

REGISTERED CHARITY NUMBER: 1053047

**REPORT OF THE TRUSTEES AND  
UNAUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2020  
FOR  
CHAPTER TWO**

Berringers LLP  
Chartered Accountants  
Lygon House  
50 London Road  
Bromley  
Kent  
BR1 3RA

## **CHAPTER TWO**

### **CONTENTS OF THE FINANCIAL STATEMENTS for the year ended 31 July 2020**

	<b>Page</b>
<b>Reference and administrative details</b>	<b>1</b>
<b>Report of the trustees</b>	<b>2 to 5</b>
<b>Independent examiner's report</b>	<b>6</b>
<b>Statement of financial activities</b>	<b>7</b>
<b>Balance sheet</b>	<b>8</b>
<b>Notes to the financial statements</b>	<b>9 to 16</b>



## CHAPTER TWO

### REFERENCE AND ADMINISTRATIVE DETAILS for the year ended 31 July 2020

<b>TRUSTEES</b>	S Attwood Mrs M E Cross H A Clark M D Grasso A F Warnes (appointed 1.8.19)
<b>PRINCIPAL ADDRESS</b>	Fountain House Conduit Mews London SE18 7AP
<b>REGISTERED CHARITY NUMBER</b>	1053047
<b>INDEPENDENT EXAMINER</b>	Berringers LLP Chartered Accountants Lygon House 50 London Road Bromley Kent BR1 3RA

## **CHAPTER TWO**

### **REPORT OF THE TRUSTEES for the year ended 31 July 2020**

The trustees present their report with the financial statements of the charity for the year ended 31 July 2020. The trustees have adopted the provisions of 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 present trustees are listed on page 1.

#### **OBJECTIVES AND ACTIVITIES**

##### **Objectives and aims**

The principal objective is the advancement of the Christian faith through the provision of literature, and by other means including preaching, conferences, and various forms of outreach.

The charity owns three freehold properties which are used to meet its objectives. The shop, situated at 199 Plumstead Common, is used to distribute literature to the general public. The main warehouse and distribution centre is situated in Fountain House, 3 Conduit Mews, and this property is also used as an administration centre. The property situated at 2 Plum Lane is used to give short term accommodation to volunteer workers from UK and overseas.

The shop and warehouse continue to distribute literature, both by sale and by gift. The provision of free literature to support Christian outreach and follow-up is funded by sales to the public and by donations received into the General Fund. To enable the provision of quality Christian literature, the Trust seeks continually to update its book catalogue and to raise its profile locally as well through more general advertising.

##### **Public Benefit**

The Trustees have had regard to Charity Commission guidance on public benefit and consider that the objectives, aims and achievements of the charity described in the report enable it to meet its duty to the Charity Commission as per Section 17 of the Charities Act 2011 and to the benefit of the public.



## CHAPTER TWO

### REPORT OF THE TRUSTEES for the year ended 31 July 2020

#### ACHIEVEMENT AND PERFORMANCE

##### Charitable activities

The general activities of the Trust continue to be self-financing, with donations and profits on sales of literature, financing literature distribution and administration.

During the year, the value of literature distributed worldwide has decreased (see below), but the full range of activities, including the publication of new books and leaflets, has continued. Facilities at Fountain House for storage and despatch have been fully utilised. Literature and correspondence courses have continued to be sent to customers and other contacts in the UK and overseas, and in particular to UK prisons and detention centres. The Trust exhibited at the annual Christian Resources Exhibition, which was held at Sandown Racecourse, Esher in October 2019.

It was not possible to hold the annual Plumstead Bible Conference at Yarnfield Park Training and Conference Centre in April 2020 as planned due to coronavirus restrictions. Following negotiations with Compass Contract Services (UK) Limited, which operates the centre, £9,309 of the advance deposit of £13,963 paid in January 2020 was allocated to the cost of a conference in April 2021. This is no longer viable given continuing coronavirus restrictions, and it is not yet clear whether social distancing requirements will affect the venue's capacity for 2022. Therefore, the trust will seek to recover £9,309 of the amount paid as advance deposit for 2020, and consider holding a conference at Yarnfield in 2023. See below for further information about the impact of the coronavirus on the charity's operations and finances.

