

Bethel United Church of Jesus Christ Apostolic U.K.

Trustees' Report and Financial Statements

For the year ended 31 March 2023



Bethel United Church of Jesus Christ Apostolic U.K.

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Bethel United Church of Jesus Christ Apostolic U.K.

**Reference and Administrative Details of the Charity, its Trustees and Advisers
For the year ended 31 March 2023**

Trustees Mr G Pomell, Chair
Mr D Lewin, Treasurer
Mr R Narme
Mr J Smith
Mrs L Foster-Brooks
Mr G Whitter (resigned 4 February 2023)

Charity registered number 1047717

Principal office Bethel Convention Centre
Kelvin Way
West Bromwich
West Midlands
B70 7JW

Independent auditors Dains Audit Limited
15 Colmore Row
Birmingham
B3 2BH

Bankers Barclays Bank plc
Ground Floor
15 Colmore Row
Birmingham
B3 2BH

Solicitors Clark Brookes Turner Cary Limited
3rd Floor
Guardian House
Cronehills Linkway
West Bromwich
B70 8GS

Bethel United Church of Jesus Christ Apostolic U.K.

Trustees' Report For the year ended 31 March 2023

The Trustees present their annual report together with the audited financial statements of the Charity for the year 1 April 2022 to 31 March 2023.

Objectives and activities

a. Policies and objectives

The charity's main objective is to advance the Christian faith.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

Achievements and performance

a. Review of activities

The charity is working in furtherance of its aims and objects, the following activities were undertaken during the noted financial year:

1. We continue to develop the ministry throughout the UK working with other Bethel family of churches, who are registered independently;
2. National convocation and other national meetings, in person, occurred during the financial year, which was well supported by members;
3. We continue our fundraising activities to facilitate the above activities as well as the maintenance of fixed assets;
4. The financial situation of the charity continues to be negatively impacted by COVID-19; however, monthly repayments on the loan for BCC continue, and we have not missed a payment; there is 10 years remaining on the 15-year term. Several independently registered churches and individual members continue monthly contributions to pay off the loan on BCC which had an outstanding balance of c£535,000;
5. The Conflict of Interest Policy, updated December 2023, and is subject to ongoing reviews and is considered during trustees meetings;
6. Trustees and members amended its constitution, administratively dated 4th February 2023 in order to allow online trustees and members meetings, including AGMs. Administrative changes had been made to the existing Constitution which ensures individual members of branch churches registered independently can continue as voting members, under 1047717;
7. Financial Controls & Expense Policy; and, Fraud Risk Management Policy had been signed off dated 28 December 2020 and remained in place during the noted financial period;
8. The account reporting system continues to be monitored to maintain and or improve auditing; trustees have implemented Xero accounting software and discontinued the Sage software;
9. The Charity submitted the required corporation tax information via our accountants to HMRC, but we were not liable to pay such taxes;
10. Investments or improvements or repairs continue to be made to Bethel Convention Centre Site;
11. At the date of approval of these financial statements, there are no branch churches remaining in the charity 1047717: Southampton registered on 20th July 2022 and the last branch, Gibson Road, registered 8th December 2022;

Bethel United Church of Jesus Christ Apostolic U.K.

Trustees' Report (continued) For the year ended 31 March 2023

Achievements and performance (continued)

12. Trustees are in the process of moving the legal structure of the charity from an unincorporated charity to a Charitable Incorporated Organisation (CIO); and this process is not yet completed; and
13. Unqualified accounts continue to be achieved.

b. Investment policy and performance

The inflated cost of living, including high interest rates, impacts every stratum of society including the charity's Fundraising initiatives across the board. However, the charity's assets are available. The Charity has the core personnel for growth i.e. salespersons, general manager, and a bookkeeper.

Financial review

a. Going concern

The charity has reported a surplus for the year of £242,585 (2022 - surplus of £32,760) and at the balance sheet date had net current assets of £674,827 (2022 - net current assets of £448,721). The charity has continued to make capital repayments on its bank loan of £94,709 this year.

Before and in March 2020 the spread of COVID-19 precipitated an unprecedented level of temporary closure to entities within the leisure and hospitality sector as well as religious organisations. As a result of these restrictions, branch churches were closed for a considerable period as well as the Bethel Convention Centre closing at the end of March 2020. These situations resulted in a significant reduction in income from 1st April 2020. Since the easing of restrictions within the leisure and hospitality sectors in May 2021, the Convention Centre has been able to utilise some of its capacity and hold Sunday service events and is slowly starting to facilitate external lettings.

