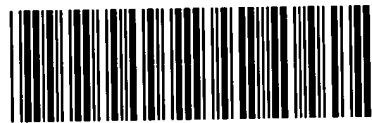


COMMUNITY CHURCH, PUTNEY

ACCOUNTS FOR THE YEAR

ENDED 31 DECEMBER 2020

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COMPANIES HOUSE

Company number: 09012734

Charity number: 1158141

COMMUNITY CHURCH, PUTNEY

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FOR THE YEAR ENDED 31 DECEMBER 2020

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COMMUNITY CHURCH, PUTNEY**REFERENCE AND ADMINISTRATIVE INFORMATION****FOR THE YEAR ENDED 31 DECEMBER 2020****Directors and Trustees**

J T Howe
S J Hansford
D Daly
J Evans
B Walker

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 2020**

The trustees of Community Church, Putney present their report as Trustees and Directors together with the financial statements for the year ended 31 December 2020 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
Jonathan Evans
David Daly
Bridget Kathleen Walker

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.

COMMUNITY CHURCH, PUTNEY

TRUSTEES' REPORT

Financial Risk Management Objectives and Policies

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

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. The impact of the Coronavirus has had an impact on our finances and the way we operate.

COMMUNITY CHURCH, PUTNEY

TRUSTEES' REPORT

Sunday services;

Since March the series of lockdowns has meant that we have not been able to hold our services in our building. The church was able to adapt very quickly to broadcasting our services online. This has been done through a mixture of pre-recorded services via YouTube and our website and live services via Zoom.

While this has been a challenge for some people who do not have the technology to connect in this way we have seen people from outside the local area connecting with us, with one individual connecting from Republic of Ireland.

Where individuals have not been able to connect electronically, regular phone calls have been undertaken to keep in touch with people.

Tracking attendance at the different services has been difficult due to recording numbers, but with the pre-recorded services we have seen an average of 50 unique views each week. Our carol service was a huge success with over 400 unique views. Our Zoom services saw an average of 100 people attending.

Midweek groups;

With the impact of Covid our Midweek groups have become an increasingly important way of connecting and supporting people. They have met online via zoom and where restrictions have been eased, people have been encouraged to meet up outdoors. 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. We have 4 groups, one meeting in Central Putney, one in the Doverhouse Estate, one in the Roehampton area and one in the Norbiton area.

Our Youth and children's work, like everything else has suffered as a result of the covid situation. 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, although this has seen a huge reduction due to Covid.

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 day 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:

In person engagement with the local community has been difficult during the Covid Pandemic. There have been no external groups using our building and we have tried to maintain a regular contact with individuals and companies via email and phone. However, we are aware of two companies that have gone out of business.

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 into crises. This is for people who are connected to us as a church through our congregation and our other outreach work. This is operating via phone appointment at the moment.

The Covid pandemic has meant that we have developed closer relationship with local charities that have started to provide support to those affected by Covid. Through PLOD we have been able 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. Though Spear - a local homeless charity - we have been able to connect street living people to support services.

While we have been limited with what we are able to do we have tried to maintain our primary community activities:

Lighthouse: This has been a particularly challenging area to keep going as people can be suspicious of and not familiar with technology. Every other week a letter was sent out to all the individuals we have connection with.

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. During the Covid situation we have moved to providing a takeaway service. And during the last year we have seen the number increase to an average of 85 people receiving at least one meal and being able to take other supplies away. We have also been able to connect 8 people to the Citizens advice service operated through the church. People have expressed a real gratitude that we have been able to provide this service during Covid, as some individuals do not have the cooking facilities at home.

Little Lambs: This is open to anyone and has a Christian emphasis through songs and story telling activities. Through the Covid pandemic we have managed to maintain this service through a mixture of videos sent through Whatsapp and live Zoom meetings. 7 Zoom meetings were held with an average of 8-9 families attending. 25 families are reached regularly through the Whatsapp videos. 7 families responded to a survey saying how they were grateful for this service, especially during Lockdown.

