

**Registered Charity Number 1052178**

# **INTERNATIONAL HARVEST CHURCH NEWCASTLE**

**REPORT AND ACCOUNTS  
For the year ending 31 March 2021**

# **INTERNATIONAL HARVEST CHURCH NEWCASTLE**

## **TRUSTEES' REPORT**

*For the year ended 31 March 2021*

The Trustees present their report and the unaudited financial statements of the charity for the year ended 31 March 2021.

### **REFERENCE AND ADMINISTRATIVE DETAILS**

<b>Registered charity name</b>	International Harvest Church Newcastle
<b>Charity registration number</b>	1052178
<b>Registered office</b>	International Harvest Church, Stanhope Street, Newcastle upon Tyne NE4 5JH

### **Trustees**

The Trustees of International Harvest Church Newcastle during the period and to the date of signing this report are as follows:

Clive Charles Harding  
Andrew William Meldrum Bowie  
John Musa Kamara  
Andrew James Charlton  
Benjamin Collum Doherty

<b>Independent Examiner</b>	Pete O'Hara FCA, Chartered Accountant, 4 Stoneyhurst Road West, Gosforth, Newcastle upon Tyne NE3 1PG
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### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

#### **Governing Documents**

The Trust was established by a Trust Deed of 1 July 1957, but, pursuant to a Scheme of the Charity Commission for England and Wales, a Declaration of Trust was executed in 1993 under which the long leasehold property invested in the Trustees of International Harvest Church and the current property of the church vested in the Church Council under a Declaration of Trust was executed in the form of the Assemblies of God Model Deed prescribed under that Scheme.

The Model Deed provides that the property of the church shall be used for the furthering of the Objects of the church and for no other purpose.

#### **Charitable Purpose**

International Harvest Church (IHC) Newcastle's charitable objects are to advance the Christian faith; relieving sickness and financial hardship and to advance education.

# **INTERNATIONAL HARVEST CHURCH NEWCASTLE**

## **TRUSTEES' REPORT**

*For the year ended 31 March 2021*

### **STRUCTURE, GOVERNANCE AND MANAGEMENT (Continued)**

#### **Structure and Governance**

The Trustees of the Charity form the body known as the Church Council. Ideally the membership of this body shall be between six and ten in number (and never fewer than three). The governing document allows for the remuneration of Trustees, but they must not be in a majority.

New Trustees can be proposed by any current Trustee and then discussed by the whole Church Council. Such a discussion would look at the needs of the role and the existing team, and the relative merits of the proposed candidate.

Generally, Trustees are selected from the men's Primary Twelve, who provide spiritual oversight to the Church. We recognise that this is a somewhat narrower group, but believe there should be a consistency between the spiritual leadership of the church and the organisational leadership of the Charity.

### **OBJECTIVES AND ACTIVITIES**

#### **Objectives and Aims**

The objects of the church are, for the benefit of the public, to:

- (i) advance the Christian faith in such ways and in such parts of the United Kingdom or the world as the Church Council from time to time may think fit;
- (ii) to relieve sickness and financial hardship and to promote and preserve good health by the provision of funds, goods or services of any kind including through the provision of counselling and support in such parts of the United Kingdom or the world as the Church Council from time to time may think fit; and
- (iii) to advance education in such ways and in such parts of the United Kingdom or the world as the Church Council from time to time may think fit.

In achieving these objects, the church has organized itself in small groups known as cell (City) groups. This follows the G12 model, which emphasizes the four components of win, consolidate, disciple and send.

# **INTERNATIONAL HARVEST CHURCH NEWCASTLE**

## **TRUSTEES' REPORT**

*For the year ended 31 March 2021*

### **OBJECTIVES AND ACTIVITIES**

#### **Health & Safety**

- To provide adequate control of the health and safety risks arising from our work activities;
- To consult with our personnel on matters affecting their health and safety;
- To provide and maintain safe plant and equipment;
- To ensure safe handling and use of substances;
- To provide information, instruction and supervision for personnel;
- To ensure all personnel are competent to do their tasks, and to give adequate training;
- To prevent accidents and cases of work-related ill health;
- To maintain safe and healthy working conditions; and
- To review and revise this policy as necessary at regular intervals.

#### **Investment Policy**

All funds raised by IHC are invested directly into the operational activities of the charity in order to achieve its stated aims. Our cash reserves are kept in an interest-bearing account, and, where possible and appropriate, other investment options will be considered.

