

**CHARITY REGISTRATION NUMBER: 1059112**

**HIS GRACE WORLD OUTREACH TRUST**

**Unaudited Financial Statements**

**31 October 2020**

# **HIS GRACE WORLD OUTREACH TRUST**

## **Financial Statements**

**Year ended 31 October 2020**

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# HIS GRACE WORLD OUTREACH TRUST

## Trustees' Annual Report

### Year ended 31 October 2020

The trustees present their report and the unaudited financial statements of the charity for the year ended 31 October 2020.

#### Reference and administrative details

**Registered charity name** HIS GRACE WORLD OUTREACH TRUST

**Charity registration number** 1059112

#### Principal office

#### The trustees

Rev. Paul Fadeyi  
Mr E A Onifade  
Rev Joe Nwokoye  
Mrs M O Adeyemi  
Ms Omowunmi Morohundiya  
Mrs Joyce Adejoke Fadeyi

**Independent examiner** Harry Koranteng FCCA,ACMA  
5 Greenwich Quay  
Clarence Road  
London  
SE8 3EY

#### Structure, governance and management

##### Governing Document

The charity is governed by deed of trust dated 8 October 1996. It is registered as a charity with the Charity Commission on 14 November 2006.

##### Appointment of Trustees

A new trustee may be appointed by a resolution of the Trustees passed at a meeting of the Trustees at which there is a majority of the Trustees present and such resolution shall be recorded in the minutes and signed by the new Trustee and by the chairman of the meeting and such records shall be conclusive evidence of his appointment.

##### Trustee Induction and Training

New trustees undergo an orientation day to brief them on their legal obligations under charity law, the committee and decision processes and the recent financial performance of the charity. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their duties.

##### Organisation

The board of trustees consisting of 6 members, who meet half yearly, administer the charity. There are sub-committees covering spiritual development, membership and welfare, finance and administration. The finance and administration sub-committee is charged with the management of the day to day operations of the charity.

# **HIS GRACE WORLD OUTREACH TRUST**

## **Trustees' Annual Report *(continued)***

**Year ended 31 October 2020**

### **Objectives and activities**

The main objects of the charity is to advance the Christian faith in London and in such other parts of the United Kingdom or the world as the trustees may from time to time think fit.

In planning our activities for the year we kept in mind the Charity Commission's guidance on public benefit. The focus of our activities continued to be that of worshiping God and furtherance of the gospel of our Lord Jesus Christ and the general advancement of the Christian faith. This benefits the general public through relieving people who are in conditions of need or hardship or who are aged or sick and to advance education in accordance with Christian principles in London and in such other parts of the United Kingdom or the world as the trustees may from time to time think fit and also to promote and fulfil such other charitable purposes beneficial to the community in London and in such other parts of the United Kingdom or the world as the trustees may from time to time think fit.

# **HIS GRACE WORLD OUTREACH TRUST**

## **Trustees' Annual Report *(continued)***

**Year ended 31 October 2020**

### **Achievements and performance**

The accounting year ending 2020 was an unusual year with positive and some challenging experiences in the midst of the pandemic. All hands were on deck to adapt and make necessary changes in order to keep the organisation going in line with the main objective of the charity: to advance the Christian faith in London and beyond.

For most part of the year, there was a reduced number of members allowed to come into the church building in compliance with the COVID-19 regulations. As a result meetings and communication with church members and other people in the community was through the social media platforms. Interestingly, there was a sharp increase in the number of people logging online for our Bible study and Sunday services. The feedback we received during the meetings showed that people were greatly impacted through the ministrations and the teaching of the word.

In addition, it is also worth mentioning the steadfast financial support we received from all our faithful members despite the pandemic. This went a long way to help us meet all our monthly financial obligations at all levels. There was no cause to furlough any of our staff. We're very grateful for such a level dedication and commitment by all our members, friend and partners for all the financial support we received.

