

**ANNUAL REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2021**

**SALT AND LIGHT
MINISTRIES**

(A COMPANY LIMITED BY GUARANTEE)

COMPANY REGISTRATION No: 03603373

CHARITY REGISTRATION No: 1071600

Castle View Accounting Ltd
New Barn
Mudberry Lane
Bosham
Chichester
West Sussex
PO18 8TS

SALT AND LIGHT MINISTRIES
(A COMPANY LIMITED BY GUARANTEE)

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SALT AND LIGHT MINISTRIES
(A COMPANY LIMITED BY GUARANTEE)

LEGAL AND ADMINISTRATIVE INFORMATION

| | |
|--------------------------------------|---|
| CHARITY NUMBER | 1071600 |
| COMPANY REGISTRATION NUMBER | 03603373 |
| DATE OF INCORPORATION | 24th July 1998 |
| START OF FINANCIAL YEAR | 1st September 2020 |
| END OF FINANCIAL YEAR | 31st August 2021 |
| DIRECTORS AT 31ST AUGUST 2021 | S.P Thomas A. Moyo M.D Greig M.S Nash D.J Rolles N.S Strike M.A Harland (Resigned 10th June 2021) |
| GOVERNING DOCUMENT | Memorandum and Articles of Association Incorporated 24th July 1998. |

OBJECTS

To advance the Christian Faith in accordance with the statement of beliefs appearing in the schedule hereto in such parts of the World as the Directors of the Charity may from time to time think fit.

| | |
|---------------------------|---|
| REGISTERED ADDRESS | 33 Lower Hall Lane Walsall West Midlands WS1 1RR |
|---------------------------|---|

| | |
|------------------------|---|
| PRIMARY BANKERS | Barclays Bank Plc 20-22 Park Street Walsall West Midlands WS1 1NG |
|------------------------|---|

| | |
|------------------------------|--|
| INDEPENDENT EXAMINERS | Castle View Accounting Ltd New Barn Mudberry Lane Bosham Chichester West Sussex PO18 8TS |
|------------------------------|--|

SALT AND LIGHT MINISTRIES
(A COMPANY LIMITED BY GUARANTEE)

REPORT OF THE DIRECTORS'
FOR THE YEAR ENDED 31ST AUGUST 2021

Principal Activity

The principal activity of the company is the advancement of the Christian faith through the provision of training and support for Christian Ministries in a group of churches in the United Kingdom and internationally.

Charitable Status

The company has charitable status and is registered with the Charity Commission under registration number 1071600, and a company registered in England and Wales under registration number 3603373.

Governing Instrument

The company's activities are regulated by the Memorandum and Articles of Association. The objects of the company are:

- i) To advance the Christian faith
- ii) To relieve those who are in conditions of need, hardship or who are aged or sick
- iii) To advance education in accordance with Christian principles
- iv) To promote other charitable objects as decided by the directors from time to time

Directors:

- M D Greig (resigned 16/12/21)
- M A Harland (resigned 10/06/21)
- S P Thomas
- M S Nash (resigned 16/12/21)
- D J Rolles (appointed 19/11/20, resigned 16/12/21)
- A Moyo (appointed 19/11/20)
- N S Strike (appointed 19/11/20, resigned 16/12/21)
- S H Neal (appointed 16/12/21)

Apart from where noted, the above named have served during the year and to the point of this submission.. The Directors of the company are also the trustees of the charitable activities. The Directors are kept informed of the activities and performance of the charitable company and provided with regular management information. The composition of the Board is kept under review and additional appointments will be made should the need arise. All Directors are made aware of their responsibilities.

Persons of Significant Control

In line with recent changes to legislation we have created a register of persons of significant control and submitted their details as part of our Companies House return. These persons (who hold the right to appoint or remove the majority of the board of directors of the company) are therefore identical to our Members

Members

The Members of the charity are the leaders of the Spheres on whose behalf the national framework is run. They are:

- A Barclay-Watt (Resigned 15/11/21)
- S Thomas
- M Dunkley (Resigned 11/11/21)
- S Jones
- P Norris (Resigned 10/11/21)
- D Richards
- M Mumford (Resigned 19/10/20)
- A Moyo (Joined 19/11/20)

Administrative details

Key Staff: Oliver Russell and Andy O'Connell

Registered Office: 33 Lower Hall Lane, Walsall, England, WS1 1RR

Independent Examiners: Castle View Accounting, Chichester, PO18 8TS

Bankers: Barclays Bank PLC

SALT AND LIGHT MINISTRIES
(A COMPANY LIMITED BY GUARANTEE)

REPORT OF THE DIRECTORS' (Continued)
FOR THE YEAR ENDED 31ST AUGUST 2021

Review of Activities

We aim to be a 'family of families' – churches together on mission, equipping the church, extending God's kingdom, and blessing the nations. This is increasingly worked out practically by providing a point of connection, encouragement, accountability and networking for the key leaders in our five UK Spheres and the international regions

We have continued, in the UK, with the national strategy of releasing churches to invest more in their local Spheres, and have supported this work with the establishment of a Training Grant process to distribute funding to training projects sponsored by these Spheres.

