

COMPANY REGISTRATION NUMBER: 05314410

CHARITY REGISTRATION NUMBER: 1044860

PHILADELPHIA CHURCH OF GOD
TRUSTEE'S ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31ST DECEMBER 2021

PHILADELPHIA CHURCH OF GOD

COMPANY LIMITED BY GUARANTEE

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Board of Trustee's Report

The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the Charity for the Year ended 31 December 2021.

Reference and administrative details

Registered Charity name: Philadelphia Church of God

Charity registration number: 1044860

Company registration number: 05314410

Principal office and registered office: Edstone Hall
Wootton Wawen
Henley in Arden
Warwickshire
B95 6DD
England

The trustees:

Mr Gerald Flurry
Mr Andrew Locher
Mr Wayne Turgeon
Mr Waduthanthrige Dinesh Sanjeewa Perera

Company secretary: David Calvert Howard

Accountants: Henley Tax Ltd
Synium House, Shallowford Court
Henley in Arden
Warwickshire
B95 5FY

Bankers: Barclays Bank
Market Cross
Stratford upon Avon
CV37 6AP

Solicitors:	B P Collins LLP Collins House 32-38 Station Road Gerrards Cross SL9 8EL	Ellisons Solicitors (formerly Gross & Co) 83-84 Guildhall Street Bury Saint Edmunds IP33 1LN
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Board of Trustee's Report

Structure, governance and management

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and 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 2015).

The Charity is a charitable company incorporated on 16th December 2004 under the Companies Act 1985. The company is limited by guarantee not having a share capital and is governed by its Memorandum and Articles of Association dated 2nd December 2004.

The day-to-day management of the Charity has been delegated by the trustees to Mr Wayne Turgeon (Regional Director) and Mr David Howard (Company Secretary). The Pastor General of the Philadelphia Church of God is Mr Gerald Flurry.

All trustees are familiar with the practical work of the Charity. New trustees are fully briefed by management and encouraged to familiarize themselves with the Charity and the context within which it operates.

New trustees are always members in good standing of the Philadelphia Church of God. Their attendance, interest and competence in organising and participating in Church activities is evaluated, as well as their understanding of and involvement in promoting the objectives and activities of the Charity. Individuals who show interest and enthusiasm in promoting these objectives, along with showing signs of having the competence needed to fulfil the role of a trustee successfully, are considered for upcoming positions. Current management discusses potential trustees before interviewing the candidates to ensure they have the skills needed and the desire to fulfil the appointment. Management considers new appointments, bearing in mind the need for the appropriate mix of skills, ethnic origin and gender before making the appointment.

New trustees have full access to the individuals to whom the day to day running of the Charity has been delegated to discuss all relevant information: their legal obligations under Charity and company law, the Charity Commission guidance on public benefit, and the content of the Memorandum and Articles of Association (of which, they may acquire a copy of), the decision making processes, and recent financial performance of the Charity. They meet key employees and other trustees. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

The Philadelphia Church of God follows the biblical instruction regarding Church hierarchy. The Apostle and Pastor General is the head of the Church directly under Jesus Christ. Under the Pastor General are the following ordained ministerial ranks (in order of seniority): Evangelists, Pastors, Preaching Elders, Local Elders (employed) and Local Church Elders (not employed) by the Church. Serving under the ministry are Deacons, Deaconesses, Contact Persons and volunteers. Trustees of the Charity always hold an office listed above.

Senior Trustees are involved in the large decision making of the Charity (e.g. large purchases, typically over £500, capitalisation cost, or taking on new employees etc.) in consultation with the Pastor General. As previously stated, they delegate the day-to-day running and administration. Some expenses over £500 are pre-approved

Board of Trustee's Report

such as expenses that are required for the day-to-day running of the business such as normal stationery purchases, travel costs (within certain criteria), and monthly postage costs.

