

NEW COVENANT CHURCH

TRUSTEES REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 December 2020

NEW COVENANT CHURCH

Annual Trustees Report and Financial Statements

Year Ended 31 December 2020

CONTENTS

	Page
Legal and administrative information	1
Report of the Trustees	2-7
Report of the auditors	8-11
Statement of financial activities	12
Balance sheet	13
Notes to the financial statements	14-18
Detailed Income and expenditure accounts	19-20

NEW COVENANT CHURCH

Annual Trustees Report and Financial Statements

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees:	Deborah Adeshina Oluwakayode Adewumi James Bamigboye Edward Edumijeke Richard Shoyoye Tonye Eke
Registered office:	506 - 510 Old Kent Road Bermondsey London SE1 5BA
Charity number:	1004343
Auditors:	Fairman Harris Chartered Accountants and Registered Auditors 1 Landor Road London SW9 9RX
Bankers:	Barclays Bank Plc HSBC Bank Plc Santander Bank Plc Lloyds Bank Plc Natwest Bank

NEW COVENANT CHURCH

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020 Registered Charity Number 1004343

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a Declaration of Trust 1991.

Organisational structure

The Board of Trustees appointed a Council of Management and other advisers who promote the objectives of the charity. The Board of Trustees hold meetings throughout the year and Council of Management are directed to promote the policies, strategies and processes of implementation for the various programmes and projects geared towards achieving the charitable objectives. These are subjected to constant reviews to assess outcomes.

Risk management

The Trustees have a duty to identify and review the risks to which the Charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

OBJECTIVES AND ACTIVITIES

Constitution, Objectives and aims and Organisation of our Work

The Objectives of the Church is set out in the Declaration of Trust

- 1) *The advancement of Christian Faith in the United Kingdom and abroad.*
- 2) *The relief of persons who are in conditions of need, hardship or distress or who are sick or aged in the United Kingdom or abroad.*
- 3) *The relief of Poverty.*

Principal activities

The Principal Activities of the charity are Christian worship and involvement of various ministries and ministers of religion in propagating the Christian Tenets of faith to members (and non-members) who seek to learn and develop an understanding of the Gospel through the various meetings provided by the Church. There is also an extension of the Christian Faith through other direct community outreach programmes provided by the churches.

Charitable activities

The Board of Trustees are pleased to report as follows:

PUBLIC BENEFIT

The Advancement of Christian Faith

The Board of Trustees of the charity having due regard for reporting the public benefit provided by the charity in line with the Charities Act 2011, are pleased to report that the church has continued its involvement with many community focus Outreach programmes and project providing direct benefits for the public in the United Kingdom and abroad.

NEW COVENANT CHURCH

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 DECEMBER 2020

Registered Charity Number 1004343

Places of worship

In the year 2020 the New Covenant Church (NCC) has continued its commitment of the advancement of the Christian Faith in line with its charitable objectives through the provision and maintenance of all our places for Christian Worship in the United Kingdom and abroad. Due to the Pandemic, the charity had to shift from worship in the physical spaces to online services. The charity's live streamed programmes were lifelines in keeping the church communities connected. These minimised emotional isolation during the lockdown. The online services reached far more members of the public, nationally and even globally with Christian worship, teachings and prayers.

Evangelism

Evangelism remains a core value and outreach strategy for the church, however, physical evangelism was curtailed due to Covid-19 pandemic. The church provided a dedicated prayer line for members the public to call in for prayers and to indicate whether they would need assistance within the scope our charitable objectives.

Youth Ministry

The New Covenant Church Youth Ministry teams ran vibrant Christian youth programme weekly for the teenage groups which are designed to support their spiritual growth.

Children Ministry

In 2020, the Sunday school ministry focused on building self-confidence and raising high self-esteem in each child. This was achieved through teaching, music, drama and dance sessions. The children ministry provided for the spiritual needs of children every Sunday via Livestream, age-appropriate bible stories, scripture teachings, singing. The Sunday schools continue to help children enhance their learning.