We also continue to handle a small number of regular donors to overseas development projects we initiated but which have been subsequently transferred to UK charities who carry on that work (Henley Baptist Church, Basingstoke Community Churches). In the course of this year New Hope Uganda UK has ceased to operate in the UK and so we have worked with them to return monies collected to the donors and to wind up our involvement with them.

We continue to receive income from our fixed asset investment and this has enabled our Training Grant scheme to commit to investing £53,000 in Sphere-sponsored training over this period, as well as undertake some significant building and maintenance work to maintain the value of the assets.

These changes are requiring us to ask for significantly less financial support from our member churches and to reduce accordingly our expenditure including on staffing.

Financial Review

During the year the charity has received donations and other income amounting to £94,748 and has incurred expenditure of £138,652. The charity is largely dependent on voluntary support from many individuals and the family of churches, and this is gratefully acknowledged by the Directors.

Reserves

The Directors seek to hold adequate reserves to meet three months operating costs including emergency property costs. At year end we had cash at hand of £38,237 to cover a 21/22 expenditure budget of £85,876.

Risk Management

The Directors have reviewed the major risks to which the charity is exposed and have taken steps to mitigate the potential impact of these.

Cohesion

In September 2020, one of the UK Spheres separated themselves from Salt & Light as we brought increased clarity to our direction and principles. Two further Spheres have also begun the process of consulting on their future. In financial terms the total impact of all three departing would be just over £11k per year at the previous rate of contributing,

The mitigations taken are a) to reduce costs, especially administrative contractors and the risks created by large scale events and b) to derive the benefits of the increased clarity through the renewed commitment from the remaining three spheres.

Public Benefit

The Directors have considered the guidance provided by the Charity Commission regarding public benefit and the work of the charity (in particular the specific guidance on charities for the advancement of religion).

SALT AND LIGHT MINISTRIES
(A COMPANY LIMITED BY GUARANTEE)

REPORT OF THE DIRECTORS' (Continued)
FOR THE YEAR ENDED 31ST AUGUST 2021

Statement of Directors' Responsibilities:

The Charities Act and the Companies Act require the Board of Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity as at the end of the financial year and of the surplus or deficit of the charity. In preparing those financial statements the Board is required to :-

- a) select suitable accounting policies and then apply them consistently;
- b) make judgements and estimates that are reasonable and prudent;
- c) prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business;
- d) state whether applicable accounting standards and statements of recommended practice have been followed subject to any material departures disclosed and explained in the financial statements.

The Directors are also responsible for maintaining adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which are sufficient to show and explain the charity's transactions and enable them to ensure that the financial statements comply with the Companies Act 2006 and comply with regulations made under the Charities Act. 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.

The Directors are also responsible for the contents of the Directors' report, and the responsibility of the independent examiner in relation to the Directors' report is limited to examining the report and ensuring that on the face of the report, there are no inconsistencies with the figures disclosed in the financial statements.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

I approve the attached statement of financial activities and balance sheet for the year ended 31st August 2021 and confirm that I have made available all information necessary for its preparation.

Approved by the Directors on the 25th May 2022

Signed on their behalf by Director S. P. Thomas

Printed Name:

S. P. THOMAS

SALT AND LIGHT MINISTRIES

(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31ST AUGUST 2021

(Incorporating Income and Expenditure Account)

| | Notes | Unrestricted Funds £ | Designated Funds £ | Restricted Funds £ | TOTAL 2020/21 £ | TOTAL 2019/20 £ |
|--|-------|----------------------------|--------------------------|--------------------------|-----------------------|-----------------------|
| INCOMING RESOURCES | | | | | | |
| Incoming Resources from Generated Funds | | | | | | |
| Donations, Grants & Legacies | 3a | 9,963 | 21,640 | 1,611 | 33,214 | 60,259 |
| Investment Income | 3b | 9 | - | - | 9 | 62 |
| Charitable Activities | 3c | - | 13,207 | - | 13,207 | 115,458 |
| Activities for Generating Funds | 3d | - | 48,000 | - | 48,000 | 36,000 |
| Other Incoming Resources | 3e | 5 | 313 | - | 318 | 2,822 |
| TOTAL INCOMING RESOURCES | | 9,977 | 83,160 | 1,611 | 94,748 | 214,601 |
| RESOURCES EXPENDED | | | | | | |
| Cost of Generating Funds | | | | | | |
| Charitable Activities | 4a | 95,619 | 33,731 | 6,986 | 136,336 | 230,146 |
| Cost of Generating Funds | 4b | 673 | - | - | 673 | 19,902 |
| Governance Costs | 4c | 1,643 | - | - | 1,643 | 2,119 |
| TOTAL RESOURCES EXPENDED | | 97,935 | 33,731 | 6,986 | 138,652 | 252,167 |
| NET INCOMING/ (OUTGOING) RESOURCES | | (87,958) | 49,429 | (5,375) | (43,904) | (37,566) |
| Balance Brought Forward | | 769,013 | (13,171) | 18,549 | 774,391 | 811,957 |
| Transfer Between Funds | 5 & 6 | 44,127 | (36,328) | (7,799) | - | - |
| TOTAL FUNDS CARRIED FORWARD | | 725,182 | (70) | 5,375 | 730,487 | 774,391 |