Outreach during the year included a visit to Saratov, Russia, and Aars, Denmark in October and November 2019 respectively, both of which involved teaching the Christian faith and pastoral care. Where possible the Trust has continued to support various activities and conferences in the UK although these have reduced in number or become online events since the onset of the coronavirus pandemic in March/April 2020.

During the year, the Trust continued to undertake repair works to its buildings, primarily 2 Plum Lane and the shop and flat at 199 Plumstead Common Road. It also concluded its implementations of its new website and voice over internet phone (VOIP) system. It also continued to work on improving its online profile, and completely refreshed its Facebook page.

The Trust revalued its three properties on 8 July 2020.

The Trust hosted a thanksgiving meal for its authors, workers and supporters on 26 October 2019.

##### Impact of the coronavirus pandemic from March 2020:

- \* While it has been able to offer an unbroken service to customers and other users who access its services by phone, email and the internet it had to close its shop at 199 Plumstead Common Road from the beginning of April. It reopened this from 14 June 2020 when the government limited its lockdown restrictions on smaller shops. Sales activity reduced in the early months of the pandemic but has increased more latterly.
- \* It has followed government guidance in introducing social distancing, and the provision of sanitiser and masks for customers and other visitors to its shop and at its offices and warehouse.
- \* When resources have allowed it has offered a click and collect service to customers.
- \* As reported above it has not been able to engage in conferences and other public events.
- \* The need for some volunteers to shield at home has slowed down publication work.



## CHAPTER TWO

### REPORT OF THE TRUSTEES for the year ended 31 July 2020

#### FINANCIAL REVIEW

##### Reserves policy

The level of reserves is continually under review to ensure that adequate reserves are always available. The total reserves at 31 July 2020 stood at £1,643,435 (2019 - £1,348,094). This is to ensure that the Charity can meet its objectives and the Trustees are satisfied that the Charity has sufficient funds to fulfil its obligations.

The trustees have determined financial policies as set out below:

- \* the distribution of free literature, as well as other resources within the charity, continues to follow the principle laid down in 1 Peter 4:10 - 'As every man hath received the gift, even so minister the same one to another, as good stewards of the manifold grace of God.'
- \* cash resources not required for current needs are placed on bank deposit accounts prior to their being used to fund the Charity's activities.
- \* the charity is funded by both restricted and unrestricted funds.
- \* unrestricted funds are allocated to the general operations and activities. Donations are allocated to unrestricted funds unless specified otherwise by the donor. Assets representing unrestricted funds are managed by the General Manager and his staff.
- \* unrestricted funds (excluding designated funds) are to be maintained at a level sufficient to fund the stocks held for sale or distribution and to meet the costs of provision of further literature and governance costs for at least six months.

After meeting all the running costs of the charity, the final surplus from unrestricted activities, after allowing for a transfer between funds of £447, was £287,006 (2019 - £1,599). The current year's income includes an unrealised gain on the revaluation of the properties of £279,000 (2019 - nil). Within that total figure, sales of literature showed a decrease in turnover in comparison with the previous year and produced a slightly lower surplus of £6,031 (2019 - £9,864).

The general fund at 31 July 2020 stood at £1,624,771 as compared with the balance at 31 July 2019 of £1,337,765.

#### FUTURE PLANS

The Trustees are reliant on God's provision and help in fulfilling the purposes of the Trust and are thankful to record His goodness in sustaining them and the charity in his service. Continuing this dependence, the Trustees intend to continue the same activities for the forthcoming year to further the main objectives of the Trust.

The Trust has plans for future publishing projects and the promotion of the Christian faith. Additional funds are needed to achieve these plans, but there are adequate reserves available to meet existing on-going needs. It will also continue to maintain and improve its buildings and other facilities.

#### STRUCTURE, GOVERNANCE AND MANAGEMENT

##### Governing document

The charity is controlled by its governing document, a deed of trust and constitutes an unincorporated charity.

Chapter Two is a trust governed by a constitution set out in November 1976 and revised in January 1995.

In the event of the charity being wound up, no liability in respect of the charity will vest in the members of the charity.

##### Recruitment and appointment of new trustees

New trustees are appointed as and when required by the board of trustees.

##### Organisational structure

The trustees have delegated day to day management of the charity to the General Manager Mr S Attwood.

