

**BANGOR PENTECOSTAL CHURCH**  
**Financial Statements**  
**31 December 2020**

**ALEXANDER BURSK LIMITED**

Accountants & statutory auditor

Parkgates  
Bury New Road  
Prestwich  
Manchester  
Lancashire  
M25 0JW

# **BANGOR PENTECOSTAL CHURCH**

## **Financial Statements**

**Year ended 31 December 2020**

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# **BANGOR PENTECOSTAL CHURCH**

## **Trustees' Annual Report**

### **Year ended 31 December 2020**

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

#### **Reference and administrative details**

<b>Registered charity name</b>	BANGOR PENTECOSTAL CHURCH
<b>Charity registration number</b>	1063036 in England and Wales and SCO39461 in Scotland
<b>Principal office</b>	Princes Road Bangor Gwynedd LL52 2BD

#### **The trustees**

P Edwards  
T DaCruz  
B Modubu

#### **Auditor**

Alexander Bursk Limited  
Accountants & statutory auditor  
Parkgates  
Bury New Road  
Prestwich  
Manchester  
Lancashire  
M25 0JW

#### **Bankers**

HSBC  
274 High Street  
Bangor  
Gwynedd  
LL57 1RU

#### **Structure, governance and management**

The charity is a trust comprising the Bangor Pentecostal Church and the Annie's Orphans charity shops, and is governed according to the Assemblies of God constitution, and registered in England and Wales. Trustees are appointed by the chief executive.

The charity is part of the Assemblies of God in Great Britain, but decisions are made by its own trustees, with the managers of individual shops having some responsibility for the day-to-day running of the shops. Training for trustees is provided as and when necessary.

The trustees have under consideration the major risks to which the charity is exposed, in order to satisfy themselves that systems and procedures are and will be established in order to manage those risks. These risks relate largely to varying levels of income and to conditions in other countries in which the charity operates.

# **BANGOR PENTECOSTAL CHURCH**

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

**Year ended 31 December 2020**

### **Objectives and activities**

The charity's objects are the promotion of education and training and religious activities for people of all ages, and the provision of employment. Individuals are remunerated as appropriate.

It undertakes various religious activities, operates a feeding programme for the homeless, provides financial support for various charities, supports building projects for schools and churches in Third World countries, and provides employment by running charity shops in the UK.

Although the charity provides employment through the charity shops it runs in various towns and villages across the UK, the support and the activities which the volunteers provide go a long way towards making the shops successful. Financing various projects would not be possible without the volunteers' support.

Donations are made to a number of charities whose objectives and activities meet those of the Bangor Pentecostal Church and specifically those of Annie's Orphans.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing their aims and objectives and in planning their future activities. The charity is a public benefit entity.

### **Achievements and performance**

During the year, the charity:

- built schools and provided finance for the running of schools for the brick slave children in Pakistan.- financed the running of orphanages in various countries.
- continued, subject to the restrictions imposed as a result of the coronavirus pandemic, to operate its charity shops, thus providing employment for local people in the areas concerned, and its general mission activities in the Bangor area.

Due to the aforementioned restrictions, the shops were forced to close for a time, but the charity received funding from the Job Retention Scheme and thus none of the shops were forced to close permanently. The church was also unable to operate as normal, but services were held online.

Thus the charity met its objectives for the year.

Donations made included £95,323 towards the building of a new primary school in Sovu, Burundi, £18,200 to the "brick schools" in Pakistan and £20,602 to the Burundi Street Kids project.

# **BANGOR PENTECOSTAL CHURCH**

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

**Year ended 31 December 2020**

### **Financial review**

It is the policy of the charity to retain sufficient funds to meet its immediate needs, and it was able to do this during the year.

At the balance sheet date, the charity held total funds of £29,478, of which £8,310 were unrestricted.

The charity is funded by donations received by the church and sales made by the charity shops across the UK, levels of which may in any year vary according to the choices of individuals and the state of the economy, and, in this year, as a result of the coronavirus pandemic, by the Job Retention Scheme. This funding supports the charitable projects undertaken by the charity and the running and upkeep of the shops and the church.