Movements on all reserves and all recognised gains and losses are shown above. All of the organisation's operations are classed as continuing.

The notes on pages 9 to 19 form part of these financial statements.

SALT AND LIGHT MINISTRIES
(A COMPANY LIMITED BY GUARANTEE)

BALANCE SHEET
AS AT 31ST AUGUST 2021

| | Note | Unrestricted Funds £ | Restricted Funds £ | Total 31-Aug-21 £ | Total 31-Aug-20 £ |
|---|------|----------------------------|--------------------------|-------------------------|-------------------------|
| Fixed Assets | | | | | |
| Tangible Assets | 2 | 719,000 | - | 719,000 | 719,000 |
| Social Investment | 8 | 20,000 | - | 20,000 | 30,000 |
| Total Fixed Assets | | 739,000 | - | 739,000 | 749,000 |
| Current Assets | | | | | |
| Debtors & Prepayments | 10 | 10,180 | - | 10,180 | - |
| Cash at Bank and in Hand | 9 | 32,862 | 5,375 | 38,237 | 28,167 |
| Total Current Assets | | 43,042 | 5,375 | 48,417 | 28,167 |
| Creditors: amounts falling due within one year | 11 | 56,930 | - | 56,930 | 2,776 |
| NET CURRENT ASSETS | | (13,888) | 5,375 | (8,513) | 25,391 |
| Creditors: amounts falling due in more than one year | 12 | - | - | - | - |
| TOTAL ASSETS less current liabilities | | 725,112 | 5,375 | 730,487 | 774,391 |
| NET ASSETS | | 725,112 | 5,375 | 730,487 | 774,391 |
| Funds of the Charity | | | | | |
| General Funds | | 725,182 | - | 725,182 | 769,013 |
| Designated Funds | 5 | (70) | - | (70) | (13,171) |
| Restricted Funds | 6 | - | 5,375 | 5,375 | 18,549 |
| Total Funds | | 725,112 | 5,375 | 730,487 | 774,391 |

Directors' Responsibilities:

The Directors are satisfied that for the year ended on 31st August 2021 the charitable company was entitled to exemption from the requirement to obtain an audit under section 477 of the Companies Act 2006 and that no member or members have required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Act. However, in accordance with section 145 of the Charities Act 2011, the accounts have been examined by an Independent Examiner whose report appears on page 20.

The Directors acknowledge their responsibility for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

The accounts have been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies regime and in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102).

The Directors acknowledge their responsibility for ensuring that the company keeps proper accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and if its profit and loss for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

Approved by the Directors on the 25th May 2022

Signed on their behalf by Director S. A. Thomas

Printed Name:

S. A. THOMAS

SALT AND LIGHT MINISTRIES
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2021

1. ACCOUNTING POLICIES

Basis of Preparation & Assessment of Going Concern

Basis of Preparation

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1st January 2015) - (Charities SORP - FRS102) and the Charities Act 2011.

The Charity meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost unless otherwise stated in the relevant accounting policy notes.

Assessment of Going Concern

Preparation of the accounts is on a going concern basis. The trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern.

Incoming Resources

Recognition of Incoming Resources

These are included in the Statement of Financial Activities (SOFA) when:

- the charity becomes entitled to the resources;
- the Directors are virtually certain they will receive the resources; and
- the monetary value can be measured with sufficient reliability

Incoming Resources with Related Expenditure

Where incoming resources have related expenditure (as with fundraising or contract income) the incoming resource and related expenditure are reported gross in the SOFA.

Grants and Donations

Grants and Donations are only included in the SOFA when the charity has unconditional entitlement to the resources.

Tax Reclaims on Donations and Gifts

Incoming resources from tax reclaims are included in the SOFA in the same financial period as the gift to which they relate.

Contractual Income and Performance Related Grants

This is only included in the SOFA once the related goods or services has been delivered.

Gifts in Kind

Gifts in kind are accounted for at a reasonable estimate of their value to the charity or the amount actually realised. Gifts in kind for sale or distribution are included in the accounts as gifts only when sold or distributed by the charity. Gifts in kind for use by the charity are included in the SOFA as incoming resources when receivable.

