

BROCKLEY COMMUNITY CHURCH

A company limited by guarantee
and not having share capital

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2018

Company no. 5039807

Charity no. 1103389

BROCKLEY COMMUNITY CHURCH
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2018

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BROCKLEY COMMUNITY CHURCH
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2018

Status	Brockley Community Church is a company limited by guarantee
Directors	Gemma Cook (until 29 April 2018) Gordon Cowie (until 29 April 2018) - Treasurer Suzanne Easton (from 29 April 2018) Charlie Jopling Pat Prior Luke Squires Abby Razavi Andy Thomas – Chair
Secretary	Chris Freed
Registered Office	39 Gordonbrock Road Brockley London SE4 1JA
Registered Company no.	5039807
Registered Charity no.	1103389
Bankers	Lloyds Bank 113-117 Oxford Street London W1D 2HW

BROCKLEY COMMUNITY CHURCH
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31ST DECEMBER 2018

The directors present their report and the financial statements for the year ended 31st December 2018.

PRINCIPAL ACTIVITY

The principal activity of the company is to be a Christian Church and to provide Christian worship, teaching, prayer and group activities for its members, and outreach and events for the local community.

ADMINISTRATIVE INFORMATION

Charitable objectives

Brockley Community Church is governed by its Memorandum and Articles of Association. The objects of the charity are:

1. To promote and advance the Christian Faith throughout the world generally including by the worship of God, the instruction and edification of Christians, the care and Christian instruction of young people and children and the evangelisation of non-Christians.
2. To relieve poverty, hardship, sickness and distress among all peoples of the world.
3. To promote education and training.
4. To support such other charities and charitable purposes as the trustees shall decide.

Description of the organisation

Brockley Community Church is run by a Board of Directors who act as trustees of the charity and meet regularly throughout the year. Trustees are elected by church members, usually for a period of three years. The trustees are responsible for the overall running of the charity and delegate certain responsibilities to a leadership team, led by the Senior Church Leader Mr Philip Ratcliff. The leadership team is responsible for the spiritual direction of the church, vision setting, the day to day running of the church, and supporting and equipping church members.

DIRECTORS

The directors listed on page 3 have held office during the whole of the year and to the date of this report unless otherwise stated

RELATIONS WITH OTHER ORGANISATIONS

We are members of Transform Network, an association of churches arising from relationships formed in Ichthus, of iNet (a mission organisation), and of the Brockley ministers fraternal. We are also members of the Evangelical Alliance, the New Wine Network, and Voluntary Action Lewisham.

RISK MANAGEMENT

The trustees have continued to give consideration to the major risks faced by the company and continued with the process of reviewing policies, systems and procedures to mitigate those risks. In addition, the trustees have ensured that they have appropriate public liability, employer's liability and property insurance.

BROCKLEY COMMUNITY CHURCH

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31ST DECEMBER 2018

FINANCIAL REVIEW

A high proportion of the church's income continues to come from the regular giving of its members through standing orders, "Give as You Earn", gifts via Stewardship, and Sunday morning offerings. The church has continued to emphasise the use of the gift aid system and giving by standing order, whilst recognising the different situations of its members. The majority of the giving was gift aided and the charity was able to recover £11,015 in income tax paid.

Unrestricted giving was £69,776, a decrease of £9,871 on the previous year. £3,900 of this decrease is due to exceptional one-off gifts in 2017 (recorded as designated funds); the remainder appears to be due to individuals' changes in circumstances & the pattern of other one-off gifts. In addition, 2017 giving was particularly high & the level of 2018 giving is similar to 2016. Unrestricted expenditure was £66,847 a decrease of £9,213 on the previous year. The two main reasons for this decrease was the Church weekend away in 2017 but not 2018; and no longer having XLP students in 2018. In addition, there was a reduction in rent payments, and one-off payments for equipment in 2017. Unrestricted reserves increased to £25,028; which includes designated funds of £4,125 which represent one-off gifts set aside for particular uses.

Restricted income was £10,425 an encouraging increase of £8,693; and restricted expenditure was £2,530, an increase £335. Restricted funds at the end of the year had increased to £9,521. Details of the restricted funds are shown in note 10.

The trustees are very grateful to all who have given to the church throughout the year, in both financial and other vital ways.