### **Plans for future periods**

The charity's plans for the future are to continue with its existing work and to reduce its costs, if necessary, by closing unprofitable shops.

### **Trustees' responsibilities statement**

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

The law applicable to charities in England, Wales and Scotland requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, of the charity for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, Charities and Trustees Investments (Scotland) Act 2005, the Charity Accounts (Scotland) Regulations 2006 (as amended), and the provisions of the Trust Deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# **BANGOR PENTECOSTAL CHURCH**

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

### **Year ended 31 December 2020**

The trustees' annual report was approved on 8 September 2021 and signed on behalf of the board of trustees by:

P Edwards  
Trustee

# **BANGOR PENTECOSTAL CHURCH**

## **Independent Auditor's Report to the Members of BANGOR PENTECOSTAL CHURCH**

**Year ended 31 December 2020**

### **Opinion**

We have audited the financial statements of BANGOR PENTECOSTAL CHURCH (the 'charity') for the year ended 31 December 2020 which comprise the statement of financial activities, statement of financial position, statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 charity's affairs as at 31 December 2020 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;
- have been prepared in accordance with the requirements of the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

### **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 charity 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**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially

# **BANGOR PENTECOSTAL CHURCH**

## **Independent Auditor's Report to the Members of BANGOR PENTECOSTAL CHURCH (continued)**

**Year ended 31 December 2020**

misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

the information given in the Trustees' Annual Report is inconsistent in any material respect with the accounts; or

sufficient accounting records have not been kept; or

the accounts are not in agreement with the accounting records and returns; or

we have not received all the information and explanations we require for our audit.

### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements 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 charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an



# **BANGOR PENTECOSTAL CHURCH**

## **Independent Auditor's Report to the Members of BANGOR PENTECOSTAL CHURCH (continued)**

**Year ended 31 December 2020**

opinion on the effectiveness of the internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### **Use of our report**

This report is made solely to the charity's members, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act, and Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charity's members 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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

B Fine (Senior Statutory Auditor)

For and on behalf of

Alexander Bursk Limited  
Parkgates  
Accountants & statutory auditor  
Bury New Road  
Prestwich  
Manchester  
Lancashire  
M25 0JW

13 September 2021

# BANGOR PENTECOSTAL CHURCH

## Statement of Financial Activities

Year ended 31 December 2020

			2020		2019
	Note	Unrestricted funds £	Restricted funds £	Total funds £	Total funds £
<b>Income and endowments</b>					
Donations and legacies	4	89,821	258,199	<b>348,020</b>	94,223
Other trading activities	5	—	242,710	<b>242,710</b>	423,609
Investment income	6	—	5	<b>5</b>	5
Other income	7	3,691	8,808	<b>12,499</b>	3,000
<b>Total income</b>		<u>93,512</u>	<u>509,722</u>	<u><b>603,234</b></u>	<u>520,837</u>
<b>Expenditure</b>					
Expenditure on raising funds:					
Costs of raising donations and legacies	8	65,742	5,140	<b>70,882</b>	61,396
Expenditure on charitable activities	9,10	—	549,523	<b>549,523</b>	457,675
<b>Total expenditure</b>		<u>65,742</u>	<u>554,663</u>	<u><b>620,405</b></u>	<u>519,071</u>
<b>Net (expenditure)/income</b>		<u>27,771</u>	<u>(44,941)</u>	<u><b>(17,171)</b></u>	<u>1,766</u>
Transfers between funds		(20,000)	20,000	<b>—</b>	—
<b>Net movement in funds</b>		<u>7,770</u>	<u>(24,941)</u>	<u><b>(17,171)</b></u>	<u>1,766</u>
<b>Reconciliation of funds</b>					
Total funds brought forward		540	46,109	<b>46,649</b>	44,883
<b>Total funds carried forward</b>		<u>8,310</u>	<u>21,168</u>	<u><b>29,478</b></u>	<u>46,649</u>

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

The notes on pages 11 to 21 form part of these financial statements.