Donated Services and Facilities

These are only included in incoming resources (with an equivalent amount in resources expended) where the benefit to the charity is reasonably quantifiable, measurable and material. The value placed on these resources is the estimated value to the charity of the service or facility received.

Volunteer Help

The value of any voluntary help received is not included in the accounts but is described in the Directors' annual report.

Investment Income

This is included in the accounts when receivable.

Investment Gains and Losses

This included any gain or loss on the sale of investments and any gain or loss resulting from revaluing investments to market value at the end of the year.

SALT AND LIGHT MINISTRIES
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST AUGUST 2021

1. ACCOUNTING POLICIES (Continued)

Expenditure and Liabilities

Liability Recognition

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to pay out resources.

Governance Costs

Include costs of the preparation and examination of statutory accounts, the costs of the Directors' meetings and cost of any legal advice to Directors on governance or constitutional matters.

Changes in Accounting Policies and Previous Accounts

There has been no change to the accounting policies (variation rules and methods of accounting) since last year, and no changes to the previous accounts.

Grants Payable without Performance Conditions

These are only recognised in the accounts when a commitment has been made and there are no conditions to be met relating to a grant which remain in control of the charity.

Taxation

The charity is exempt from tax on its charitable activities.

Legal Status of the Charity

The charity is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity.

Pension Scheme Arrangement

The Charity operates a defined contribution pension scheme for its employees. Obligations for contribution to these schemes are recognised as an expense when the liability arises. The assets of these schemes are held separately from those of the Charity in independently administered funds.

Investments

Investments quoted on a recognised stock exchange are valued at market value at the year end. Other investment assets are included at Directors' best estimate of market value.

Fixed Assets Investments

Fixed asset investments are held to generate income and/or for their investment potential. Fixed asset investments are investments that are held specifically for sale or are investments that the charity expects to sell by the next balance sheet date.

Investments, other than social investments (see below), are valued as follows:

i) Investment property and listed investments are valued at their market value (fair value) at the balance sheet date.

Social Investments

Social investments are investments where the primary motive is to further the charity's objects, not to generate an investment

Concessionary Loans

These are initially recognised as the amount paid and thereafter the carrying value at every balance sheet date is adjusted for repayments, interest charges and provisions for impairment if the amount owed may not be fully recoverable.

Impairment Losses

Impairment losses and losses arising on the disposal of social investments are included in the Statement of Financial Activities.

SALT AND LIGHT MINISTRIES
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NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST AUGUST 2021

Critical Accounting Estimates and Areas of Judgement

In preparing financial statements certain judgements, estimates and assumptions have to be made that affect the amounts recognised

i) The valuation of fixed asset investments and the recoverability of social investments. These estimate are reassessed annually and the valuations are adjusted to reflect current expectations of the fair value of each.

ii) The constructive obligation for grants payable is based on an assessment of the likely duration of the supported activity. Again this estimate is re-assessed annually and the obligation is adjusted to reflect current expectations.

Tangible Fixed Assets

These are capitalised if they can be used for more than one year, and cost at least £5,000. They are valued at cost or, if gifted, at the value to the charity on receipt.

Depreciation Expense

Depreciation is calculated at a rate to write off the cost of tangible fixed assets over their estimated useful lives. The rates applied per annum are as follows:

| | |
|-----------------------|------------------------------|
| Equipment Cost | 25% - Reducing Balance Basis |
| Fixtures and Fittings | 25% - Reducing Balance Basis |

Amortisation

No amortisation is charged to freehold Land and Buildings as the Land and Buildings is maintained to such a standard that the estimated residual value is not less than cost.

Land & Buildings

Land and Buildings have been valued and included within the accounts at cost value as at the 31st August 2016 in accordance with FRS 102 - Previous revaluation as deemed cost.

Valuation of Land and Building

During the financial year ended 31st August 2016 the Director of Salt and Light Ministries sought guidance and advice regarding the current market value of the Land and Building held by the Charity at 88 Pinnocks Way, Botley, OX2 9DQ and 161 Southern By-Pass, North Hinksey, OX2 0LN. The Land and Buildings have been included in the accounts at market value as at the 31st August 2016 and are included in the accounts in accordance with FRS102 Previous Valuation Deemed Cost.

2. TANGIBLE FIXED ASSETS

| | | Land & Buildings | | |
|-----------------|-----------|-----------------------------|-------------------------|----------------------|
| | | Pinnocks Way | Southern By-Pass | Total 2020/21 |
| | | £ | £ | £ |
| Cost | 01-Sep-20 | 365,000 | 354,000 | 719,000 |
| Additions | | - | - | - |
| Cost at | 31-Aug-21 | 365,000 | 354,000 | 719,000 |
| Depreciation | 01-Sep-20 | - | - | - |
| Charge | | - | - | - |
| Depreciation at | 31-Aug-21 | - | - | - |
| Net Book Value | 31-Aug-21 | 365,000 | 354,000 | 719,000 |
| Net Book Value | 31-Aug-20 | 365,000 | 354,000 | 719,000 |

