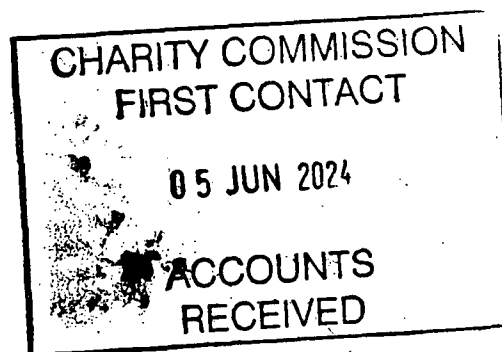


Reach Churches Ministries Limited
(A Charitable Company Limited by Guarantee)

Consolidated Financial Statements
For the Year Ended
31 August 2023

Charity Number: 1080638

Company Number: 03971567



Reach Churches Ministries Limited
(A Charitable Company Limited by Guarantee)

Group Trustees' Report for the Year Ended 31 August 2023

Report of the Trustees for the Year Ended 31 August 2023

The Trustees are pleased to present their annual Directors' report together with the consolidated financial statements of the Charity and its subsidiary for the year ended 31 August 2023 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association and reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standards for Smaller entities.

Chair's Report

Following the year end, 'East Midland Christian Fellowships' officially changed its name to 'Reach Churches Ministries'. This name change will have had little impact on the Church as it has been known locally as Reach since 2018 when there was a recognition that its impact has reached far beyond the East Midlands. The name also brings into focus the mission of the Church of 'bringing heaven to earth' which it delivers through promotion of the Christian faith, through practical support of our communities with a particular heart for the vulnerable and an increasing regard for our environment.

The largest gathering is in Derby where the buildings are used by the Church throughout the week but also serve the local business community through operating as a conference centre. There are also plans to set up a community grocer to support families who are struggling financially. Smaller gatherings in Nottingham and Leicester and beyond provide a local expression of the Church and reach out to vulnerable communities in those cities. The multicultural nature of the Church is both a challenge and a strength as we provide a home to many who have been displaced whilst we also benefit from their cultural richness and diversity.

The deficit in the financial report is the result of an accounting change with how revenue is recognised for Reach events – previously when events were booked the revenue was recognised immediately but after seeking third party financial advice we have changed to recognising the revenue once the event has been fulfilled. This deferred income accounts for the apparent deficit and the reality is that the Church is financially stable, and has significant reserves. There is much to be thankful for.

I am grateful to all of the staff for their dedication and commitment and to those who volunteer faithfully week by week to support the activities of the Church. Whether paid or voluntary these are the ones who make the difference, who give of their time and energy so generously and who really do carry the presence of God with them. Thankyou!

David Park
Chair of Directors

Reach Churches Ministries Limited
(A Charitable Company Limited by Guarantee)

Group Trustees' Report for the Year Ended 31 August 2023 - continued

PURPOSES AND ACTIVITIES

Charitable Objectives

The Objects of the Charity are, for the public benefit, to:

- (a) advance the Christian faith in accordance with the Statement of Beliefs appearing in the Schedule;
- (b) relieve persons who are in conditions of need or hardship or who are aged or sick and to relieve the distress caused thereby;
- (c) promote social inclusion by preventing people from becoming socially excluded, relieving the needs of those people who are socially excluded and assisting them to integrate into society (and for the purpose of this clause "socially excluded" means being excluded from society, or part of society, as a result of being a member of a socially and/or economically deprived community);
- (d) advance education by such means as the Trustees may consider appropriate including, without limitation, the provision of life skills training for refugees and others, and partnering with other educational providers to host their distance learning facilities;
- (e) promote and fulfil such other charitable purposes as the Trustees may from time to time think fit.

Principal Activities

The charitable company's principal activities continue to be the running of the churches known as Reach Derby, Reach Leicester, and Reach Nottingham, as well as fledgling start-ups in Malaga and North Africa.

Review of the Activity, Achievements and Performance during the period

When planning the activities for the period the trustees have considered the Charity Commission's guidance on public benefit and the specific guidance on charities for the advancement of religion.

In its main activities of running churches the charity seeks to principally benefit Derby, Leicester, and Nottingham with also a view to seeing how we are also able to impact further afield in the United Kingdom and abroad. During the year whilst we have continued our involvement in local communities with the various projects and events we run across the East Midlands, we have also started to look at intentionally building systems and processes to help bring a strategic element to how we can impact the communities and cities we are in. This is with a view to helping us grow our churches and make an even more significant and positive contribution in and around the cities we are currently placed.

Reach Leicester has become more secure and established. Weekly gatherings take place, either at Holy Apostles or at homes throughout the city. There is a particular emphasis on work with asylum seekers and refugees and gatherings are intentionally accessible, multilingual and including the use of Persian worship songs. A youth intern was appointed in Sept 2023 and as a result a youth group was established, shared between Ayleston Baptist Church and Reach Leicester as neither church was big enough to establish a viable youth group on their own. This partnership has worked well and families, youth and children from both churches have benefited.

Reach Churches Ministries Limited
(A Charitable Company Limited by Guarantee)

Group Trustees' Report for the Year Ended 31 August 2023 – continued

Reach Derby leadership team is led by Ben Rook who has now fully recovered from Long Covid, and Chipper Betts. The Church has continued to grow numerically and celebration gatherings have been introduced several times each year where people from across Reach gather together. Sundays also include active children's work and provision for the youth.