Reserves Policy

The charity's reserves policy is to have a minimum unrestricted reserve of one month's general giving. This is based on the regularity of donations to the charity and the level of long-term commitments. Current unrestricted reserves are at around 4 months, so are considered sufficient.

Going Concern

The accounts have been prepared on a 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, and the regularity of donations received, the directors have a reasonable expectation that the charity has sufficient resources to continue in operational existence for the foreseeable future.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees are required by law to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity as at the end of the financial year and of the income and expenditure of the charity for that year. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are prudent;

- state whether the policies adopted are in accordance with the Companies Act 2006 and with applicable accounting standards and statements of recommended practice, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in business.

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

Chair of Trustees Summary

The trustees are happy to present this annual report as a summary of the broad range of activities carried out in our church, the community and beyond as we serve God's purposes. In doing so we want to record our thanks to the many people who continue to give their time and energy. Sometimes that involves taking on formal responsibility like looking after the P.A. on a Sunday morning or organising home group meetings, sometimes supporting wider community activities like Lewisham Food Bank and Streets Pastors and at other times it is taking the time to care for each. All of this makes us Brockley Community Church, a place where very different people empowered by God, honour each other and play their part in helping to create a place to belong.

BCC has always been a church open to trying out new ways of doing things and this has often produced exciting projects that have helped shape us as a church and the way that we interact with the wider community. Current discussions about the Library of Things are a great example of what becomes possible when people dream big - the trustees along with the church leaders are backing this vision and look forward to seeing how things develop. It is also important to recognise that some ideas that have been put to the church in the past year have not yet materialised. This includes those to develop a school holiday club that would help to address food poverty and plans to organise an event as part of Brockley Max. These things may still take place in the future - please let us know if you would be interested in playing a part.

2018 has presented a complicated picture as far as our finances are concerned, including a significant reduction in unrestricted giving but a similar significant increase in restricted giving. As Gordon has outlined, there are a number of contributing factors and it would be a mistake to reach simplistic conclusions about why this has been the case. However, experience seems to suggest that people like to have more specifics about the way in which funds will be used and are willing to contribute beyond their regular giving where they can see a compelling case to do so. A very big thank you to everyone who has played their part in this.

BROCKLEY COMMUNITY CHURCH

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31ST DECEMBER 2018

Leader's Review

Four baptisms and a new venue. It doesn't sum up everything that happened during 2018, but they were two significant events during the year.

The start of 2018 saw us gathering at Crofton Park Baptist Church to baptise four of our young people – Annabel, Dom, Lisa and Lucy – and celebrating with them as they publicly declared their faith in Jesus. Some of the other things that were new in 2018 were an extended leadership team, with Alex, Ash, Jo R and Nick joining Jane, Jo T and Philip, and meeting in a new venue at Beecroft Garden School, leaving St Mary Magdalen's after 5 years. During the year we ran a Life Course, we've had a new homegroup starting, possibilities for a high street presence, new worship team members, new service leaders, new speakers, new members for our children's ministry, and newcomers to the congregation.

I'd describe the atmosphere at Brockley as having changed too. There has been a growing faith in God to move in our lives and in the community; there continues to be a deepening vulnerability of people walking with Jesus in accountable relationship with one another; the prophetic voices within the congregation have been heard more often through words, pictures, scriptures and actions, particularly in regard to our move to Beecroft when Gemma had a dream, not knowing anything about the potential move, of seven new doors being thrown wide open, which translated into seven ways in which our move to Beecroft exceeded our expectations. During the year we had many times when we knew God's presence in our meetings, either on Sundays or during week, and where the message that was given or the ministry that was offered, or the prayers that were said, felt that they had added weight from the Holy Spirit.

There were a number of situations for which we'd been praying over a longer period of time, such as the sale of Carol's house, Ruth LF's health, dissertations, relationships and changes in personal circumstances, and we saw answers to those prayers. We also saw a miraculous answer to prayer for Connor who suffered a seizure and fall, and medically shouldn't really be walking around anymore. There are other things that we are still praying for in which we've not yet seen the fullness of God's provision of answers, and we continue to put our trust in Jesus for them.