The Trustees have prepared forecasts and projections, taking account of reasonable increases in letting performance, which show that the Charity should be able to operate within the levels of its current facility.

The Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for a period of at least 12 months from the date of approval of these financial statements. Thus, they consider that it is appropriate to continue to adopt the going concern basis in preparing the financial statements.

b. Reserves policy

The Trustees have established the level of reserves (that is those funds which are freely available) that the charity ought to have. Reserves are needed to ensure that the day to day operation of the charity can be sustained. The charity's policy is to try to maintain reserves to cover 6 months of unrestricted expenditure.

Movements in individual fund balances are given in note 16 and show closing reserves of £1,425,897 (2022 - £974,585) after allowance for designated funds and amounts tied up in fixed assets. This equates to roughly 15 months of unrestricted expenditure.

c. Principal funding

A detailed Statement of Financial Activities is set out on page 11 of the Financial Statements. A summary of the financial results of the charity is set out below.

During the year, the charity raised a total of £937,830 (2022 - £1,006,526) income before charitable expenditure. All of this income related to unrestricted funds and were raised through donations, tithed income, offerings, trading income, rental income and interest received.

Bethel United Church of Jesus Christ Apostolic U.K.

Trustees' Report (continued) For the year ended 31 March 2023

Structure, governance and management

a. Constitution

The Bethel United Church of Jesus Christ (Apostolic) UK was established in January 1986 and is governed by its constitution dated 29 May 1995, amended in 2004 and amended again on 16th December 2017. The Charity was registered with the Charity Commission on 4 July 1995 under Charity number 1047717.

The Charity has a new Spiritual Board called the Board of Bishops (BOBS), which is made up of Bishops. The BOBS replaced the National Ecclesiastical Council which had replaced the Spiritual governance role previously held by the Executive Board. This is referred to in the Charity's Constitution amended on 29 July 2004; 16 December 2017 and 4th February 2023). This is further explained in the minutes of the AGM which have been submitted to the Charity Commission.

The distinct separation of the Spiritual and legal components of the Charity is unique for the charity and for this reason, will be a working progress. Nevertheless, trustees remain accountable for all financial transactions and the legal compliance of the Charity.

The Charity operates from the Bethel Convention Centre in West Bromwich. All branch churches are now registered independently. This Charity and independently registered charities, for financial administrative purposes, will continue to support Charity 10147717: this is through donations and national meetings but is under the same spiritual governance. The Charity also has ongoing contact with other overseas organisations operating under the Bethel name, especially during international convocations where donations are made to this Charity.

b. Methods of appointment or election of Trustees

The management of the charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Constitution, as stipulated in the amended constitution dated 16th December 2017. Trustees can but do not receive subsistence, that is, lunch allowances, but no other remuneration for the performance of their duties.

c. Organisational structure and decision-making policies

The Charity is managed, and its policies are directed, by the Board of Trustees, in consultation with the Board of Bishops. The Charity is structured as follows but is under review:

Chair
Vice Chair
Council of Elders
General Secretary
Assistant Secretary
Voting Members
Non-Voting Members

The Charity itself is made up of Individual Members, Voting Members and Non-Voting Members. Members who hold a current License, or are ordained in the Church, are Voting Members and have the right to vote on all matters about the Church. General Members have the right to vote only in relation to the dissolution of the Charity.

The title to the property belonging to the Charity is held by the Trustees listed on page 1.

Bethel United Church of Jesus Christ Apostolic U.K.**Trustees' Report (continued)
For the year ended 31 March 2023**

Structure, governance and management (continued)**d. Policies adopted for the induction and training of Trustees**

New Trustees will be encouraged to undergo a briefing on their legal obligations under charity and company law, the content of the Constitution, the committee and decision-making processes, the business plan and the recent financial performance of the Charity. The new Trustees will also be encouraged to meet key employees and other Trustees. Trustees are and will be encouraged to attend appropriate internal and external training events where these will facilitate the undertaking of their role.

e. Financial risk management

The Trustees have the responsibility of assessing the major risks to which the charity is exposed; in particular, those related to the operations and finances of the charity. Trustees are currently reviewing the systems and procedures to ensure these are in place to mitigate our exposure to major risks. Trustees reviewing these risks are ongoing.