# BANGOR PENTECOSTAL CHURCH

## Statement of Financial Position

31 December 2020

	Note	2020 £	£	2019 £
<b>Fixed assets</b>				
Tangible fixed assets	17		55,233	55,534
<b>Current assets</b>				
Debtors	18	4,435		3,577
Cash at bank and in hand		16,604		12,916
		21,039		16,493
<b>Creditors: amounts falling due within one year</b>	20	45,017		21,470
<b>Net current liabilities</b>			23,978	4,977
<b>Total assets less current liabilities</b>			31,255	50,557
<b>Creditors: amounts falling due after more than one year</b>	21		1,777	3,908
<b>Net assets</b>			29,478	46,649
<b>Funds of the charity</b>				
Restricted funds			21,168	46,109
Unrestricted funds			8,310	540
<b>Total charity funds</b>	25		29,478	46,649

These financial statements were approved by the board of trustees and authorised for issue on 8 September 2021, and are signed on behalf of the board by:

P Edwards  
Trustee

The notes on pages 11 to 21 form part of these financial statements.

# BANGOR PENTECOSTAL CHURCH

## Statement of Cash Flows

Year ended 31 December 2020

	Note	2020 £	2019 £
<b>Cash flows from operating activities</b>			
Net (expenditure)/income		(17,171)	1,766
<i>Adjustments for:</i>			
Depreciation of tangible fixed assets		7,032	7,173
Government grant income		(202,025)	–
Other interest receivable and similar income		(5)	(5)
Interest payable and similar charges		4,601	6,278
Loss on disposal of tangible fixed assets		–	1,736
Accrued expenses/(income)		8,300	(1,888)
<i>Changes in:</i>			
Trade and other debtors		(858)	4,762
Trade and other creditors		20,196	1,941
Cash generated from operations		(179,930)	21,763
Interest paid		(4,601)	(6,278)
Interest received		5	5
Net cash (used in)/from operating activities		(184,526)	15,490
<b>Cash flows from investing activities</b>			
Purchase of tangible assets		(6,731)	(21,256)
Proceeds from sale of tangible assets		–	3,794
Net cash used in investing activities		(6,731)	(17,462)
<b>Cash flows from financing activities</b>			
Government grant income		202,025	–
Payments of finance lease liabilities		(2,131)	(3,475)
Net cash from/(used in) financing activities		199,894	(3,475)
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>8,637</b>	<b>(5,447)</b>
<b>Cash and cash equivalents at beginning of year</b>		<b>7,967</b>	<b>13,414</b>
<b>Cash and cash equivalents at end of year</b>	<b>19</b>	<b>16,604</b>	<b>7,967</b>

The notes on pages 11 to 21 form part of these financial statements.

# **BANGOR PENTECOSTAL CHURCH**

## **Notes to the Financial Statements**

**Year ended 31 December 2020**

### **1. General information**

The charity is a public benefit entity and a registered charity in England, Wales and Scotland and is unincorporated. The address of the principal office is Princes Road, Bangor, Gwynedd, LL52 2BD.

### **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, Charities and Trustee Investment (Scotland) Act 2005 and the Charity Accounts (Scotland) Regulations 2006 (as amended).

### **3. Accounting policies**

#### **Basis of preparation**

The accounts have been prepared under the historical cost convention. The charity is a public benefit entity.

#### **Going concern**

Despite outgoings exceeding income in this year, the charity still held substantial reserves as at 31 December 2020, and its largest category of outgoings was donations for which there are no formal commitments and which may therefore be reduced in the future if necessary. There are therefore no significant concerns over the charity's ability to continue operating.

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

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

#### **Fund accounting**

The general unrestricted fund appertains to activities carried out by the church.

The restricted funds relates to monies raised by the charity shops, which may only be used for charities supported by the shops and for related administrative costs, and to certain small amounts received by the church for particular projects but not paid over until after the year end.