Furthering the Advancement of Christian Faith

Covenant Men and Women Outreach Ministry

This is an additional outreach arm of the charity which supports the advancement of the Christian. programmes were delivered digitally through Webinar and Zoom. These quarterly fellowships, enable them to continue to grow in the Christian faith by encouraging the men and women's groups to develop their personal relationship with Christ through worship, fellowship, bible study and prayers.

The continuance of these programmes was crucial for the adult beneficiaries' emotional and spiritual wellbeing in still being connected with other church members of the church community and to prevent isolation.

NEW COVENANT CHURCH

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020 Registered Charity Number 1004343

RELIEF OF PERSONS IN CONDITIONS OF NEED, HARDSHIP, DISTRESS, SICK OR AGED

The Charity continues to provide relief to the needy.

Providing for the Elderly and Other Low Income Families

The Bermondsey Branch provided gift hampers to the residents of care homes, sheltered accommodation and families facing food poverty during Christmas under the banner "Christmas Lunch with Jesus". This initiative is also part of our antipoverty strategy to help needy families during a very important festive season in the Christian Calendar. The Bermondsey branch provided over 200 hampers to beneficiaries.

Healing Rooms & Counselling Service

The Covenant Healing Rooms located at Old Kent Road, London is part of the International Association of Healing Rooms (IAHR). *The Healing Rooms are freely available to the public every Wednesday between 1-5 p.m. providing one to one prayers of healing for the sick and counselling as required.* After the commencement of the first Pandemic Lockdown, our strategy was changed to counselling and praying via telephone. With further government guidance, one to one prayer provision was allowed with social distancing. The Healing Rooms provided further Saturday quarterly Healing School from 11 a.m. to 2 p.m. via Zoom platforms

Pastoral Care & Bereavement Support.

Branches of the Charity in London region provide care and counselling to bereaved families who have lost loved ones. The charity additionally provides financial help to bereaved families to assist them in such times of difficulties. In Bolton the charity also provides counselling services to members and non-members of the church. The Manchester, Waterloo, Wimbledon, Streatham, Lee Green, Brixton, Bermondsey, Edmonton branch of the charity provides ongoing pastoral care to beneficiaries according to their needs. The charity's visitation team responds to the need of those who may be sick and are at home or in hospital.

RELIEF OF POVERTY AND HARDSHIP

Addressing the Poverty of Homelessness

During the winter months a night shelter was provided by the Streatham Branch in partnership with a local community organisation. The initiative enabled the charity to respond to the needs of the homeless providing who needed a warm place to lay their heads during the cold months.

The Manchester branch also provided homeless accommodation for beneficiaries via the Jubilee Shelters. Some beneficiaries were experiencing financial hardships and unable to pay their utilities, were given welfare assistance by paying gas, electricity bills and bus fares.

NEW COVENANT CHURCH

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 DECEMBER 2020

Registered Charity Number 1004343

Free Community Cafe

The Manchester Branch of the charity continued to run a free community cafe from 10am till 4pm, Monday to Friday with the exception of the bank holidays. It served 10-15 people every day with free coffee and hot meals. It was increasingly used by the elderly members of the community.

Food Bank

Our other food bank projects such as, Bermondsey, continue to ensure convenience food stocks are available to support the project. In 2020, we have focused on closer working relationships with other community organisations to give low-income families households affected by the Covid-19 pandemic lockdown hardships. We made space available for the Southwark Foodbank to also distribute foods and intensified our operations during the Covid 19 pandemic lockdown. We responded to increased food poverty needs. 240 households attended the food bank at our Bermondsey location during the Covid-19 pandemic food distribution.

The Manchester branch also provides for up to 25 families weekly through their food bank program. They additionally work in partnerships with the Independent Food Aid Network, addressing the issues of food poverty in the area.