The annual commitments under non-cancelling operating leases and capital commitments are as follows:

31st August 2021 : None

31st August 2020 : None

SALT AND LIGHT MINISTRIES
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST AUGUST 2021

3. INCOMING RESOURCES

| | Unrestricted Funds £ | Designated Funds £ | Restricted Funds £ | TOTAL 2020/21 £ | TOTAL 2019/20 £ |
|--|----------------------------|--------------------------|--------------------------|-----------------------|-----------------------|
| a) Donations, Grants & Legacies | | | | | |
| Gifts & Donations | 9,963 | 21,640 | 1,611 | 33,214 | 55,402 |
| Gift Aid Tax Recovered | - | - | - | - | 4,857 |
| | 9,963 | 21,640 | 1,611 | 33,214 | 60,259 |
| b) Investment Income | | | | | |
| Interest | 9 | - | - | 9 | 62 |
| | 9 | - | - | 9 | 62 |
| c) Charitable Activities | | | | | |
| Conference & Events | - | 9,963 | - | 9,963 | 85,090 |
| King's School of Theology | - | 3,244 | - | 3,244 | 30,368 |
| | - | 13,207 | - | 13,207 | 115,458 |
| d) Activities for Generating Funds | | | | | |
| Rental Income | - | 48,000 | - | 48,000 | 36,000 |
| | - | 48,000 | - | 48,000 | 36,000 |
| e) Other Incoming Resources | | | | | |
| Sundry Income | 5 | 313 | - | 318 | 2,822 |
| | 5 | 313 | - | 318 | 2,822 |

SALT AND LIGHT MINISTRIES
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST AUGUST 2021

4. RESOURCES EXPENDED

| | Unrestricted Funds £ | Designated Funds £ | Restricted Funds £ | TOTAL 2019/20 £ | TOTAL 2019/20 £ |
|----------------------------------|----------------------------|--------------------------|--------------------------|--------------------------------|--------------------------------|
| a) Charitable Activities | | | | | |
| Advertising & Publicity | - | - | - | - | 25 |
| Bank Charges | 1,620 | - | - | 1,620 | 1,575 |
| Conference & Events | 41,967 | 158 | - | 42,125 | 80,187 |
| Gifts & Donations | 1,708 | - | 4,000 | 5,708 | 685 |
| Insurance Costs | 811 | - | - | 811 | 1,613 |
| International Church Relief Fund | - | - | 2,670 | 2,670 | 1,230 |
| King's School of Theology | - | 3,244 | - | 3,244 | 56,543 |
| New Hope Uganda | - | - | 216 | 216 | 19,700 |
| Office Costs | 773 | - | - | 773 | 1,322 |
| Pearls Expenditure | - | - | 100 | 100 | 140 |
| Staff Costs | - | 29,570 | - | 29,570 | 42,968 |
| Sundry Expenses | 740 | 759 | - | 1,499 | 1,088 |
| Training Grants | 48,000 | - | - | 48,000 | 15,000 |
| UK Meeting Costs | - | - | - | - | 3,629 |
| Weekend Costs | - | - | - | - | 4,441 |
| | 95,619 | 33,731 | 6,986 | 136,336 | 230,146 |

b) Cost of Generating Funds

| | | | | | |
|----------------|------------|----------|----------|------------|---------------|
| Property Costs | 673 | - | - | 673 | 19,902 |
| | 673 | - | - | 673 | 19,902 |

c) Governance Costs

| | | | | | |
|---------------------------|--------------|----------|----------|--------------|--------------|
| Independent Examiners Fee | 1,425 | - | - | 1,425 | 1,425 |
| Legal & Professional Fees | 218 | - | - | 218 | 694 |
| | 1,643 | - | - | 1,643 | 2,119 |

SALT AND LIGHT MINISTRIES
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST AUGUST 2021

5. DESIGNATED FUNDS

CURRENT FINANCIAL YEAR

| | Balance 01-Sep-20 | Income | Expenditure | Transfers | Balance 31-Aug-21 |
|---------------------------|------------------------------|---------------|--------------------|------------------|------------------------------|
| | £ | £ | £ | £ | £ |
| Transform Summer Camp | (14,840) | - | 158 | 14,840 | (158) |
| Impact | - | - | - | - | - |
| King's School of Theology | (535) | 3,244 | 3,244 | 535 | - |
| KST Bursary | - | - | - | - | - |
| International Operations | 2,025 | 13,303 | 16,170 | (1,024) | (1,866) |
| Youth Development Fund | - | - | - | - | - |
| UK Operations | 662 | 18,613 | 13,400 | (3,162) | 2,713 |
| Eph 4 Weekend | (116) | - | - | 116 | - |
| UK Team Meetings | (1,465) | - | - | 1,465 | - |
| Housing Pot | 1,098 | 48,000 | 759 | (1,098) | 47,241 |
| Training Grants | - | - | - | (48,000) | (48,000) |
| | (13,171) | 83,160 | 33,731 | (36,328) | (70) |

