

CHURCH OF GOD - UNITED KINGDOM

REPORT AND FINANCIAL STATEMENTS

31st MARCH 2022

Charity Registration No (England and Wales): 1059248

Charity Registration No (Scotland): SC039469

Company Number: 03121130

CHURCH OF GOD - UNITED KINGDOM (Company Number: 03121130)

**REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31st MARCH 2022**

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CHURCH OF GOD - UNITED KINGDOM (Company Number: 03121130)

**REPORT OF THE TRUSTEES
YEAR ENDED 31st MARCH 2022**

The Trustees are pleased to present their report together with their financial statements for the year ended 31st March 2022.

1. Reference and Administrative Details

Charity Registration No (England and Wales): 1059248

Charity Registration No (Scotland): SC039469

Company Number: 03121130

Principal Office: The Forge, Manor Farm Courtyard
Main Street
West Hagbourne
Didcot
Oxfordshire
OX11 0ND

(a) Advisers

Bankers

Royal Bank of Scotland Plc
Drummond House (FH) Branch
Customer Service Centre
Drummond House
1 Redheughs Avenue
Edinburgh
EH12 9JN

Solicitors

None designated as of this report

Auditors

UHY Ross Brooke
Suite I
Windrush Court
Abingdon Business Park
Abingdon
OX14 1SY

Independent Financial Advisers

Peter Manduell & Co
Financial Services Ltd.
Hamilton House, 17A Cedar Rd
Sutton
Surrey
SM2 5DA

**REPORT OF THE TRUSTEES
YEAR ENDED 31st MARCH 2022**

1. Reference and Administrative Details (Continued)

(b) Charity Trustees

The directors of the Charity are its Trustees for the purpose of charity law and throughout this report are collectively referred to as the Trustees.

The Trustees, who were also the key management personnel, serving during the year and since the year end are as follows:

| | |
|-----------------|---------------------|
| Chairman | David Hulme |
| Deputy Chairman | George Delap |
| | Robert Boraker |
| | *David Brocklehurst |
| | Paul Roberts |
| | John Tompsett |
| | Christopher Howard |
| | Robin Hurd |

* denotes an employed trustee (key management)

(c) Board Changes

Following the December 2007 revision of the Articles of Association, there is no requirement for "retirement by rotation." Therefore, no trustee will retire at the Annual General Meeting.

2. Structure, Governance and Management

(a) Governing Document

The full name of the Charity is "Church of God – United Kingdom" (COG-UK). It is a charitable company limited by guarantee (company number 03121130) which was incorporated on 2nd November 1995 and registered with the Charity Commissioners of England and Wales on 15th November 1996. The registration number is 1059248. The Charity is governed by its Memorandum and Articles of Association, dated 2nd September 1996 as subsequently revised. The members of the Charity consist of the Chairman, the Secretary, and the Deputy Chairman (if one is appointed) and such other members as the Trustees may appoint in accordance with the Memorandum and Articles of Association.

(b) Appointment of Trustees

As set out in the Articles of Association there are a minimum of three Trustees and no set maximum number of Trustees. There are currently seven Trustees. New Trustees may be nominated by the existing Trustees.

(c) Trustee Induction and Training

To be nominated an individual should possess the qualifications outlined in Scripture for ordination to an office of service within the Church. Trustees are provided with a handbook prepared by Berwin Leighton Paisner that explains their role and responsibilities. Trustees are updated regularly to keep them appraised of changes in the law.

**REPORT OF THE TRUSTEES
YEAR ENDED 31st MARCH 2022**

2. Structure, Governance and Management (Continued)

(d) Organisation

The Board of Trustees administers the Charity. The Board seeks to meet a minimum of four times per year. Subcommittees, if necessary, are appointed on an ad hoc basis and disbanded when they have completed the task for which they are formed. The Chairman is also the Chief Executive of the Charity and is responsible for the day-to-day operations. To facilitate effective operations, the Chief Executive has delegated authority within the scope and limits of his authority including finance, employment, pastoral care of the congregations and production of written material for public distribution.

(e) Related Parties

COG-UK has operated as an organisation associated with the Church of God, an International Community (COG, aIC) in the United States of America. Although capable of independent operation, COG-UK has willingly subordinated itself in doctrine and certain other matters to the constitution of COG, aIC, in so far as it does not bring COG-UK into conflict with the laws of England, Wales and Scotland.

For geographical and cultural reasons, COG-UK has often been used as a vehicle through which COG, aIC has pursued its mission in countries other than the United States and the United Kingdom. In the past, COG-UK received financial support in the form of grants from COG, aIC. Those grants were used primarily to provide a financial base for non-UK activities. In the current fiscal year, 2021/2022, as in several previous fiscal years, there were no grants to COG-UK from the COG, aIC. Rather, COG-UK's financial position has been such that it can provide assistance for programs outside the UK from its own resources.