ADDITIONAL FOOD DISTRIBUTION to OVER 60s and YOUNG ADULTS DURING THE 2020 PANDEMIC

The Charity's Bermondsey branch additionally responded to the needs of some Over 60s age group and Young Adult groups who were taking extra precautions during the Pandemic. The church identified beneficiaries who would benefit from the food boxes, during the heightened phase of the lock down and responded by having substantive food boxes delivered to them at home, to ease challenges posed by the Pandemic, while either isolating or complying with the general lockdown rules and the anxieties that accompanied living in the pandemic.

The Manchester branch also participated in the over 60s age group food parcels distribution in their locality. Additionally, they started the Caring Neighbour Initiative, whereby food parcels were provided to further persons in need,

For the charity, the year 2020 required a great deal of planning and changes in delivery strategies ensure the Charity's appropriate input aligned with Government's Guidance during the covid-19 Pandemic. *We ensured as much as was possible, the continuance of our charitable provisions upon which our beneficiaries relied.*

NEW COVENANT CHURCH

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 DECEMBER 2020

Registered Charity Number 1004343

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (The New United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping sufficient and proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with applicable Law. 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. The trustees have complied with the duty in section 17(5) of the 2011 Charities Act to have due regard to guidance published by the Charity Commission (i.e. public benefit statement).

In so far as the trustees are aware:

- there is no relevant audit information of which the auditors are unaware;
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

FINANCIAL REVIEW

The book values of the assets held at the year end are, in the opinion of the Board of Trustees, as stated in the financial statements. Also, in its opinion, adequate assets are available to fulfil the obligations of the charity.

A summary of the result of the New Covenant Church's activities during the period is given in the Statement of Financial Activities.

Total income of the charity amounted to £1,571,605 (2019: £2,278,678) including income from regular sunday tithes and offering of £1,128,906 (2019: £1,313,862).

NEW COVENANT CHURCH

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 DECEMBER 2020

Registered Charity Number 1004343

Total resources expended in the year include direct costs of £591,941 (2019: £1,283,633) primarily relating to the operational costs of running the charity, and financing costs of £31,852 (2019: £149,487) majority of which relate to the loan interests. The governance costs were mainly made up of audit fees and legal and professional expenses. The governance costs are approved by the Trustees.

The total funds as at 31 December 2020 was £700,284 (2019: £3,351,677) majority of which related to unrestricted funds.

RESERVE POLICY

The Charity maintains unrestricted funds, which are the free reserves of the charity, at a level that is at least twelve months of committed expenditure, excluding financing and other costs. Excess unrestricted funds, to the extent represented by liquid assets, will be used to meet recurrent operational costs, except where the Trustees consider that the funds should be retained for possible future projects.

INVESTMENT POLICY

The Trustees have the power to invest in such assets as they deem fit. The charity's investment policy is appropriate to the nature of the funds for which the investment is held. The primary investment aim is to provide a high degree of security and liquidity and to maximise returns whilst adopting a conservative approach.

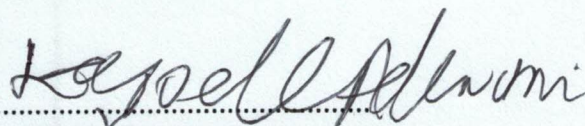
GRANT-MAKING POLICY

The Charity does not provide grants and therefore do not have a policy on grant-making. The Trustees however, give gifts and donations as an effective means of delivering support and assistance to other programmes that fit within the objectives of the Charity. During the year under consideration, total gifts and donations amounted to £15,918 (2019: £280,175)

AUDITORS

A proposal that the auditors, Fairman Harris be re-appointment as auditors of the charity will be put to the Board of Trustees at the forthcoming Annual General Meeting.

By Order of the Board of Trustees



KAYODE ADEWUMI

Trustee

Date: ...29... Day of... OCTOBER 2021

**INDEPENDENT AUDITORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020**

We have audited the financial statements on pages 12 to 18 for the year ended 31 December 2020 which comprise the statement of financial activities, the balance sheet and the related notes. *These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.*

This report is made solely to the charity's trustees, as a body, in accordance with Section 144 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity's trustees as a body, for our audit work for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

The Trustees have responsibilities for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards. These are set out in the Statement of Trustees' Responsibilities in the Report of the Trustees.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and international standards on Auditing (UK and Ireland)
Specifically:

- to examine the books and accounts of the charity in compliance with Section 43 of the 1993 Act;
- to strictly adhere to the general directions provided by the Charity Commission under Section 43(7)(b) of the Charities Act 1993; and
- to state whether particular matters have come to our attention in the course of our examination.

