

CHARIS CHRISTIAN CENTRE

# Report and Accounts

year ended 31 December 2017

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COMPANIES HOUSE

**stewardship<sup>®</sup>**

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**CHARIS CHRISTIAN CENTRE**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

**COMPANY INFORMATION**

<b>Directors/Trustees</b>	O B Mabo K Odubanjo T Olusanya
<b>Company Secretary</b>	K Odubanjo
<b>Key staff</b>	K Adeshugba M O Adeshugba
<b>Governing Document</b>	Memorandum and Articles of Association 2009
<b>Company Registration Number</b>	06907586
<b>Charity Registration Number</b>	1131271
<b>Registered Office</b>	78 Capworth Street , Leyton, London, E10 7HA
<b>Independent Examiner</b>	Stephen Mathews FCA Stewardship 1 Lamb's Passage London, EC1Y 8AB
<b>Bankers</b>	HSBC Bank plc

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**CHARIS CHRISTIAN CENTRE**  
**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

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

**Objects of the charity**

The Trust seeks to demonstrate the Christian faith in action by being a gospel focussed church in London.

**Government**

The policy and operating decisions of the charity rest with the Directors who meet regularly to monitor the activities of the Company. New Directors are recruited and appointed by a majority of existing Directors.

**Review of Activities**

The Church is not a building, but a gathering of ordinary people of different ages and backgrounds, whose lives have been changed by Jesus Christ, the Son of God. The New Testament reveals the Church as a community of people, properly taught and cared for, who by loving and serving Jesus Christ, were also committed to love and care for each other and to bring a blessing to the area in which they lived. Charis Christian Centre; its trustees, pastors and members are committed to the restoration of those New Testament principles. It is not alone in this, it is one of many Churches in the area, country and all over the world that is re-discovering the excitement of knowing Jesus Christ. The vision is to see the people of London come into this experience of knowing Jesus as their Lord, Saviour and friend.

**The Vision**

Our Vision is from ISAIAH 58: 12

**"Those from among you shall build the old waste places; you shall Raise up the foundations of many generations; and you shall be called the Repairer of the breach, the Restorer of streets to dwell in"**

The vision of Charis Christian Centre is based on the following three pillars: -

To Raise

To Repair

To Restore the foundations of many generations

**RAISE**

- A church with a mission to reach, win and disciple the lost for Christ.
- People in the ways and ordinances of God.
- Families, Careers, Businesses and Ministries based on biblical principles.
- God-given visions, dreams and goals.

## **REPAIR**

- Breaches in the lives of people both spiritual and physical relationships.
- Broken visions, dreams and goals in the church.
- Relationships within the family.

## **RESTORE**

- That which the devil has stolen.
- The altar of prayer both in the home and in the church.
- Broken relationships.

We are called to Raise, Repair and Restore the foundations of our generation and generations to come.

## **OUR MISSION**

Our mission is to:

- Raise that which has been planted.
- Repair that which has been broken down.
- Restore that which has been destroyed.

The primary ways that this is being done are:

- Fulfilling the objects in teaching, preaching and showing practical care in the community. This was both in the normal teaching in the church on Sunday, which are open to all, and midweek meetings for the church members and also by running specific courses to address particular aspects of Christian living which is open to the wider community; all of which are provided without charge. The aims of the teaching, preaching and discipleship programs include the impact upon lifestyle arising from following the teaching of Christ to love God and your neighbour as yourself. The outreach churches continued in Lewisham and Leyton, and we celebrated one year of the Albany Leyton outreach church in October, which was amazing. The expectation of the residents on a weekly basis of the church coming is wonderful.

- Bringing the love of Christ to the community: we regularly undertook outreach amongst the elderly in care homes in both Leyton and Lewisham, also in running courses for those who wanted to find out about Christianity with 30 people undertaking these, with the normal impact in changed lives and attitudes for those that were involved. In addition weekly evangelistic outreach was held in public areas around London by members of the church trained to engage with their communities.

- Bringing the love of Christ to the community in practical care: The members of the church have consistently been applying the principles of church life outlined in the New Testament outlined earlier to be 'salt and light' in the community, in the places they live and work and in having an impact on social attitudes in wider national society. This is a very major part of the purpose of the church and much of it is done without publicity and the amount of time spent in this way cannot be quantified. In addition the church has started a 'foodbank' for the most needy in the community. This is a vision come true and it came to pass in June. The team have risen to it and we pray that it would continue to flourish. 2 souls have been attending the church since the inception and many more would be added in Jesus name. It has progressed more than our expectation and we bless God that Charis can be a blessing to the community.