The most senior trustees consider appropriate pay for employees. The final decision regarding pay falls to senior ranking ministers who are heavily involved in the day-to-day running of the Charity, in consultation with the Pastor General, who gives final approval. The policy used in determining pay rates is designed to ensure the same level of pay for all staff in posts with work of equal value, which is based on a comprehensive job evaluation scheme. For certain staff with specialist skills, a market adjustment may be applied, the value of which is determined by the median of market-related salaries and is subject to annual review. Staff pay is reviewed annually, and any increases as a result of the annual pay negotiations typically go into effect from the last pay of each year. No staff member over the age of 18 earns less than the national living wage. No employee earns less than minimum wage. The Charity offers a competitive rate of pay. The Philadelphia Church of God compensates all employees to allow a comfortable, but not lavish, standard of living. To ensure high staff morale bonuses are reviewed annually. Tea, coffee and lunches are provided for employees working at our Edstone head office.

Senior members of staff have salaries commensurate with their roles within the organisation. Salaries for these roles are set individually with reference to the wider marketplace and are closely overseen by senior trustees and the Pastor General. In general, these staff can expect the same percentage increase in salary for cost of living as the rest of the staff enjoy.

During 2021, the highest paid full-time member of staff earned 1.7 times the salary received by the lowest paid full-time member of staff, and 1.28 times the median full-time salary.

The Philadelphia Church of God (United Kingdom), the Philadelphia Church of God, Inc. (United States), and the Stichting Philadelphia Church of God (Netherlands) are independent organisations but are ecclesiastically connected in doctrine and purpose. Although separately incorporated, the Philadelphia Church of God, Inc. (United States) is the 'parent' company and ensures that the Philadelphia Church of God (United Kingdom) is ecclesiastically run in the same fashion as the 'parent' organisation. To ensure this occurs, senior staff of the 'parent' organisation are required to be on the board of trustees of the Charity. In addition to the ecclesiastical connection, the companies provide resources and support for each other to varying degrees. The Philadelphia Church of God (United Kingdom) receives and makes charges to these affiliated foreign organisations for resources or services rendered or received.

The Charity was assisted in many ways by the volunteer program. Weekly volunteers pack mail. We had 3 regular volunteers who assisted with office work and packing mail. This is the same as in 2020. The vast majority of labour for our annual conference in the autumn are volunteer. For the 2021 conference we were assisted by approximately 80 volunteers.

Board of Trustee's Report

Risk Management

The trustees have a risk management strategy which comprises:

- A review of the risks the Charity may face;
- The establishment of systems and procedures to mitigate those risks identified in the plan; and
- The implementation of procedures designed to minimize any potential impact on the Charity should those risks materialize.

Objectives and activities

The objectives of the Philadelphia Church of God are to proclaim the Gospel of Jesus Christ according to the word of God to the people of the United Kingdom and British Commonwealth, and in all the world for a witness to all nations, by the spoken word, by radio, by television, by recordings, by printed word, by internet and by personal evangelism: to work for the salvation of souls; to raise up and organise local Church congregations; to minister to the edifying of believers; to assemble members together in worship of Almighty God for mutual edification and Christian Fellowship in Jesus Christ; to ordain and grant credentials of the license to preach to such as the Church believes to be called of God and qualified according to Holy Scripture as Evangelists, Ministers, Elders or Deacons.

The Philadelphia Church of God is a non-proselytising, non-profit making Spiritual enterprise which does not solicit funds publicly and which distributes all of its education material free of charge.

The Philadelphia Church of God sponsors an international television program, "The Key of David", which airs in the United States of America, Canada, Latin America, the Caribbean, Australia, New Zealand, Asia-Pacific. The Church also produces a monthly magazine, "The Philadelphia Trumpet", which is circulated in over 100 countries in five languages.

Voluntary help was utilised for office administrations and clerical work. A number of local and foreign volunteers assisted in foreign language translation, editing and proofreading of literature and books for publication.

Board of Trustee's Report

Strategic Report

The following sections for achievements and performance and financial review form the strategic report of the Charity.

Achievements and Performance

Activities and achievements during the year 31st December 2020 were as follows:

Publishing, advertising campaigns, and distribution of literature in ten languages.

The Philadelphia Church of God publishes the Trumpet magazine, produces television programs, magazines, booklets, websites, videos, radio and other media, primarily in English, and directly fulfilling the objectives of the Charity. At the start of 2021 the Trumpet magazine had 2,600 subscribers in the UK. By the end of the year that number had fallen to 2,400. The trustees are disappointed that there wasn't growth and will discuss ways to promote the magazine in 2022.