Midweek events include 'powerhouse prayer' and 'Celebrate Recovery'. There is an over 50's group and the Young Adults group. The Youth group meets weekly and recently took 90 teenagers away for a fun-filled and spiritual few days in Staffordshire and a similar number to 'Limitless Festival' in the summer. Other ministries continue to flourish – notably the work with church men and women where many are gathering regularly for focussed input and activity. The Hong Kong community in the church has become embedded and the intercultural feel overall is now the norm. We also had a successful Youth Mission with our partners the Message Trust in September 2022, culminating in an event for 500 unchurched teenagers. There are regular gatherings for Asylum seekers to offer support as they integrate into the UK and discipleship to help them grow in their Christian faith.

Reach Nottingham has had a turbulent year with a change of leadership. Ben Rook has stepped in to provide stability and a new structure and way of being has been established. Whilst the Church has lost some members, its core sense of purpose has not been altered and there are early indications of growth into the new year.

Reach Malaga & Reach North Africa RNA is now well established with a new core of people. It is growing. The Malaga team were strengthened by a visit of some 10 people from Reach in December 2021. New possibilities to strengthen the work together across this part of the world are being explored.

Reach Centre & Reach Events – Reach Events is functioning well and has developed into an events business with the values of the Church at its core. There is an increasing emphasis on supporting local business and increasing environmental awareness. Revenue from Reach events increased which has allowed the Church to meet its core objectives.

Theological Education - Starting September 2021, the charity has established a theological education partnership with Westminster Theological College to provide a hub for higher education qualifications. We were pleased to see 14 students sign up and we are committed to theological training for leaders across the region as a necessary part of their development.

Reach Response - Reach Response is a Reach enterprise to partner with local Christian charities and initiatives and looks to see how we can promote them and release volunteers from within Reach to help serve with these organisations. We supported 11 partner charities financially and with approximately 150 volunteers. We continue to actively engage in Derby City Mission's Derby City Street Pastors' project, and 'Talk it Over', a pregnancy options and loss support service. Also, the Derby Chaplaincy project offers support to people working in the shops in the town and for the businesses on Pride Park.

Statement of Public Benefit

The Directors confirm that they have complied with their duties under section 17 of the Charities Act 2011, with regard to public benefit.

Reach Churches Ministries Limited
(A Charitable Company Limited by Guarantee)

Group Trustees' Report for the Year Ended 31 August 2023 - continued

FINANCIAL REVIEW

The principal funding sources of the charity in the year are as always the voluntary donations of its people and the gift from its trading company Riverside Event Management Limited.

For the year, Reach Churches Ministries Limited ('RCML'), including its subsidiary, had income of £951,779 and expenditure of £1,147,491. This resulted in a net deficit of £195,712 for the year. The expenditure included depreciation charge of £83,039.

This being the first year of 'normal' trading since the covid lockdown period, the Subsidiary, Riverside Event Management Limited's (REM) trading turnover increased by £234,757 to £424,439 (2022: £189,682).

At the end of the Financial Year the Group's net asset position decreased by £195,712 to £918,722 (2022: £1,114,433).

Reserves

Trustees are required to ensure that the charity maintains sufficient reserves to ensure effective continuity in achieving its objectives should challenging circumstances arise. The trustees have identified that it is appropriate to have a reserves policy based on the risks associated with a shortfall in donation income and/or significant unanticipated costs. The trustees consider that it is likely to take three months for the charity to change its financial model in response to a marked decrease in income or increase in expenditure and therefore the free reserves (i.e. general fund net current assets) minimum target shall be based on the net sum of the following:

- Approximately three months of charitable expenditure.
- Less, 50% of three months of actual income from unrestricted donations, including a proportion of gift aid income.

Commercial trading activity is excluded from the calculation.

Based on the 2022/23 accounts, the Reserves required to meet the above criteria would equate to £144,300. Based on our budgeted and projected figures for the following year (2023/24), the minimum target is estimated to be £131,800

As at 31st August 2023, the actual Free Reserves available to the Charity were £152,700, which includes the proceeds from the sale of Juniper Lodge last year.

There is, therefore, an excess of £8,400 between the Reserves Policy level and the actual Free Reserves available. Based on the budgeted figures for the following year, the excess is estimated to be £20,900.

The Trustees therefore consider that the Charity has sufficient reserves to ensure effective continuity in achieving its objectives should challenging circumstances arise.

PLANS FOR THE FUTURE

Conclusion - This next year we are expecting to see a steady development and growth of our core work, the development of healthy Christians in localities across the East Midlands and where we can, overseas in Spain & N. Africa.

Reach Churches Ministries Limited
(A Charitable Company Limited by Guarantee)

Group Trustees' Report for the Year Ended 31 August 2023 - continued

Reference and Administrative Details

Charity Name:	Reach Churches Ministries Limited	
Charitable Status:	The charitable company has charitable status and is registered with the Charity Commission under registration number 1080638.	
Company Number:	03971567	
Directors:	D Park (Chair) D Cavanagh (resigned 22.06.23) J Abraham E L A Jones (resigned 31.12.22) L So (resigned 25.9.22)	T Stokes (appointed 12.7.23) J M Wright (appointed 12.7.23) J M Leach (appointed 4.3.24) R S Price (appointed 4.3.24)
Secretary:	K C Parmar (resigned 4.3.24) A Davies (appointed 5.3.24)	
Directors:	The above served as Directors as indicated above. The Directors of the Company are also the Trustees of the charitable activities.	
Registered Office:	The Riverside Centre Riverside Court Pride Park Derby DE24 8HY	
Bankers:	Barclays Bank Plc Nottingham and Derby Team Level 4 1 Chapel Quarter Maid Marion Way Nottingham NG1 6HQ	
Senior Statutory Auditors:	Haines Watts (East Midlands) Ltd 10 Stadium Business Court Millennium Way Pride Park Derby DE24 8HP	

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

Reach Churches Ministries Limited is a company limited by guarantee and governed by its Memorandum and Articles of Association dated 1 March 2000. It is registered as a charity with the Charity Commission.