We report to you whether the financial statements have properly been prepared in accordance with the New United Kingdom Generally Accepted Accounting Practice and in accordance with the Charities Act 2011.

We also report to you whether the information given in the Trustees' Report is consistent with the financial statements. We consider the implications of our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

In addition we report to you if the charity has not kept proper accounting records, if we have not received all the information and explanations we require for our work, or if information specified by law regarding trustees' remuneration and other transactions with the charity is not disclosed.

We read the other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. This other information comprises only the Trustees Report. We consider the implications of our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to other information.

**INDEPENDENT AUDITORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020**

The extent to which the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the industry.
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, taxation legislation, data protection, anti-money-laundering, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management.
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in note 1 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC.

**INDEPENDENT AUDITORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020**

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or the accounts are not in agreement with the accounting records and returns; or certain disclosures of trustees remuneration specified by law are not made: or we have not received all the information and explanations we require for our audit.

Fairman Harris

FAHREEN MEGHANI FCA

Fairman Harris
Chartered Accountants and Registered Auditors
1 Landor Road
London, SW9 9RX

Date: 30 Day of October 2021

NEW COVENANT CHURCH

STATEMENT OF FINANCIAL ACTIVITIES (SOFA) (INCLUDING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	Unrestricted funds £	Restricted funds £	2020 Total £	2019 Total £
INCOMING RESOURCES					
<u>Voluntary income</u>					
Donations, tithes and offerings	3	1,226,065	-	1,226,065	1,399,807
<u>Activities for Generating Funds</u>					
Special fund raising - building project	3	169,673	-	169,673	356,003
<u>Other incoming resources</u>					
Gift aid receivable	3	174,621	-	174,621	496,974
Sundry income	3	480	-	480	24,125
Interest receivable	4	765	-	765	1,769
Total incoming resources		1,571,605	-	1,571,605	2,278,678
RESOURCES EXPENDED					
<i>(Costs of activities in furtherance of the objects of the charity)</i>					
Direct Charitable activities		591,941	-	591,941	1,283,633
Management and Support activities		424,750	-	424,750	644,306
Governance costs	5	95,315	-	95,315	55,497
Finance costs	6	31,852	-	31,852	149,487
Total resources expended		1,143,857	-	1,143,857	2,132,923
Movement in funds for the period		427,747	-	427,747	145,755
Total funds brought forward		3,351,677	-	3,351,677	3,205,922
Net movement in funds for the period		3,779,424	-	3,779,424	3,351,677
Funds transfer		(3,079,140)	-	(3,079,140)	-
Total Funds as at 31 December 2020		700,284	-	700,284	3,351,677

All of the above results are derived from continuing activities. All gains and losses recognised in the period are included in the above.

The notes on pages 14 to 18 form part of these financial statements.