(f) Risk Management

The Trustees have made a thorough review of all foreseeable risks to the Charity including liability for their own acts or failures to act, risks associated with the use of rented properties, risks associated with youth and other Church programs as well as financial and operational risks. For example, the Trustees have established a reserves policy to address certain financial risks. Where possible, the Charity has provided, with the assistance of outside advisers, appropriate insurance cover. The Trustees have, for risks that are identified, and for which there is no insurance cover, attempted to mitigate them by appropriate action and the oversight of competent personnel. For example youth activities are staffed with experienced people who have been screened internally and externally. The Trustees recognise that the risks the Charity faces can change. Therefore, the Trustees are committed to evaluating programs and activities of the Charity on an ongoing basis and to implement practices to cover or mitigate those risks. As part of this, a Safeguarding policy has been prepared in relation to children and vulnerable adults, and is reviewed and updated as necessary.

3. Objectives and Activities

(a) Objects of COG-UK

The Charity's objects as set out in its Memorandum of Association are the advancement of religion by preaching throughout the world the Gospel of Jesus Christ concerning the Kingdom of God, and to advance such other charitable purposes as the Trustees shall determine. When planning our activities for the year, the Board have considered the Commission's guidance on public benefit and, in particular, the specific guidance on charities for the advancement of religion.

**REPORT OF THE TRUSTEES
YEAR ENDED 31st MARCH 2022**

3. Objectives and Activities (Continued)

(b) Mission Statement

The mission of the Church of God-UK is to proclaim the good news of the Kingdom of God in all the world as a witness and to take care of those whom God calls into His Church through Jesus Christ.

(c) Employees

In order to achieve the above, we employed six full-time employees plus eight part-time employees. Of the full-time employees, four are church pastors. The Church employs three part-time pastors. Pastors are not office-based, but live and work in areas convenient to the churches they pastor. Five of the pastors' wives are part-time employees who receive a small monthly allowance for their services to the Church in assisting their husbands with their pastoral duties.

COG-UK's head office is located in West Hagbourne, Oxfordshire, and is staffed by an office director who also pastors a local congregation, plus congregations in Belgium, Paris, and Geneva, one full-time, and one part-time office employee. The one home-based part-time employee continued to research for Vision until stepping down in June 2021.

(d) Activities/Strategies

Activities of COG-UK which support its principal objects and mission are:

- to make, teach and give pastoral care to, disciples of the Church
- to educate the public with respect to the good news of the Kingdom of God and teach its applicability to their everyday life

Strategies of COG-UK to achieve its principal objects and mission include:

- to train and provision ministers to pastor congregations of the Church
- to organise assemblies and educational and social activities connected with the objects
- to pay reasonable remuneration, costs and/or expenses for all persons engaged or preparing or training to be engaged in the promotion of the gospel
- to provide financial and ministerial support in nations, other than the United Kingdom, where the Church has congregations or sponsors programs
- to publish with the use of multimedia, including the printed word, video and the Internet, educational material for public dissemination
- to conduct public lectures and meetings to educate and inform the public

**REPORT OF THE TRUSTEES
YEAR ENDED 31st MARCH 2022**

4. Achievements and Performance

Covid-19

Provision continued to be made for the Covid-19 situation, with congregations following local restrictions, but generally able to return to in person meetings. Precautions continued to be observed, respecting local rules and care for the members.

Church

The number of congregations in the United Kingdom and its dependencies is eleven.

Telephone and internet links are regularly used to include outlying members in church services. This service was greatly expanded during the Covid-19 pandemic, and continues to be utilised to better serve remote and housebound members. Most areas have maintained this service for outlying members to varying degrees, and it has also been utilised to expand the service provided for members during the Feast.

Attendance:

Attendance this fiscal year was not recorded as all services were conducted remotely. Membership within the UK remained stable.

Member Services

Transcripts

Each week, a sermon transcript is e-mailed to members in the UK, the US, Europe and Africa. Additionally, approximately every four weeks, copies of each sermon transcript are mailed by post to other scattered members and ministers in Europe and Africa. The preparation of the transcripts is handled in the US, with the distribution for the UK served areas being handled from the UK office. On a local level, pastors make arrangements for members in their area with a need for weekly transcripts to be available in a suitable manner.

These transcripts are translated for scattered members in French-speaking areas. Each calendar month, two selected sermon transcripts are made available on the Internet for members to download from the Church's website.

Bible Studies by Computer

With the Covid-19 situation, several pastors took advantage of the wide uptake of Zoom within their areas to continue to provide Bible Studies remotely.

Monthly shipments of CD/DVD teaching material from the US provide a further opportunity to integrate this group by issuing a monthly schedule of selections to listen to on other weeks. The intent is to enhance a sense of community at a more local, though physically dispersed, level. One member in the Isle of Man is housebound, and though all the above operates throughout the year, the special service given to such members through the UK Office is deeply appreciated.