Plans for future periods

The Charity's longer-term strategy for beyond 2023 is to maintain its activities and, to achieve some growth. The trustees have continued to put measures in place to try and expand the areas in which the charity operates to achieve this. As such, the trustees believe the Charity to be a going concern and have adopted this assumption in preparing the financial statements.

The trustees are looking to incorporate Bethel United Church of Jesus Christ Apostolic UK into a Charitable Incorporated Organisation under the same name. The Trustees had commissioned Anthony Collins Solicitors LLP to prepare a draft constitution and make the application to the Charity Commission. The draft constitution is awaiting input from the Board of Bishops before voting on it. It was withdrawn from the AGM in 2023.

This decision to change the legal structure is based on the trustee's desire to take advantage of the separate legal personality and limited legal liability for trustees and the membership.

Because of the impact of COVID-19, in the short term, trustees adopted a volunteering support model for the day-to-day running of the Bethel Convention Centre. However, key permanent staff coupled with Zero hour contracts and volunteers are in place.

Statement of Trustees' responsibilities

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

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial which give a true and fair view of the state of affairs of the Charity and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

Bethel United Church of Jesus Christ Apostolic U.K.

Trustees' Report (continued) For the year ended 31 March 2023

Statement of Trustees' responsibilities (continued)

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and 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, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust deed. 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.

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Auditors

The auditors, Dains Audit Limited, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees on
09-Jan-24 | 5:02 PM GMT and signed on their behalf by:

DocuSigned by:

Gilbert Pomell

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Mr G Pomell

Chair of Trustees

Bethel United Church of Jesus Christ Apostolic U.K.

Independent Auditors' Report to the Members of Bethel United Church of Jesus Christ Apostolic U.K.

Opinion

We have audited the financial statements of Bethel United Church of Jesus Christ Apostolic U.K. (the 'charity') for the year ended 31 March 2023 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2023 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Bethel United Church of Jesus Christ Apostolic U.K.

Independent Auditors' Report to the Members of Bethel United Church of Jesus Christ Apostolic U.K. (continued)

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Bethel United Church of Jesus Christ Apostolic U.K.**Independent Auditors' Report to the Members of Bethel United Church of Jesus Christ Apostolic U.K.
(continued)**

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

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 senior statutory auditor 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 trustees and other management, and from our commercial knowledge and experience of the charity sector;
- 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 Charity, including the financial reporting legislation, Charities Act 2011, taxation legislation, anti-bribery, employment, and environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- 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 Charity'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; and
- 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 2 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

Bethel United Church of Jesus Christ Apostolic U.K.**Independent Auditors' Report to the Members of Bethel United Church of Jesus Christ Apostolic U.K.
(continued)**

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

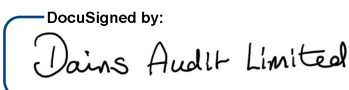
- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators and the Charity's legal advisors.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' report.

Use of our report

This report is made solely to the charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. 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 Auditors' 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 and its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

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Dains Audit Limited

Statutory Auditor
Chartered Accountants

Birmingham

Date: 09-Jan-24 | 5:04 PM GMT

Dains Audit Limited are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

Bethel United Church of Jesus Christ Apostolic U.K.**Statement of financial activities
For the year ended 31 March 2023**

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:					
Donations and legacies	3	549,164	-	549,164	765,938
Charitable activities	4	92,960	-	92,960	41,875
Other trading activities	5	204,544	-	204,544	114,533
Investments	6	91,162	-	91,162	84,180
Total income		937,830	-	937,830	1,006,526
Expenditure on:					
Charitable activities		738,705	-	738,705	993,852
Total expenditure		738,705	-	738,705	993,852
Net income before net gains on investments		199,125	-	199,125	12,674
Net gains on revaluation of investment properties		100,000	-	100,000	130,000
Net income		299,125	-	299,125	142,674
Transfers between funds	16	45,000	(45,000)	-	-
Net movement in funds before demergers		344,125	(45,000)	299,125	142,674
Demerger of branch churches to independent charities		(56,540)	-	(56,540)	(109,914)
Net movement in funds		287,585	(45,000)	242,585	32,760
Reconciliation of funds:					
Total funds brought forward		3,540,368	45,000	3,585,368	3,552,608
Net movement in funds		287,585	(45,000)	242,585	32,760
Total funds carried forward		3,827,953	-	3,827,953	3,585,368

All income and expenditure in 2021 related to unrestricted funds.