#### **Public Benefit**

The Trustees understand and have discussed the implications of the provisions of the Charities Act 2006, which state that all charities must demonstrate that they are established for public benefit, and have had due regard to the public benefit guidance issued by the Charity Commission. The Trustees believe that the charity meets both of the key principles.

Principle 1 - There must be an identifiable benefit, or benefits

IHC Newcastle's activities create opportunities for people to explore the Christian faith and find the freedom that comes from a personal relationship with Jesus. We teach and educate people on how they can do this personally. In addition, IHC also provides teaching on how to improve communication between people and other ways to strengthen families and communities, and live as responsible citizens in society.

Principle 2 - Benefit must be to the public, or a section of the public

Engagement in IHC Newcastle's public activities is open to the entire general public. We work to maintain links with our local community and have hosted local community events as part of this service and benefit to the local community

IHC Newcastle's beneficiaries are therefore entirely appropriate to its aims and the public as a whole benefits from its work. All these benefits are clear, evidenced and relate directly to IHC Newcastle's aims. In addition, the Trustees do not consider that any significant detriment or harm flows from IHC Newcastle's work.

#### **The Charity's grant making policies**

The charity does not operate an ongoing, open programme for grant-making.

#### **The contribution of volunteers**

The charity makes extensive use of volunteers to support its activities.

# **INTERNATIONAL HARVEST CHURCH NEWCASTLE**

## **TRUSTEES' REPORT**

*For the year ended 31 March 2021*

### **ACHIEVEMENTS AND PERFORMANCE**

#### **Summary of the main achievements of the charity during the year**

The year under review started just after the UK went into national lockdown because of the Coronavirus pandemic. To comply with the Government's social distancing regulations and guidelines, we switched all our activities online, and over the year we combined online and in-person activities where possible. Despite this change in the mode of operation, we pursued the objectives of the Charity through weekly Sunday services, small (city) group meetings and other activities such as quizzes that could be held online. The focus of our activities is on teaching, encouraging and motivating people to become better individuals who make a positive contribution to families and society at large. While some of our activities such as our Parent and Toddler group (Little Village) could not be run, we maintained contact and provided financial and other support for individuals and families through our city groups and other individual contacts from the Senior Pastors and Leadership of the Church.

In addition to our regular activities, we were able to achieve the following:

- Organised and participated in online international conferences to encourage and enhance the spiritual and social development of our members through the teaching, inspiration and connections that these events provide.
- Organised online Youth events including Life Languages training, which helps individuals to understand theirs and others' preferred communication styles, and how they can better "connect" with them.
- Organised special events at Christmas and other special occasions such as Mother's Day and Father's Day with celebrations and gifts to new mothers and dads in our community.
- Raised substantial funds to support communities in Bogota, Columbia and South Africa who were severely affected by the effects of the pandemic.
- Assisted Newcastle United Foundation (NUF) and their contractors, Robertsons, in granting them access through our land, to facilitate the development of the NUF building which borders the Church property. This arrangement will result in the resurfacing of our car parks by Robertsons.

We continued with our international links and investment in the training of people (albeit virtually). Over the past year, we maintained connections with churches in Sweden, Columbia, Germany, and the USA. This was through conference attendance and training activities. We also contributed to the work of other organisations and activities such as the UK G12 Group of churches and the Christian Institute. Investment in our Life Languages Certified trainers continues to provide opportunities to train church members, people from other churches and organisations in the UK and overseas, to understand their communication styles. This identifies a person's preferred way of communicating and helps people to improve inter-personal communications between individuals, spouses, and team members. We are grateful that this has been a great tool in day-to-day life that has been appreciated by many.

To enable our move to online activities, we made significant investments IT and multi-media hardware and software to enhance our effectiveness in operating online, better manage our operations, and facilitate home working by office staff. These investments included the purchase of laptops and computers, audio speakers, cameras, lighting, and associated software (e.g. StreamYard for online streaming on YouTube and Zoom, and Church Suite for data and volunteer management) and accessories. We also carried out improvements and essential maintenance to the building (e.g., repainting of windows and replacing wooden facias with aluminium ones, and improvements to comply with Government COVID-19 guidelines) and the flat owned by the church. Plans for ongoing building improvements including the replacement of windows, rewiring of the building, replacement of the fire-alarm system continue to be considered.