Also our PRISON MINISTRY: this ministry has flourished and thanks to the efforts of Elder Robert, there has been an addition of 2 more people who follow him to the prisons on the first Sunday of every month. We trust and pray that God will enable us to put a program together to help in rehabilitation and integration when they are released from prison.

- Impacting the next generation. We appreciate the value of the next generation and that they suffer unprecedented pressures in some areas. Our pastors alongside volunteer members of the church have worked with young people in our "Dynamic church" youth events to help build strength and confidence together with appreciation of how active Christian faith is relevant in these issues. Dynamic Youth Church celebrated their 2nd year anniversary and the church has gone from strength to strength, with various outreaches to the community, University of East London, Capworth Street and environment and more to follow.

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

#### **Financial Review**

The financial reserves of the Church have been strengthened during the year as members have continued to give very generously enabling a small 'surplus' of income over that budgeted.

The Trustees have set a policy of retaining reserves sufficient for the foreseeable needs of the Church. Where there is specific capital expenditure foreseen amounts would be set aside into designated funds so the free reserves (general reserves excluding amounts invested in assets for the churches use and the amounts due on the mortgage loan) are available to meet the costs of normal running and expansion of the Church and to ensure the Church can meet the commitments that have been entered into. The level of free reserves are not set as a specific formula, but with income from committed supporters expected to remain stable, significant reserves are not considered to be required. The current policy is to hold £10,000 reserves to cover income fluctuations and a further £15,000-20,000 for unexpected expenditure and Cashflow fluctuations. At the year end the free reserves amounted to £30,000 which is within that range.

**Risk Statement**

The Directors have reviewed the risks to which a small charity operating with few employees is exposed. Appropriate procedures are in place to identify, monitor and review these risks on a regular basis.

**Directors' Responsibilities**

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

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

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

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

**Approval**

This report was approved by the Directors on 2<sup>nd</sup> September 2018 and signed on their behalf by:



T Olusanya

**INDEPENDENT EXAMINER'S REPORT  
TO THE TRUSTEES OF  
CHARIS CHRISTIAN CENTRE  
(the Company)**

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 December 2017 on pages 6 to 12 following, which have been prepared on the basis of the accounting policies set out on page 8.

**Responsibilities and basis of report**

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

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

**Independent examiner's statement**

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

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

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

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

  
Stephen Mathews FCA

Institute of Chartered Accountants of England and Wales

27 September 2018

For and on behalf of:  
Stewardship  
1 Lamb's Passage  
London

**CHARIS CHRISTIAN CENTRE**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**  
**SUMMARY INCOME AND EXPENDITURE ACCOUNT**

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2017 £	Total Funds 2016 £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	2	212,274	25,905	238,179	246,482
Investments		1	-	1	2
Charitable activities		5,157	-	5,157	-
Other trading activities (rental income)		22,000	-	22,000	8,800
Total income and endowments		239,431	25,905	265,336	255,283
<b>EXPENDITURE ON</b>					
Charitable activities	3	218,794	25,905	244,699	239,354
Total expenditure		218,794	25,905	244,699	239,354
Net income/(expenditure)		20,637	-	20,637	15,930
Transfers between funds		-	-	-	-
		20,637	-	20,637	15,930
<b>Reconciliation of funds:</b>					
Funds brought forward		361,846	-	361,846	345,917
Total funds carried forward		382,483	-	382,483	361,846

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

The notes on page 8 - 12 form part of these accounts.



**CHARIS CHRISTIAN CENTRE**  
**BALANCE SHEET**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

	Note	Unrestricted Funds £	Restricted Funds £	Total funds 2017 £	Total funds 2016 £
<b>FIXED ASSETS</b>					
Tangible assets	5	810,011	-	810,011	828,869
<b>CURRENT ASSETS</b>					
Debtors	6	8,243	-	8,243	11,732
Cash at bank	7	34,473	-	34,473	28,225
		42,716	-	42,716	39,957
<b>CURRENT LIABILITIES</b>					
Liabilities falling due within one year	8	47,546	-	47,546	48,561
Net Current Assets		(4,830)	-	(4,830)	(8,603)
<b>Liabilities falling due over one year</b>	9	(422,698)	-	(422,698)	(458,419)
<b>NET ASSETS</b>		382,483	-	382,483	361,846
<b>FUND BALANCES</b>					
Unrestricted funds					
General Funds	10	382,483		382,483	361,846
Restricted Funds	10		-	-	-
		382,483	-	382,483	361,846

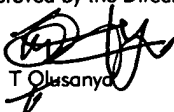
*For the year ended 31 December 2017, the company was entitled to the exemption from audit under Section 477 of the Companies Act 2006 relating to small companies.*

**Responsibilities of directors/trustees:**

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

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

Approved by the Directors and signed on their behalf on the 23<sup>rd</sup> September 2018 by:

  
T. Oluosanya

Company number: 06907586

Charity number: 1131271

The notes on page 8 - 12 form part of these accounts.

