Total Funds	Total Funds
	Note	2017	2016	2017	2016	2017	2016
		£	£	£	£	£	£
INCOME AND ENDOWMENTS FROM							
Grants	2	59,584	78,773	224,833	260,737	284,417	339,510
General donations	2	1,937	-	3,363	3,018	5,300	3,018
Investments		20	138	-		20	138
<i>Charitable activities</i>							
<i>Other trading activities</i>		75,250	46,796	5,000	-	80,250	46,796
<i>Other income and endowments</i>		3,191	4,613	-		3,191	4,614
Total income and endowments		139,982	130,320	233,196	263,755	373,178	394,075
EXPENDITURE ON							
Charitable activities	3	139,022	120,813	233,917	307,308	372,939	428,121
Raising funds	4	-	-	-		-	-
Total expenditure		139,022	120,813	233,917	307,308	372,939	428,121
Net income/(expenditure)		960	9,507	(721)	(43,553)	239	(34,045)
Net movement in funds		960	9,507	(721)	(43,553)	239	(34,045)
Reconciliation of funds:							
Total funds brought forward		20,312	10,805	721	44,274	21,033	55,079
Total funds carried forward		21,272	20,312	-	721	21,272	21,034

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