# **INTERNATIONAL HARVEST CHURCH NEWCASTLE**

## **TRUSTEES' REPORT**

*For the year ended 31 March 2021*

### **ACHIEVEMENTS AND PERFORMANCE (Continued)**

#### **Summary of the main achievements of the charity during the year (Cont.)**

Other building/property related activities include the re-incorporation of the Charity with the Charity Commission so that all its assets will be under the name of "The Trustees of International Harvest Church Newcastle", thereby removing the need for Holding Trustees (and transferring liability from individual members of the Charity body). All leases and deeds held by the charity have been transferred to this new entity. Alongside these developments we also explored the possibility of purchasing the freehold of our land from the leaseholder, Newcastle City Council. While the purchase wasn't possible at the time, we will continue to explore this possibility in future.

The charity continues to retain the services of Pastors Clive and Sally Harding. We continued to employ a part-time (0.2FTE) cleaner, Bogusia Reca, and a part-time (0.2FTE) Finance Assistant, Fungying Koshy. Charis Doherty returned from maternity leave and resumed work in a different role as part-time (0.4FTE) Media and Events Co-ordinator. Rosalyn Vinton re-joined the staff team as part-time (0.2FTE) Office and Building Co-ordinator following her Maternity Leave. During the course of the year two staff were put on furlough because of lockdown and the effects of Covid-19 restrictions.

In summary, we consider the year 2020-21 to have been a good year despite the challenges posed by the COVID-19 pandemic. The church continued to transform lives and provide a service to the community, development and consolidation of international links and further progress in making improvements to the building. The Trustees are grateful both to God and to the generous giving of its members and volunteers who made this possible.

#### **Financial Review**

The out-turn for the year is an unrestricted surplus of £43,347 (2020: Surplus £4,282).

The surplus will be added to Unrestricted Reserves, leaving a balance on Unrestricted Funds at 31 March 2021 of £363,046.

Free Reserves, defined as total Unrestricted Reserves, excluding the value of tangible fixed assets, are £144,881.

We have continued to have a stable financial performance, with sufficient income being raised to cover all our expenditure. The inability to physically meet in the building for most of the year had a slight effect on weekly cash donations. But the regular and generous online giving of most members more than made up for this shortfall. Less use of the building also resulted in less expenditure and, as a consequence, we had a net surplus of income over expenditure.

The surplus from the previous financial year was invested in some building improvements (and ring-fenced to planned building works and the possibility to make a substantial deposit towards the payment for the freehold of our land), while also ensuring that enough reserves were maintained in keeping with our reserves policy.

The Trustees consider the financial performance of the charity to be satisfactory.

# **INTERNATIONAL HARVEST CHURCH NEWCASTLE**

## **TRUSTEES' REPORT**

*For the year ended 31 March 2021*

### **ACHIEVEMENTS AND PERFORMANCE (Continued)**

#### **Investment Policy**

The charity currently invests surplus cash funds only via a variety of interest-bearing deposit accounts.

It holds different accounts in one bank in order to both maximize interest receivable and to, as far as practicable, hold funds within the financial compensation limit for each institution.

#### **Reserves Policy**

The Trustees have reviewed the charity's needs for reserves in line with the guidance issued by the Charity Commission.

The Trustees aim to firstly hold a level of Unrestricted Reserves, excluding Tangible Fixed Assets, which enables the charity to have sufficient financial resources to meet various liabilities which would crystallise if IHC Newcastle were unable to continue operating.

At present, the Trustees estimate that the Unrestricted Reserves required for such purposes amount to approximately £30,000 (or two months of operating costs).

IHC Newcastle currently holds 'free' Unrestricted Reserves, excluding Tangible Fixed Assets, of £144,881 at 31 March 2021, providing a degree of additional contingency to ensure that the charity can run efficiently and meet the needs of the beneficiaries. Part of this amount has also been ring-fenced for building improvement and other projects which have been put on hold or delayed because of the current Coronavirus pandemic.

This policy will be reviewed by the Trustees on an annual basis as part of the charity's budgeting processes.

#### **Risk Management**

The Trustees of the charity regularly review the major governance, operational and financial risks which the charity faces as part of its annual business planning process and confirm that systems have been established to mitigate these risks.

IHC Newcastle has a risk management strategy in place which comprises:

- an ongoing review of the strategic risks the charity may face via the strategic plan
- the establishment of planned action by trustees, systems and procedures to mitigate risks identified
- the implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

The Trustees are satisfied that appropriate financial systems and controls are in place.