Reach Churches Ministries Limited
(A Charitable Company Limited by Guarantee)

Group Trustees' Report for the Year Ended 31 August 2023 - continued

Recruitment of Trustees

The Trustees may appoint a person who is willing to act to be a Trustee either to fill a vacancy or as an additional Trustee provided that appointment does not cause the number of Trustees to exceed any number fixed by or in accordance with the Articles as the maximum number of Trustees. (The number of Trustees shall be no less than three but shall not be subject to any maximum, unless determined by ordinary resolution). The Trustees are the members of the charity.

Trustees' Induction and Training

New directors receive half a day's overview of Reach Churches Ministries Limited organisational structure, decision-making processes, the recent financial performance of the charity, together with the budget and receive copies of the Memorandum and Articles of Association. Directors are referred to and encouraged to read appropriate information on their legal obligations under charity and company law, and the Charity Commission guidance on public benefit.

Related Parties and Cooperation with Other Organisations

In addition to the trustees a related party of the charitable company is a trading company, Riverside Event Management Limited. The principal activity of this company is the provision of room hire and related facilities; further detail is given in note 24 to the accounts. The company is a wholly owned subsidiary of the Charity and Gift Aids all of its profits to the Charity.

Upbeat Communities, Welcome Churches and Derby City Mission are also a related party as a number of our people are on their Board of Directors or Chief Executives, and we work closely with them on a number of projects.

Pay Policy for Senior Staff

The Trustees and the key management personnel of the charity are in charge of operating the charity on a day to day basis. Details of Trustee payments and related party transactions are disclosed in note 20 to the accounts.

The pay of senior staff is reviewed annually by the payroll subcommittee who present their report / recommendations to the board of trustees for approval.

Risk Management

The Operations and Policy sub-committee has oversight of Risk Management and other policies within EMCF. The sub-committee is made up of two Trustees (one of whom is the Chair), Head of Finance and Operations and the Operations Manager. Risk awareness and implementation of any required policies and practices is part of the terms of reference for this committee and as such actively looks to maintain a low-risk profile for the organisation as a whole.

The following areas are categories that are monitored and under which risks may fall:

- A. Strategic & Legal
- B. Operational
- C. Property
- D. Employment
- E. Financial

Reach Churches Ministries Limited
(A Charitable Company Limited by Guarantee)

Group Trustees' Report for the Year Ended 31 August 2023 - continued

The following were areas where major risks have been identified:

A. Strategic & Legal

a. Employment Legal Expertise Mitigation:

As per previous years we maintain our counsel of a HR Solicitor whom we have on a monthly retainer. This has once again proven to be invaluable as we have navigated some significant staffing changes in the year. In addition, we are also utilising legal expertise as we approach amending our Articles of Association.

B. Operational

a. Safeguarding Children and Adults Mitigation:

ThirtyOneEight (an external organisation specialising in Safeguarding) are EMCF's preferred supplier for DBS checks and expert advice and training. The organisation is used to carry out DBS checks and is used as a point of expertise for any questions arising within the organisation regarding safeguarding and legal obligations (or best practice). Creation and updating of policies and a database of all volunteers working with children, youth and vulnerable adults remains a priority with additional section to include training. A current focus which has gained more traction is to include more robust policies on vulnerable adults and safeguards against spiritual abuse.

b. IT Mitigation:

IT infrastructure continues to be a focus for EMCF. It already has in place secure database storage and processes (such as 2FA and virus scanning software) and encourages staff to be aware of fraudulent activities especially when it comes to spam emails. EMCF also continues to use 3rd Party IT contractors to assist in more complex problem solving and safety issues.

C. Property

a. Reach Centre and Bridge House

EMCF utilises our preferred insurance brokers and have completed an exercise to ensure that building, fabric and item values are up to date and records accurately reflect current assets.

D. Employment

a. Staffing and HR

As has been mentioned already EMCF utilise a legal expert in employment law to ensure that any risks are mitigated. This has been the case with the changes required within REM.

b. Systems

EMCF have also invested in an online HR system to (electronically) handle leave, sickness, objectives and meetings. Whilst the system has not been launched (yet) this remains a priority to implement in the new financial year.

E. Financial

a. Income

Regular cashflow analysis remains in place to track the overall financial picture and the action as and where required.

b. Fraud

EMCF continues to reference Charities Commissions Guidance in handling fraud and cyber crime (<https://www.gov.uk/guidance/protect-your-charity-from-fraud#tackling-charity-fraud-8-guiding-principles>)

Reach Churches Ministries Limited
(A Charitable Company Limited by Guarantee)

Group Trustees' Report for the Year Ended 31 August 2023 - continued

Statement of Directors' Responsibilities

The Directors (who are also trustees of the charitable activities for the purposes of charity law) are responsible for preparing the directors report and the financial statements in accordance with general applicable law and United Kingdom Accounting Standards (United Kingdom General Accepted Accounting Practice).

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources of the charitable company for that period. In preparing these financial statements, the directors 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The directors are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safekeeping the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far the directors are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website. Legislation in the United Kingdom governing preparing and dissemination of financial statements may differ from legislation in other jurisdictions.

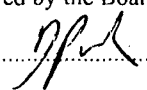
Members of the charitable company guarantee to contribute an amount not exceeding £10 to the assets of the charitable company in the event of winding up. The total number of such guarantees at 31 August 2023 was 6 (2022: 5).

Haines Watts were appointed as the charitable company's auditors during the year and have expressed their willingness to continue in that capacity.