To reach a larger audience and achieve the Charity's main objectives, we are making a strong effort to reach as many people as possible who don't speak English as a first or second language. We have a translations department that renders English-language media into 10 other languages. The department coordinates volunteers who take on the task of converting the original English into Afrikaans, Dutch, Finnish, French, German, Norwegian, Portuguese, Spanish, Italian and Hebrew.

In 2021, a total of 1,701 articles were posted to the websites in German, French, Spanish and Dutch, which was 57% more than in 2020. We continued to have many visitors to our Foreign Language websites. Many of these visitors download or ordered our free literature. In 2021, 16,052 products were distributed in foreign languages. We also had many subscribers and views to our Foreign Language YouTube channels. As an example, these videos received 345.9k watch time minutes on YouTube in French and 104.5k in German in 2021 alone.

The goal for translators has always been the same: to produce more words, more books, more booklets, more videos, more website posts, more social media updates, more e-mail newsletters and more advertisements—more Bible prophecy-based insights, warnings and hope, reaching more people. The department directly fulfils the objectives of the Charity.

Congregations & Ministry

The Philadelphia Church of God has congregations in seven countries throughout Europe and employs ministers to cater for the spiritual needs and ordains deacons to take care of physical needs of the congregations.

Since the Charity does not employ sufficient ministers to have a minister in each congregation for each Church service, the Head Office at Edstone Hall distributed iPods in 2017 to be able to distribute Sermons electronically to these congregations to help cater for the spiritual needs of the Churches members. The iPods have proven an extremely valuable resource through 2021 to be able to cater for the spiritual needs of the congregations. They are loaded with a secure proprietary app enabling the Church to 'push' messages due to be played in congregations. This saves a lot of time, manpower, and postage, saving money. The I.T. department investigated

Board of Trustee's Report

and implemented the ability to 'push' video messages to these iPods. The iPods are easily connectable to a projector or monitor, which provides an even more effective way of providing recorded Sermons and messages to local congregations.

Raising up of Church congregations and conducting Church Services.

The Philadelphia Church of God has congregations in six countries throughout Europe and employs ministers to cater for the spiritual needs and ordains deacons to take care of physical needs of the congregations. Covid has restricted meetings, and from time-to-time meetings have had to be cancelled due to restrictions, but congregations have been meeting as and when restrictions allow. Through 2021 restrictions have been lifting to allow ministerial travel and congregations to meet.

Rendering of charitable works under the Benevolence Program.

The Philadelphia Church of God has ministers, deacons and volunteers who visit elderly, infirm and house-bound members. The Church provides financial assistance for people who are in need financially, either to provide for their physical or spiritual needs. Financial assistance is given to members that would not otherwise be able to attend the annual Holy Days. Attendance of these Holy Days is an important part of the membership's spiritual needs.

Ministerial visit requests has been on a steady increase. In 2021 there were 46 requests for ministerial contact or visit to discuss the possibility of attending services in a local congregation.

Welfare and counselling of Church membership and members of the public requesting ministerial visits.

The Philadelphia Church of God has ordained ministers who counsel and provide support to members. In 2021, the ministry received 46 requests for visits from non-members who have questions, counselling requests or who were interested in attending Church services. The trustees are happy with this and feel that people seeking ministerial contact and congregational attendance is one of the best measures of success in achieving the goals of the Charity and show that the Charity is successfully spreading the Gospel of Jesus Christ.

In addition, the Philadelphia Church of God receives doctrinal and biblical questions from the general public. We have a "Personal Correspondence Department" to respond to these questions.

The administration of an international convention site in England

Approximately 200 Church members attended our convention site in Stratford-Upon-Avon, England. This convention gives the members the opportunity to meet other members of the Charity. Sermons on the Gospel message were given throughout the convention and activities were organised to promote interaction and unity within the Church Charity. The administration of the Charity are aware of the importance of this annual convention in fulfilling its objectives. It provides an invaluable opportunity for the ministry to cater for the spiritual needs of the members of the Church and advance the objective of preaching the Gospel.

Administering a youth camp for teens and members of the Church.