PREVIOUS FINANCIAL YEAR

| | Balance 01-Sep-19 | Income | Expenditure | Transfers | Balance 31-Aug-20 |
|---------------------------|------------------------------|----------------|--------------------|------------------|------------------------------|
| | £ | £ | £ | £ | £ |
| Transform Summer Camp | - | 78,487 | 88,807 | (4,520) | (14,840) |
| Impact | - | - | - | - | - |
| King's School of Theology | 7,012 | 30,368 | 56,536 | 18,621 | (535) |
| KST Bursary | 18,621 | - | - | (18,621) | - |
| International Operations | 6,803 | 3,879 | 11,657 | 3,000 | 2,025 |
| Youth Development Fund | 5,439 | - | - | (5,439) | - |
| UK Operations | - | 30,223 | 21,261 | (8,300) | 662 |
| Eph 4 Weekend | - | 4,325 | 4,441 | - | (116) |
| UK Team Meetings | - | 2,378 | 3,843 | - | (1,465) |
| Housing Pot | - | 36,000 | 19,902 | (15,000) | 1,098 |
| Training Grants | - | - | 15,000 | 15,000 | - |
| | 37,875 | 185,660 | 221,447 | (15,259) | (13,171) |

Designated Funds are mainly training related courses or events where any final surplus or deficit are transferred to general funds.

Designated Funds are mainly training related courses or events where any final surplus or deficit is transferred to the General Fund.

Transfers include both these final balance transfers and a management charged levied on the event to cover central costs.

International Operations Fund includes costs incurred to support the international branch of the Church Family.

The Designated Funds held are wholly represented by the Charity's Cash Reserves. The Designated Funds in deficit are classed as continued operations and funds will be replenished in the coming financial period.

SALT AND LIGHT MINISTRIES
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST AUGUST 2021

6. RESTRICTED FUNDS

CURRENT FINANCIAL YEAR

| | Balance 01-Sep-20 £ | Income £ | Expenditure £ | Transfers £ | Balance 31-Aug-21 £ |
|---|---------------------------|--------------|------------------|----------------|---------------------------|
| Ministry Support - UK Development Fund | 5,218 | - | 3,000 | 782 | 3,000 |
| Ministry Support - International Development Fund | 1,941 | - | 1,000 | 59 | 1,000 |
| Church Relief Fund | 6,097 | 120 | 1,700 | (2,937) | 1,580 |
| New Hope Uganda | 74 | 216 | 216 | (74) | - |
| Pearls of Africa | (20) | 120 | 100 | (20) | (20) |
| International Church Relief Fund | (200) | 1,155 | 970 | (170) | (185) |
| Youth Development Fund | 5,439 | - | - | (5,439) | - |
| | 18,549 | 1,611 | 6,986 | (7,799) | 5,375 |

PREVIOUS FINANCIAL YEAR

| | Balance 01-Sep-19 £ | Income £ | Expenditure £ | Transfers £ | Balance 31-Aug-20 £ |
|---|---------------------------|---------------|------------------|----------------|---------------------------|
| Ministry Support - UK Development Fund | 5,218 | - | - | - | 5,218 |
| Ministry Support - International Development Fund | 1,941 | - | - | - | 1,941 |
| Church Relief Fund | 5,722 | 375 | - | - | 6,097 |
| New Hope Uganda | - | 19,774 | 19,700 | - | 74 |
| Pearls of Africa | - | 120 | 140 | - | (20) |
| International Church Relief Fund | - | 1,030 | 1,230 | - | (200) |
| Youth Development Fund | - | - | - | 5,439 | 5,439 |
| | 12,881 | 21,299 | 21,070 | 5,439 | 18,549 |

Ministry Support Funds are monies given for a) Support for Barney Coombs, the founder of Salt & Light and b) Development Funds for both the UK and International branches of the Church Family.

Church Relief International and Church Relief International Education Funds include monies given specifically given to support overseas aid and education projects, the biggest of which is the Children's Centre - New Hope Uganda. The grants giving is made to institutions and individuals who undertake activities that further the Charity's objects. These funds are gradually being transferred to other organisations who will continue to administer the funds to intended recipients.

The Youth Development Fund has been set to provide for Charitable work with young people in furthering the Charity's objects.

The Restricted Funds held are wholly represented by the Charity's Cash Reserves. The Restricted Fund in deficit are classed as continued operations and funds will be replenished in the coming financial period.