No transfers are made between funds unless authorised and for specific reasons.

# **BANGOR PENTECOSTAL CHURCH**

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

### **Year ended 31 December 2020**

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

##### **Incoming resources**

All income is 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 is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.

Income from donated goods is included at nil value, as their value when received is negligible.

Income from government grants is recognised when the charity becomes entitled to the grants and the appropriate application has been made and processed.

No amounts are included for the contribution of general volunteers.

Input VAT was previously shown as other income, with expenses being shown gross of VAT. This has been changed in 2020, so that expenses are now shown net of VAT. The comparative figures have been adjusted. There was no net effect on incoming resources for 2019 and therefore no effect on closing fund balances for 2019 and opening fund balances for 2019.

##### **Resources expended**

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure, including contributions to defined contribution pension schemes, is classified under headings of the statement of financial activities to which it relates:

Costs are allocated as follows:

1. Costs relating to the church, other than the independent examination fee which is the only item included within governance costs, and donations made by the church which are included within the costs of charitable activities, are included within the costs of raising donations and legacies.
2. Costs relating to the shops are all included within the costs of charitable activities.

No costs are apportioned between different categories.

##### **Donations payable**

Donations are made to various charities in the third world, the objectives and activities of which meet those of this charity.

##### **Operating leases**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

# BANGOR PENTECOSTAL CHURCH

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

Year ended 31 December 2020

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

#### Tangible assets

Fixed assets are stated at cost less accumulated depreciation. The land and buildings are not depreciated as they are kept in good condition, and, as their residual value would be at least equal to the book value, there is no depreciation to be charged. Although the Companies Act and FRS 102 would normally require the systematic annual depreciation of all fixed assets, the trustees believe that the policy of not providing depreciation of properties is necessary in order for the accounts to give a true and fair view. This excludes the heating system, which forms part of the buildings but is depreciated at a rate of 25% reducing balance. Other assets are depreciated as detailed below.

#### 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:

Fixtures and fittings	- 25% reducing balance
Motor vehicles	- 25% reducing balance
Equipment	- 20% 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.

#### Finance leases and hire purchase contracts

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the statement of financial activities on a straight line basis.

#### Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the charity will comply with the conditions attaching to them and the grants will be received.

Where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

# **BANGOR PENTECOSTAL CHURCH**

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

**Year ended 31 December 2020**

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

#### **Financial instruments**

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

#### **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.



# BANGOR PENTECOSTAL CHURCH

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

Year ended 31 December 2020

### 4. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
<b>Donations</b>			
General donations received by the church	89,821	–	<b>89,821</b>
Specific donations received by the church	–	17,339	<b>17,339</b>
Donations received by Annie's Orphans	–	38,835	<b>38,835</b>
<b>Grants</b>			
Government grant income	–	202,025	<b>202,025</b>
	<u>89,821</u>	<u>258,199</u>	<u><b>348,020</b></u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
<b>Donations</b>			
General donations received by the church	67,211	–	67,211
Specific donations received by the church	–	17,643	17,643
Donations received by Annie's Orphans	–	9,369	9,369
<b>Grants</b>			
Government grant income	–	–	–
	<u>67,211</u>	<u>27,012</u>	<u>94,223</u>

### 5. Other trading activities

	Restricted Funds £	Total Funds 2020 £	Restricted Funds £	Total Funds 2019 £
Shop income	<u>242,710</u>	<u><b>242,710</b></u>	<u>423,609</u>	<u>423,609</u>

### 6. Investment income

	Restricted Funds £	Total Funds 2020 £	Restricted Funds £	Total Funds 2019 £
Bank interest receivable	<u>5</u>	<u><b>5</b></u>	<u>5</u>	<u>5</u>

### 7. Other income

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Employer's allowance	3,691	4,000	<b>7,691</b>
Insurance claim	–	4,808	<b>4,808</b>
	<u>3,691</u>	<u>8,808</u>	<u><b>12,499</b></u>

# BANGOR PENTECOSTAL CHURCH

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

Year ended 31 December 2020

### 7. Other income *(continued)*

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Employer's allowance	—	3,000	3,000
Insurance claim	—	—	—
	<u>—</u>	<u>3,000</u>	<u>3,000</u>

### 8. Costs of raising donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Costs of raising donations and legacies	<u>65,742</u>	<u>5,140</u>	<u>70,882</u>

The comparative figure was £61,396 (all unrestricted).