Access to ministry is by the usual technologies. The realisation there is easy access when needed continues to prove very effective.

**REPORT OF THE TRUSTEES
YEAR ENDED 31st MARCH 2022**

4. Achievements and Performance (Continued)

Feast of Tabernacles

The annual Feast of Tabernacles was held 10th to 17th October 2021 at Venue Cymru, Llandudno, North Wales.

Church members from the UK and some international areas assembled for daily worship services and biblical instruction. This spiritual teaching was supplemented with a social programme designed to meet the needs of both young and old that made use of tourist facilities in the North Wales area.

The infirm and ill members unable to attend the Festival in person were provided with support in their homes as recorded messages and regular communications via Zoom from their spiritual family at the assemblies were sent to them.

As we have noticed in previous years, we received complimentary messages from our hosts at Venue Cymru, hotels and the local landlords about the exemplary behaviour and happy demeanour of our brethren

Youth

Summer Camp

The 2021 Summer Camp was planned for 25th July to 1st August 2021, returning to Hooke Court. Following the guidance in place at the time, all attendees were asked to test before attending, and to stay home if they were positive, showing symptoms, or had been otherwise advised to isolate.

A group of 13 campers and 21 staff (many of whom were parents of attending campers) gathered in Dorset and enjoyed their time together participating in a hill walk, leatherwork, creative productions, speech education, bible education and a boat trip. Other plans activities included initiative training, field sports, a formal dinner, and a speech club. It was an encouraging experience to be able to be together and resume some normality.

Unfortunately on the morning of the planned family field trips, there was an asymptomatic positive covid test in the mid-week planned testing. All attendees were instructed to return home and isolate, and follow guidance in place at the time. There were no further cases. It was disappointing to cut our time short, but good to enjoy Summer Camp once more.

International

UK personnel continue to provide pastoral support in international areas.

In person visits were able to resume this year, with support still provided online, and congregations in Africa were on occasion able to join with congregations in the UK for online services – in addition to joining online for the Feast.

The minister in Benin translates monthly member letters into French for distribution to all the Francophones.

A UK Pastor has had the pastoral care of the members in France, Belgium and Switzerland. Sermons were provided to the congregations throughout the year, with in person visits resuming with the Feast in Les Rousses.

4. Achievements and Performance (Continued)

In the Scandinavian area a UK pastor provided counselling and Bible Studies for the membership online, with the Scandinavian members combining with the Stirling congregation.

In Anglophone West Africa, the Church's resident Ghanaian pastor held regular Sabbath services and Bible studies for the congregations via Zoom as internet connections permitted

A UK elder, mentored by an elder who is a trustee and a former pastor, provided ministerial support to the members in Germany and Austria. Although in person visits were not possible, they were able to join with UK congregations for Zoom services. Additional support was provided through email communications and audio-conferencing.

Media

The Church continued to have its internationally circulated online magazine, *Vision*, designed in London. Design elements of its website at www.vision.org also benefited from the work of the design consultancy. Though the funding of this aspect of the Church's frontline efforts to reach the general public comes from the US, the wisdom of using a London-based agency continues to pay dividends in the publication's international acceptance.

The Vision.org website remains the Church's main vehicle dedicated to educating the general public about biblical principles which furthers the primary mission and objective of preaching the Gospel of Jesus Christ concerning the Kingdom of God throughout the world.

5. Financial Review

(a) Indigenous income and results for the year

This source of income remained unchanged compared with the previous year. The income of the Church is largely derived from its congregational members, with occasional contributions from non-members.

There was a net surplus for the year of £41,907 compared to a net surplus of £681,723 for the previous year. Income and expenditure from normal sources has remained at a similar level to that in the previous year.

(b) Investment Powers and Policy.

The Charity's constitution allows the Trustees to invest in any way they wish.

The Trustees, having regard to the liquidity requirements of operating the Church and the reserves policy set out below, have operated a policy of keeping available funds in an interest-bearing deposit account.

The invested funds held on deposit achieved a rate of return of approximately 0.1% computed with reference to the average cash balance. The rate of inflation for the same period was 0.7%.

5. Financial Review (Continued)
(c) Reserves Policy

The Trustees have established the level of reserves (that is those that are freely available) that the charity ought to have a minimum of £150,000. In arriving at this level of reserves they have had regard to regular annual operating costs in the region of £600,000 and the ability to operate for a period of approximately three months without any incoming resources in that period. The actual reserves at 31 March 2022, excluding fixed assets, were £1,301,048 (2021: £1,259,141).

6. Risk Management

Steps taken by the Trustees to assess and manage risk are described at 2(f) above.

The Trustees have considered the problems raised by the ongoing Covid 19 pandemic and the effect that this could have on the Charity. In that regard, there remains a possibility that members of the Church, who contribute to the Charity financially, may face financial difficulties, with either a reduction or loss of income. Thus far, no members have been substantially impacted, but the situation will continue to be monitored.