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. We have also provided regular update videos through our website and YouTube channel, as well as "weekly Catch-Up" videos. Individuals and families have been able to send in clips and photos showing what they have been doing. These have been a way of helping the church community stay connected.

COMMUNITY CHURCH, PUTNEY

TRUSTEES' REPORT

We ran two online Alpha course to help people understand and explore the Christian faith with an average of 8 people per course. What has been encouraging is that 6 people are now regular attending our online services and 4 are connecting with our midweek group.

We held a successful Christmas Pudding Making event in November via zoom to engage the community and members of the church. We saw over 40 people attending, half of which were not from the church.

We have not been able to have any Baptisms due to the Covid pandemic.

With Covid pandemic, the re-structuring of staff has been placed on hold.

Romania: We have not been able to visit this year due to Covid. We have held Zoom meetings and attended one 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 session were run online to support and develop the leaders in our midweek groups.

Financial review

Income

The charity relies on income from donations £314,950 (Jan-Dec 2020) and investment income £29,657 (Jan - Dec 2020).

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 notation 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 2020 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

The Covid situation means that plans need to be held lightly and be flexible. One of the outcomes for us has been the significance of online tools and our midweek groups in maintaining connection and impacting our communities.

To develop a greater on-line presence providing resources and opportunities for interaction within and out- side the church. This will include new video and written content available through the websites and other social media platforms. This will require some investment in equipment and software.

To multiply the number of midweek groups and provide increased support and training for existing and new leaders.

To prepare well for opening up our sunday meetings and re-establishing teams to support this. 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 conferences.

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 as and when this can happen.

To maintain and develop relationships with the community organisations that we have been able to connect with.

To review the work with Citizens advice and develop this as appropriate.

To run and develop regular programmes around parenting, marriage and pastoral care.

For the Leadership team to have a yearly weekend together to review the vision and direction of the church.

To continue our community initiatives online and through written and oral correspondence until such as they can be re-opened face to face.

To revisit the role of operation manager. This will be covered by a current member of staff but will be reviewed in the future.

To continue to develop and put on activities that particularly engage men and single people in the life of the church. The provision of these will be looked at once Covid restrictions are lifted.

Monthly review of our financial situation to monitor the impact of the Covid situation. 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**

At the end of the financial year, the impact of Covid 19 was not an issue. Since then, and with the lockdown situation, our activities and plans have been reviewed. The impact will mainly be on the provision of activities that we currently run and how they can be maintained using various online platforms to ensure a similar level of service. The other impact is on finances. We anticipate a significant reduction in income from hire of the building and a percentage decrease in voluntary donations from church members. However we also expect some decrease in our expenditure on our activities and building and administration costs. The budget for 2021 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.

COMMUNITY CHURCH, PUTNEY

TRUSTEES' REPORT

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.

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 9th September 2021

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 2020 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, PUTNEYINDEPENDENT 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: 13/9/21

COMMUNITY CHURCH, PUTNEY

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2020
(Including the Income and Expenditure Account)

		Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
		2020	2020	2020	2019
	Notes	£	£	£	£
INCOME					
Donations	2	263,432	51,518	314,950	319,783
Investment income	2	29,633	24	29,657	52,968
Other income		2,134	-	2,134	234
Total income		<u>295,199</u>	<u>51,542</u>	<u>346,741</u>	<u>372,985</u>
EXPENDITURE					
<i>Expenditure on Charitable activities</i>					
Ministry	3a	150,120	-	150,120	148,126
Mission	3a	9,062	-	9,062	28,501
Grants payable	3a	25,500	-	25,500	25,440
Support and Administration costs	3b	63,130	27,009	90,139	116,187
Total expenditure		<u>247,812</u>	<u>27,009</u>	<u>274,821</u>	<u>318,254</u>
Net movement in funds		<u>47,387</u>	<u>24,533</u>	<u>71,920</u>	<u>54,731</u>
Funds balances brought forward		788,482	680,059	1,468,541	1,413,810
Fund balances carried forward		<u>835,869</u>	<u>704,592</u>	<u>1,540,461</u>	<u>1,468,541</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 2020