A resolution to re-appoint Haines Watts as auditors of the Company will be proposed at the Annual General Meeting.

This report has been prepared in accordance with the statement of Recommended Practice: Accounting and Reporting by Charities (effective 1st January 2019) and in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small entities.

Approved by the Board of Trustees on 4/3/24 and signed on its behalf by:

 D Park (Director)

**Report of Independent Auditors to the Members of
Reach Churches Ministries Limited
(A Charitable Company Limited by Guarantee)**

Opinion

We have audited the financial statements of Reach Churches Ministries Limited (the parent charitable company) and its subsidiary (the 'group') for the year ended 31 August 2023 on pages twelve to twenty five which comprise the Group and Parent Charitable Company Statement of Financial Activities, the Group and Parent Charitable Company summary Income and Expenditure Account, the Group and Parent Charitable Company Balance Sheet, the Group and Parent Charitable Company Cash Flow Statement and the related notes. 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 group's and parent charitable company's affairs as at 31 August 2023 and of the groups incoming resources and application of resources 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.

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 Auditors' 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 the provisions available for small entities, in the circumstances set out in note twenty two to the financial statements, 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 director's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the director has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or parent charitable company'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 Auditors report thereon. The Trustees are responsible for the other information.

Our opinion on the financial statements does not cover the other information and 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 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.

**Report of Independent Auditors to the Members of
Reach Churches Ministries Limited
(A Charitable Company Limited by Guarantee)**

Opinion 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 which includes the Director's report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Directors included within 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 company and its environment obtained in the course of the audit, we have not identified material misstatements in the Director's report included within the Trustees report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- Parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustee's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- 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 from the requirement to prepare a Strategic Report or in preparing the Trustees report.

Responsibilities of Trustees

As explained more fully in the Statement of Trustees Responsibilities set out on page nine, 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 group's and parent 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 group or parent charitable company or to cease operations, or has no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the group financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors 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.

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 extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Enquiring of management of any known or suspected instances of fraud, as well as considering management's assessment of the susceptibility of the financial statements to fraud.
- Performing substantive testing over a selection of journal entries made in the period, to address the risk of fraud due to management override of controls. With a focus on entries made by unusual team members or entries made at unusual times or on unusual dates.
- We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Reach Churches Ministries Limited
(A Charitable Company Limited by Guarantee)

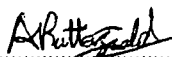
- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements. Specifically checking compliance with Charity Commission as well as employment and taxation laws and regulations.
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate an increased risk of material misstatement as a result of fraud, or management override.
- Assessing accounting estimates which have a material impact of the year end accounts, to determine if there is indication of management bias.

Despite the audit being planned and conducted in accordance with ISAs (UK) there remains an unavoidable risk that material misstatements in the financial statements may not be detected owing to inherent limitations of the audit, and that by their very nature, any such instances of fraud or irregularity likely involve collusion, forgery, intentional misrepresentations, or the override of internal controls.

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 Report of the Auditors.

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. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in a Report of the Auditors 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 and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



.....
Alexander Butterfield – Senior Statutory Auditor
For and on behalf of Haines Watts (East Midlands) Ltd
Statutory Auditors
10 Stadium Business Court
Millennium Way
Pride Park
Derby
DE24 8HP

Date 28/5/24.

Reach Churches Ministries Limited
(A Charitable Company Limited by Guarantee)

Consolidated Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
for the Year Ended 31 August 2023

		<u>2023</u>			<u>2022</u>		
	<u>Notes</u>	<u>Unrestricted Funds</u> £	<u>Restricted Funds</u> £	<u>Total</u> £	<u>Unrestricted Funds</u> £	<u>Restricted Funds</u> £	<u>Total</u> £
<u>INCOME</u>							
Donations and Legacies		426,453	14,256	440,709	607,856	34,624	642,480
<i>Income from Charitable Activities</i>							
Operation of Riverside Church and delivery of Mission		-	27,149	27,149	-	11,957	11,957
Other Incoming Resources	4	52,779	-	52,779	45,891	-	45,891
<i>Income from Other Trading Activities</i>							
Commercial Trading Activities		429,888	-	429,888	208,989	-	208,989
Income from Other Activities		-	-	-	-	-	-
Investment Income	3	1,253	-	1,253	119	-	119
		910,373	41,405	951,779	862,855	46,581	909,436
<u>EXPENDITURE</u>							
<i>Cost of Raising Funds</i>							
Commercial Trading Costs		318,886	-	318,886	169,957	-	169,957
Fundraising Costs	5	-	-	-	-	-	-
<i>Expenditure on Charitable Activities</i>							
Operation of Riverside Church and delivery of Mission	6	788,437	30,697	819,134	747,847	53,992	801,839
Support Costs	7	9,470	-	9,470	5,580	-	5,580
		1,116,794	30,697	1,147,491	923,384	53,992	977,376
Net Income/(Expenditure) Before Transfers		(206,420)	10,709	(195,712)	(60,529)	(7,411)	(67,940)
Transfers		2,000	(2,000)	-	(4,129)	4,129	-
Net Income/(Expenditure)		(204,420)	8,709	(195,712)	(64,658)	(3,282)	(67,940)
Taxation Charge		-	-	-	-	-	-
Net Movement in Funds		(204,420)	(8,709)	(195,712)	(64,658)	(3,282)	(67,940)
Reconciliation of Funds							
Total Funds Brought Forward	15	1,057,497	56,936	1,114,433	1,122,155	60,218	1,182,373
Total Funds Carried Forward	15	853,077	65,645	918,721	1,057,497	56,936	1,114,433

There were no recognised gains or losses other than those included in the Statement of Financial Activities. All incoming resources and resources expended derive from continuing activities.