## CHARIS CHRISTIAN CENTRE

### NOTES TO THE ACCOUNTS

#### FOR THE YEAR ENDED 31 DECEMBER 2017

##### 1 Accounting Policies

The accounts have been prepared under the historic cost convention, in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014; and with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102). The following are the accounting policies which have been applied in dealing with material items:-

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

##### a) Donated and grant income:

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 or will be made to HM Revenue & Customs is grossed up for the tax recoverable. Any amount of tax reclaimed from HM Revenue & Customs but not yet received is shown within the charity's debtors.

The charity has relied significantly upon volunteers in carrying out its activities during the year. In accordance with paragraph 6.18 of the SORP, the role of volunteers has not been recognised as income from donated services in the accounts.

##### b) Other income and expenditure:

Investment income is taken into account when receivable and expenditure, including irrecoverable VAT, when incurred by the charity, regardless of when payment is made. Grants payable are taken into account at the earlier of when they are paid or become constructive obligations.

##### c) Funds:

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

##### d) Fixed assets and depreciation:

Fixed assets acquired for use by the charity are capitalised and depreciated over their estimated useful life unless they cost less than £2,000 when they are written off on purchase.

Depreciation periods are as follows:

Freehold land	Not depreciated
Freehold buildings	Over 50 years
Equipment	Between 3 and 7 years

##### e) Pension costs:

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

##### f) Taxation

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

##### g) Cashflow statement

The company has taken advantage of the exemption provided by the FRS 102 SORP and has not prepared a Cash Flow Statement for the year.

CHARIS CHRISTIAN CENTRE

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2017

<b>2 Voluntary income</b>	Unrestricted Funds	Restricted Funds	Total 2017	Total 2016
	£	£	£	£
General donations	180,318	25,905	206,223	208,979
Tax recoverable	31,956	-	31,956	37,503
	<u>212,274</u>	<u>25,905</u>	<u>238,179</u>	<u>246,482</u>
<b>3 Charitable activity</b>	Unrestricted Funds	Restricted Funds	Total 2017	Total 2016
	£	£	£	£
<b>a Direct Charitable Costs</b>				
Salaries and related costs	82,779	-	82,779	75,569
Accommodation	18,000	-	18,000	17,000
Telephone and utilities	9,416	-	9,416	11,194
Church ministry expenses	58,005	-	58,005	50,167
Conferences and training	9,912	-	9,912	7,063
Miscellaneous expenses	513	-	513	71
Depreciation	25,603	-	25,603	31,792
Grants payable	100	-	100	1,000
	<u>204,328</u>	<u>-</u>	<u>204,328</u>	<u>193,855</u>
<b>b Support &amp; Administration</b>	£	£	£	£
Governance costs	2,850	-	2,850	1,833
Office costs	8,064	-	8,064	10,624
Loan interest and finance charges	691	25,905	26,596	29,640
Insurance	2,862	-	2,862	3,401
	<u>14,466</u>	<u>25,905</u>	<u>40,371</u>	<u>45,498</u>
<b>Combined charitable activity cost</b>	<u>218,794</u>	<u>25,905</u>	<u>244,699</u>	<u>239,354</u>
<b>c Grants</b>	Institutions	Individuals	2017	2016
	£	£	£	£
Mission support	100	-	100	1,000
	<u>100</u>	<u>-</u>	<u>100</u>	<u>1,000</u>
<b>4 Staff, Trustees and other related parties</b>			2017	2016
			£	£
Gross wages, salaries & benefits in kind			71,800	68,000
Employer's National Insurance costs			4,135	4,145
Pension costs			6,233	2,833
Total staff costs			<u>82,168</u>	<u>74,978</u>

The charity has 2 full time equivalent employed staff. Its activities are generally carried out by volunteers. No staff received salaries at a rate of more than £60,000 per annum.

Remuneration payable to key management for the period amounted to £71,500 gross salary and £6,233 pension contributions in the year (2016 £68,000 and £2,833 respectively). Key management is considered to cover church pastors directly employed by the charity.

During the year the church paid £18,000 (2016 £17,000) as rental to K and Mrs M O Adeshugba, who are key management, under a lease agreement with the church, for use of a property owned by them for church accommodation.