The General Manager organises the teams of volunteers involved in the distribution of literature from the shop and the warehouse. No salaries are drawn by the staff, all of whom are unpaid volunteers.

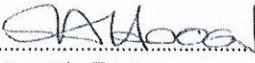
##### Related parties

Mrs M Cross is also a trustee of the charity "Christian Outreach to the Handicapped". In addition Chapter Two continues to provide support services and consequently considers itself to be a connected party. Mr S Attwood is a trustee of UK Foundation for Christian Service, a charity which makes donations to Chapter Two from time to time.

## CHAPTER TWO

### REPORT OF THE TRUSTEES for the year ended 31 July 2020

Approved by order of the board of trustees on .....22/3/21..... and signed on its behalf by:

  
.....  
S Attwood - Trustee



## INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF CHAPTER TWO

### Independent examiner's report to the trustees of Chapter Two

I report to the charity trustees on my examination of the accounts of Chapter Two (the Trust) for the year ended 31 July 2020.

### Responsibilities and basis of report

As the charity trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Trust's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

### Independent examiner's statement

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

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

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



Paul Allan BSocSC FCA  
Berringers LLP  
Chartered Accountants  
Lygon House  
50 London Road  
Bromley  
Kent  
BR1 3RA

Date: ..... 22/3/21 .....



## CHAPTER TWO

### STATEMENT OF FINANCIAL ACTIVITIES for the year ended 31 July 2020

	Notes	Unrestricted funds £	Restricted funds £	2020 Total funds £	2019 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	2	77,228	33,950	111,178	128,199
Charitable activities	3	95,644	-	95,644	135,604
Investment income	4	1,794	-	1,794	1,523
<b>Total</b>		<b>174,666</b>	<b>33,950</b>	<b>208,616</b>	<b>265,326</b>
<b>EXPENDITURE ON</b>					
Charitable activities	5				
Costs of charitable activities		89,213	-	89,213	125,340
Gifts & donations		-	9,030	9,030	10,395
Support costs		67,024	11,750	78,774	71,903
Conference		-	4,654	4,654	42,033
Donated books		9,976	628	10,604	13,105
<b>Total</b>		<b>166,213</b>	<b>26,062</b>	<b>192,275</b>	<b>262,776</b>
<b>NET INCOME</b>		<b>8,453</b>	<b>7,888</b>	<b>16,341</b>	<b>2,550</b>
Transfers between funds	14	(447)	447	-	-
<b>Other recognised gains/(losses)</b>					
Gains on revaluation of fixed assets		279,000	-	279,000	-
<b>Net movement in funds</b>		<b>287,006</b>	<b>8,335</b>	<b>295,341</b>	<b>2,550</b>
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward		1,337,765	10,329	1,348,094	1,345,544
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>1,624,771</b>	<b>18,664</b>	<b>1,643,435</b>	<b>1,348,094</b>

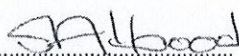
The notes form part of these financial statements

## CHAPTER TWO

### BALANCE SHEET 31 July 2020

	Notes	Unrestricted funds £	Restricted funds £	2020 Total funds £	2019 Total funds £
<b>FIXED ASSETS</b>					
Intangible assets	9	2,212	-	2,212	-
Tangible assets	10	1,137,422	-	1,137,422	860,896
		<u>1,139,634</u>	<u>-</u>	<u>1,139,634</u>	<u>860,896</u>
<b>CURRENT ASSETS</b>					
Stocks	11	274,140	-	274,140	265,783
Debtors	12	21,529	9,309	30,838	20,570
Cash at bank and in hand		207,037	22,630	229,667	221,271
		<u>502,706</u>	<u>31,939</u>	<u>534,645</u>	<u>507,624</u>
<b>CREDITORS</b>					
Amounts falling due within one year	13	(17,569)	(13,275)	(30,844)	(20,426)
		<u>485,137</u>	<u>18,664</u>	<u>503,801</u>	<u>487,198</u>
<b>NET CURRENT ASSETS</b>					
		<u>485,137</u>	<u>18,664</u>	<u>503,801</u>	<u>487,198</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>					
		<u>1,624,771</u>	<u>18,664</u>	<u>1,643,435</u>	<u>1,348,094</u>
<b>NET ASSETS</b>					
		<u>1,624,771</u>	<u>18,664</u>	<u>1,643,435</u>	<u>1,348,094</u>
<b>FUNDS</b>					
Unrestricted funds	14			1,624,771	1,337,765
Restricted funds				18,664	10,329
<b>TOTAL FUNDS</b>				<u>1,643,435</u>	<u>1,348,094</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 22/3/21 and were signed on its behalf by:

  
S Altwood - Trustee

The notes form part of these financial statements



## CHAPTER TWO

### NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 July 2020

#### 1. ACCOUNTING POLICIES

##### **Basis of preparing the financial statements**

The financial statements of the charity, which is a public benefit entity under FRS 102, 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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain assets.