The Trustees consider the key risks facing the charity at this time to be:

- Impact on IHC normal activities as a result of the coronavirus pandemic
- Falling donation levels as a result of the pandemic
- An incident in respect of children or vulnerable adults

**INTERNATIONAL HARVEST CHURCH NEWCASTLE**  
**TRUSTEES' REPORT**  
*For the year ended 31 March 2021*

**ACHIEVEMENTS AND PERFORMANCE (Continued)**

**Risk Management (Cont.)**

The Trustees have managed the potential impact of these risks by ensuring that:

- Prudent budgets have been set for the next financial year
- The charity maintains a low cost-base
- Regular management accounts are provided, showing the performance against budget
- Reserves policies have been adopted which provide an appropriate amount of uncommitted Reserves which will always enable the charity to meet all its liabilities even if income targets are not achieved
- A nominated child protection officer and policies are in place
- The charity is actively working to increase our base of support and donations

**PLANS FOR FUTURE PERIODS**

IHC will continue its regular activities against the changing demands and restrictions of the COVID-19 pandemic. These activities include discipleship and personal evangelism, small (city) group activities and outreach to the city of Newcastle upon Tyne and beyond, within the context of the current government-imposed restrictions. But for this coming year, we are exploring different ways of conducting our activities through the pairing of City Groups to enhance the effectiveness of our mission of transforming lives and creating a better society.

Further improvements will be made to the building to comply with any additional Government guidelines during the pandemic, and we will explore the possibility of implementing other long-standing building projects where possible (e.g., replacing windows, etc). In addition, we will continue to explore the possibility of purchasing the freehold on the land we currently lease from Newcastle City Council.

The Trustees will continue to review the staffing needs of IHC to ensure that there is optimum deployment of the right people to service the needs of IHC. Alongside staffing, we will also seek to further develop an effective pool of volunteers to support paid staff.

We are very grateful for the regular giving of IHC members, which is the main source of funds for all our activities. We look forward to seeing many more people become generous givers in the coming year.



**INTERNATIONAL HARVEST CHURCH NEWCASTLE**  
**TRUSTEES' REPORT**  
*For the year ended 31 March 2021*

**RESPONSIBILITIES OF THE TRUSTEES**

The Trustees shall manage the business of the Charity and may exercise all the powers of the Charity unless restricted by the Charities Act or the constitution of the Charity.

The Trustees are responsible for the preparation of the financial statements for each financial year which show a true and fair view of the state of affairs of the charity as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year.

In preparation of the financial statements the Trustees should follow best practice and:

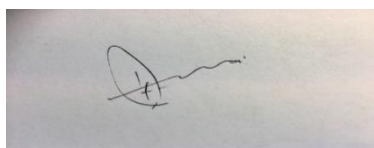
1. Select suitable accounting policies and apply them.
2. Make judgements and exercises that are reasonable and prudent.
3. Prepare the financial statements on a going concern basis unless it is inappropriate to assume that the charity will continue on that basis.

The Trustees are responsible for maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the charity.

The Trustees are also responsible for safeguarding the assets of the charity and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (issued in March 2005 by the Charities Commission England and Wales).

Signed on behalf of the Trustees

A handwritten signature in black ink, appearing to be 'John Musa Kamara', written on a light-colored background.

**John Musa Kamara**  
**Trustee**

**6 September 2021**

# **INDEPENDENT EXAMINER'S REPORT TO THE MEMBERS ON THE UNAUDITED ACCOUNTS OF INTERNATIONAL HARVEST CHURCH NEWCASTLE LIMITED FOR THE YEAR ENDED 31 MARCH 2021**

I hereby report to the Trustees/Members of International Harvest Church Newcastle (Charity Registration Number 1052178) on the accounts for the year ended 31 March 2021 set out on pages 11 to 20.

## **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.

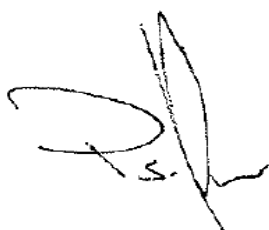
## **Basis of independent examiner's statement**

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 gives 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; and
    - 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.