The notes on pages 15 to 25 form part of these financial statements

Reach Churches Ministries Limited
(A Charitable Company Limited by Guarantee)

Consolidated and Charity Balance Sheet for the Year Ended 31 August 2023

	<u>Notes</u>	<u>Group</u> <u>2023</u> £	<u>Group</u> <u>2022</u> £	<u>Charity</u> <u>2023</u> £	<u>Charity</u> <u>2022</u> £
<u>FIXED ASSETS</u>					
Tangible Fixed Assets	11	1,726,164	1,793,058	1,726,164	1,793,058
Investments	12	-	-	1	1
Total Fixed Assets		1,726,164	1,793,058	1,726,165	1,793,059
<u>CURRENT ASSETS</u>					
Debtors – Income Tax Refund		15,689	12,741	15,689	12,741
Debtors		34,837	31,384	(762)	843
Bank Accounts		176,500	71,333	127,991	67,587
Deposit Accounts		119,074	347,034	119,074	347,034
Restricted Fund Bank Accounts		65,644	56,935	65,644	56,935
Petty Cash		1,008	632	808	579
Prepayments and Accrued Income		459	-	459	-
Intercompany		-	-	3,003	-
TOTAL CURRENT ASSETS		413,211	520,059	331,906	485,719
<u>CREDITORS:</u>					
Amounts falling due within one year	13	(176,748)	(107,844)	(123,750)	(106,274)
NET CURRENT ASSETS		236,463	412,215	208,156	379,445
<u>TOTAL ASSETS LESS</u>					
<u>CURRENT LIABILITIES</u>		1,962,627	2,205,273	1,934,321	2,172,504
<u>CREDITORS:</u>					
Amounts falling due after more than one year	14	(1,043,905)	(1,090,840)	(1,011,531)	(1,052,994)
NET ASSETS		918,722	1,114,433	922,790	1,119,510
<u>THE FUNDS OF THE GROUP:</u>					
Restricted Funds	17	65,644	56,936	65,644	56,935
Unrestricted Funds:					
Subsidiary		(4,068)	(5,077)	-	-
Designated	18	57,177	57,177	57,177	57,177
Balance of Unrestricted Funds		799,969	1,005,397	799,969	1,005,397
		853,077	1,057,497	857,146	1,062,575
TOTAL CHARITY FUNDS	18	918,722	1,114,433	922,790	1,119,510

The Trustees have prepared group accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011. These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

.....
D Park - Director

Approved by the Board: 4/3/24 (Date)

The notes on pages 15 to 25 form part of these financial statements.

Reach Churches Ministries Limited
(A Charitable Company Limited by Guarantee)

Consolidated Cash Flow Statement as at 31 August 2023

		<u>2023</u> £	<u>2022</u> £
Net Cash Flow from Operating Activities	25	20,242	153,377
Returns on Investments:			
Interest Received		1,253	119
Interest Paid		<u>(73,569)</u>	<u>(47,838)</u>
		(52,074)	105,658
Taxation		-	-
Disposal of Fixed Assets		-	-
Capital Expenditure and Financial Investments:			
Purchase of Tangible Fixed Assets		<u>(16,146)</u>	<u>(322,590)</u>
		(68,220)	(216,932)
Financing:			
Capital Element of Loan Repayments Made		(45,488)	163,912
Capital Element of Loan Repayments Received		<u>-</u>	<u>-</u>
Net Cash Inflow/(Outflow)		<u>(113,708)</u>	<u>(53,020)</u>
Increase/(Decrease) in Cash in the Year		(113,708)	(53,020)
Net Cash Resources at 1 September 2021		<u>475,934</u>	<u>528,954</u>
<u>Net Cash Resources at 31 August 2022</u>		<u>362,226</u>	<u>475,934</u>

Reach Churches Ministries Limited
(A Charitable Company Limited by Guarantee)

Notes to the Consolidated Financial Statements for the Year Ended 31 August 2023

Statutory Information

Reach Churches Ministries Limited is a private Charitable Company, Limited by Guarantee, registered in England and Wales. The Charitable Company's registered number and registered office can be found on page five.

1. Accounting Policies

i) Basis of Preparation

The financial statements have been prepared in accordance with 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) (Issued 1st January 2019) – (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and Companies Act 2006. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Group Financial Statements

The financial statements consolidate the results of the charity and its wholly owned subsidiary Riverside Event Management Ltd on a line-by-line basis. A separate Statement of Financial Activities and Income and Expenditure account for the charity has not been presented because the Charity has taken advantage of the exemption afforded by Section 408 of the Companies Act 2006.

Reach Churches Ministries Limited meets the definition of a public benefit entity under FRS102.

Going Concern

The Trustees consider there are no material uncertainties about the charity's ability to continue as a going concern.

The financial statements are presented in sterling £1.

ii) Depreciation and Fixed Assets

Fixed assets costing less than £1,000 are not capitalised. Depreciation is provided on a straight line basis at rates estimated to write off each asset over the term of its useful life. The rates in use are as follows:-

Freehold Property	-	2% and 10% per annum
Office Equipment	-	10/33% per annum
Fixtures and Fittings	-	10% per annum

iii) Donations and Offerings Received

Voluntary income received by way of donations and gifts is accounted for when receivable. Any resultant gift aid tax claim is included as part of the income for the year.

iv) Other Income

Other income is accounted for on the accruals basis so far as is prudent to do so.