SALT AND LIGHT MINISTRIES
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST AUGUST 2021

7. GRANTS PAYABLE

| | Grants to Institutions £ | Grants to Individuals £ | TOTAL 2020/21 £ | TOTAL 2019/20 £ |
|---|--------------------------------|-------------------------------|--------------------------------|--------------------------------|
| Grants for UK and Overseas Missions | 4,208 | - | 4,208 | 685 |
| Grants for the Relief of Poverty | 2,986 | - | 2,986 | 21,030 |
| Grants for Education, including Ministry Training | 48,000 | - | 48,000 | 15,000 |
| | 55,194 | - | 55,194 | 36,715 |

8. SOCIAL INVESTMENT

CURRENT FINANCIAL YEAR

| | Balance 01-Sep-20 £ | Loans Made £ | Loans Repaid £ | Provision for Impairment £ | Balance 31-Aug-21 £ |
|---------------------|------------------------------------|--------------------|----------------------|----------------------------------|------------------------------------|
| Concessionary Loans | 30,000 | - | 10,000 | - | 20,000 |
| | 30,000 | - | 10,000 | - | 20,000 |

PREVIOUS FINANCIAL YEAR

| | Balance 01-Sep-19 £ | Loans Made £ | Loans Repaid £ | Provision for Impairment £ | Balance 31-Aug-20 £ |
|---------------------|------------------------------------|--------------------|----------------------|----------------------------------|------------------------------------|
| Concessionary Loans | 40,000 | - | 10,000 | - | 30,000 |
| | 40,000 | - | 10,000 | - | 30,000 |

Social investments comprise a concessionary loans made to a Charity to help it expatriate a Church Leader into a new UK Church.

SALT AND LIGHT MINISTRIES
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST AUGUST 2021

9. CASH AT BANK AND IN HAND

| | Unrestricted Fund £ | Restricted Fund £ | Total 31-Aug-21 £ | Total 31-Aug-20 £ |
|--------------------------|---------------------------|-------------------------|-------------------------|-------------------------|
| Cash at Bank and in Hand | 32,862 | 5,375 | 38,237 | 28,167 |
| | 32,862 | 5,375 | 38,237 | 28,167 |

10. DEBTORS AND PREPAYMENTS

| | Unrestricted Fund £ | Restricted Fund £ | Total 31-Aug-21 £ | Total 31-Aug-20 £ |
|----------------|---------------------------|-------------------------|-------------------------|-------------------------|
| Sundry Debtors | 10,180 | - | 10,180 | - |
| | 10,180 | - | 10,180 | - |

11. CREDITORS AND ACCRUALS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | Unrestricted Fund £ | Restricted Fund £ | Total 31-Aug-21 £ | Total 31-Aug-20 £ |
|----------------------------|---------------------------|-------------------------|-------------------------|-------------------------|
| Grant Obligations | 53,700 | - | 53,700 | - |
| Independent Examiners Fees | 1,425 | - | 1,425 | 1,425 |
| Sundry Creditors | 1,805 | - | 1,805 | 1,351 |
| | 56,930 | - | 56,930 | 2,776 |

12. CREDITORS AND ACCRUALS: AMOUNTS FALLING DUE IN MORE THAN ONE YEAR

The Charity held no long term liabilities during this or the previous financial year.

13. NET ASSETS BETWEEN FUNDS

| | Unrestricted Funds £ | Restricted Funds £ | Total 31-Aug-21 £ | Total 31-Aug-20 £ |
|-------------------------|----------------------------|--------------------------|-------------------------|-------------------------|
| Fixed Asset Investments | 739,000 | - | 739,000 | 749,000 |
| Net Current Assets | (13,888) | 5,375 | (8,513) | 25,391 |
| Long Term Liabilities | - | - | - | - |
| | 725,112 | 5,375 | 730,487 | 774,391 |

SALT AND LIGHT MINISTRIES
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST AUGUST 2021

14. RECONCILIATION OF MOVEMENT ON CAPITAL AND RESERVES

The Company is Limited by Guarantee (03603373) and is a Charity registered with the Charity Commission (1071600) and does not have a Share capital and has no income subject to Corporation Tax.

| | TOTAL 2020/21 £ | TOTAL 2019/20 £ |
|---|--------------------------------|--------------------------------|
| Profit / Deficit for the financial year | (43,904) | (37,566) |
| Other Recognised Gains | - | - |
| | <u>(43,904)</u> | <u>(37,566)</u> |
| Balance Brought Forward | 774,391 | 811,957 |
| Closing Funds at 31st August 2021 | <u><u>730,487</u></u> | <u><u>774,391</u></u> |

15. STAFF COSTS AND NUMBERS

| | TOTAL 2020/21 £ | TOTAL 2019/20 £ |
|-------------------------------------|--------------------------------|--------------------------------|
| Gross Wages, Salaries & Fees | 29,570 | 42,663 |
| Employer's National Insurance Costs | - | 87 |
| Pension Contributions | - | 218 |
| | <u><u>29,570</u></u> | <u><u>42,968</u></u> |

Employees who were engaged in each of the following activities:

| | TOTAL 2020/21 | TOTAL 2019/20 |
|-----------------------|--------------------------|--------------------------|
| Charitable Activities | 2 | 3 |

The Charity operates PAYE scheme to pay all employed members of staff and no members of staff received emoluments of over £60,000 (2019/20:None).