We've had a number of people join us during the year, including two babies born in 2018, welcomed back some who've returned after time away, as well as saying goodbye to some who've left for new adventures in their walk with Jesus. We've dedicated two of our youngest people and prayed for our young adults as they went off to study at university.

In a lovely answer to prayer, new children joined our groups during the year, and have enjoyed being part of church life. Our children have played an important part in reaching out to our community during the year. They have been involved in inviting people to our guest services, welcoming and serving children and families through our Easter activities and the Christmas Market, and in supporting our overseas workers. It's been exciting to see them hearing more clearly from Jesus, and through the year we've brought these words into our Family Services.

Our youth have continued to be served by Nick, Stephen and Dav in their weekly sessions, by Caro, Carol and Philip who took a small group to SoulSurvivor in the summer, and by members of the

Transform “Sound” team who run the monthly youth meeting across a number of churches. A couple of our youth were members of a ‘Summer18’ team that went to south-east Asia to work alongside an existing outreach and rehabilitation ministry, coming back with amazing stories of those who’d encountered Jesus in the very darkest periods of their lives and found new life in Him.

We saw all of our overseas cross-cultural workers at different times during the year, with Alison and Paul being around from March to October for the birth of Grace (and Paul’s dissertation submission), Alice during the early part of the summer, and Paul and Irene who came and spent a weekend with us, including going out on the streets of Brockley to go “Treasure Hunting”.

Looking outwards from the congregation, we had another year in which we sought different ways to make Jesus known in the community around us. At Easter, we joined with other Brockley churches for a Good Friday service which we started by worshipping together outside the front of St Peter’s and followed by giving out invitations to our Easter service. Our Easter service at Beecroft had a number of visitors, some of whom continue to be part of our congregation, and it started a pattern of having people come as guests to our services some of whom are still with us. In the summer we volunteered as members of the ‘Litter’ team at Hilly Fields Fayre as an alternative to having a stall. In the autumn, when Paul and Irene came to Brockley, we spent some time with them out on the streets, offering prayer and having conversations about faith with those we met. During the Christmas season we again had a number of events and activities through which we shared Jesus with the community: the Brockley Cross Christmas Market, carol singing in local hostelrys and our Christmas Eve service at St Peter’s.

We continue to be members of Transform Network, the group that overseas things like Lewisham Foodbank, Street and School Pastors and other projects, with a number of our congregation involved in these ministries. Transform also provides a legal home for the World Evangelical Alliance Commission for Women, through which a one-day conference for women in the Transform churches was held in June. The materials from it are now being used around the world. We are also a member church of iNet, who support us in serving our overseas cross-cultural workers with member-care advice, legal information and opportunities for our young people and others to experience mission in other countries.

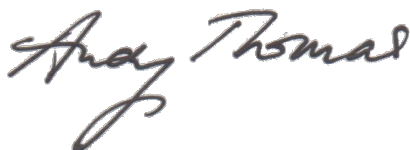
There are some things that we haven’t done in 2018, such as running a holiday lunch club, or a parent and toddler group, but we continue to look for opportunities to make Jesus known to the community around us and pray for his continued leading, guiding and provision for us as part of his church in Brockley.

Public Benefit

It is the view of the Trustees that the Aims, as implemented through the activities detailed above, fall within the descriptions of charitable purposes that are for the public benefit, as set out in the Charities Act 2011.

APPROVAL

This report was approved by the trustees on 23 March 2019



Andy Thomas
Chair of Trustees

BROCKLEY COMMUNITY CHURCH
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST DECEMBER 2018

		2018			2017		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total	
Note	£	£	£	£	£	£	
Income and Endowments from:							
Donations and legacies:							
Gifts and offerings	2	69,776	10,425	80,201	79,647	1,732	81,379
Charitable activities		400	400	5,488		5,488	
Interest			0	43		43	
Total		70,176	10,425	80,601	85,178	1,732	86,910
Expenditure on:							
Charitable Activities:							
Costs of activities	3	48,229	0	48,229	58,428	0	58,428
Grants payable	4	18,618	2,530	21,148	17,632	2,195	19,827
Total		66,847	2,530	69,377	76,060	2,195	78,255
Net income/ (expenditure)		3,329	7,895	11,224	9,118	-463	8,655
Transfers between funds		-2	2	0	-364	364	0
Total funds brought forward at 1st January 2018		21,701	1,624	23,325	12,947	1,723	14,670
Total funds carried forward at 31st December 2018		25,028	9,521	34,549	21,701	1,624	23,325