Investment income is included when receivable.

v) Donated Services and Facilities

Donated services and facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. On receipt, donated services and facilities are recognised on the basis of the value of the gift to the charity, which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Reach Churches Ministries Limited
(A Charitable Company Limited by Guarantee)

Notes to the Consolidated Financial Statements for the Year Ended 31 August 2023 - continued

vi) Expenditure and Irrecoverable VAT

Expenditure is allocated to the relevant cost category in accordance with internal guidelines issued by the charity and is appropriate to the use derived from the resources. Expenditure is recognised on an accrual basis as the liability is incurred and includes VAT which cannot be recovered.

vii) Fund Accounting

- Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.
- Designated funds are unrestricted funds earmarked by the Management Committee for particular purposes.
- Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

viii) Pensions

The charity operates a defined contribution pension scheme. Contributions to the scheme are recognised as resources expended upon payment. The assets of the scheme are held separately from those of the charity in an independently administered fund. Contributions payable for the year are shown within the Statement of Financial Activities.

ix) Limited by Guarantee

The Charity is limited by guarantee and in the event of it being wound up, every member is liable to contribute a sum not exceeding £10. There are no shares of any class either authorised or allocated.

x) Leases

Rentals payable under operating leases are charged to resources expended on a straight line basis over the period of the lease.

xi) Investment in Subsidiary

The investment in the subsidiary is included at cost.

xii) Deferred Taxation

Deferred tax is provided in full in respect of taxation deferred by timing differences between treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

This accounting policy is relevant for the subsidiary only. As stated in note 10, Reach Churches Ministries Limited is a registered Charity and is thus exempt from tax on income and gains.

xiii) Debtors

Debtors are recognised at the settlement amount owed to the Charity or prepaid.

xiii) Creditors

Creditors and provisions are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party, and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount.

xv) Financial Instruments

The Charity has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Reach Churches Ministries Limited
(A Charitable Company Limited by Guarantee)

Notes to the Consolidated Financial Statements for the Year Ended 31 August 2023 - continued

xvi) **Judgement and Key Sources of Estimation Uncertainty**

The preparation of accounts using generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the accounts and the reported amounts of revenues and expenses during the reporting period.

The key estimates and assumptions used in the Financial Statements are detailed in the accounting policies.

2. **Income from Trading Subsidiary**

During the year the subsidiary company donated the majority of its profits to the charitable company as Gift Aid donations.

The income received from Riverside Event Management Limited during the year was as follows:-

	<u>2023</u>	<u>2022</u>
	<u>£</u>	<u>£</u>
Rent and rates	73,356	33,333
Gift Aid Donation	30,000	13,000
	<u>103,356</u>	<u>46,333</u>

3. **Investment Income**

	<u>Unrestricted</u>	<u>Restricted</u>	<u>2023</u>	<u>2022</u>
	<u>Funds</u>	<u>Funds</u>	<u>Total</u>	<u>Total</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Interest received	1,253	-	1,253	119

4. **Other Incoming Resources**

	<u>Unrestricted</u>	<u>Restricted</u>	<u>2023</u>	<u>2022</u>
	<u>Funds</u>	<u>Funds</u>	<u>Total</u>	<u>Total</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Other	52,779	-	52,779	45,891
	<u>52,779</u>	<u>-</u>	<u>52,779</u>	<u>45,891</u>

5. **Fund raising trading: cost of goods and other costs**

	<u>Unrestricted</u>	<u>Restricted</u>	<u>2023</u>	<u>2022</u>
	<u>Funds</u>	<u>Funds</u>	<u>Total</u>	<u>Total</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Fund raising costs	-	-	-	-

Reach Churches Ministries Limited
(A Charitable Company Limited by Guarantee)

Notes to the Consolidated Financial Statements for the Year Ended 31 August 2023 - continued

6. Expenditure on Charitable Activities

	<u>Unrestricted</u> <u>Funds</u> <u>£</u>	<u>Restricted</u> <u>Funds</u> <u>£</u>	<u>2023</u> <u>Total</u> <u>£</u>	<u>2022</u> <u>Total</u> <u>£</u>
Redundancy Costs	-	-	-	7,500
Staff Costs,				
Pastoral Fees & Expenses	400,162	915	401,077	396,937
Ministry Costs	134,381	29,382	163,763	139,080
Property Costs	138,185	-	138,185	152,308
Office Costs *	35,883	-	35,883	35,063
Mortgage and Finance Costs	73,569	-	73,569	47,838
Other Expenses	-	400	400	23,113
Inter account transfers	6,257	-	6,257	-
	<u>788,437</u>	<u>30,697</u>	<u>819,134</u>	<u>801,839</u>

7. Support Costs

	<u>Unrestricted</u> <u>Funds</u> <u>£</u>	<u>Restricted</u> <u>Funds</u> <u>£</u>	<u>2023</u> <u>Total</u> <u>£</u>	<u>2022</u> <u>Total</u> <u>£</u>
Auditors Remuneration	4,394	-	4,394	4,430
Auditors Remuneration: non-audit	1,188	-	1,188	1,150
Accountancy Charges	3,888	-	3,888	-
	<u>9,470</u>	<u>-</u>	<u>9,470</u>	<u>5,580</u>

8. Net Incoming Resources for the Period

	<u>2023</u> <u>£</u>	<u>2022</u> <u>£</u>
The net incoming resources are after charging:-		
Depreciation of tangible fixed assets	83,039	82,681
Auditors remuneration:		
Charitable Company	4,394	4,430
Other (accounts assistance)	1,188	1,150
Operating lease rentals	-	2,276

Reach Churches Ministries Limited and Riverside Events Management Limited Directors giving in the financial year totalled £282 (2022: £7,825).

During the year the average number of staff employed by the group was 24 (2022: 42), the majority of staff are employed on a part time basis. No member of staff was paid in excess of £60,000.