Despite the challenges and the restrictions during the pandemic, we were able to maintain our usual strong emphasis on the teaching of God's word through our YouTube channel during our Friday Bible study and Worship service on Sunday. Targeted efforts were also made to reach out to our Young adults, Youth and children via the Zoom. All the efforts put in by the volunteer teachers are highly appreciated.

The community services, the social networking forum for the Bereavement group that takes place every Thursday in the church reception hall was temporarily suspended. We hope to resume it in the near future. Apart from our mission donations, we also supported and donated gift items to the Virgin care hospital next to our church premises.

It is worth mentioning that during this accounting period, viewers continue to be blessed by our paid Christian messages of hope through our TV broadcast and YouTube channel on Friday and Sunday services which are streamed live.

Once again, the Trustees are very grateful for all the church members, friends and partners of the ministry who gave financial and moral support through their regular donations for the execution of our programs, mission work. May God bless and reward their generosity.

# **HIS GRACE WORLD OUTREACH TRUST**

## **Trustees' Annual Report *(continued)***

### **Year ended 31 October 2020**

#### **Financial review**

Despite the Corona pandemic causing the suspension of face to face attendance to services for about half the period under review, total incoming resources increased slightly by 0.59% to £294,455 (2019 - £292,727). The principal funding sources continued to be tithes and offerings from members. Included in the total incoming resources is £33,123 (2019- £49,954).

The Total Outgoing resources however decreased by 8.87% to £264,171 (2019 - £289,893).

This thus resulted in a net incoming resources of £30,284 (2019 - £2,834).

#### **Plans for future periods**

Our future plans includes:

1. Continue to build on the success of 2020 with regards to the advancement of Christian faith through more social media coverage.
2. To resume with the renovation the church building externally and internally.
3. To Train and develop more Young Adults to take up leadership roles as part of our succession plan.
4. To Continue to explore more opportunities to present the good news of the gospel within and outside the UK.

The trustees' annual report was approved on 24 August 2021 and signed on behalf of the board of trustees by:

Mrs M O Adeyemi  
Trustee

# **HIS GRACE WORLD OUTREACH TRUST**

## **Independent Examiner's Report to the Trustees of HIS GRACE WORLD OUTREACH TRUST**

**Year ended 31 October 2020**

I report to the trustees on my examination of the financial statements of HIS GRACE WORLD OUTREACH TRUST ('the charity') for the year ended 31 October 2020.

### **Responsibilities and basis of report**

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

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

### **Independent examiner's statement**

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

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 charity as required by section 130 of the Act; or
2. the financial statements do not accord with those records; or
3. the financial statements 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.

Harry Koranteng FCCA,ACMA

Independent Examiner

5 Greenwich Quay  
Clarence Road  
London  
SE8 3EY

# HIS GRACE WORLD OUTREACH TRUST

## Statement of Financial Activities

Year ended 31 October 2020

		2020		2019
		Unrestricted	Total funds	Total funds
	Note	funds	£	£
<b>Income and endowments</b>				
Donations and legacies	4	261,151	261,151	242,696
Investment income	5	181	181	77
Other income	6	33,123	33,123	49,954
<b>Total income</b>		<u>294,455</u>	<u>294,455</u>	<u>292,727</u>
<b>Expenditure</b>				
Expenditure on raising funds:				
Costs of raising donations and legacies	7	10,212	10,212	10,740
Expenditure on charitable activities	8,9	252,202	252,202	276,762
Other expenditure	10	1,757	1,757	2,391
<b>Total expenditure</b>		<u>264,171</u>	<u>264,171</u>	<u>289,893</u>
<b>Net income and net movement in funds</b>		<u>30,284</u>	<u>30,284</u>	<u>2,834</u>
<b>Reconciliation of funds</b>				
Total funds brought forward		485,691	485,691	482,857
<b>Total funds carried forward</b>		<u>515,975</u>	<u>515,975</u>	<u>485,691</u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.