BROCKLEY COMMUNITY CHURCH
BALANCE SHEET AS AT 31ST DECEMBER 2018

		2018 £	2017 £
	Note		
Fixed Assets		0	0
Current Assets			
Debtors	7	36,960	22,588
Cash at bank & in hand		3,304	13,129
		40,264	35,717
Creditors: amounts falling due within one year	8	5,715	12,392
Net Assets (Assets less current liabilities)		<u>34,549</u>	<u>23,325</u>
Reserves	9		
Restricted Funds	10	9,521	1,624
Unrestricted Funds			
Designated Funds	11	4,125	3,874
General Funds		<u>20,903</u>	<u>17,827</u>
		<u>34,549</u>	<u>23,325</u>

Audit Exemption

For the year ended 31/12/2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

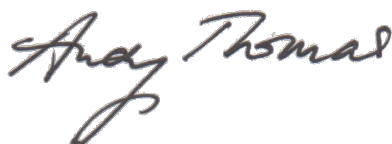
The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476,

The directors acknowledge their responsibilities for complying with the requirements of the 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 board on 23rd March 2019

Signed on its behalf by



Andy Thomas
Director

BROCKLEY COMMUNITY CHURCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2018

1. ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006, and follow the recommendations in Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK & Republic of Ireland (FRS102) (effective 1 January 2015).

a) Incoming resources

Gifts, grants and sales are accounted for on a received basis (except as mentioned in note 8 below). Tax recoverable from HM Revenue & Customs under the Gift Aid scheme is recognised on an accruals basis when receivable.

b) Capitalisation and Depreciation

Items of equipment are only capitalised where purchase price exceeds £1,000.
As the charity has no fixed assets there is no policy on depreciation.

c) Expenditure

Expenditure is accounted for on an accruals basis, inclusive of VAT, which cannot be recovered.

d) Charitable Activities

This comprises all expenditure directly related to the objects of the charitable company.

e) Funds accounting

Funds held by the charitable company are:

Unrestricted general funds - these are funds which can be used in accordance with the charitable objects at the discretion of the trustees.

Unrestricted designated funds - these are funds that represent one off gifts, that the trustees have set aside for particular uses, but which can be used in accordance with the charitable objects at the discretion of the trustees.

Restricted funds - these are funds which can only be used for particular purposes within the objects of the charitable company. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes. The nature and purpose of each fund is explained further in the notes to the financial statements.

2 GIFT AID

Included within "Gifts and offerings" is £11,015 income tax recoverable under the Gift Aid scheme.

3 Costs of activities:

			2018			2017
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£	£	£			£
Salaries	5	29,000	29,000	28,155		28,155
Volunteer costs - XLP Students			0	3,220		3,220
Rent		12,590	12,590	13,950		13,950
Community & Outreach Events		987	987	632		632
Church weekend away		0	0	3,576		3,576
Equipment and technology		524	524	1,367		1,367
Insurance		609	609	564		564
Subscriptions and membership charges		403	403	330		330
Youth & Children activities & materials		1,485	1,485	2,498		2,498
Preaching & speaking gifts		400	400	800		800
Overseas missions costs		385	385	1,345		1,345
Accounts preparation		600	600	600		600
Administrative & other expenses		1,246	1,246	1,391		1,391
	48,229	0	48,229	58,428	0	58,428

BROCKLEY COMMUNITY CHURCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2018

4 Grants payable:

	Unrestricted	Restricted	2018 Total	Unrestricted	Restricted	2017 Total
	£	£	£			£
iNet Trust	4,704		4,704	4,704		4,704
XLP	1,200		1,200	1,168		1,168
Transform Network	3,420		3,420	3,420		3,420
Direct contributions to overseas missionaries	9,294	150	9,444	8,340	313	8,653
Other		2,380	2,380		1,882	1,882
	<u>18,618</u>	<u>2,530</u>	<u>21,148</u>	<u>17,632</u>	<u>2,195</u>	<u>19,827</u>

5 STAFF COSTS

a) One person was employed part time by the company.