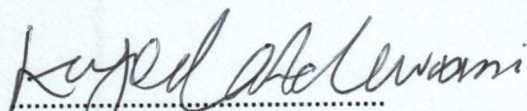
NEW COVENANT CHURCH

BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	<u>Unrestricted</u> £	<u>Restricted</u> £	<u>2020</u> £	<u>2019</u> £
FIXED ASSETS					
Tangible assets	8	<u>355,597</u>	<u>35,530</u>	<u>391,127</u>	<u>4,486,180</u>
Current assets					
Stock	9	5,266	-	5,266	7,741
Debtors and prepayments	10	25,100	-	25,100	130,079
Cash at bank and in hand		<u>106,340</u>	<u>484,368</u>	<u>590,708</u>	<u>767,771</u>
		<u>136,706</u>	<u>484,368</u>	<u>621,074</u>	<u>905,591</u>
Creditors: amounts falling due within one year	10	<u>(121,508)</u>	<u>-</u>	<u>(121,508)</u>	<u>(186,495)</u>
Net current assets		<u>15,198</u>	<u>484,368</u>	<u>499,566</u>	<u>719,096</u>
Total assets less current liabilities		370,795	519,898	890,693	5,205,276
Creditors: amounts falling due after more than one year	12	<u>(190,409)</u>	<u>-</u>	<u>(190,409)</u>	<u>(1,853,599)</u>
Net assets		<u>180,386</u>	<u>519,898</u>	<u>700,284</u>	<u>3,351,677</u>
Financed by:					
Funds	15	180,386	519,898	700,284	3,351,677
Total funds		<u>180,386</u>	<u>519,898</u>	<u>700,284</u>	<u>3,351,677</u>

The financial statements were approved by the Board of Trustees on 29 October 2021 and were signed on its behalf by:


 KAYODE ADEWUMI
 Trustee

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

1. **Principal accounting policies**

The following accounting policies have been applied in dealing with items which are considered material in relation to the charity's financial statements.

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice (SORP): 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) and with the Charities Act 2011.

Funds

General funds are unrestricted funds available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds 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 purpose.

Tangible fixed assets

Tangible fixed assets are stated at their purchase or revalued amounts, together with any incidental cost of acquisition.

Depreciation is provided on all tangible fixed assets, from the dates they are brought into use, at rates calculated to write off the costs/valuation over their expected useful economic lives as follows:

Land and buildings	2%	cost/valuation
Plant and machinery	25%	reducing balance
Fixtures and fittings	25%	reducing balance
Motor vehicles	25%	reducing balance
Computer and other equipment	25%	reducing balance

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Incoming resources

Voluntary income, comprising donations in the form of regular offerings and tithes, provides core funding. This is recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

The value of services provided by volunteers is not incorporated into these financial statements. Further details of the contributions made by volunteers can be found in the Trustees' Report.

NEW COVENANT CHURCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

Resources expended

Direct costs comprise those costs incurred by the charity in the delivery of its activities. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Expenditure is recognised on an accruals basis as liability is incurred. Charitable and non-charitable expenditure is allocated to the respective activities and any shortfall is funded from unrestricted funds. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Costs of charitable activities are those costs relating to the activities carried out to meet the objectives of the Church. These include both directly attributable costs and apportioned support costs.

Governance costs

Governance costs are the costs associated with the strategic direction of the organisation and with meeting the constitutional, legal and regulatory requirements of the charity.

2. Staff costs

Total staff costs during the period were:

	<u>2020</u>	<u>2019</u>
	£	£
Salaries and Wages	<u>396,689</u>	<u>500,072</u>
No employee received remuneration of more than £60,000.		
The average number of employees during the year	<u>25</u>	<u>32</u>

Emoluments to the Trustees

No emoluments were paid to the Trustees. The Trustees however, are reimbursed for expenses incurred by them in the course of their duties.

3. Voluntary income

	<u>2020</u>	<u>2019</u>
	£	£
Tithes and Offerings	1,128,906	1,313,862
Donations	97,159	85,945
Gift Aid	174,621	496,974
Other Income	480	24,125
Branch contribution/Building Fund	<u>169,673</u>	<u>356,003</u>
	<u>1,570,839</u>	<u>2,276,909</u>

4. Investment income

Deposit account interest included in voluntary income	<u>765</u>	<u>1,769</u>
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NEW COVENANT CHURCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

5. Governance costs

The governance costs of the charity consisted of the following costs:

	<u>2020</u>	<u>2019</u>
	£	£
Accountancy fees	3,000	3,000
Auditor's remuneration	6,500	6,500
Legal and professional	85,815	45,997
	<u>95,315</u>	<u>55,497</u>

6. Finance costs

	<u>2020</u>	<u>2019</u>
	£	£
Bank charges	3,686	32,827
Mortgage interest	28,166	116,660
	<u>31,852</u>	<u>149,487</u>