# HIS GRACE WORLD OUTREACH TRUST

## Statement of Financial Position

31 October 2020

	Note	2020 £	2019 £
<b>Fixed assets</b>			
Tangible fixed assets	15	664,889	688,390
<b>Current assets</b>			
Debtors	16	15,813	13,542
Cash at bank and in hand		40,853	7,682
		56,666	21,224
<b>Creditors: amounts falling due within one year</b>	17	17,000	14,366
<b>Net current assets</b>		39,666	6,858
<b>Total assets less current liabilities</b>		704,555	695,248
<b>Creditors: amounts falling due after more than one year</b>	18	(188,580)	(209,557)
<b>Net assets</b>		515,975	485,691
<b>Funds of the charity</b>			
Unrestricted funds		515,975	485,691
<b>Total charity funds</b>	21	515,975	485,691

These financial statements were approved by the board of trustees and authorised for issue on 24 August 2021, and are signed on behalf of the board by:

Mrs M O Adeyemi  
Trustee

The notes on pages 8 to 15 form part of these financial statements.

# **HIS GRACE WORLD OUTREACH TRUST**

## **Notes to the Financial Statements**

**Year ended 31 October 2020**

### **1. General information**

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is The Place, 75 East Hill, Dartford, DA1 1RX.

### **2. Statement of compliance**

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Charities Act 2011.

### **3. Accounting policies**

#### **Basis of preparation**

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

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

#### **Going concern**

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

#### **Judgements and key sources of estimation uncertainty**

The preparation of the financial statements did not require management to make judgements, estimates and assumptions.

#### **Fund accounting**

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

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

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

# HIS GRACE WORLD OUTREACH TRUST

## Notes to the Financial Statements *(continued)*

**Year ended 31 October 2020**

### **3. Accounting policies *(continued)***

#### **Incoming resources**

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

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

#### **Resources expended**

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

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

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

#### **Operating leases**

Rentals paid under operating leases are charged to the profit & loss account on straight line basis over the term of the lease.

#### **Tangible assets**

All fixed assets are initially recorded at cost.

# HIS GRACE WORLD OUTREACH TRUST

## Notes to the Financial Statements *(continued)*

### Year ended 31 October 2020

#### 3. Accounting policies *(continued)*

##### Depreciation

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

Freehold Property	-	2% straight line
Fixtures and Fittings	-	25% reducing balance
Motor Vehicle	-	25% reducing balance
Equipment	-	25% reducing balance

##### Impairment of fixed assets

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

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

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

##### Finance leases and hire purchase contracts

Assets held under finance leases and hire purchase contracts are recognised in the statement of financial position as assets and liabilities at the lower of the fair value of the assets and the present value of the minimum lease payments, which is determined at the inception of the lease term. Any initial direct costs of the lease are added to the amount recognised as an asset.

Lease payments are apportioned between the finance charges and reduction of the outstanding lease liability using the effective interest method. Finance charges are allocated to each period so as to produce a constant rate of interest on the remaining balance of the liability.

##### Defined contribution plans

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

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

# HIS GRACE WORLD OUTREACH TRUST

## Notes to the Financial Statements *(continued)*

**Year ended 31 October 2020**

### 4. Donations and legacies

	Unrestricted Funds £	<b>Total Funds 2020 £</b>	Unrestricted Funds £	Total Funds 2019 £
<b>Donations</b>				
Donations - Tithes & Offerings	261,151	261,151	242,696	242,696

### 5. Investment income

	Unrestricted Funds £	<b>Total Funds 2020 £</b>	Unrestricted Funds £	Total Funds 2019 £
Bank interest receivable type	181	181	77	77

### 6. Other income

	Unrestricted Funds £	<b>Total Funds 2020 £</b>	Unrestricted Funds £	Total Funds 2019 £
Gain on disposal of tangible fixed assets held for charity's own use	–	–	6,061	6,061
HMRC Charity Gift Aid	33,123	33,123	43,893	43,893
	<u>33,123</u>	<u>33,123</u>	<u>49,954</u>	<u>49,954</u>