	2018	2017
	£	£
Gross Pay	27,424	26,625
Social Security costs (Employer's National Insurance)	0	0
Pension costs (Employer's contribution)	1,576	1,530
	<u>29,000</u>	<u>28,155</u>

c) The directors received no remuneration during the year except as mentioned in note 12 below.

d) No employee earned more than £60,000 during the year.

6 TAXATION

As a registered charity (no. 1103389) the income of the company is exempt from tax under S505 of the Income and Corporation Taxes Act 1988.

7 DEBTORS

	2018	2017
	£	£
Income tax recoverable (Gift Aid)	33,526	22,588
Prepayments	3,434	0
	<u>36,960</u>	<u>22,588</u>

8 CREDITORS

	2018	2017
	£	£
Accounts preparation	600	600
Taxes, social security and pension	580	5,606
Other creditors	2,192	6,186
Deferred income	2,343	0
	<u>5,715</u>	<u>12,392</u>

9 RESERVES

In addition to the reserves above the Church is holding a gift of 1,000,000 Iraqi dinar in cash (current value £634) to be banked & used at the trustees & church leadership's discretion. This will be recorded as income at the time that it is banked.

BROCKLEY COMMUNITY CHURCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2018

10 RESTRICTED FUNDS

	At 1.01.18	Incoming Resources Resources expended	transfers	At 31.12.18
	£	£	£	£
Parenting course & refugee meals fund	611	0	0	611
Youth worker fund	0	3,750	0	3,750
Education fund	0	5,305	1,160	4,145
Other restricted funds	1,013	1,370	1,370	1,015
	<u>1,624</u>	<u>10,425</u>	<u>2,530</u>	<u>9,521</u>

Parenting course & refugee meals fund

This fund represents a grant from the Church Urban Fund to support the refugee meals programme and the running of a parenting course. These remaining funds were returned to the Church Urban Fund in February 2019.

Youth worker fund

This fund represents a gift given for the future employment of a youth worker

Education fund

This fund represents gifts given to enable a church member to attend a university degree course.

11 DESIGNATED FUNDS

	At 1.01.18	Incoming Resources Resources expended	transfers	At 31.12.18
	£	£	£	£
Seed fund	2,000	0	0	2,000
Special fund	1,874	251	0	2,125
	<u>3,874</u>	<u>251</u>	<u>0</u>	<u>4,125</u>

Seed fund

This fund represents exceptional gifts that have been set aside for the development of God's work through Brockley Community Church in the coming years. The expectation is that the fund will be added to, and used over the next few years.

Special fund

This fund represents gifts that were originally given towards the Church 2017 weekend away, but with the agreement of the donors, have been reallocated to unrestricted funds to be used to cover costs of special events or to make gifts to those in need. The use of this fund will be reviewed in 2019.

12 RELATED PARTIES TRANSACTIONS

Gordon Cowie, treasurer and a trustee invoiced £600 for preparation of the 2018 annual accounts as allowed for in, and in accordance with, the charitable company's Memorandum of Association (clause 5: 5(i))

Pat Prior, a trustee, received £52 in reimbursed expenses.

Andy Thomas, a trustee, received £99 in reimbursed expenses.

Related parties donations

During the year the total amount of donations including gift aid, from trustees (including trustees' spouses) was £12,338.

Note: the above figures refer to the whole year even where trustees have been in post for only part of the year

Independent Examiner's report to the Trustees of Brockley Community Church

Simon Pellew OBE, MSc, MBA

I report on the Accounts of Brockley Community Church for the year ended 31st December 2018, which are set out on pages 9 to 13.

Respective responsibilities of the Trustees and the Examiner

The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 (the Charities Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the Charities Act,
- to follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the Charities Act, and
- to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the accounts.

Independent examiner's statement

In the course of my examination, no matter has come to my attention:

1. which gives me reasonable cause to believe that in, any material respect, the trustees have not met the requirements to ensure that:
 - proper accounting records are kept in accordance with section 130 of the Charities Act); and
 - accounts are prepared which agree with the accounting records and comply with the accounting requirements of the Charities Act; or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Signed:



Date: 23 March 2019

Simon Pellew
92 Catford Hill
London SE6 4PU