**6 September 2021**



**Pete O'Hara, FCA, Chartered Accountant**

4 Stoneyhurst Road West, Gosforth, Newcastle upon Tyne NE3 1PG

**INTERNATIONAL HARVEST CHURCH NEWCASTLE**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 31 MARCH 2021**

	<b>Note</b>	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Total 2021 £</b>	<b>Total 2020 £</b>
<b>Income</b>					
Income from Investments	2	62	-	62	153
Donations & Legacies	3	255,060	9,467	264,527	204,712
Income from Charitable Activities	4	7,287	-	7,287	6,096
<b>Total Income</b>		<b>262,409</b>	<b>9,467</b>	<b>271,876</b>	<b>210,961</b>
<b>Expenditure</b>					
Cost of Raising Funds	5	1,915	-	1,915	11,283
Expenditure on Charitable Activities	6	217,147	9,467	226,614	195,396
<b>Total Expenditure</b>		<b>219,062</b>	<b>9,467</b>	<b>228,529</b>	<b>206,679</b>
<b>Net Income/(Expenditure)</b>	7	<b>43,347</b>	<b>-</b>	<b>43,347</b>	<b>4,282</b>
Funds brought forward		319,699	-	319,699	315,417
<b>Funds carried forward</b>	13, 14	<b>£363,046</b>	<b>£-</b>	<b>£363,046</b>	<b>£319,699</b>

The notes on pages 13 to 20 form part of the financial statements.

All of the activities of the company are classed as continuing.

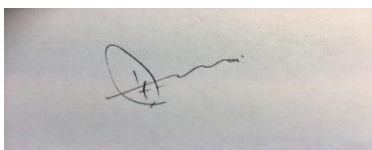
The Statement of Financial Activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared.

**INTERNATIONAL HARVEST CHURCH NEWCASTLE**  
**STATEMENT OF FINANCIAL POSITION/BALANCE SHEET**  
**AS AT 31 MARCH 2021**

	Notes	2021 £	2020 £
<b>Fixed Assets</b>			
Tangible Fixed Assets	9	218,165	226,625
<b>Current Assets</b>			
Debtors	10	12,617	10,213
Cash At Bank & In Hand		136,042	87,923
		<u>148,659</u>	<u>98,136</u>
<b>Creditors – Amounts Falling Due Within 1 Year</b>	11	(3,778)	(5,062)
Net Current Assets/(Liabilities)		<u>144,881</u>	<u>93,074</u>
<b>Total Net Assets</b>	12	<u><b>£363,046</b></u>	<u><b>£319,699</b></u>
<b>Represented by:</b>			
Unrestricted Reserves	12, 13	363,046	319,699
Restricted Reserves	12, 13	-	-
		<u><b>£363,046</b></u>	<u><b>£319,699</b></u>

The notes on pages 13 to 20 form part of the financial statements.

**These financial statements were approved and signed by a Member of the Board of Trustees on 6 September 2021.**



**John Musa Kamara**  
**Trustee**

**INTERNATIONAL HARVEST CHURCH NEWCASTLE**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**1. Accounting Policies**

**Basis of Preparation**

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.

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.

**Taxation Status**

IHC Newcastle is a Charity registered under the 1960 Charities Act and is accorded exemption from liability to taxation on its income under S505 Income and Corporation Taxes Act 1988.

**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.

**Cash Flow Statement**

The Directors have taken advantage of the provisions of the Financial Reporting Standard Number 1, which exempts small entities from the need to prepare a cash flow statement.

**Fund Accounting**

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the purposes of the charity.

Designated funds are unrestricted funds earmarked by the trustees for specific purposes.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor.

# **INTERNATIONAL HARVEST CHURCH NEWCASTLE**

## **NOTES TO THE ACCOUNTS**

### **FOR THE YEAR ENDED 31 MARCH 2021**

#### **1. Accounting Policies (Continued)**

##### **Income**

All income is included in the statement of financial activities when the charity is entitled to the income, any performance related conditions attached have been met or are fully within the control of the charity, the income is considered probable and the amount can be quantified with reasonable accuracy.

The following specific policies are applied to particular categories of income:

- Donations and legacy income is received by way of donations, legacies, grants and gifts and is included in full in the Statement of Financial Activities when receivable. Where legacies have been notified to the charity but the criteria for income recognition have not been met, the legacy is treated as a contingent asset and disclosed if material.
- Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.
- Investment income is included when receivable.
- Income from charitable trading activity is accounted for when earned.
- Other income is accounted for when receivable.