The notes on pages 14 to 30 form part of these financial statements.

Bethel United Church of Jesus Christ Apostolic U.K.**Balance Sheet
As at 31 March 2023**

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	11	2,269,592	2,433,319
Investment property	12	1,372,000	1,272,000
		3,641,592	3,705,319
Current assets			
Debtors	13	73,909	31,626
Cash at bank and in hand		734,431	576,524
		808,340	608,150
Creditors: amounts falling due within one year	14	(133,513)	(159,429)
Net current assets		674,827	448,721
Total assets less current liabilities		4,316,419	4,154,040
Creditors: amounts falling due after more than one year	15	(488,466)	(568,672)
Total net assets		3,827,953	3,585,368
Charity funds			
Restricted funds	16	-	45,000
Unrestricted funds	16	3,827,953	3,540,368
Total funds		3,827,953	3,585,368

The financial statements were approved and authorised for issue by the Trustees on 09-Jan-24 | 5:02 PM GMT and signed on their behalf by:

DocuSigned by:

Gilbert Pomell

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Mr G Pomell

Chair of Trustees

The notes on pages 14 to 30 form part of these financial statements.

Bethel United Church of Jesus Christ Apostolic U.K.**Statement of Cash Flows**
For the year ended 31 March 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash used in operating activities	19	270,715	127,283
Cash flows from investing activities			
Purchase of tangible fixed assets		(95)	(46,840)
Net cash used in investing activities		(95)	(46,840)
Cash flows from financing activities			
Repayments of borrowing		(94,709)	(96,169)
Net cash used in financing activities		(94,709)	(96,169)
Change in cash and cash equivalents in the year		175,911	(15,726)
Cash and cash equivalents at the beginning of the year		576,524	592,250
Cash and cash equivalents at the end of the year	20	752,435	576,524

The notes on pages 14 to 30 form part of these financial statements

Bethel United Church of Jesus Christ Apostolic U.K.**Notes to the Financial Statements
For the year ended 31 March 2023**

1. Accounting policies**1.1 Basis of preparation of financial statements**

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Bethel United Church of Jesus Christ Apostolic U.K. meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

1.2 Going concern

The charity has reported a surplus for the year of £242,585 (2022 - surplus of £32,760) and at the balance sheet date had net current assets of £674,827 (2022 - net current assets of £448,721). The charity has continued to make capital repayments on its bank loan of £94,709 this year.

The Trustees have prepared forecasts and projections, taking account of reasonable increases in letting performance, which show that the Charity should be able to operate within the levels of its current facility.

The Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for a period of at least 12 months from the date of approval of these financial statements. Thus, they consider that it is appropriate to continue to adopt the going concern basis in preparing the financial statements.

Bethel United Church of Jesus Christ Apostolic U.K.**Notes to the Financial Statements
For the year ended 31 March 2023**

1. Accounting policies (continued)**1.3 Income**

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold.

Where the donated good is a fixed asset, it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset class and depreciated over the useful economic life in accordance with the Charity's accounting policies.

On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the Charity which is the amount it would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

1.5 Government grants

Government grants are credited to the Statement of financial activities as the related expenditure is incurred.

Bethel United Church of Jesus Christ Apostolic U.K.**Notes to the Financial Statements
For the year ended 31 March 2023**

1. Accounting policies (continued)**1.6 Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

1.7 Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.8 Tangible fixed assets and depreciation

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Freehold land	- not depreciated
Freehold property	- 3% straight line
Fixtures, fittings and equipment	- 15-25% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

1.9 Investment properties

Investment property is carried at fair value determined annually by trustees and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in the fair value are recognised in the Statement of financial activities.

1.10 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.11 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Bethel United Church of Jesus Christ Apostolic U.K.**Notes to the Financial Statements
For the year ended 31 March 2023**

1. Accounting policies (continued)**1.12 Liabilities and provisions**

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

1.13 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.14 Operating leases

Rentals paid under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

1.15 Pensions

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

1.16 Fund accounting

General funds are unrestricted funds which are 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.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Bethel United Church of Jesus Christ Apostolic U.K.**Notes to the Financial Statements
For the year ended 31 March 2023****4. Income from charitable activities**

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Religious events	92,960	92,960	41,875

5. Income from trading activities

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Convention Centre	204,544	204,544	114,533

6. Investment income

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Rental income	91,162	91,162	84,180