The costs of raising donations and legacies include the costs of running the church, within which are included the pastor's salary.

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

	Restricted Funds £	Total Funds 2020 £	Restricted Funds £	Total Funds 2019 £
Operation and administration of shops	345,897	<b>345,897</b>	366,055	366,055
Donations made by Annie's Orphans	170,363	<b>170,363</b>	67,152	67,152
Donations made by the church	22,863	<b>22,863</b>	18,169	18,169
Audit fees	10,400	<b>10,400</b>	6,299	6,299
	<u>549,523</u>	<u><b>549,523</b></u>	<u>457,675</u>	<u>457,675</u>

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

	Activities undertaken directly £	Support costs £	Total funds 2020 £	Total fund 2019 £
Operation and administration of shops	345,897	—	<b>345,897</b>	366,055
Donations made by Annie's Orphans	170,363	—	<b>170,363</b>	67,152
Donations made by the church	22,863	—	<b>22,863</b>	18,169
Governance costs	—	10,400	<b>10,400</b>	6,299
	<u>539,123</u>	<u>10,400</u>	<u><b>549,523</b></u>	<u>457,675</u>

# BANGOR PENTECOSTAL CHURCH

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

Year ended 31 December 2020

### 11. Net (expenditure)/income

Net (expenditure)/income is stated after charging/(crediting):

	2020	2019
	£	£
Depreciation of tangible fixed assets	<u>7,032</u>	<u>7,173</u>

### 12. Auditors' remuneration

	2020	2019
	£	£
Fees payable for the audit of the financial statements	<u>10,400</u>	<u>6,000</u>

### 13. Independent examination fees

	2020	2019
	£	£
Fees payable to the independent examiner for:		
Other assurance services	<u>-</u>	<u>300</u>

### 14. Staff costs

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

	2020	2019
	£	£
Wages and salaries	220,675	212,358
Social security costs	13,207	13,074
Employer contributions to pension plans	<u>1,227</u>	<u>808</u>
	<u>235,109</u>	<u>226,240</u>

The average head count of employees during the year was 13 (2019: 16). The average number of full-time equivalent employees during the year is analysed as follows:

	2020	2019
	No.	No.
Number of management staff	1	1
Number of staff employed by Annie's Orphans	<u>12</u>	<u>15</u>
	<u>13</u>	<u>16</u>

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

### 15. Trustee remuneration and expenses

One trustee, Reverend Pauline Edwards, was paid £42,083 (2019: £35,000) in her capacity as pastor of the church. Pension contributions of £0 (2019: £175) were also paid in respect of Reverend Edwards.

No trustees received expenses other than those incurred in the course of carrying out the charity's affairs.

# BANGOR PENTECOSTAL CHURCH

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

### Year ended 31 December 2020

#### 16. Transfers between funds

£6,487 has been transferred from the church general fund to the Annie's Orphans restricted fund and £13,513 from the church general fund to the church restricted funds, as a contribution from surplus funds held towards donations made. £7,513 has been transferred from the church general fund to the Annie's Orphans restricted fund, as this money was raised for the Sovu, Burundi project being undertaken by Annie's Orphans.