##### **Expenditure**

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates:

- Costs of raising funds comprise the costs associated with attracting donations, grants and legacies and the costs of trading for fundraising purposes.
- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

##### **Irrecoverable VAT**

All resources expended are classified under activity headings that aggregate all costs related to the category. Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

##### **Operating Leases**

The charity classifies the lease of certain types of equipment as operating leases as the title to the equipment remains with the lessor. Rental charges are charged against income on a straight-line basis over the period of the lease.

**INTERNATIONAL HARVEST CHURCH NEWCASTLE**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**1. Accounting Policies (Continued)**

**Tangible Fixed Assets and Depreciation**

Depreciation is provided on any fixed assets at rates calculated to write off the assets over their remaining useful lives as follows:

- Land & Buildings – 2% straight line
- Leasehold Property Improvements – 2% straight line
- Equipment - 20% straight line

A full year's depreciation charge is applied in the year of acquisition and no charge is made in the year of disposal.

**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.

**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.

**2. Income from Investments**

	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Interest on cash deposits	62	-	62	153
	<b>£62</b>	<b>£-</b>	<b>£62</b>	<b>£153</b>

The 2020 total of £153 was solely attributable to Unrestricted Funds.

**INTERNATIONAL HARVEST CHURCH NEWCASTLE**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**3. Income from Grants, Donations & Legacies**

	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Coronavirus Job Retention Scheme	6,301	-	6,301	-
G12 International Support	-	8,999	8,999	-
Footsteps Support	-	468	468	-
Uncovenanted Offerings	53,652	-	53,652	40,005
Deeds of Covenant and Gift Aid	195,107	-	195,107	164,707
	<b>£255,060</b>	<b>£9,467</b>	<b>£264,527</b>	<b>£204,712</b>

The 2020 total of £204,712 was solely attributable to Unrestricted Funds.

**4. Income from Charitable Activities**

	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Statutory Maternity Pay Refunded	5,354	-	5,354	-
Conference Income	-	-	-	4,145
Parents & Toddlers Group	-	-	-	236
Community Events	-	-	-	297
Life Languages	1,933	-	1,933	1,392
Special Sundays	-	-	-	26
	<b>£7,287</b>	<b>£-</b>	<b>£7,287</b>	<b>£6,096</b>

The 2020 total of £6,096 was solely attributable to Unrestricted Funds.

**5. Expenditure on Raising Funds**

	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Community Events	18	-	18	615
Life Languages	1,048	-	1,048	292
Encounters/Lifeclass	132	-	132	2,256
Conference Expenditure	717	-	717	8,120
	<b>£1,915</b>	<b>£-</b>	<b>£1,915</b>	<b>£11,283</b>

The 2020 total of £11,283 was solely attributable to Unrestricted Funds.



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**6. Expenditure on Charitable Activities**

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Total 2021 £</b>	<b>Total 2020 £</b>
<b>Direct Activity Costs</b>				
Religious Activities	11,451	468	11,919	16,911
G12 International Support	20,099	8,999	29,098	-
Pastors' Fees	88,667	-	88,667	87,099
Pastors' Expenses	3,515	-	3,515	10,997
Pastors' Conference Attendance & Training	123	-	123	4,341
<b>Support Costs</b>				
Staff Costs	28,229	-	28,229	18,190
Premises & Refurbishment Costs	21,822	-	21,822	26,077
General Office & Running Costs	34,085	-	34,085	29,441
<b>Governance Costs</b>				
Independent Examiner's Fees	2,802	-	2,802	2,340
Legal & Professional Fees	6,354	-	6,354	-
	<b>£217,147</b>	<b>£9,467</b>	<b>£226,614</b>	<b>£195,396</b>

The 2020 total of £195,396 was wholly attributable to Unrestricted Funds.

**7. Net Income/(Expenditure)**

	<b>2021 £</b>	<b>2020 £</b>
Net income/(expenditure) is stated after charging/(crediting):		
Depreciation of owned Fixed Assets	23,545	18,944
Independent Examiner's Fees – current year	2,340	2,340

**8. Staff Costs & Trustees' Remuneration**

	<b>2021 £</b>	<b>2020 £</b>
Gross Salary Costs	28,009	17,704
Employer's National Insurance	-	(178)
Employer's Pension Contributions	220	664
	<b>£28,229</b>	<b>£18,190</b>

No employee received remuneration of more than £60,000 during the year (2020 - Nil).