7. Analysis of expenditure by activities

	Activities undertaken directly 2023 £	Governance costs 2023 £	Total funds 2023 £
Church mission	159,072	7,700	166,772
Convention Centre	571,933	-	571,933
	731,005	7,700	738,705

Bethel United Church of Jesus Christ Apostolic U.K.**Notes to the Financial Statements
For the year ended 31 March 2023****7. Analysis of expenditure by activities (continued)**

	Activities undertaken directly 2022 £	Governance costs 2022 £	Total funds 2022 £
Church mission	374,172	6,825	380,997
Convention Centre	612,855	-	612,855
	<u>987,027</u>	<u>6,825</u>	<u>993,852</u>

Analysis of direct costs

	Church Mission 2023 £	Convention Centre 2023 £	Total funds 2023 £
Staff costs	-	47,343	47,343
Depreciation	22,679	141,143	163,822
Church Rent & Servicing	210	-	210
Church Wages & Office Expenses	28,677	-	28,677
Office and administration	-	1,374	1,374
Convocational expenses	12,000	-	12,000
Donations	30,650	250	30,900
Food and direct purchases	-	21,775	21,775
Bank charges and interest	-	26,813	26,813
Marketing and publicity	-	9,287	9,287
Premises expenses	16,023	181,139	197,162
Equipment hire	-	28,349	28,349
Postage and stationery	-	619	619
Telephone	765	9,826	10,591
Other expenses	13,806	23,071	36,877
Repairs and maintenance	22,331	53,349	75,680
Motor and travel	-	3,000	3,000
Accountancy fees	-	353	353
Professional fees	11,931	24,242	36,173
Total 2023	<u>159,072</u>	<u>571,933</u>	<u>731,005</u>

Bethel United Church of Jesus Christ Apostolic U.K.**Notes to the Financial Statements
For the year ended 31 March 2023****7. Analysis of expenditure by activities (continued)****Analysis of direct costs (continued)**

	Church Mission 2022 £	Convention Centre 2022 £	Total funds 2022 £
Staff costs	-	202,981	202,981
Depreciation	21,825	141,223	163,048
Rent	48,750	-	48,750
Ministerial expenses	21,056	-	21,056
Office and administration	-	(424)	(424)
Convocational expenses	114,752	-	114,752
Donations	41,971	-	41,971
Books and equipment	2,956	-	2,956
Food and direct purchases	-	649	649
Bank charges and interest	638	24,531	25,169
Marketing and publicity	-	2,197	2,197
Premises expenses	39,123	124,995	164,118
Equipment hire	-	28,130	28,130
Postage and stationery	865	-	865
Telephone	1,479	12,448	13,927
Other expenses	50,355	11,410	61,765
Repairs and maintenance	19,265	25,405	44,670
Insurance	4,766	-	4,766
Accountancy fees	-	4,630	4,630
Professional fees	6,371	34,680	41,051
Total 2022	374,172	612,855	987,027

Bethel United Church of Jesus Christ Apostolic U.K.**Notes to the Financial Statements
For the year ended 31 March 2023****8. Net income/(expenditure)**

This is stated after charging:

	2023 £	2022 £
Depreciation of tangible fixed assets	163,822	157,561
Auditor's remuneration - audit	7,700	6,825
Auditor's remuneration - other services	-	4,305
Operating lease costs	-	784
	=====	=====

9. Staff costs

	2023 £	2022 £
Wages and salaries	47,217	195,893
Social security costs	-	5,274
Pension costs	126	1,814
	=====	=====
	47,343	202,981

The Charity paid statutory redundancy and PILON to its employees during the prior year. The redundancy costs amounted to £49,398 and are included within the wages and salaries figures above for 2022.

Termination benefits are recognised immediately as an expense in the statement of financial activities when the Charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

There were no termination benefits in the current period.

The average number of persons employed by the Charity during the year was as follows:

	2023 No.	2022 No.
Convention centre	5	16
	=====	=====

No employee received remuneration amounting to more than £60,000 in either year.

The total compensation received by the key management personnel of the charity was £Nil (2022 - £Nil).

10. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2022 - £NIL).

During the year ended 31 March 2023, no Trustee expenses have been incurred (2022 - £NIL).