Members and youth attended a very successful campout on the grounds of the Church's offices at Edstone Hall during the summer of 2021. The campers enjoyed many activities, including sports, hikes, mountain biking, team building etc. and also attended lectures. The camp provided the Charity the opportunity to proclaim the Gospel

Board of Trustee's Report

to the attendees in a fun and uplifting environment. It also gave the campers a closer view of the inner-workings of the Charity and how the Charity fulfils its objectives.

Public Benefit

Every activity and achievement listed above is a fulfilment of the objectives of the Philadelphia Church of God. Proclaiming the Gospel of Jesus Christ according to the word of God through various media outlets provides hope to those who hear and read the message. It promotes unity within the Church community and is uplifting to the people that come into the positive influence of the Charity. The Charity and its members strive to live the benevolent give way of life, which benefits both members and non-members and produce upstanding, law abiding citizens. The youth program helps young people grow into polite, respectful young men and women who are a benefit to their local communities and society. The benevolence program caters for those in physical need and the volunteer programs provide opportunities for the Church and its members to enjoy seeing others benefit from the Christian way of life. The annual conventions educate the members in being followers of Christ, living and setting the example of the give way of life.

The Charity continues to explore other opportunities to provide a benefit to society though achieving its objectives in more areas as the Charity continues to expand and grow.

In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PB2)'.

The Church relies on donation income along with the tithes and offerings of its members to cover its operating costs.

Financial Review

The Statement of Financial Activities for the year is set out on page 14 of the financial statements.

During the year to 31 December 2021, the Charity had total income of £987,396. Total operating charitable expenditure was £1,002,799 giving an operating deficit of £15,403.

Donations from membership continue to be the core income source of the Charity.

The trustees have reviewed the circumstances of the Philadelphia Church of God and consider that adequate resources continue to be available to fund the activities of the charity for the foreseeable future.

The trustees are of the view that the Charity is a going concern.

Also, the "parent" organisation in the USA is a much larger organisation and can assist financially if the need arises providing a new source of income. Both the Pastor General and CFO of the "parent" organisation are trustees of the UK company, so know the financial position and the going concern of the "parent" organisation. As the scope of the charitable work increases in the UK so would income as the more people who are impacted

Board of Trustee's Report

by the Philadelphia Church of God brings in more donation income.

Gift Aid showed a 12% decrease over 2021, falling from £77,508 in 2020 to £65,456 in 2021. In addition, in 2021 the Charity was able to claim £2,495.50 from the Gift Aid Small Donations Scheme (GASDS). The trustees have discussed promoting the general knowledge of Gift Aid among donors to ensure they understand the great benefit the Charity receives from it. If they qualify for Gift Aid they will be encouraged to sign the declaration and increase the income of the Charity.

The trustees are happy to report that they are confident that the Charity is in a strong financial position despite the decrease in reserves and continued growth in donation income.

Plans for Future Periods

The objectives and activities of the Charity will remain the same in future periods. Initiatives for the future include increasing the Philadelphia Trumpet magazine subscription list through various forms of marketing, and distribution of the Church's books and booklets, including a Bible Correspondence Course.

The need for more ministers to cater for the needs of the congregations and the growing interest from the public is being discussed and considered. The workload at the Head Office at Edstone Hall is increasing, so the possibility of taking on more labour to increase article production, television program production and radio is being investigated along with training programs for current staff.

The increase in the foreign language translations department has produced a lot of interest. Promotion on TV and online have also seen good success. These are two areas we would like to continue to pursue in future periods to see continued growth.

Board of Trustee's Report

Trustees' Responsibilities

The trustees are responsible for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

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 Charity and of the net income or expenditure of the Charity for the year. In preparing these financial statements the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting standards 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 Charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011. 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 appended financial statements have been prepared on the accruals basis and have been examined by an independent examiner, whose report is also appended.