Also during the year the church charged K and Mrs M O Adeshugba £22,000 for use of the church's premises by a nursery owned by them. The amount charged for the use of the premises has been assessed as being an arm's length price by an appropriately qualified independent professional. At the balance sheet date no amounts were owed or owing in respect of this contract.

CHARIS CHRISTIAN CENTRE

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2017

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

The total amount of donations funded by trustees and key management was £26,277.

Fees payable to Stewardship, other than for the annual accounts and independent examination of £2,250 (2016 £1,833), for payroll bureau services totalled £450 (2016: £400).

5 Tangible Fixed Assets

	Land & Buildings	Equipment & fittings	Total 2017
Cost	£	£	£
At 1 January 2017	951,056	184,795	1,135,851
Additions	0	6,745	6,745
At 31 December 2017	<u>951,056</u>	<u>191,540</u>	<u>1,142,596</u>
Accumulated Depreciation			
At 1 January 2017	140,958	166,024	306,982
Charge for the year	19,021	6,582	25,603
At 31 December 2017	<u>159,979</u>	<u>172,606</u>	<u>332,585</u>
Net book value			
At 31 December 2017	<u>791,077</u>	<u>18,934</u>	<u>810,011</u>
At 1 January 2017	<u>810,098</u>	<u>18,771</u>	<u>828,869</u>

6 Debtors and Prepayments

	2017 £	2,016 £
Tax recoverable	4,218	9,232
Prepayments	<u>4,025</u>	<u>2,500</u>
	<u>8,243</u>	<u>11,732</u>

7 Cash at Bank and In Hand

	£	£
Bank operating accounts	34,473	28,225
	<u>34,473</u>	<u>28,225</u>

8 Creditors: liabilities falling due within one year

	£	£
Trade Creditors	7,075	7,787
Taxes and social security	1,500	2,053
Mortgage loan due within one year	35,721	35,721
Accruals	<u>3,250</u>	<u>3,000</u>
	<u>47,546</u>	<u>48,561</u>

9 Creditors: liabilities falling due over one year

	£	£
Mortgage loan balance	458,419	494,140
Less: falling due within one year	<u>(35,721)</u>	<u>(35,721)</u>
	<u>422,698</u>	<u>458,419</u>

The mortgage loan is provided by The Access Bank UK for the purchase of the church building and secured on that building with normal commercial terms and repayment by October 2030.

**CHARIS CHRISTIAN CENTRE**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

**10 Funds**

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

	Opening balance £	Incoming resources £	Outgoing resources £	Transfers in the year £	Closing balance £
Building fund		25,905	(25,905)		0

The Building fund is for the purpose of repayment of the mortgage on the church building and expenditure on building repairs and improvements.

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

	Fixed assets £	Bank & cash balances £	Mortgage liabilities £	Other net assets £	Total £
Restricted funds		0			0
Unrestricted funds	810,011	34,473	(458,419)	(3,582)	382,483
	810,011	34,473	(458,419)	(3,582)	382,483

**11 Lease Commitments**

The charity has a lease on a property which runs on a month to month basis at a cost of £18,000 per annum.

**12 Members**

Each member of the company commits to contribute if the charity is wound up an amount of £10.

**CHARIS CHRISTIAN CENTRE**  
**Detailed Statement of Financial Activities with Comparatives**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

		Unrestricted Funds - General		Restricted Funds		Total Funds	Total Funds
	Note	2017	2016	2017	2016	2017	2016
		£	£	£	£	£	£
<b>INCOME AND ENDOWMENTS FROM</b>							
Donations and legacies	2	212,274	246,481	25,905	-	238,179	246,481
Investments		1	2			1	2
						-	-
<i>Charitable activities</i>		5,157	-			5,157	-
<i>Other trading activities</i>		22,000	8,800	-	-	22,000	8,800
<i>Other income and endowments</i>		-	-	-	-	-	-
Total income and endowments		239,431	255,283	25,905	-	265,336	255,283
<b>EXPENDITURE ON</b>							
Charitable activities	3	218,794	239,354	25,905	-	244,699	239,354
Total expenditure		218,794	239,354	25,905	-	244,699	239,354
Net gains/(losses) on investments		-	-	-	-	-	-
<b>Net income/(expenditure)</b>		20,637	15,930	-	-	20,637	15,930
Transfers between funds		-	-	-	-	-	-
		20,637	15,930	-	-	20,637	15,930
<b>Reconciliation of funds:</b>							
Total funds brought forward		361,846	345,916	-	-	361,846	345,916
<b>Total funds carried forward</b>		382,483	361,846	-	-	382,483	361,846

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