Bethel United Church of Jesus Christ Apostolic U.K.**Notes to the Financial Statements
For the year ended 31 March 2023****11. Tangible fixed assets**

	Freehold land and property £	Fixtures, fittings and equipment £	Total £
Cost			
At 1 April 2022	5,974,467	817,526	6,791,993
Additions	-	95	95
At 31 March 2023	5,974,467	817,621	6,792,088
Depreciation			
At 1 April 2022	3,604,917	753,757	4,358,674
Charge for the year	149,826	13,996	163,822
At 31 March 2023	3,754,743	767,753	4,522,496
Net book value			
At 31 March 2023	2,219,724	49,868	2,269,592
At 31 March 2022	2,369,550	63,769	2,433,319

12. Investment property

	Freehold investment property £
Valuation	
At 1 April 2022	1,272,000
Surplus on revaluation	100,000
At 31 March 2023	1,372,000

The 2023 valuations were made by the Trustees on an open market value for existing use basis. In the opinion of the Trustees, the market value of the investment property is still materially correct at 31 March 2023.

Bethel United Church of Jesus Christ Apostolic U.K.**Notes to the Financial Statements
For the year ended 31 March 2023****13. Debtors**

	2023 £	2022 £
Trade debtors	71,164	18,017
Other debtors	738	10,170
Prepayments and accrued income	2,007	3,439
	<u>73,909</u>	<u>31,626</u>

14. Creditors: Amounts falling due within one year

	2023 £	2022 £
Bank loans	47,282	61,785
Trade creditors	35,740	42,185
Other taxation and social security	15,728	10,215
Other creditors	2,000	5,383
Accruals and deferred income	32,763	39,861
	<u>133,513</u>	<u>159,429</u>

Bank loan security

The mortgage loan is secured via a first legal charge over the land and buildings at Bethel Convention Centre, Kelvin Way, West Bromwich.

Bethel United Church of Jesus Christ Apostolic U.K.

Notes to the Financial Statements
For the year ended 31 March 2023

15. Creditors: Amounts falling due after more than one year

	2023 £	2022 £
Bank loans	488,466	568,672

From 1 July 2022 a 12-month variation of the bank loan commenced. Under this variation, £7,000 repayments are due monthly and interest is charged on the bank loan at a rate of 2.45% + LIBOR.

The mortgage loan is secured via a first legal charge over the land and buildings at Bethel Convention Centre, Kelvin Way, West Bromwich.

Bethel United Church of Jesus Christ Apostolic U.K.**Notes to the Financial Statements
For the year ended 31 March 2023****16. Statement of funds****Statement of funds - current year**

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2023 £
Unrestricted funds						
Designated funds						
Donations account	132,464	-	-	-	-	132,464
Fixed assets	2,433,319	-	(163,822)	95	-	2,269,592
	<u>2,565,783</u>	<u>-</u>	<u>(163,822)</u>	<u>95</u>	<u>-</u>	<u>2,402,056</u>
General funds						
General Funds	974,585	937,830	(574,883)	44,905	43,460	1,425,897
Total Unrestricted funds	<u>3,540,368</u>	<u>937,830</u>	<u>(738,705)</u>	<u>45,000</u>	<u>43,460</u>	<u>3,827,953</u>
Restricted funds						
Mortgage reserves	45,000	-	-	(45,000)	-	-
Total of funds	<u><u>3,585,368</u></u>	<u><u>937,830</u></u>	<u><u>(738,705)</u></u>	<u><u>-</u></u>	<u><u>43,460</u></u>	<u><u>3,827,953</u></u>

Designated funds*Donations account*

This fund comprises cash held at bank to fund future mortgage loan repayments over the next 12 months, the capital element of which is held in creditors on the balance sheet.

Fixed assets

This fund represents amounts tied up in the tangible assets of the charity.

Restricted funds*Mortgage reserves*

Donations received to specifically assist the repayment of the mortgage liability.

Bethel United Church of Jesus Christ Apostolic U.K.**Notes to the Financial Statements
For the year ended 31 March 2023****16. Statement of funds (continued)****Statement of funds - prior year**