This report was approved by the Board of Trustees on 28 December 2022 and signed on their behalf by:

Full Name: Mr Waduthanthrige Perera

Signature:

Position: Trustee

Date: 28 December 2022

Independent Examiner's Report

Report to the trustees/members of: Philadelphia Church of God
On accounts for the year ended: 31st December 2021
Charity No: 1044860

Respective responsibilities of trustees and examiner

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

It is my responsibility to:

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

Basis of independent examiner's statement

My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the Charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (1) which give me reasonable cause to believe that in, any material respect, the requirements:
 - to keep accounting records in accordance with section 130 of the Charities Act;
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities Act have not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Signed: **Date:** 28 December 2022

Name: Tobi Labeodan FCCA, for and on behalf of Henley Tax Ltd

Relevant professional qualification(s) or body (if any): ACCA

Address: Synium House, Shallowford Court, r/o 94-96 High Street, Henley in Arden B95 5FY

Statement of Financial Activities: Year Ended 31st December 2021

	Notes	2021 Unrestricted Funds £	2021 Restricted Funds £	2021 Total Funds £	2020 Unrestricted Funds £	2020 Restricted Funds £	2020 Total Funds £
Income:							
Donations and legacies	5	648,450		648,450	598,817		598,817
Other charitable activities	5	49,160		49,160	54,065		54,065
Investment income	5	6		6	47		47
Other income	5	289,780	-	289,780	333,425		333,425
Total Income		987,396	-	987,396	986,353	-	986,353
Total Income		987,396	-	987,396	986,353	-	986,353
Expenditures on:							
Expenditure on charitable activities	6	995,448	-	995,448	882,333		882,333
Other charitable Activities	7	(1,022)	-	(1,022)	556		556
Other Costs	7	8,373	-	8,373	14,628		14,628
Total Expenditures		1,002,799	-	1,002,799	897,517		897,517
Net income/(expenditure)		(15,403)	-	(15,403)	88,836	-	88,836
Transfers between funds							
Other recognised gains/(losses):							
Gains/(losses) on revaluation of fixed assets				-			-
Gains/(losses) on investment assets				-			-
Net movement in funds		(15,403)	-	(15,403)	88,836	-	88,836
Reconciliation of funds:							
Total funds brought forward at 1 Jan		(189,290)	-	(189,290)	(278,126)	-	(278,126)
Total funds carried forward at 31 Dec		(204,694)	-	(204,694)	(189,290)	-	(189,290)

Statement of Financial Position: Year Ended 31st December 2021

	Notes	2021	2020
Fixed Asset			
Tangible assets	10	2,881,619	2,874,822
Total Fixed Asset		2,881,619	2,874,822
Current Assets			
Debtors	11	207,069	193,529
Cash at bank and in hand		75,876	97,980
Total Current Assets		282,945	291,509
Creditors: amounts falling due within one year			
Creditors	12	258,580	183,666
Total Creditors: amounts falling due within one year		258,580	183,666
Net current assets (liabilities)		24,365	107,844
Total assets less current liabilities		2,905,984	2,982,666
Creditors: amounts falling due after more than one year			
Other Non-Current Liabilities	13	3,110,678	3,171,956
Provisions			
Total Creditors: amounts falling due after more than one year		3,110,678	3,171,956
Total net assets (liabilities)		(204,694)	(189,290)
Funds of the Charity			
Retained Reserves		(189,290)	(278,126)
Surplus / (Deficit) for the year		(15,403)	88,836
Total Charity funds		(204,694)	(189,290)

Cash Flow Statement: Year Ended 31st December 2021

	2021	2020
OPERATING ACTIVITIES		
Net Income	(15,403)	88,836
Adjustments to reconcile Net Income to Net Cash provided by operations:		
Other Debtors	(13,278)	(56,685)
Prepayments	(262)	(280)
Other Creditors	74,914	(218,827)
Net cash provided by operating activities	45,972	(186,957)
INVESTING ACTIVITIES		
Fixtures & Fittings	2,512	2,957
Motor Vehicles	(7,284)	(7,749)
Building	-	-
Equipment	(2,025)	466
Net cash provided by investing activities	(6,798)	(4,325)
FINANCING ACTIVITIES		
Other Creditors	(61,278)	283,266
Net cash provided by financing activities	(61,278)	283,266
Net cash increase for period	(22,104)	91,984
Cash at beginning of period	97,981	5,997
Cash at end of period	75,877	97,981

Notes to the Financial Statements

1. General information

The Charity is a private company limited by guarantee, registered in England and Wales and a registered Charity in England and Wales. The address of the registered office is Edstone Hall, Wootton Wawen, Henley in Arden, Warwickshire, B95 6DD, England.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Charities Act 2011.