##### **Income**

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

##### **Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

##### **Intangible assets**

Intangible assets are the website development costs and are amortised over 2 years.

##### **Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 10% - 20% on cost
Fixtures and fittings	- 25% on reducing balance
Motor vehicles	- 25% on reducing balance

Tangible fixed assets were capitalised at cost including any incidental expenses of acquisition or in cases where they have been donated the value at the time the donated asset is received. The freehold land and buildings have been subsequently recorded at valuation as at 8 July 2020. The Trustees believe that there has been no material market movement since then.

##### **Stocks**

Stocks are valued at the lower of cost or net realisable value after making due allowance for any obsolete or slow moving items. A provision based on the current level of stocks given away during the current year is made to reduce the carrying value of stocks in respect of stocks to be given away during the forthcoming year.

##### **Taxation**

The charity is exempt from tax on its charitable activities.

##### **Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

The three restricted funds include;

- 1) General gifts and donations that are used as specified by the donor.
- 2) Gifts of Bibles for Prisons
- 3) The conference, held in Yarnfield Park Training and Conference Centre.



## CHAPTER TWO

### NOTES TO THE FINANCIAL STATEMENTS - continued for the year ended 31 July 2020

#### 1. ACCOUNTING POLICIES - continued

##### **Fund accounting**

The conference surplus/deficit is netted off to the general fund, and the balance of the gifts and donations are carried forward. Gifts for Bibles for Prisons, if in deficit, will be supported by the general fund.

##### **Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

#### 2. DONATIONS AND LEGACIES

	2020	2019
	£	£
Gifts	101,178	128,199
Legacies	10,000	-
	<u>111,178</u>	<u>128,199</u>

#### 3. CHARITABLE ACTIVITIES

	2020	2019
	£	£
Sale of literature & related products	95,244	135,204
Management charges	400	400
	<u>95,644</u>	<u>135,604</u>

The sale of Christian literature is considered by the Trustees to be trade pursuant to the charity's objects.

#### 4. INVESTMENT INCOME

	2020	2019
	£	£
Deposit account interest	<u>1,794</u>	<u>1,523</u>

#### 5. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 6) £	Totals £
Costs of charitable activities	89,213	-	89,213
Gifts & donations	9,030	-	9,030
Support costs	-	78,774	78,774
Conference	4,654	-	4,654
Donated books	10,604	-	10,604
	<u>113,501</u>	<u>78,774</u>	<u>192,275</u>



## CHAPTER TWO

### NOTES TO THE FINANCIAL STATEMENTS - continued for the year ended 31 July 2020

#### 6. SUPPORT COSTS

	Finance	Other	Governance costs	Totals
	£	£	£	£
Support costs	<u>3,653</u>	<u>65,881</u>	<u>9,240</u>	<u>78,774</u>

Support costs, included in the above, are as follows:

#### Other

	2020 Support costs £	2019 Total activities £
Rates and water	4,986	5,483
Insurance	2,125	2,172
Light and heat	4,649	4,935
Telephone	5,285	3,386
Postage and stationery	3,881	3,020
Advertising	7,223	6,395
Travelling	2,229	4,691
Motor expenses	4,592	4,313
Website & computer	2,889	3,152
Repairs & renewals	12,338	2,340
Cleaning & waste disposal	423	600
Sundries	2,694	1,532
Exchange rate movement	6,866	(7,315)
Bad debts	-	3,299
Amortisation of intangible fixed assets	2,213	-
Depreciation of tangible fixed assets	2,474	21,798
Leasing	1,014	870
	<u>65,881</u>	<u>60,671</u>

#### Governance costs

	2020 Support costs £	2019 Total activities £
Legal & professional fees	1,200	-
Accountancy	3,740	2,700
Independent examination	4,300	4,300
	<u>9,240</u>	<u>7,000</u>

## CHAPTER TWO

### NOTES TO THE FINANCIAL STATEMENTS - continued for the year ended 31 July 2020

#### 7. TRUSTEES' REMUNERATION AND BENEFITS

Expenses during the year paid on behalf of a trustee amounted in total to £415 - (2019 - £2,031) for travel costs on behalf of Chapter Two.