The charity's key management comprise the trustees and the key staff named in the administrative details of the Trustees Annual Report. During the year no key management received employment benefits directly from Salt and Light Ministries, but other organisations were reimbursed £24,070 for work carried out by key management (2019/20: £40,310).

SALT AND LIGHT MINISTRIES
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST AUGUST 2021

16. FIXED ASSET INVESTMENTS

The Charity owns two houses that had previously been used for bible college student accommodation. The houses are currently rented to another Charity and ongoing usage is kept under review. As at the 31st August 2019 the Directors consider the values of the properties to be £719,000. The last valuation from a local estate agent was carried out during the year ended 31st August 2016.

| | Land & Buildings | | Total | Total |
|------------------------------------|-----------------------------|-----------------|------------------|------------------|
| | Pinnocks | Southern | 31-Aug-21 | 31-Aug-20 |
| | Way | By-Pass | | |
| | £ | £ | £ | £ |
| Cost or Fair Value Brought Forward | 365,000 | 354,000 | 719,000 | 719,000 |
| Change in Value of Investments | - | - | - | - |
| Cost or Fair Value Carried Forward | 365,000 | 354,000 | 719,000 | 719,000 |

17. DIRECTORS AND OTHER RELATED PARTIES

No payments were made to Directors or any persons connected with them during this financial period. No material transaction took place between the organisation and a Director or any person connected with them.

18. RISK ASSESSMENT

The Directors actively review the major risks which the charity faces on a regular basis and believe that maintaining the free reserves stated, combined with the annual review of the controls over key financial systems carried out on an annual basis will provide sufficient resources in the event of adverse conditions. The Directors have also examined other operational and business risks which they face and confirm that they have established systems to mitigate the significant risks.

19. RESERVES POLICY

The Directors have considered the level of reserves they wish to retain, appropriate to the charity's needs. This is based on the charity's size and the level of financial commitments held. The Directors aim to ensure the charity will be able to continue to fulfil its charitable objectives even if there is a temporary shortfall in income or unexpected expenditure. The directors will endeavour not to set aside funds unnecessarily.

20. PUBLIC BENEFIT

The Charity acknowledges its requirement to demonstrate clearly that it must have charitable purposes or 'aims' that are for the public benefit. Details of how the charity has achieved this are provided in the Trustees report. The Trustees confirm that they have paid due regard to the Charity Commission guidance on public benefit before deciding what activities the charity should undertake.

INDEPENDENT EXAMINER'S REPORT ON THE ACCOUNTS

Report to the trustees/ members of Salt and Light Ministries on the accounts for the year ended 31st August 2021 set out on pages 7 to 19.

Respective responsibilities of trustees and examiner

The Charity's trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the financial statements. The trustees are satisfied that the audit requirement of Section 144(1) of the Charities Act 2011 (the Act) does not apply, and that there is no requirement in the governing document or constitution of the Charity for the conducting of an audit. As a consequence, the trustees have elected that the financial statements be subject to independent examination.

Having satisfied myself that the charity is not subject to audit, and is eligible for independent examination, it is my responsibility to:-

- a) examine the accounts under section 145 of the Act;
- b) to follow the procedures laid down in the General Directions given by the Charity Commission under section 145(5)(b) of the Act; and;
- c) to state whether particular matters have come to my attention.

Basis of independent examiner's statement

I conducted my examination in accordance with the General Directions given by the Charity Commissioners for England & Wales in relation to the conducting of an independent examination, referred to above. An independent examination includes a review of the accounting records kept by the Charity and of the accounting systems employed by the Charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeking explanations from you as trustees concerning such matters. The purpose of the examination is to establish as far as possible that there have been no breaches of the Charities legislation and that the financial statements comply with the SORP, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements.

The procedures undertaken do not provide all the evidence that would be required in an audit, and information supplied by the trustees in the course of the examination is not subjected to audit tests or enquiries, and consequently I do not express an audit opinion on the view given by the financial statements, and in particular, I express no opinion as to whether the financial statements give a true and fair view of the affairs of the charity, and my report is limited to the matters set out in the statement below.

I planned and performed my examination so as to satisfy myself that the objectives of the independent examination are achieved and before finalising the report I obtain written assurances from the trustees of all material matters.

Independent examiner's statement

In the course of my examination, no matter has come to my attention:

1. which gives me reasonable cause to believe that in, any material respect, the trustees requirements:
 - to keep accounting records in accordance with section 386 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of recommended Practice: Accounting and Reporting by Charities.

have not been met; or

2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

K. Collaku MAAT
Castle View Accounting Ltd
New Barn
Mudberry Lane
Bosham
Chichester
West Sussex
PO18 8TS



Date: 30th May 2022