7. Net incoming resources

The net incoming resources are stated after charging the following costs:

	<u>2020</u>	<u>2019</u>
	£	£
Depreciation	48,871	170,251
Auditors' remuneration	6,500	6,500
	<u>6,500</u>	<u>6,500</u>

8. Tangible fixed assets

All assets are held for charitable purposes

	<u>Land & buildings</u>	<u>Plant & machinery</u>	<u>Fixtures & fittings</u>	<u>Motor vehicles</u>	<u>Computer equipment</u>
<u>Cost</u>	£	£	£	£	£
Balances b/f	5,942,226	105,760	71,600	19,585	184,552
Additions	-	-	-	-	16,443
Elimination/Disposal	(5,614,345)	-	-	-	-
Balances c/f	<u>327,881</u>	<u>105,760</u>	<u>71,600</u>	<u>19,585</u>	<u>200,995</u>
<u>Accumulated depreciation</u>					
Balance b/f	1,610,265	84,030	44,949	16,788	81,510
Elimination/Disposal	(1,551,719)	-	-	-	-
Charge for the year	6,205	5,433	6,663	699	29,871
Balances c/f	<u>64,751</u>	<u>89,462</u>	<u>51,612</u>	<u>17,488</u>	<u>111,381</u>
<u>Net book value</u>					
At 31/12/2020	<u>263,130</u>	<u>16,298</u>	<u>19,988</u>	<u>2,097</u>	<u>89,614</u>
At 31/12/2019	<u>4,331,961</u>	<u>28,974</u>	<u>35,534</u>	<u>3,729</u>	<u>125,304</u>

NEW COVENANT CHURCH

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

Tangible fixed assets - cont'd

All assets are held for charitable purposes

Cost

Balances b/f

Additions

Elimination/Disposal

Balances c/f

Accumulated

depreciation

Balance b/f

Elimination/Disposal

Charge for the year

Balances c/f

Net book value

	<u>2020</u>	<u>2019</u>
	<u>Total</u>	<u>Total</u>
	£	£
Balances b/f	6,323,722	6,262,292
Additions	16,443	61,430
Elimination/Disposal	(5,614,345)	-
Balances c/f	<u>725,821</u>	<u>6,323,722</u>
<u>Accumulated</u>		
<u>depreciation</u>		
Balance b/f	1,837,542	1,667,291
Elimination/Disposal	(1,551,719)	-
Charge for the year	48,871	170,251
Balances c/f	<u>334,694</u>	<u>1,837,542</u>
<u>Net book value</u>	<u>391,127</u>	<u>4,486,180</u>

During the year under review a number of branches of the church including significant ones like Edmonton, Bermondsey and Woolwich moved into a newly formed Charitable Incorporation Organisations (CIOs). The move resulted in the transfer of their respective assets and liabilities in the main group accounts of New Covenant Church (NCC).

	<u>2020</u>	<u>2019</u>
	£	£
9. Stock	<u>2020</u>	<u>2019</u>
	£	£
Stock of consumables	<u>5,266</u>	<u>7,741</u>
10. Debtors	<u>2020</u>	<u>2019</u>
	£	£
Prepayments and accrued income	20,100	22,750
Other debtors	5,000	107,328
	<u>25,100</u>	<u>130,078</u>
11. Creditors due within 1 year	<u>2020</u>	<u>2019</u>
	£	£
Loans and overdraft	101,167	165,719
Other creditors	20,341	20,776
	<u>121,508</u>	<u>186,495</u>
Creditors due after 1 year	<u>2020</u>	<u>2019</u>
	£	£
12. Loans and overdraft	<u>190,409</u>	<u>1,853,599</u>

NEW COVENANT CHURCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

13. Secured debts	<u>2020</u>	<u>2019</u>
	£	£
Bank overdraft	-	1,465,477

14 Taxation

The company is a registered charity and is not liable to corporation tax on its charitable activities. Gift aid donations for which declarations have been received from the respective donors confirming that the given donation be treated as Gift Aid donation are reclaimed by the charity.