As regards expenditure, outgoings remain reduced as a consequence of the pandemic and restrictions on travel and group assemblies, to mitigate the risk of spreading the disease. Mileage, travel and lodging expenses for ministers have been greatly reduced, as has the cost of hiring premises for church services. As a result, the Charity's reserves have increased during the financial year to date.

Meetings and services were held online via Zoom until restrictions lifted and it was deemed safe to return to in person services. They continue to be provided as a way of linking housebound members with their local congregations, which enables the Charity to continue to perform its functions and for members of the church to have online contact with each other.

The Charity recognizes the difficulties that those who are members of the church are facing, including increased financial, social and mental stresses as a result of the disruptions to the economy, restricted physical contact with others and general anxiety caused by the pandemic and the dangers that this poses. The Charity will offer such support, material and pastoral, as is possible to the members during the crisis.

7. Plans for Future Periods

The charity's plans for the future include continuing to strengthen existing programmes, increasing outreach by using new media, reaching new geographical areas, strengthening communication with members, utilising new technology, and reaching and encouraging the younger generation to become members of the Church when able to do so.

**REPORT OF THE TRUSTEES
YEAR ENDED 31st MARCH 2022**

8. Trustees' responsibilities in relation to the financial statements

The Trustees prepare accounts for each financial year, which give a true and fair view of the state of affairs of the Charity and of the net incoming and outgoing resources for that period. In preparing these accounts, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP
- make judgments and estimates that are reasonable and prudent;
- follow applicable accounting standards, subject to any material departures disclosed and explained in the accounts;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the accounts comply with the Statement of Recommended Practice "Accounting by Charities". They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

9. Charity Trustees' Statement

The charity Trustees, who are directors for the purposes of company law and Trustees for the purposes of charity law, who served during the year and up to the date of this report, are set out on page 2.

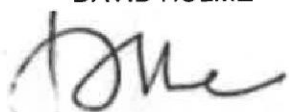
In accordance with company law, as the company's directors, we certify that:

- So far as we are aware, there is no relevant audit information of which the company's auditors are unaware; and
- As the directors of the company we have taken all steps that we ought to have taken, in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Basis of preparation

The accounts (financial statements) have been prepared in accordance with the Statement of Recommended Practice for Charities (SORP 2019) (as amended for accounting periods commencing from 1 January 2019) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 and UK Generally Accepted Practice as it applies from 1 January 2019. As well as part 15 of the Companies Act 2006

DAVID HULME



1.30.23

Chairman
On behalf of the Trustees

INDEPENDENT AUDITOR' REPORT TO THE TRUSTEES OF CHURCH OF GOD – UNITED KINGDOM

Opinion

We have audited the financial statements of Church of God – United Kingdom (the 'charitable company') for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2022, and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the trustees annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

INDEPENDENT AUDITOR' REPORT TO THE TRUSTEES OF CHURCH OF GOD – UNITED KINGDOM

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the trustees' report and take advantage of the small companies exemption from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 9, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

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

INDEPENDENT AUDITOR' REPORT TO THE TRUSTEES OF CHURCH OF GOD – UNITED KINGDOM

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

- We have considered:
 - the nature of the charity and sector, control environment and operating performance;
 - the charity's own assessment, including assessments made by key management, of the risks that irregularities may occur either as a result of fraud or error;
 - any matters we identified having reviewed the charity's policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
 - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
 - the matters discussed amongst the audit engagement team.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the areas in which management is required to exercise significant judgement, such as the disclosure of adjusting items. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context were the Companies Act, Charities Act and tax legislation.

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

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

INDEPENDENT AUDITOR' REPORT TO THE TRUSTEES OF CHURCH OF GOD – UNITED KINGDOM

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company, the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Caroline Webster FCA (Senior Statutory Auditor)
for and on behalf of UHY Ross Brooke, Statutory Auditor
Suite I,
Windrush Court,
Abingdon Business Park,
Abingdon
OX14 1SY

Date 30 January 2023

UHY Ross Brooke is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

CHURCH OF GOD – UNITED KINGDOM (Company number: 03121130)**STATEMENT OF FINANCIAL ACTIVITIES (Including an income and expenditure account)
YEAR ENDED 31st MARCH 2022**