	<u>2023</u> <u>£</u>	<u>2022</u> <u>£</u>
Staff costs note:		
Salaries	475,538	423,808
Pension costs'	21,641	19,646
Social Security costs	35,944	35,126
	<u>533,123</u>	<u>478,580</u>

9. Trustee Remuneration and Related Party Transactions

Other than in note 20, no emoluments were received by the board of trustees in their capacity as trustees.

There were no other emoluments or expenses paid to any charity trustee or persons connected with such a trustee, directly or indirectly from the funds of the company or from the property of any situation or body corporate connected with the Charity.

Reach Churches Ministries Limited
(A Charitable Company Limited by Guarantee)

Notes to the Consolidated Financial Statements for the Year Ended 31 August 2023 - continued

10. Taxation

	<u>2023</u> £	<u>2022</u> £
Corporation Tax	-	-

Reach Churches Ministries Limited is exempt on tax on income and gains falling within section 505 of the Taxes Act 1988 or Section 256 of the Taxation of Charitable Gains Act 1992 to the extent that they are applied to its charitable activities. No tax charges have arisen in the Charity.

11. Analysis of Movement in Fixed Assets

<u>GROUP</u>	<u>Freehold Property</u> £	<u>Equipment and fittings</u> £	<u>Total</u> £
Cost			
At 1 September 2022	2,243,241	445,108	2,688,349
Additions	14,082	2,064	16,146
Disposals	-	-	-
At 31 August 2023	<u>2,257,323</u>	<u>447,172</u>	<u>2,704,495</u>
Accumulated Depreciation			
At 1 September 2022	694,663	200,628	895,291
Charge for the year	47,507	35,532	83,039
On disposal	-	-	-
At 31 August 2023	<u>742,170</u>	<u>236,160</u>	<u>978,330</u>
Net Book Value			
At 31 August 2023	<u>1,515,153</u>	<u>211,012</u>	<u>1,726,165</u>
At 31 August 2022	<u>1,548,578</u>	<u>244,480</u>	<u>1,793,058</u>
<u>CHARITY</u>	<u>Freehold Property</u> £	<u>Equipment and fittings</u> £	<u>Total</u> £
Cost			
At 1 September 2022	2,243,220	436,442	2,679,662
Additions	14,082	2,064	16,146
Disposals	-	-	-
At 31 August 2023	<u>2,257,302</u>	<u>438,506</u>	<u>2,695,808</u>
Accumulated Depreciation			
At 1 September 2022	694,663	191,941	886,604
Charge for the year	47,507	35,532	83,039
On disposal	-	-	-
At 31 August 2023	<u>742,170</u>	<u>227,473</u>	<u>969,643</u>
Net Book Value			
At 31 August 2023	<u>1,515,132</u>	<u>211,033</u>	<u>1,726,165</u>
At 31 August 2022	<u>1,548,557</u>	<u>244,501</u>	<u>1,793,058</u>

Reach Churches Ministries Limited
(A Charitable Company Limited by Guarantee)

Notes to the Consolidated Financial Statements for the Year Ended 31 August 2023 - continued

12. Investments

CHARITY

	<u>2023</u> £	<u>2022</u> £
Investment in Riverside Event Management Limited	1	1
	<u>1</u>	<u>1</u>

The company owns 100% of the issued share capital of a trading company, Riverside Event Management Limited, whose principle activity is that of the provision of room hire and related facilities.

13. Creditors: Amounts falling due within one year

	<u>Group</u> <u>2023</u> £	<u>Group</u> <u>2022</u> £	<u>Charity</u> <u>2023</u> £	<u>Charity</u> <u>2022</u> £
Lease Fixed Assets	5,450	5,450	5,450	5,450
Amount due to Subsidiary	-	-	50,000	30,000
Taxation and Social Security	14,656	22,796	8,968	18,519
Accruals	116,317	40,719	24,478	18,897
Bank Loans (Secured)	29,382	27,936	29,382	27,936
Bounce Back Loan	10,943	10,943	5,472	5,472
	<u>176,748</u>	<u>107,844</u>	<u>123,750</u>	<u>106,274</u>

14. Creditors: Amounts falling due after one year (Group and Charity)

	<u>Group</u> <u>2023</u> £	<u>Charity</u> <u>2023</u> £	<u>Group</u> <u>2022</u> £	<u>Charity</u> <u>2022</u> £
Bank Loans (Secured): 2 to 5 years	117,529	117,529	117,529	117,529
More than 5 years	860,994	860,994	891,535	891,535
Lease Fixed Assets: 2 to 5 years	634	634	6,084	6,084
Bounce Back Loans: 2 to 5 years	43,773	21,887	43,773	21,887
More than 5 years	20,975	10,487	31,919	15,909
	<u>1,043,905</u>	<u>1,011,531</u>	<u>1,090,840</u>	<u>1,052,994</u>

The Bank Loans are secured by way of a fixed and floating charge over the property of the Charity. Interest is charged at 3.5% per annum over the Bank of England base rate prevailing.

The Bounce Back Loans are not secured and are repayable over 10 years at an interest rate of 2.5% per annum.

The leased asset is a hire purchase agreement (capital lease agreement), for the purchase of coffee machines. RCML have exercised the option to purchase the asset and it has therefore been capitalised as an asset.