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2022 £
Unrestricted funds						
Designated funds						
Donations account	83,287	178,008	(18,831)	(110,000)	-	132,464
Fixed assets	2,549,527	-	(163,048)	46,840	-	2,433,319
	<u>2,632,814</u>	<u>178,008</u>	<u>(181,879)</u>	<u>(63,160)</u>	<u>-</u>	<u>2,565,783</u>
General funds						
General Funds	<u>919,794</u>	<u>761,818</u>	<u>(811,973)</u>	<u>84,860</u>	<u>20,086</u>	<u>974,585</u>
Total Unrestricted funds	<u>3,552,608</u>	<u>939,826</u>	<u>(993,852)</u>	<u>21,700</u>	<u>20,086</u>	<u>3,540,368</u>
Restricted funds						
Mortgage reserves	<u>-</u>	<u>66,700</u>	<u>-</u>	<u>(21,700)</u>	<u>-</u>	<u>45,000</u>
Total of funds	<u><u>3,552,608</u></u>	<u><u>1,006,526</u></u>	<u><u>(993,852)</u></u>	<u><u>-</u></u>	<u><u>20,086</u></u>	<u><u>3,585,368</u></u>

Bethel United Church of Jesus Christ Apostolic U.K.**Notes to the Financial Statements
For the year ended 31 March 2023****17. Summary of funds****Summary of funds - current year**

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2023 £
Designated funds	2,565,783	-	(163,822)	95	-	2,402,056
General funds	974,585	937,830	(574,883)	44,905	43,460	1,425,897
Restricted funds	45,000	-	-	(45,000)	-	-
	<u>3,585,368</u>	<u>937,830</u>	<u>(738,705)</u>	<u>-</u>	<u>43,460</u>	<u>3,827,953</u>

Summary of funds - prior year

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2022 £
Designated funds	2,632,814	178,008	(181,879)	(63,160)	-	2,565,783
General funds	919,794	761,818	(811,973)	84,860	20,086	974,585
Restricted funds	-	66,700	-	(21,700)	-	45,000
	<u>3,552,608</u>	<u>1,006,526</u>	<u>(993,852)</u>	<u>-</u>	<u>20,086</u>	<u>3,585,368</u>

18. Analysis of net assets between funds**Analysis of net assets between funds - current year**

	Unrestricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	2,269,592	2,269,592
Investment property	1,372,000	1,372,000
Current assets	808,340	808,340
Creditors due within one year	(133,513)	(133,513)
Creditors due in more than one year	(488,466)	(488,466)
Total	<u>3,827,953</u>	<u>3,827,953</u>

Bethel United Church of Jesus Christ Apostolic U.K.**Notes to the Financial Statements
For the year ended 31 March 2023****18. Analysis of net assets between funds (continued)****Analysis of net assets between funds - prior year**

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	2,433,319	-	2,433,319
Investment property	1,272,000	-	1,272,000
Current assets	563,150	45,000	608,150
Creditors due within one year	(159,429)	-	(159,429)
Creditors due in more than one year	(568,672)	-	(568,672)
Total	3,540,368	45,000	3,585,368

19. Reconciliation of net movement in funds to net cash flow from operating activities

	2023 £	2022 £
Net income for the year (as per Statement of Financial Activities)	299,125	142,674
Adjustments for:		
Depreciation charges	163,822	163,048
De-merger of branch churches to independent charities	(38,536)	(109,914)
(Increase)/Decrease in debtors	(42,283)	29,840
(Decrease)/Increase in creditors	(11,413)	31,635
Revaluation of investment properties	(100,000)	(130,000)
Net cash provided by operating activities	270,715	127,283

20. Analysis of cash and cash equivalents

	2023 £	2022 £
Cash in hand	752,435	576,524
Total cash and cash equivalents	752,435	576,524

Bethel United Church of Jesus Christ Apostolic U.K.**Notes to the Financial Statements
For the year ended 31 March 2023****21. Analysis of changes in net debt**

	At 1 April 2022 £	Cash flows £	Other non- cash changes £	At 31 March 2023 £
Cash at bank and in hand	576,524	157,907	-	734,431
Debt due within 1 year	(61,785)	94,709	(80,206)	(47,282)
Debt due after 1 year	(568,672)	-	80,206	(488,466)
	<u>(53,933)</u>	<u>252,616</u>	<u>-</u>	<u>198,683</u>

22. Pension commitments

The Charity operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund. The pension cost charge represents contributions payable by the Charity to the fund and amounted to £126 (2022 - £1,814). Contributions totalling £Nil (2022 - £Nil) were payable to the fund at the balance sheet date and are included in creditors.

23. Operating lease commitments

At 31 March 2023 the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2023 £	2022 £
Not later than 1 year	-	784

24. Related party transactions

The Charity has not entered into any related party transaction during the year, nor are there any outstanding balances owing between related parties and the Charity at 31 March 2023.