15 Reconciliation of funds

	Balances at	<u>Movement in Resources/funds</u>		Balances at
	<u>01/01/2020</u>	<u>Incoming</u>	<u>Outgoing</u>	<u>31/12/2020</u>
	£	£	£	£
Unrestricted funds	2,260,287	1,571,605	(3,404,145)	427,747
Restricted funds	1,091,390	-	(818,853)	272,537
	<u>3,351,677</u>	<u>1,571,605</u>	<u>(4,222,998)</u>	<u>700,284</u>

	<u>2020</u>	<u>2019</u>
	£	£
Represented by:		
Fixed Assets	391,127	4,486,180
Current Assets	621,074	905,591
Liabilities	(311,917)	(2,040,094)
	<u>700,284</u>	<u>3,351,677</u>

16 Related party transactions

Other than donations and funds received there were no transactions with related parties during the period.

NEW COVENANT CHURCH

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2020

	2020		2019	
	£	£	£	£
INCOME				
<i>Donations, tithes and offerings:</i>				
- Unrestricted		1,226,065		1,399,807
<i>Other income</i>				
Interest receivable	765		1,769	
Gift aid	174,621		496,974	
Building fund & other - designated	169,673		356,003	
Sundry income	480		24,125	
		345,539		878,871
		1,571,605		2,278,678
EXPENDITURE				
<i>Direct Charitable Costs:</i>				
Wages	277,682		350,051	
Rent and rates	51,864		156,187	
Honorarium	17,907		49,949	
Travel and subsistence	6,476		35,355	
Evangelism	2,464		40,245	
Welfare support	50,520		58,852	
Training	19,685		33,912	
Pensions	39,203		38,091	
Outreach work	8,353		48,836	
Conferences and Meetings	18,969		77,670	
Missions	38,792		62,930	
Ministry and Awards expenses	158		981	
Sponsorship	1,569		5,421	
Printing and Reproduction	9,879		10,487	
TV, Airtime & publicity	32,502		34,491	
Gift and Donations	15,918		280,175	
	591,941		1,283,633	
<i>Management & Support</i>				
Wages	119,007		150,022	
Rent and rates	29,906		27,562	
Insurance	24,914		20,739	
Light and Heat	49,062		36,723	
Telephone	15,436		20,084	
Postage and stationery	4,901		9,912	
Equipment hire	2,487		1,228	
Repairs and renewals	60,523		85,356	
	306,235		351,626	
Balances carried forward	898,176	1,571,605	1,635,258	2,278,678

NEW COVENANT CHURCH

INCOME AND EXPENDITURE ACCOUNT - continued FOR THE YEAR ENDED 31 DECEMBER 2020

	2020		2019	
	£	£	£	£
Balances brought forward	898,176	1,571,605	1,635,258	2,278,678
Management & Support - cont'd				
Office and general admin	13,305		16,312	
Computer and equipment expenses	15,315		8,750	
Security Expenses	1,843		744	
Musicians expenses	24,566		77,882	
Subscriptions	13,281		4,968	
Hospitality and office expenses	1,334		9,619	
Motor Vehicle Expenses	-		4,155	
Depreciation - Freehold Property	6,205		118,845	
Depreciation - Plant and Machinery	5,433		7,243	
Depreciation - Fixture & Furnitures	6,663		8,884	
Depreciation - Motor Vehicles	699		932	
Depreciation - Computer Equipment	29,871		34,347	
	<u>118,515</u>		<u>292,680</u>	
Governance costs:				
Legal & Professional	85,815		45,997	
Auditor's remuneration	6,500		6,500	
Accountancy fees	3,000		3,000	
	<u>95,315</u>		<u>55,497</u>	
Finance Costs:				
Bank charges	3,686		32,827	
Mortgage interests	28,166		116,660	
	<u>31,852</u>		<u>149,487</u>	
		1,143,857		2,132,923
Surplus for the period		<u><u>427,747</u></u>		<u><u>145,755</u></u>