| | Note | Unrestricted Funds £ | Restricted Funds £ | Total 2022 £ | Total 2021 £ |
|-------------------------------------|------|----------------------------|--------------------------|-------------------------|-------------------------|
| Income and endowments from: | | | | | |
| General donations & legacies | 4 | 512,159 | - | 512,159 | 1,103,738 |
| Restricted donations: | | | | | |
| Festival | | - | 30,790 | 30,790 | 20,944 |
| Assistance | | - | 8,990 | 8,990 | 54,077 |
| Youth | | - | 3,078 | 3,078 | 47 |
| Investments | | | | | |
| Deposit interest | | 240 | - | 240 | 240 |
| Other Income | 5 | 35,942 | - | 35,942 | - |
| Total | | 548,341 | 42,858 | 591,199 | 1,179,046 |
| Expenditure on: | | | | | |
| Charitable activities: | | | | | |
| Local congregations | | 242,699 | - | 242,699 | 207,220 |
| Media | | 40,133 | - | 40,133 | 40,724 |
| Festival | | 21,435 | 30,790 | 52,225 | 63,740 |
| Assistance | | - | 8,990 | 8,990 | - |
| International | | 148,434 | - | 148,434 | 155,648 |
| Youth | | 43,392 | 6,219 | 49,611 | 43,982 |
| Other expenditure | | 7,200 | - | 7,200 | 13,800 |
| Total | 7 | 503,293 | 45,999 | 549,292 | 497,323 |
| Net Income | | 45,048 | (3,141) | 41,907 | 681,723 |
| Transfers between funds | | <u>(3,141)</u> | <u>3,141</u> | - | - |
| Net Movement in Funds | | 41,907 | - | - | - |
| Total funds brought forwards | | <u>1,259,141</u> | <u>70,195</u> | <u>1,329,336</u> | <u>647,613</u> |
| Total funds carried forwards | | <u>1,301,048</u> | <u>70,195</u> | <u>1,371,243</u> | <u>1,329,336</u> |

All the above amounts relate to continuing activities. The charitable company has no recognised gains and losses other than the net movement in funds in the year.

The notes on pages 18 to 26 form part of these financial statements

CHURCH OF GOD – UNITED KINGDOM (Company number: 03121130)**STATEMENT OF FINANCIAL ACTIVITIES (Including an income and expenditure account)
YEAR ENDED 31st MARCH 2021**

| | Note | Unrestricted Funds £ | Restricted Funds £ | Total 2021 £ | Total 2020 £ |
|------------------------------------|------|----------------------------|--------------------------|--------------------|--------------------|
| Income and endowments from: | | | | | |
| General donations | 4 | 1,103,738 | - | 1,103,738 | 810,596 |
| Restricted donations: | | | | | |
| Festival | | - | 20,944 | 20,944 | 23,619 |
| Assistance | | - | 54,077 | 54,077 | 8,476 |
| Youth | | - | 47 | 47 | 3,667 |
| Investments | | | | | |
| Deposit interest | | 240 | - | 240 | 240 |
| Total | | 1,103,978 | 75,068 | 1,179,046 | 846,598 |
| Expenditure on: | | | | | |
| Charitable activities: | | | | | |
| Local congregations | | 207,220 | - | 207,220 | 259,480 |
| Media | | 40,724 | - | 40,724 | 45,873 |
| Festival | | 15,005 | 20,944 | 35,949 | 63,740 |
| Assistance | | - | - | - | 2,443 |
| International | | 101,571 | 54,077 | 155,648 | 202,214 |
| Youth | | 43,982 | - | 43,982 | 54,248 |
| Other expenditure | | 13,800 | - | 13,800 | 7,200 |
| Total | 7 | 422,302 | 75,021 | 497,323 | 635,198 |
| Net (Expenditure)/ Income | | 681,676 | 47 | 681,723 | (86,760) |
| Net Movement in Funds | | | | | |
| Funds at 1st April 2020 | | 577,465 | 70,148 | 647,613 | 522,973 |
| Funds at 31st March 2021 | | 1,259,141 | 70,195 | 1,329,336 | 436,213 |

The notes on pages 18 to 26 form part of these financial statements

CHURCH OF GOD – UNITED KINGDOM (Company number: 03121130)**BALANCE SHEET
YEAR ENDED 31st MARCH 2022**

| | Note | 2022 £ | 2021 £ |
|---|------|------------------|------------------|
| Fixed Assets | | | |
| Tangible fixed assets | 9 | - | - |
| Current Assets | | | |
| Debtors and prepayments | 10 | 11,334 | 26,705 |
| Cash at bank | | 1,395,161 | 1,328,631 |
| | | 1,406,495 | 1,355,336 |
| Creditors, amounts falling due within one year | 11 | (35,252) | (26,000) |
| Net Current Assets | | <u>1,371,243</u> | <u>1,329,336</u> |
| Total Assets Less Current Liabilities | | <u>1,371,243</u> | <u>1,329,336</u> |
| Income Funds | | | |
| Restricted funds | 13 | 70,195 | 70,195 |
| Unrestricted funds | | 1,301,048 | 1,259,141 |
| Total Funds | | <u>1,371,243</u> | <u>1,329,336</u> |

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

These financial statements were approved by the Trustees and authorised for issue on 1.30.23 and are signed on their behalf by:


David Hulme
Trustee/Director

The notes on pages 18 to 26 form part of these financial statements

CHURCH OF GOD – UNITED KINGDOM (Company number: 03121130)

**STATEMENT OF CASH FLOWS
YEAR ENDED 31ST MARCH 2022**

| | Note | 2022 £ | 2021 £ |
|---|------|-------------------------|-------------------------|
| Cash flows from operating activities | | | |
| Net cash (used in)/ provided by operating activities | 17 | <u>66,290</u> | <u>731,561</u> |
| Cash flows from investing activities | | | |
| Interest income | | <u>240</u> | <u>240</u> |
| Net cash provided by investing activities | | <u>240</u> | <u>240</u> |
| Change in cash and cash equivalents in the year | | 66,530 | 731,801 |
| Cash and cash equivalents at the beginning of the year | | <u>1,328,631</u> | <u>596,830</u> |
| Total cash and cash equivalents at the end of the year | | <u><u>1,395,161</u></u> | <u><u>1,328,631</u></u> |

The notes on pages 18 to 26 form part of these financial statements

1. General Information

Church of God – United Kingdom is an incorporated Charity limited by guarantee. The registered charity number (England and Wales) is 1059248 and the registered charity number (Scotland) is SC039469. The company number is 03121130 and the principal office address is The Forge, Manor Farm Courtyard, Main Street, West Hagbourne, Didcot, Oxfordshire, OX11 0ND.

The financial statements have been prepared in pounds sterling and the figures are rounded to the nearest £.

2. Accounting Policies

The principal accounting policies are summarised below and have been consistently applied throughout the current and preceding year.

- (a) The financial statements are prepared under the historical cost convention and in accordance with the 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 (FRS102) (effective 1 January 2019) – (Charities SORP (FRS102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), and the Companies Act 2006.

The Charity constitutes a public benefit entity as defined by FRS 102.

After making enquiries, the Trustees have a reasonable expectation that the charity has adequate resources and no material uncertainties to continue its activities for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements as outlined in the Trustees report.

A separate income and expenditure account has not been prepared as the figures comprising net expenditure for the year shown in the Statement of Financial Activities give the information required under the Companies Act 2006, together with details of other recognised gains and losses.

(b) Fund accounting

- Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity.
- Restricted funds comprise funds donated by members for expenditure on Festival, Assistance and Youth.

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST MARCH 2022**

(c) Income

- Income is recognised in the SOFA when the charity is legally entitled to the income, it is probable that the income will be received and the amount can be quantified with reasonable accuracy.
- Voluntary income received by way of donations and gifts is recognised in the Statement of Financial Activities ("the SOFA") when received.

(d) Expenditure

Expenditure is recognised on an accrual basis as a liability is incurred. Liabilities are recognised when there is a constructive obligation to pay for expenditure.

Expenditure includes any VAT which cannot be fully recovered and is reported as part of the expenditure to which it related.

- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes all costs excluding governance costs.
- Subsidy payments are made to members of the congregation in need, at the discretion of the trustees.
- Staff costs are allocated to the expenditure heads on the basis of estimated staff time incurred.
- Admin costs are allocated to the expenditure heads on a percentage basis.

(e) Fixed assets

Fixed assets are stated at cost less accumulated depreciation. Fixed assets with a cost below £1,000 are not capitalised.

- Depreciation is provided on all tangible fixed assets held by the charity for its own use at the following rates:

| | |
|------------------------|--|
| Computer software | - 2 years straight line |
| Fixtures and fittings | - 20% p.a. on cost |
| Equipment | - 20% p.a. on cost |
| Boat | - 20% p.a. on cost |
| Leasehold improvements | - over the remaining life of the lease |

(f) Taxation

Income is applied exclusively to charitable purposes and therefore the charity is entitled to the exemption from tax afforded by the Corporation Tax Act 2010.

(g) Pensions

Pension contributions are paid into personal pension schemes on the advice of independent financial advisors. Pension costs are charged to the Statement of Financial Activities account on an accrual's basis.

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31st MARCH 2022**

(h) Operating leases

Rentals under operating leases are charged on a straight-line basis over the lease term.

(i) Financial Instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities, or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the charitable company after deducting all its liabilities.

3. Judgements in Applying Accounting Policies and Key Sources of Estimation Uncertainty

In the application of the charitable company's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

There were no judgement or material estimation uncertainties affecting the reported financial performance in the current or prior year.

4. Donations, gifts and legacies

| | 2022 £ | 2021 £ |
|-----------|----------------|------------------|
| Donations | 508,159 | 1,103,738 |
| Legacies | 4,000 | - |
| | <u>512,159</u> | <u>1,103,738</u> |

The charity receives its income from the members of The Church.

5. Other income

During the year the Swiss association was closed down and the proceeds of £35,942 were received.