#### 17. Tangible fixed assets

	Land and buildings £	Fixtures and fittings £	Motor vehicles £	Equipment £	Total £
<b>Cost</b>					
At 1 January 2020	53,256	7,311	8,394	6,861	<b>75,822</b>
Additions	6,116	–	–	615	<b>6,731</b>
<b>At 31 December 2020</b>	<b>59,372</b>	<b>7,311</b>	<b>8,394</b>	<b>7,476</b>	<b>82,553</b>
<b>Depreciation</b>					
At 1 January 2020	4,814	6,600	2,099	6,775	<b>20,288</b>
Charge for the year	5,140	178	1,574	140	<b>7,032</b>
<b>At 31 December 2020</b>	<b>9,954</b>	<b>6,778</b>	<b>3,673</b>	<b>6,915</b>	<b>27,320</b>
<b>Carrying amount</b>					
<b>At 31 December 2020</b>	<b>49,418</b>	<b>533</b>	<b>4,721</b>	<b>561</b>	<b>55,233</b>
At 31 December 2019	48,442	711	6,295	86	55,534

The value of the building is considered by the trustees to be £900,000.

#### Finance leases and hire purchase contracts

Included within the carrying value of tangible fixed assets are the following amounts relating to assets held under finance leases or hire purchase agreements:

	<b>Motor vehicles £</b>
<b>At 31 December 2020</b>	<b>4,721</b>
At 31 December 2019	6,295

#### 18. Debtors

	<b>2020 £</b>	<b>2019 £</b>
Other debtors	<b>4,435</b>	3,577

#### 19. Cash and cash equivalents

Cash and cash equivalents comprise the following:

	<b>2020 £</b>	<b>2019 £</b>
Cash at bank and in hand	<b>16,604</b>	12,916
Bank overdrafts	–	(4,949)
	<b>16,604</b>	7,967

# BANGOR PENTECOSTAL CHURCH

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

Year ended 31 December 2020

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

	2020	2019
	£	£
Bank loans and overdrafts	–	4,949
Trade creditors	2,234	3,862
Accruals and deferred income	17,700	9,400
Social security and other taxes	13,287	1,127
Obligations under finance leases and hire purchase contracts	2,132	2,132
Other creditors	9,664	–
	<u>45,017</u>	<u>21,470</u>

Hire purchase liabilities are secured on the motor vehicle.

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

	2020	2019
	£	£
Obligations under finance leases and hire purchase contracts	<u>1,777</u>	<u>3,908</u>

### 22. 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	2,132	2,132
Later than 1 year and not later than 5 years	1,777	3,908
	<u>3,909</u>	<u>6,040</u>

### 23. 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 £1,227 (2019: £808).

### 24. Government grants

The amounts recognised in the financial statements for government grants are as follows:

	2020	2019
	£	£
Recognised in income from donations and legacies:		
Government grants income	<u>202,025</u>	<u>–</u>

# BANGOR PENTECOSTAL CHURCH

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

### Year ended 31 December 2020

#### 25. Analysis of charitable funds

##### Unrestricted funds

	At 1 Jan 2020	Income	Expenditure	Transfers	At 31 December 2020
	£	£	£	£	£
General funds	<u>540</u>	<u>93,512</u>	<u>(65,742)</u>	<u>(20,000)</u>	<u>8,310</u>

	At 1 Jan 2019	Income	Expenditure	Transfers	At 31 December 2019
	£	£	£	£	£
General funds	<u>8,635</u>	<u>67,211</u>	<u>(61,396)</u>	<u>(13,910)</u>	<u>540</u>

Unrestricted funds arise from donations received by the church for no specified purpose.

##### Restricted funds

	At 1 Jan 2020	Income	Expenditure	Transfers	At 31 December 2020
	£	£	£	£	£
Annie's Orphans	20,319	492,383	(526,660)	14,000	42
Specific donations received by the church	6,534	16,681	(22,863)	6,000	6,352
Church heating system	<u>19,256</u>	<u>658</u>	<u>(5,140)</u>	<u>—</u>	<u>14,774</u>
	<u>46,109</u>	<u>509,722</u>	<u>(554,663)</u>	<u>14,000</u>	<u>21,168</u>

	At 1 Jan 2019	Income	Expenditure	Transfers	At 31 December 2019
	£	£	£	£	£
Annie's Orphans	17,043	435,983	(439,506)	6,799	20,319
Specific donations received by the church	7,050	11,393	(18,169)	6,260	6,534
Church heating system	<u>12,155</u>	<u>6,250</u>	<u>—</u>	<u>851</u>	<u>19,256</u>
	<u>36,248</u>	<u>453,626</u>	<u>(457,675)</u>	<u>13,910</u>	<u>46,109</u>

Restricted funds relate to funds raised by the Annie's Orphans shops, to donations received by the church for specified purposes, and to amounts raised by the church to fund the purchase of work on the heating system.