	Notes	Funds 2020 £	Funds 2020 £	Funds 2019 £
FIXED ASSETS				
Tangible Fixed Assets	9		2,397,156	2,410,952
			<u>2,397,156</u>	<u>2,410,952</u>
CURRENT ASSETS				
Debtors	10	19,541		17,325
Cash at bank		92,858		88,233
		<u>112,399</u>		<u>105,558</u>
CREDITORS: Amounts falling due within one year	11	<u>(83,854)</u>		<u>(85,381)</u>
NET CURRENT ASSETS			28,545	20,177
CREDITORS: Amounts falling due after one year	12		(885,240)	(962,588)
NET ASSETS			<u>1,540,461</u>	<u>1,468,541</u>
FUND BALANCES				
General unrestricted fund	13		835,869	788,482
Restricted funds	13		704,592	680,059
			<u>1,540,461</u>	<u>1,468,541</u>

For the year ended 31 December 2020, 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 9th September 2021 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 2020

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 HM Revenue and Customs is grossed up for the tax recoverable. Any amount of tax reclaimed from HM 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 2020

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 2020

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 2020 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 2020****1. ACCOUNTING POLICIES (Continued)****m) Fund accounting**

Fund 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 objects 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 2020

2. ANALYSIS OF INCOMING RESOURCES

(a) Donations

	Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
	2020	2020	2020	2019
	£	£	£	£
General donations	216,488	41,434	257,922	259,945
Tax recoverable	46,944	10,084	57,028	59,838
Grants	-	-	-	-
	<u>263,432</u>	<u>51,518</u>	<u>314,950</u>	<u>319,783</u>

(b) Investment Income

	Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
	2020	2020	2020	2019
	£	£	£	£
Rent	29,633	-	29,633	52,901
Interest received	-	24	24	67
	<u>29,633</u>	<u>24</u>	<u>29,657</u>	<u>52,968</u>

3. CHARITABLE EXPENSES

(a) Direct Charitable Costs

	Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
	2020	2020	2020	2019
	£	£	£	£
Ministry				
Wages, NIC and pension	150,120	-	150,120	148,126
	<u>150,120</u>	<u>-</u>	<u>150,120</u>	<u>148,126</u>
Mission				
Childrens' work	705	-	705	4,001
Catering	663	-	663	2,804
Training and education	652	-	652	3,189
Conferences	2,702	-	2,702	3,566
Other	4,339	-	4,339	14,941
	<u>9,062</u>	<u>-</u>	<u>9,062</u>	<u>28,501</u>
Grants payable	25,500	-	25,500	25,440
	<u>184,682</u>	<u>-</u>	<u>184,682</u>	<u>202,067</u>

COMMUNITY CHURCH, PUTNEY

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2020

(b) Support and Administration Costs

	Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
	2020	2020	2020	2019
	£	£	£	£
Support Costs				
Building repairs and renewals	8,952	-	8,952	6,359
Depreciation	15,318	-	15,318	18,636
Lighting, heating and water	4,693	-	4,693	12,663
Telephone	1,031	-	1,031	978
Building projects	-	-	-	6,267
Cleaner	4,737	-	4,737	8,070
Profit/(loss) on disposal of assets	-	-	-	-
	<u>34,731</u>	<u>-</u>	<u>34,731</u>	<u>52,973</u>
Administration Expenses				
Postage and stationery	385	-	385	839
Other expenses	10,479	-	10,479	7,788
Interest	-	27,009	27,009	34,978
Insurance	4,639	-	4,639	4,532
Photocopier	4,994	-	4,994	7,749
Publicity	44	-	44	210
Licences	952	-	952	867
Travel	-	-	-	-
Computer costs	-	-	-	-
	<u>21,493</u>	<u>27,009</u>	<u>48,502</u>	<u>56,963</u>
Governance costs				
Bank charges	508	-	508	712
Accounts and examination	6,398	-	6,398	5,539
	<u>6,906</u>	<u>-</u>	<u>6,906</u>	<u>6,251</u>
	<u>63,130</u>	<u>27,009</u>	<u>90,139</u>	<u>124,830</u>