3. Accounting policies Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the Charity's ability to continue.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the Charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Incoming resources

Notes to the Financial Statements

All incoming resources are included in the statement of financial activities when entitlement has passed to the Charity; it is probable that the economic benefits associated with the transaction will flow to the Charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a Charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the Charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the Charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Notes to the Financial Statements

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixtures and fittings	-	15% reducing balance
Motor vehicles	-	20% straight line
Computer Equipment	-	33% reducing balance

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash- generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Charity are assigned to those units.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in income or expenditure unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in the statement of financial activities in the period it

Notes to the Financial Statements

arises, and is allocated to the appropriate expenditure heading.

Financial instruments

A financial asset or a financial liability is recognised only when the Charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a

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reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

4. Limited by guarantee

The Charity is a company limited by guarantee and has no share capital. Every member promises, if the Charity is dissolved while he or she is a member or within 12 months after he or she ceases to be a member, to contribute such sum (not exceeding £10) as may be demanded of him or her towards the payment of the debts and liabilities of the Charity incurred before he or she ceases to be a member, and of the costs charges and expenses of winding up, and the adjustments of the rights of the contributories among themselves.

5. Donations and legacies

	2021		2020	
	Unrestricted Funds	Total Funds	Unrestricted Funds	Total Funds
	£	£	£	£
Donations				
1st T & Offerings	433,159	433,159	377,795	377,795
Bequests	-	-	-	-
Holy Day Offerings	124,830	124,830	113,655	113,655
Building Fund Offerings	1,545	1,545	5,341	5,341
PYC Sponsors	543	543	-	-
Philadelphia Foundation Offering	-	-	-	-
Tithe of Tithe Offerings	8,591	8,591	8,802	8,802
Excess 2nd Tithe Offerings	7,020	7,020	9,765	9,765
3rd Tithe Offerings	13	13	373	373
Gift Aid	67,951	67,951	77,509	77,509
Airplane Fund	4,798	4,798	5,576	5,576
Total donations and legacies	648,450	648,450	598,817	598,817
Charitable activities				
Sales UK	-	-	138	138
PYC Fee Income	-	-	-	-
Miscellaneous Income	49,160	49,160	53,926	53,926
Total charitable activities	49,160	49,160	54,065	54,065
Investment income				
Interest Income	6	6	47	47
Total investment income	6	6	47	47
Other income				
International Support - USA	289,780	289,780	314,247	314,247
International Support - AUS	-	-	19,178	19,178
Total other income	289,780	289,780	333,425	333,425

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6. Expenditure: Charitable activities

	2021		2020	
	Unrestricted Funds	Total Funds	Unrestricted Funds	Total Funds
	£	£	£	£
Expenditure on charitable activities				
Advertising	4,358	4,358	421	421
Audio/Visual Expenses	1,636	1,636	3,275	3,275
Bank Fees	2,568	2,568	1,719	1,719
Activity Expense	3,351	3,351	(9,793)	(9,793)
Internet Costs	6,175	6,175	5,291	5,291
Courier/Freight	590	590	307	307
Equipment Rental	543	543	1,690	1,690
Landscaping Fuel	548	548	21	21
Hall Rental	707	707	421	421
Insurance	10,096	10,096	7,881	7,881
Food & Beverages	26,265	26,265	19,816	19,816
Tools	-	-	-	-
Furnishings	-	-	-	-
Landscaping Supplies	9,391	9,391	14,992	14,992
Medical Expenses	-	-	-	-
Tuition Expenses	16,838	16,838	2,458	2,458
Salaries	598,091	598,091	587,518	587,518
Ministerial Travel	19,406	19,406	10,512	10,512
Admin Auto Reimbursement	-	-	-	-
Admin Travel	6,328	6,328	3,246	3,246
Employer National Insurance UK	53,167	53,167	53,564	53,564
Employer Pension Contributions	4,140	4,140	5,213	5,213
Miscellaneous Expense	(1,330)	(1,330)	98	98
Office Supplies	63,826	63,826	44,759	44,759
Postage	-	-	-	-
Printing	-	-	-	-
Professional Consulting Fees	5,700	5,700	5,617	5,617
Repairs & Maintenance	37,043	37,043	11,155	11,155
Room Rent - UK	-	-	-	-
Subscriptions & Library Expense	3,537	3,537	2,342	2,342
Telephone	3,482	3,482	4,839	4,839
Television Broadcasting	69,625	69,625	54,274	54,274
Council Tax	9,764	9,764	9,186	9,186
Utility Expenses	33,229	33,229	31,288	31,288
Visa/Immigration Expenses	769	769	7,848	7,848
3T Assistance - Members	5,603	5,603	2,375	2,375
Total Expenditure on Charitable Activities	995,448	995,448	882,333	882,333