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**8. Staff Costs & Trustees' Remuneration (Cont.)**

The average number of staff employed during the year, calculated as full-time equivalents, was as follows:

	<b>2021 No</b>	<b>2020 No</b>
Administrative Support	1	1

Key Management Personnel, defined as the Pastors, received remuneration of £88,667 (2020: £87,099) in the year.

In accordance with the charity's constitution, Mr C Harding, a Trustee of the charity during the year, was paid £46,221 (2020: £45,404) for his professional services, provided to the church on an arms-length basis.

No other remuneration has been paid to any Trustees in the year.

No travel and subsistence expenses (2020: £Nil) were reimbursed to Trustees in respect of their attendance at meetings of the charity.

**9. Tangible Fixed Assets**

	<b>Land &amp; Buildings £</b>	<b>Office, ICT &amp; Musical Equipment £</b>	<b>Leasehold Property Improvements £</b>	<b>Total Fixed Assets £</b>
<b>Cost</b>				
At 1 April 2020	374,445	74,102	127,972	576,519
Additions in year	-	15,085	-	15,085
Disposals	-	(1,096)	-	(1,096)
At 31 March 2021	374,445	88,091	127,972	590,508
<b>Accumulated Depreciation</b>				
At 1 April 2020	264,883	60,999	24,012	349,894
Charge for year	7,489	13,497	2,559	23,545
Disposals	-	(1,096)	-	(1,096)
At 31 March 2021	272,372	73,400	26,571	372,343
<b>Net Book Value</b>				
At 31 March 2021	<b>£102,073</b>	<b>£14,691</b>	<b>£101,401</b>	<b>£218,165</b>
At 1 April 2020	£109,562	£13,103	£103,960	£226,625

**INTERNATIONAL HARVEST CHURCH NEWCASTLE**  
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**10. Debtors**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Prepayments	2,184	1,678
Accrued Income – Gift Aid	5,891	2,040
Other Taxes & Social Security Costs	4,542	6,495
	<b>£12,617</b>	<b>£10,213</b>

**11. Creditors – Amounts Falling Due Within 1 Year**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Accruals	2,488	4,580
Other Creditors	1,290	482
	<b>£3,778</b>	<b>£5,062</b>

**12. Analysis of Net Assets between Funds**

	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>Total 2021</b>	<b>Total 2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Fixed Assets	218,165	-	218,165	226,625
Debtors	12,617	-	12,617	10,213
Cash at Bank and In Hand	136,042	-	136,042	87,923
Creditors – Amounts Due Within 1 Year	(3,778)	-	(3,778)	(5,062)
	<b>£363,046</b>	<b>£-</b>	<b>£363,046</b>	<b>£319,699</b>

**13. Analysis of Charitable Funds**

	<b>Fund at 1 April 2020</b>	<b>Incoming Resources in Year</b>	<b>Resources Expended in Year</b>	<b>Fund at 31 March 2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Unrestricted Funds</b>				
Charity General Fund	319,699	262,409	(219,062)	363,046
<b>Restricted Funds</b>				
G12 International Support	-	8,999	(8,999)	-
Footsteps Support	-	468	(468)	-
	-	9,467	(9,467)	-
<b>Total Funds</b>	<b>£319,699</b>			<b>£363,046</b>

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**13. Analysis of Charitable Funds (Cont.)**

<b>Name of Restricted Fund</b>	<b>Description, Nature &amp; Purpose of the Restricted Fund</b>
G12 International Support	Donations received towards the cost of G12 support in South Africa and Bogota
Footsteps Support	Donations received towards the cost of supporting the external organisation, Footsteps

**14. Taxation**

The company is a registered charity and no provision is considered necessary for taxation.

**15. Related Party Transactions**

During the year a total of £102,689 (2020 £97,465) was paid to related parties.

Persons receiving payment were:

- Mr C Harding, a Trustee of the charity, was paid for his professional services as Pastor of the Church;
- Mrs S Harding, wife of Trustee Mr C Harding, was paid for her professional services as Pastor of the Church;
- Mrs C Doherty, wife of Trustee Mr B Doherty and daughter of Trustee Mr C Harding, was paid for her services to the church.
- Mr R Harding, son of Trustee Mr C Harding, was paid for speaking fees

**16. Financial Commitments**

No material financial commitments have been made in respect of future financial periods.

**17. Operating Lease Commitments**

At 31 March 2021 the charity had total commitments under non-cancellable operating leases as follows

<b>Category</b>	<b>Equipment</b>
Operating leases which expire:	£
Within two to five years	<u>2,728</u>