(c) Grants payable

	Institutions	Individuals	Total	Total
	2020	2020	2020	2019
	£	£	£	£
New Frontiers	-	-	-	-
Bethany Children's Trust	2,800	-	2,800	4,640
New Ground Churches	21,700	-	21,700	20,800
	<u>25,500</u>	<u>-</u>	<u>25,500</u>	<u>25,440</u>

COMMUNITY CHURCH, PUTNEY

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2020

4. PRIOR YEAR STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted 2019 £	Restricted 2019 £	Total 2019 £
Donations	257,042	62,741	319,783
Income from investments	52,901	67	52,968
Other income	234	-	234
TOTAL INCOME	310,177	62,808	372,985
<i>Expenditure on Charitable activities</i>			
Ministry	148,126	-	148,126
Mission	28,501	-	28,501
Grants payable	25,440	-	25,440
Support and Administration costs	81,209	34,978	116,187
TOTAL EXPENDITURE	283,276	34,978	318,254
Net movement in funds	26,901	27,830	54,731

5. STAFF COSTS

	2020 £	2019 £
Salaries	127,369	125,128
Social security costs	11,470	12,003
Pensions costs	11,281	10,995
	150,120	148,126

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:

	2020	2019
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 2020

7. NET INCOME FOR THE YEAR

This is stated after charging:

	2020 £	2019 £
Depreciation	15,318	18,636
Independent examiners fees for reporting on the accounts	550	550
Other fees (Accountancy, advice and payroll services)	3,050	3,050
	<u>18,918</u>	<u>22,236</u>

8. FEES FOR EXAMINATION OF ACCOUNTS

	2020 £	2019 £
Independent examiners fees for reporting on the accounts	550	550
Other fees - Accountancy	3,050	3,050
	<u>3,600</u>	<u>3,600</u>

9. FIXED ASSETS

	Freehold Property £	Equipment £	Total £
Cost			
Brought forward	2,335,505	150,870	2,486,375
Additions	-	1,522	1,522
Carried forward	<u>2,335,505</u>	<u>152,392</u>	<u>2,487,897</u>
Depreciation			
Brought forward	-	75,423	75,423
Charge	-	15,318	15,318
Carried forward	<u>-</u>	<u>90,740</u>	<u>90,740</u>
NBV at 31 December 2020	<u>2,335,505</u>	<u>61,651</u>	<u>2,397,156</u>
NBV at 31 December 2019	<u>2,335,505</u>	<u>75,447</u>	<u>2,410,952</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 2020

10. DEBTORS

	2020 £	2019 £
Tax recoverable	16,400	11,635
Prepayments and accrued income	3,141	90
	<u>19,541</u>	<u>11,725</u>

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Loans and borrowings	61,419	69,222
Accruals	22,435	16,159
	<u>83,854</u>	<u>85,381</u>

12. CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR

	2020 £	2019 £
Loans and borrowings	885,240	962,588
	<u>885,240</u>	<u>962,588</u>

Loans and borrowings

Bank loan	<u>946,660</u>	<u>1,031,810</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 £946,660 (2019: £1,031,810).

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:

	2020 £	2019 £
After more than five years not by instalments	<u>639,563</u>	<u>658,699</u>

COMMUNITY CHURCH, PUTNEY

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2020

13. FUNDS

	At 31/12/19	Incoming Resources £	Outgoing Resources £	At 31/12/20 £
General fund	788,482	295,199	(247,812)	835,869
Property fund	680,059	51,542	(27,009)	704,592
Carried forward	<u>1,468,541</u>	<u>346,741</u>	<u>(274,821)</u>	<u>1,540,461</u>

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	2,066,686	(1,230,817)	-	835,869
Property fund	330,470	1,259,362	(885,240)	704,592
Carried forward	<u>2,397,156</u>	<u>28,545</u>	<u>(885,240)</u>	<u>1,540,461</u>

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.