##### Trustees' expenses

Included within restricted funds are those donations of £3,684 - (2019 - £1,767) that were received by Chapter Two and distributed to specific Trustees as per the donors instructions.

In the year accommodation was provided for a few days a week in one of the properties owned by the charity to one trustee to enable him to more effectively fulfil his duties as a trustee in furthering the sale and distribution of Christian literature. The trustee lives at such a distance from the charity that daily commuting would be both costly to the charity and impractical.

#### 8. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	73,383	54,816	128,199
Charitable activities	135,604	-	135,604
Investment income	1,523	-	1,523
<b>Total</b>	<u>210,510</u>	<u>54,816</u>	<u>265,326</u>
<b>EXPENDITURE ON</b>			
<b>Charitable activities</b>			
Costs of charitable activities	125,340	-	125,340
Gifts & donations	-	10,395	10,395
Support costs	71,903	-	71,903
Conference	-	42,033	42,033
Donated books	11,874	1,231	13,105
<b>Total</b>	<u>209,117</u>	<u>53,659</u>	<u>262,776</u>
<b>NET INCOME</b>	<u>1,393</u>	<u>1,157</u>	<u>2,550</u>
<b>Transfers between funds</b>	<u>(1,599)</u>	<u>1,599</u>	<u>-</u>
<b>Net movement in funds</b>	<u>(206)</u>	<u>2,756</u>	<u>2,550</u>
<b>RECONCILIATION OF FUNDS</b>			
<b>Total funds brought forward</b>	1,337,971	7,573	1,345,544
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u><u>1,337,765</u></u>	<u><u>10,329</u></u>	<u><u>1,348,094</u></u>



## CHAPTER TWO

### NOTES TO THE FINANCIAL STATEMENTS - continued for the year ended 31 July 2020

#### 9. INTANGIBLE FIXED ASSETS

	Website £
<b>COST</b>	
Additions	<u>4,425</u>
<b>AMORTISATION</b>	
Charge for year	<u>2,213</u>
<b>NET BOOK VALUE</b>	
At 31 July 2020	<u><u>2,212</u></u>
At 31 July 2019	<u><u>-</u></u>

#### 10. TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures and fittings £	Motor vehicles £	Totals £
<b>COST OR VALUATION</b>				
At 1 August 2019	925,000	49,516	38,802	1,013,318
Revaluations	<u>205,000</u>	<u>-</u>	<u>-</u>	<u>205,000</u>
At 31 July 2020	<u>1,130,000</u>	<u>49,516</u>	<u>38,802</u>	<u>1,218,318</u>
<b>DEPRECIATION</b>				
At 1 August 2019	74,000	45,639	32,783	152,422
Charge for year	-	970	1,504	2,474
Revaluation adjustments	<u>(74,000)</u>	<u>-</u>	<u>-</u>	<u>(74,000)</u>
At 31 July 2020	<u>-</u>	<u>46,609</u>	<u>34,287</u>	<u>80,896</u>
<b>NET BOOK VALUE</b>				
At 31 July 2020	<u><u>1,130,000</u></u>	<u><u>2,907</u></u>	<u><u>4,515</u></u>	<u><u>1,137,422</u></u>
At 31 July 2019	<u><u>851,000</u></u>	<u><u>3,877</u></u>	<u><u>6,019</u></u>	<u><u>860,896</u></u>

The properties were revalued by P L W Morgan FRICS MCI Arb of Morgans Chartered Surveyors, 28 Sundridge Avenue, Bromley BR1 2PX on 8 July 2020. Currently the valuation of the property is represented by:

	£
<b>Valuation 2020</b>	841,463
<b>Cost</b>	<u>288,537</u>
<b>Total</b>	<u><u>1,130,000</u></u>

The Trustees believe that there has been no material market movement since then.