Notes to the Financial Statements

7. Expenditure: Other charitable activities and other costs

	2021		2020	
	Unrestricted Funds	Total Funds	Unrestricted Funds	Total Funds
	£	£	£	£
Other charitable Activities				
FOT Activity Expense - UK	(1,061)	(1,061)	(63)	(63)
FOT Assistance - UK	0	0	470	470
Greeting Cards & Flowers	40	40	85	85
PYC Activity Supplies	0	0	65	65
PYC Camp Rental	0	0	0	0
PYC Shirts	0	0	0	0
PYC Trophies	0	0	0	0
Total Other Charitable Activities	(1,022)	(1,022)	556	556
Other Costs				
Gain/Loss on Disposal	(1,203)	(1,203)	1,024	1,024
Depreciation	7,326	7,326	11,354	11,354
Accountancy	2,250	2,250	2,250	2,250
Total Other Costs	8,373	8,373	14,628	14,628

8. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2021	2020
	£	£
Wages and salaries	598,091	587,518
Social security costs	53,167	53,564
Employer contributions to pension plans	4,140	5,213
	655,398	646,295

The average head count of employees during the year was 25 (2019: 31). The average number of full-time equivalent employees during the Year is analysed as follows:

	2021	2020
General Administration	14	15
Congregational	3	3
Broadcasting	1	2
Publishing	6	5
	24	25

The number of employees whose remuneration for the year fell within the following bands, were:

Notes to the Financial Statements

	2021	2020
£60,000 to £69,999	-	-
£70,000 to £79,999	-	-
	-	-

9. Trustee remuneration and expenses

Neither the Trustees nor persons connected with them received any remuneration or other benefits.

Out of pocket expenses were reimbursed to the Trustees as follows:

	2021	2020
Motor, travel and other expense	0	0
	0	0

10. Tangible fixed assets

	Freehold property	Fixtures & Fittings	Motor vehicles	Equipment	Total
Cost	£	£	£	£	£
At 1st January 2021	2,830,820	37,747	47,907	43,180	2,959,653
Additions			10,350	4,070	14,420
Disposals					-
Revaluation					-
At 31st December 2021	<u>2,830,820</u>	<u>37,747</u>	<u>58,257</u>	<u>47,250</u>	<u>2,974,073</u>
Depreciation					
At 1st January 2021	-	21,205	30,711	32,915	84,831
Charge for the year	-	2,512	3,066	2,046	7,624
Disposals					-
At 31st December 2021	<u>-</u>	<u>23,717</u>	<u>33,777</u>	<u>34,961</u>	<u>92,455</u>
Net Book Value					
At 31st December 2020	<u>2,830,820</u>	<u>16,542</u>	<u>17,196</u>	<u>10,265</u>	<u>2,874,822</u>
At 31st December 2021	<u>2,830,820</u>	<u>14,030</u>	<u>24,480</u>	<u>12,289</u>	<u>2,881,618</u>

Notes to the Financial Statements

11. Debtors

	2021	2020
	£	£
Prepayments and accrued income	4,244	3,982
Other debtors	202,825	189,547
	<u>207,069</u>	<u>193,529</u>

12. Creditors: amounts falling due within one year

	2021	2020
	£	£
Social security and other taxes	17,592	18,379
Other creditors	240,989	165,287
	<u>258,580</u>	<u>183,666</u>

13. Creditors: amounts falling due after more than one year

	2021	2020
	£	£
Other creditors	3,110,678	3,171,956
	<u>3,110,678</u>	<u>3,171,956</u>

14. Pensions and other post-retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £4,140.26 (2020: £5,213.38).