# BANGOR PENTECOSTAL CHURCH

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

Year ended 31 December 2020

### 26. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Tangible fixed assets	28,229	27,004	<b>55,233</b>
Current assets	17,432	3,607	<b>21,039</b>
Creditors less than 1 year	(37,351)	(7,666)	<b>(45,017)</b>
Creditors greater than 1 year	–	(1,777)	<b>(1,777)</b>
<b>Net assets</b>	<b>8,310</b>	<b>21,168</b>	<b>29,478</b>

  

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Tangible fixed assets	22,010	33,524	55,534
Current assets	–	16,493	16,493
Creditors less than 1 year	(21,470)	–	(21,470)
Creditors greater than 1 year	–	(3,908)	(3,908)
<b>Net assets</b>	<b>540</b>	<b>46,109</b>	<b>46,649</b>

### 27. Analysis of changes in net debt

	At 1 Jan 2020 £	Cash flows £	At 31 Dec 2020 £
Cash at bank and in hand	12,915	3,689	<b>16,604</b>
Bank overdrafts	(4,949)	4,949	<b>–</b>
Debt due within one year	(2,132)	–	<b>(2,132)</b>
Debt due after one year	(3,908)	2,131	<b>(1,777)</b>
	<b>1,926</b>	<b>10,769</b>	<b>12,695</b>

### 28. Operating lease commitments

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2020 £	2019 £
Not later than 1 year	<b>41,579</b>	51,624
Later than 1 year and not later than 5 years	<b>79,937</b>	116,963
Later than 5 years	<b>40,824</b>	–
	<b>162,340</b>	<b>168,587</b>

### 29. Related parties

During the previous year, the charity received donations of £26,083 from trustees, none of which were restricted, and made donations of £3,720 (2019: £5,607) to the African Child Trust, a charity of which the Reverend Pauline Edwards is chairman.

# **BANGOR PENTECOSTAL CHURCH**

## **Management Information**

**Year ended 31 December 2020**

**The following pages do not form part of the financial statements.**



# BANGOR PENTECOSTAL CHURCH

## Detailed Statement of Financial Activities

Year ended 31 December 2020

	2020 £	2019 £
<b>Income and endowments</b>		
<b>Donations and legacies</b>		
General donations received by the church	89,821	67,211
Specific donations received by the church	17,339	17,643
Donations received by Annie's Orphans	38,835	9,369
Government grant income	202,025	—
	<u>348,020</u>	<u>94,223</u>
 <b>Other trading activities</b>		
Shop income	242,710	423,609
 <b>Investment income</b>		
Bank interest receivable	5	5
 <b>Other income</b>		
Employer's allowance	7,691	3,000
Insurance claim	4,808	—
	<u>12,499</u>	<u>3,000</u>
 <b>Total income</b>	<u><u>603,234</u></u>	<u><u>520,837</u></u>