### 7. Costs of raising donations and legacies

	Unrestricted Funds £	<b>Total Funds 2020 £</b>	Unrestricted Funds £	Total Funds 2019 £
Costs of raising donations and legacies - Donations	10,212	10,212	10,740	10,740

### 8. Expenditure on charitable activities by fund type

	Unrestricted Funds £	<b>Total Funds 2020 £</b>	Unrestricted Funds £	Total Funds 2019 £
Repairs, Maintenance, Evangelism and Programs	16,042	16,042	18,869	18,869
Telephone, Printing, Postage and Stationary	7,603	7,603	6,429	6,429
Motor Vehicle Expenses, Leasing and Travel	8,487	8,487	10,839	10,839
Pension, Hire of Equipment and Insurance	12,994	12,994	12,341	12,341
Rates, Water, Light and Heat	9,012	9,012	9,535	9,535
Student Loans, Wages and Salaries	82,688	82,688	82,444	82,444
Support costs	115,376	115,376	136,305	136,305
	<u>252,202</u>	<u>252,202</u>	<u>276,762</u>	<u>276,762</u>

# HIS GRACE WORLD OUTREACH TRUST

## Notes to the Financial Statements *(continued)*

**Year ended 31 October 2020**

### 9. Expenditure on charitable activities by activity type

	Activities undertaken directly	Support costs	<b>Total funds 2020</b>	Total fund 2019
	£	£	£	£
Repairs, Maintenance, Evangelism and Programs	16,042	44,462	60,504	69,583
Telephone, Printing, Postage and Stationary	7,603	–	7,603	6,429
Motor Vehicle Expenses, Leasing and Travel	8,487	–	8,487	10,839
Pension, Hire of Equipment and Insurance	12,994	–	12,994	12,341
Rates, Water, Light and Heat	9,012	–	9,012	9,535
Honorarium	–	2,346	2,346	3,250
Youth and Children Ministry	–	800	800	5,274
Television and Advertising	–	19,881	19,881	19,959
Books and Tapes	–	132	132	154
Student Loans, Wages and Salaries	82,688	4,324	87,012	86,666
Governance costs	–	43,431	43,431	52,732
	<u>136,826</u>	<u>115,376</u>	<u>252,202</u>	<u>276,762</u>

### 10. Other expenditure

	Unrestricted Funds	<b>Total Funds 2020</b>	Unrestricted Funds	Total Funds 2019
	£	£	£	£
Office expenses	<u>1,757</u>	<u>1,757</u>	<u>2,391</u>	<u>2,391</u>

### 11. Net income

Net income is stated after charging/(crediting):

	<b>2020</b>	2019
	£	£
Depreciation of tangible fixed assets	23,501	26,503
Gains on disposal of tangible fixed assets	–	(6,061)
Operating lease rentals	<u>3,173</u>	<u>2,101</u>

### 12. Independent examination fees

	<b>2020</b>	2019
	£	£
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>3,000</u>	<u>3,000</u>

# HIS GRACE WORLD OUTREACH TRUST

## Notes to the Financial Statements *(continued)*

### Year ended 31 October 2020

#### 13. Staff costs

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

	2020	2019
	£	£
Wages and salaries	107,110	111,385
Social security costs	6,504	7,080
Employer contributions to pension plans	1,443	1,407
	<u>115,057</u>	<u>119,872</u>

The average head count of employees during the year was 3 (2019: 3). The average number of full-time equivalent employees during the year is analysed as follows:

	2020	2019
	No.	No.
Number of staff - type 1	<u>3</u>	<u>3</u>

No employee received employee benefits of more than £60,000 during the year (2019: Nil).

#### 14. Trustee remuneration and expenses

Included in the wages and salaries was remuneration of £35,101.56 paid to Rev Paul Fadeyi and £15,911.79 paid to Mrs Joyce Fadeyi respectively.