6. Net Income/ (Expenditure) for the Year

| This is stated after charging: | 2022 £ | 2021 £ |
|-----------------------------------|-----------|-----------|
| Auditor's remuneration | 7,200 | 7,200 |
| Operating leases – office rentals | 23,028 | 24,04 |

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31st MARCH 2022**

7. Analysis of Total Resources Expended

| 2022 | Staff Costs £ | Direct Costs £ | Allocated Costs £ | Total 2022 £ |
|---------------------------------------|------------------------------|-------------------------------|----------------------------------|-----------------------------|
| Direct charitable expenditure: | | | | |
| Local congregations | 158,874 | 52,511 | 31,314 | 242,699 |
| Media | 17,022 | 7,453 | 15,658 | 40,133 |
| Festival | 8,511 | 17,619 | 26,095 | 52,225 |
| Assistance | - | 8,990 | - | 8,990 |
| International | 25,533 | 122,901 | - | 148,434 |
| Youth | 11,348 | 6,949 | 31,314 | 49,611 |
| Allocated Costs | 62,415 | - | (62,415) | - |
| Governance costs | - | 7,200 | - | 7,200 |
| | <u>283,703</u> | <u>223,623</u> | <u>41,966</u> | <u>549,292</u> |

| 2021 | Staff Costs £ | Other Direct Costs £ | Allocated Costs £ | Total 2021 £ |
|---------------------------------------|------------------------------|---|----------------------------------|-----------------------------|
| Direct charitable expenditure: | | | | |
| Local congregations | 164,286 | 11,440 | 31,494 | 259,480 |
| Media | 17,602 | 7,375 | 15,747 | 40,724 |
| Festival | 8,801 | 905 | 27,120 | 35,949 |
| Assistance | - | - | - | - |
| International | 26,403 | 129,245 | - | 155,648 |
| Youth | 11,735 | 754 | 32,544 | 43,982 |
| Allocated Costs | 64,541 | - | (59,783) | - |
| Governance costs | - | 13,800 | - | 13,800 |
| | <u>293,368</u> | <u>163,519</u> | <u>40,436</u> | <u>497,323</u> |

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST MARCH 2022**

8. Employees and Staff Costs

| | 2022 £ | 2021 £ |
|---|----------------|----------------|
| Salaries and wages | 250,871 | 262,539 |
| National insurance | 15,912 | 15,685 |
| Pension costs | 5,988 | 5,941 |
| Other staff costs – health and life insurance | 10,932 | 9,136 |
| | <u>283,703</u> | <u>293,301</u> |

The average monthly number of employees during the period was 14 (2021: 14) of whom 8 were part time (equivalent to four full time).

Salaries of £71,329 (2021: £73,166) and pension costs of £1,013 (2021: £1,032) relate to the key management personnel.

No employee is paid at or above £60,000 a year.

9. Tangible Fixed Assets

| | <u>Leasehold Improvements</u> | <u>Boat</u> | <u>Office Equipment</u> | <u>Computer Software</u> | <u>Total</u> |
|-----------------------|-----------------------------------|-------------|-----------------------------|------------------------------|--------------|
| Cost | | | | | |
| At 1st April 2021 | 6,888 | 3,996 | 42,696 | 1,451 | 55,031 |
| At 31st March 2022 | £ 6,888 | £ 3,996 | £ 42,696 | £ 1,451 | £ 55,031 |
| Depreciation | | | | | |
| At 1st April 2021 | 6,888 | 3,996 | 42,696 | 1,451 | 55,031 |
| At 31st March 2022 | £ 6,888 | £ 3,996 | £ 42,696 | £ 1,451 | £ 55,031 |
| Net book value | | | | | |
| At 31st March 2022 | £ - | £ - | £ - | £ - | £ - |
| At 31st March 2022 | £ - | £ - | £ - | £ - | £ - |

The assets above are used primarily in the administration of the Church.

CHURCH OF GOD - UNITED KINGDOM (Company Number: 03121130)

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31st MARCH 2022**

| | | |
|--------------------------------|---------------|---------------|
| 10. Debtors | 2022 | 2021 |
| | £ | £ |
| Other debtors | 4,100 | 18,797 |
| Prepayments and accrued income | 7,234 | 7,908 |
| | <u>11,334</u> | <u>26,705</u> |

| | | |
|---|---------------|---------------|
| 11. Creditors: amounts falling due within one year | 2021 | 202 |
| | £ | £ |
| Trade creditors | - | - |
| Taxation and social security | 4,760 | 4,760 |
| Other creditors | - | - |
| Accruals | 30,492 | 21,240 |
| | <u>35,252</u> | <u>26,000</u> |