## CHAPTER TWO

### NOTES TO THE FINANCIAL STATEMENTS - continued for the year ended 31 July 2020

#### 11. STOCKS

	2020	2019
	£	£
Stocks	274,140	265,783

#### 12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Trade debtors	9,439	10,525
VAT	2,198	2,572
Prepayments	19,201	7,473
	<u>30,838</u>	<u>20,570</u>

#### 13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Trade creditors	11,415	12,947
Other creditors	19,429	7,479
	<u>30,844</u>	<u>20,426</u>

#### 14. MOVEMENT IN FUNDS

	At 1.8.19 £	Net movement in funds £	Transfers between funds £	At 31.7.20 £
<b>Unrestricted funds</b>				
General fund	752,214	31,540	(447)	783,307
Revaluation reserve	585,551	255,913	-	841,464
	<u>1,337,765</u>	<u>287,453</u>	<u>(447)</u>	<u>1,624,771</u>
<b>Restricted funds</b>				
Gifts and Donations	10,329	8,335	-	18,664
Conference	-	(447)	447	-
	<u>10,329</u>	<u>7,888</u>	<u>447</u>	<u>18,664</u>
<b>TOTAL FUNDS</b>	<u>1,348,094</u>	<u>295,341</u>	<u>-</u>	<u>1,643,435</u>



## CHAPTER TWO

### NOTES TO THE FINANCIAL STATEMENTS - continued for the year ended 31 July 2020

#### 14. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General fund	174,666	(166,213)	23,087	31,540
Revaluation reserve	-	-	255,913	255,913
	<u>174,666</u>	<u>(166,213)</u>	<u>279,000</u>	<u>287,453</u>
<b>Restricted funds</b>				
Gifts and Donations	29,115	(20,780)	-	8,335
Conference	4,207	(4,654)	-	(447)
Bibles and Prison	628	(628)	-	-
	<u>33,950</u>	<u>(26,062)</u>	<u>-</u>	<u>7,888</u>
<b>TOTAL FUNDS</b>	<u>208,616</u>	<u>(192,275)</u>	<u>279,000</u>	<u>295,341</u>

#### Comparatives for movement in funds

	At 1.8.18 £	Net movement in funds £	Transfers between funds £	At 31.7.19 £
<b>Unrestricted funds</b>				
General fund	739,692	14,121	(1,599)	752,214
Revaluation reserve	598,279	(12,728)	-	585,551
	<u>1,337,971</u>	<u>1,393</u>	<u>(1,599)</u>	<u>1,337,765</u>
<b>Restricted funds</b>				
Gifts and Donations	7,573	2,756	-	10,329
Conference	-	(1,599)	1,599	-
	<u>7,573</u>	<u>1,157</u>	<u>1,599</u>	<u>10,329</u>
<b>TOTAL FUNDS</b>	<u>1,345,544</u>	<u>2,550</u>	<u>-</u>	<u>1,348,094</u>

## CHAPTER TWO

### NOTES TO THE FINANCIAL STATEMENTS - continued for the year ended 31 July 2020

#### 14. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	210,510	(196,389)	14,121
Revaluation reserve	-	(12,728)	(12,728)
	<u>210,510</u>	<u>(209,117)</u>	<u>1,393</u>
<b>Restricted funds</b>			
Gifts and Donations	13,151	(10,395)	2,756
Conference	40,434	(42,033)	(1,599)
Bibles and Prison	1,231	(1,231)	-
	<u>54,816</u>	<u>(53,659)</u>	<u>1,157</u>
<b>TOTAL FUNDS</b>	<u>265,326</u>	<u>(262,776)</u>	<u>2,550</u>

#### Transfers between funds

Both the Gifts and Donations fund and the Conference fund are restricted, but are supported, where necessary, by the unrestricted fund. Any shortfall or surplus in the Conference fund for the year is netted off to zero at the end of the year via a transfer from/to the unrestricted fund.

The donations for bibles distributed did exceed the expenditure and a contribution was required from the general fund of £9,976 and is included in the unrestricted charitable activities cost.

#### 15. RELATED PARTY DISCLOSURES

The charity has received £400 (2019 - £400) from Christian Outreach to the Handicapped by way of a management charge, which is considered a related party transaction.

UK Foundation for Christian Service, a related party due to a common trustee, donated £5,576 to Chapter Two.