# BANGOR PENTECOSTAL CHURCH

## Detailed Statement of Financial Activities *(continued)*

Year ended 31 December 2020

	2020 £	2019 £
<b>Expenditure</b>		
<b>Costs of raising donations and legacies</b>		
Wages and salaries	44,649	36,785
Employer's NIC	4,601	3,646
Pension costs	—	175
Light and heat and water	1,546	3,573
Insurance	1,160	1,113
Motor vehicle expenses	3,762	3,907
Travel costs	805	1,848
Legal and professional fees	49	174
Telephone	1,079	1,262
Sundry expenses	1,755	1,543
Depreciation	5,164	4,846
Advertising	314	91
Books, literature and licences	1,319	854
Bank charges and interest	293	553
Repairs and maintenance	4,103	1,026
Other interest	283	—
	<u>70,882</u>	<u>61,396</u>
 <b>Expenditure on charitable activities</b>		
Wages and salaries	176,026	175,573
Employer's NIC	8,606	9,428
Pension costs	1,227	633
Rent	100,568	112,612
Rates and water	5,504	11,792
Light and heat	16,371	14,894
Repairs and maintenance	6,348	3,296
Insurance	6,449	4,861
Motor vehicle expenses	4,995	9,584
Other motor/travel costs	3,857	781
Legal and professional fees	12,242	7,923
Telephone	1,117	725
Other shop costs	2,410	4,400
Loss on disposal	—	1,736
Depreciation	1,868	2,327
Hire purchase interest	424	671
Bank charges and interest	4,177	5,607
Donations made	193,226	85,321
Postage and stationery	1,007	719
Advertising	—	847
Cleaning and disposal	3,102	3,945
	<u>549,524</u>	<u>457,675</u>
 <b>Total expenditure</b>	<u>620,405</u>	<u>519,071</u>
 <b>Net (expenditure)/income</b>	<u>(17,171)</u>	<u>1,766</u>

# BANGOR PENTECOSTAL CHURCH

## Notes to the Detailed Statement of Financial Activities

Year ended 31 December 2020

	2020 £	2019 £
<b>Costs of raising donations and legacies</b>		
Wages and salaries	<b>44,649</b>	36,785
Employer's NIC	<b>4,601</b>	3,646
Pension costs	<b>—</b>	175
Light and heat and water	<b>1,546</b>	3,573
Insurance	<b>1,160</b>	1,113
Motor vehicle expenses	<b>3,762</b>	3,907
Travel costs	<b>805</b>	1,848
Legal and professional fees	<b>49</b>	174
Telephone	<b>1,079</b>	1,262
Sundry expenses	<b>1,755</b>	1,543
Depreciation	<b>5,164</b>	4,846
Advertising	<b>314</b>	91
Books, literature and licences	<b>1,319</b>	854
Bank charges and interest	<b>293</b>	553
Repairs and maintenance	<b>4,103</b>	1,026
Other interest	<b>283</b>	—
	<b>70,882</b>	61,396
	<hr/>	<hr/>
<b>Costs of raising donations and legacies</b>	<b>70,882</b>	61,396
	<hr/>	<hr/>

# BANGOR PENTECOSTAL CHURCH

## Notes to the Detailed Statement of Financial Activities *(continued)*

Year ended 31 December 2020

	2020 £	2019 £
<b>Expenditure on charitable activities</b>		
Wages and salaries	176,026	175,573
Employer's NIC	8,606	9,428
Pension costs	1,227	633
Rent	100,568	112,612
Rates and water	5,504	11,792
Light and heat	16,371	14,894
Repairs and maintenance	6,348	3,296
Insurance	6,449	4,861
Motor vehicle expenses	4,995	9,584
Other motor/travel costs	3,857	781
Legal and professional fees	1,841	1,624
Telephone	1,117	725
Other shop costs	2,410	4,400
Loss on disposal	—	1,736
Depreciation	1,868	2,327
Hire purchase interest	424	671
Bank charges and interest	4,177	5,607
Postage and stationery	1,007	719
Advertising	—	847
Cleaning and disposal	3,102	3,945
	<u>345,897</u>	<u>366,055</u>
 Donations	 <u>170,363</u>	 <u>67,152</u>
 Donations made by the church	 <u>22,863</u>	 <u>18,169</u>
 Accountancy fees	 —	 300
Audit fees	10,400	5,999
	<u>10,400</u>	<u>6,299</u>
 <b>Expenditure on charitable activities</b>	 <u><u>549,524</u></u>	 <u><u>457,675</u></u>