12. Analysis of Net Assets by Fund

| | | | |
|---------------------|--------------------------|----------------------------|------------------|
| 2022 | Restricted Funds £ | Unrestricted Funds £ | Total £ |
| Fixed assets | - | - | - |
| Current assets | 70,195 | 1,336,300 | 1,406,495 |
| Current liabilities | - | (35,252) | (35,252) |
| | <u>70,195</u> | <u>1,301,048</u> | <u>1,371,243</u> |
| 2021 | Restricted Funds £ | Unrestricted Funds £ | Total £ |
| Fixed assets | - | - | - |
| Current assets | 70,195 | 1,285,141 | 1,355,336 |
| Current liabilities | - | (26,000) | (26,000) |
| | <u>70,195</u> | <u>1,259,411</u> | <u>1,329,336</u> |

CHURCH OF GOD – UNITED KINGDOM (Company number: 03121130)

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST MARCH 2022**

13. Restricted Funds

| | Balance 1st April 2021 £ | Movement in Resources Incoming £ | Movement in Resources Outgoing £ | T/fers £ | Balance 31st March 2022 £ |
|------------|--------------------------------------|--|--|--------------|---------------------------------------|
| Festival | - | 30,790 | (30,790) | - | - |
| Assistance | 70,148 | 8,990 | (8,990) | - | 70,148 |
| Youth | 47 | 3,078 | (6,219) | 3,141 | 47 |
| | <u>70,195</u> | <u>42,858</u> | <u>(45,999)</u> | <u>3,141</u> | <u>70,195</u> |
| | | | | | |
| | Balance 1st April 2020 £ | Movement in Resources Incoming £ | Movement in Resources Outgoing £ | T/frs | Balance 31st March 2021 £ |
| Festival | - | 20,944 | (20,944) | - | - |
| Assistance | 70,148 | 54,077 | (54,077) | - | 70,148 |
| Youth | - | 47 | - | - | 47 |
| | <u>70,148</u> | <u>75,068</u> | <u>(29,729)</u> | <u>-</u> | <u>70,195</u> |

Restricted funds and their purposes:

Festival - for the funding of the annual holy days, principally the Feast of Tabernacles.

Assistance - for assisting needy congregational members in the UK and developing countries.

Youth - for the funding of youth activities including but not limited to summer camp.

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31st MARCH 2022**

14. Transactions with Trustees and Related Persons

Trustees are reimbursed actual costs necessarily incurred on church business. Messrs George Delap, Paul Roberts, Robert Boraker, David Brocklehurst, John Tompsett, David Hulme, Christopher Howard and Robin Hurd were respectively reimbursed £284 (2021: £nil), £306 (2021: £194), £ 621 (2021: £500), £5,835 (2021: £1,122), £Nil (2021: £184), £Nil (2021: £Nil), £3,787(2021: £190), £Nil (2020: £Nil) during the year. The charity's memorandum and articles allow for up to 50% of the Trustees to be paid employees of the Church. At the yearend, within creditors the charity owed £Nil (2020: Robert Boraker £156 and David Brocklehurst £1,534). The following received salaries and pensions for the performance of their normal duties as follows:

| | 2022 | | 2021 | |
|-----------------|---------------|----------------|---------------|----------------|
| | <u>Salary</u> | <u>Pension</u> | <u>Salary</u> | <u>Pension</u> |
| | £ | £ | £ | £ |
| G. Delap | 18,520 | - | 19,184 | - |
| D. Brocklehurst | 40,030 | 1,014 | 41,769 | 1,032 |
| C. Howard | 15,925 | - | 16,459 | - |

Some Trustees' wives are part-time employees of the Church and, as such, receive a small monthly allowance. The total salaries the year were as follows:

| | 2022 | | 2021 | |
|-----------------|---------------|----------------|---------------|----------------|
| | <u>Salary</u> | <u>Pension</u> | <u>Salary</u> | <u>Pension</u> |
| | £ | £ | £ | £ |
| C. Brocklehurst | 6,000 | - | 6,300 | - |
| M. Howard | 2,000 | - | 2,100 | - |

15. Operating Leases

The Church had total commitments under non-cancellable operating leases as follows:

| | <u>Land and Buildings</u> | |
|----------------------------|---------------------------|---------------|
| | 2022 | 2021 |
| | £ | £ |
| When payable: | | |
| In less than one year | 13,500 | 21,600 |
| Between one and five years | - | 13,500 |
| | <u>13,500</u> | <u>35,100</u> |

16. Indemnity Insurance

The charity has not taken indemnity insurance in respect of its Trustees.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST MARCH 2021

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

| | 2022 £ | 2021 £ |
|---|---------------|----------------|
| Net income/ (expenditure) for the year (as per the statement of financial activities) | | |
| Net movement in funds | 41,907 | 681,723 |
| Adjustment for: | | |
| Interest from investments | (240) | (240) |
| Decrease in debtors | 15,371 | 41,569 |
| Increase in creditors | 9,252 | 8,509 |
| | <u>66,290</u> | <u>731,561</u> |