#### 15. Tangible fixed assets

	Freehold property £	Fixtures and fittings £	Motor vehicles £	Equipment £	Total £
<b>Cost</b>					
<b>At 1 November 2019 and 31 October 2020</b>	<u>724,859</u>	<u>25,027</u>	<u>81,552</u>	<u>165,463</u>	<u>996,901</u>
<b>Depreciation</b>					
At 1 November 2019	72,486	24,829	49,561	161,635	308,511
Charge for the year	14,497	49	7,998	957	23,501
<b>At 31 October 2020</b>	<u>86,983</u>	<u>24,878</u>	<u>57,559</u>	<u>162,592</u>	<u>332,012</u>
<b>Carrying amount</b>					
<b>At 31 October 2020</b>	<u>637,876</u>	<u>149</u>	<u>23,993</u>	<u>2,871</u>	<u>664,889</u>
At 31 October 2019	<u>652,373</u>	<u>198</u>	<u>31,991</u>	<u>3,828</u>	<u>688,390</u>

#### 16. Debtors

	2020	2019
	£	£
Other debtors	<u>15,813</u>	<u>13,542</u>

# HIS GRACE WORLD OUTREACH TRUST

## Notes to the Financial Statements *(continued)*

### Year ended 31 October 2020

#### 17. Creditors: amounts falling due within one year

	2020	2019
	£	£
Bank loans and overdrafts	466	524
Accruals and deferred income	6,000	3,000
Social security and other taxes	1,792	1,983
Obligations under finance leases and hire purchase contracts	8,422	8,422
Barclaycard Merchant	–	116
Other creditors	320	321
	<u>17,000</u>	<u>14,366</u>

#### 18. Creditors: amounts falling due after more than one year

	2020	2019
	£	£
Bank loans and overdrafts	169,232	181,783
Obligations under finance leases and hire purchase contracts	19,348	27,774
	<u>188,580</u>	<u>209,557</u>

#### 19. Finance leases and hire purchase contracts

The total future minimum lease payments under finance leases and hire purchase contracts are as follows:

	2020	2019
	£	£
Not later than 1 year	8,422	8,422
Later than 1 year and not later than 5 years	19,348	27,774
	<u>27,770</u>	<u>36,196</u>

#### 20. Pensions and other post retirement benefits

##### Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £1,443 (2019: £1,407).

#### 21. Analysis of charitable funds

##### Unrestricted funds

	At 1 November 2019	Income	Expenditure	Transfers	At 31 October 2020
	£	£	£	£	£
General funds	<u>485,691</u>	<u>294,455</u>	<u>(264,171)</u>	<u>–</u>	<u>515,975</u>

  

	At 1 November 2018	Income	Expenditure	Transfers	At 31 October 2019
	£	£	£	£	£
General funds	<u>243,513</u>	<u>292,727</u>	<u>(289,893)</u>	<u>239,344</u>	<u>485,691</u>



# HIS GRACE WORLD OUTREACH TRUST

## Notes to the Financial Statements *(continued)*

**Year ended 31 October 2020**

### 21. Analysis of charitable funds *(continued)*

#### Restricted funds

	At 1 November 2 019 £	Income £	Expenditure £	Transfers £	At 31 October 2 020 £
Restricted Fund 1 - desc in a/cs	-	-	-	-	-

	At 1 November 2 018 £	Income £	Expenditure £	Transfers £	At 31 October 20 19 £
Restricted Fund 1 - desc in a/cs	239,344	-	-	(239,344)	-

### 22. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Tangible fixed assets	-	664,889	664,889
Current assets	56,666	-	56,666
Creditors less than 1 year	(17,000)	-	(17,000)
Creditors greater than 1 year	-	(188,580)	(188,580)
<b>Net assets</b>	<b>39,666</b>	<b>476,309</b>	<b>515,975</b>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Tangible fixed assets	-	688,390	688,390
Current assets	21,224	-	21,224
Creditors less than 1 year	(14,366)	-	(14,366)
Creditors greater than 1 year	-	(209,557)	(209,557)
<b>Net assets</b>	<b>6,858</b>	<b>478,833</b>	<b>485,691</b>

### 23. Related parties

There were no related party transactions other than that disclosed in Note 14.