Reach Churches Ministries Limited
(A Charitable Company Limited by Guarantee)

Notes to the Consolidated Financial Statements for the Year Ended 31 August 2023 - continued

15. Summary of Funds – Group

	<u>As at</u> <u>31.8.22</u> £	<u>Incoming</u> £	<u>Outgoing</u> £	<u>Transfers</u> £	<u>As at</u> <u>31.8.23</u> £	<u>2022</u> £
Restricted Funds	56,936	41,405	30,697	(2,000)	65,645	56,936
Unrestricted Funds	1,062,574	589,290	796,720	2,000	857,144	1,062,574
Trading Subsidiary	(5,077)	321,083	320,074	-	(4,068)	(5,077)
	<u>1,114,433</u>	<u>951,779</u>	<u>1,147,491</u>	<u>-</u>	<u>918,721</u>	<u>1,114,433</u>

16. Summary of Funds – Group

	<u>As at</u> <u>31.8.21</u> £	<u>Incoming</u> £	<u>Outgoing</u> £	<u>Transfers</u> £	<u>As at</u> <u>31.8.22</u> £	<u>2021</u> £
Restricted Funds	60,218	46,581	53,992	4,129	56,936	60,218
Unrestricted Funds	1,118,781	653,866	705,944	(4,129)	1,062,574	1,118,781
Trading Subsidiary	3,374	208,989	217,440	-	(5,077)	3,374
	<u>1,182,373</u>	<u>909,436</u>	<u>977,376</u>	<u>-</u>	<u>1,114,433</u>	<u>1,182,373</u>

17. Analysis of Net Assets Between Funds

	<u>General</u> <u>Fund</u> £	<u>Restricted</u> <u>Funds</u> £	<u>2023</u> <u>Total</u> £	<u>General</u> <u>Fund</u> £	<u>Restricted</u> <u>Funds</u> £	<u>2022</u> <u>Total</u> £
Tangible fixed assets	1,726,165	-	1,726,165	1,793,058	-	1,793,058
Investments	-	-	-	-	-	-
Current assets	288,989	65,645	411,811	463,124	59,936	520,059
Current liabilities	(175,350)	-	(175,350)	(107,844)	-	(107,844)
Long term liabilities	(1,043,905)	-	(1,043,905)	(1,090,840)	-	(1,090,840)
	<u>795,898</u>	<u>65,645</u>	<u>918,720</u>	<u>1,057,497</u>	<u>59,936</u>	<u>1,114,433</u>

Reach Churches Ministries Limited
(A Charitable Company Limited by Guarantee)

Notes to the Consolidated Financial Statements for the Year Ended 31 August 2023 – continued

18. Restricted Funds

The following are details of the charity's restricted funds:-

	<u>At 1.9.22</u>	<u>Income</u>	<u>Expenditure</u>	<u>Transfers</u>	<u>At 31.8.23</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Belper Youth	12,500	-	-	(2,000)	10,500
Hong Kong	-	22,840	915	-	21,925
Harper	155	-	155	-	-
Missions Development	4,751	-	-	-	4,751
Alpha	2,206	4,559	6,765	-	-
Sphere Money (Synergy)	2,850	1,000	3,850	-	-
BCC Hardship Fund	1,834	-	108	-	1,726
Reach Response	10,688	8,320	8,199	-	10,809
Benevolent Fund	8,617	2,704	6,091	-	5,230
Open Doors	683	-	-	-	683
Reach Planting	2,083	175	2,258	-	-
Reach Inspiration Fund	7,081	1,807	2,356	-	6,532
ICUK	-	-	-	-	-
WTC	3,488	-	-	-	3,488
	<u>56,936</u>	<u>41,405</u>	<u>30,697</u>	<u>(2,000)</u>	<u>65,644</u>

	<u>At 1.9.21</u>	<u>Income</u>	<u>Expenditure</u>	<u>Transfers</u>	<u>At 31.8.22</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Belper Youth	-	12,500	-	-	12,500
Ukraine	-	11,436	11,601	165	-
Harper	155	-	-	-	155
Missions Development	1,642	2,145	3,000	3,964	4,751
Alpha	1,606	600	-	-	2,206
Sphere Money (Synergy)	960	1,890	-	-	2,850
BCC Hardship Fund	1,974	-	140	-	1,834
Reach Response	14,033	63	3,408	-	10,688
Benevolent Fund	9,736	275	1,394	-	8,617
Open Doors	683	-	-	-	683
Reach Planting	10,527	100	8,544	-	2,083
Reach Inspiration Fund	225	8,192	1,336	-	7,081
ICUK	15,677	7,436	23,113	-	-
WTC	3,000	1,944	1,456	-	3,488
	<u>60,218</u>	<u>46,581</u>	<u>53,992</u>	<u>4,129</u>	<u>56,936</u>

Reach Churches Ministries Limited
(A Charitable Company Limited by Guarantee)

Notes to the Consolidated Financial Statements for the Year Ended 31 August 2023 – continued

Purposes of restricted funds:-

<u>Belper Youth</u>	A legacy was received during the prior year for the work amongst the youth specifically in Belper, and wider within the Reach (EMCF) sphere of youth work.
<u>Hong Kong</u>	During the year, a special collection was provided by a government fund to support the integration of Hong Kong BNO Visa holders into the local community.
<u>Harper</u>	EMCF supports various overseas and homebased workers within the egis of the EMCF. Special collections taken for these individuals is disbursed to them to provide support for the specific purposes for which the collection is taken.
<u>Missions Development</u>	Development to support overseas trips, people serving overseas and in the UK, providing support to refugees.
<u>Alpha</u>	The Alpha course is an evangelistic course which seeks to introduce the basics of the Christian faith through a series of talks and discussions.
<u>Sphere Money</u> <u>(Synergy)</u>	This money is to support the administration of an initiative of a network of churches working together in the UK, named as 'Synergy', which will be registered as a charity in its own right in the near future.
<u>BCC Hardship Fund</u>	A special collection taken up by Belper to support individuals and families at a time when they are unable to support themselves, and to help through the difficult period.
<u>Reach Response</u>	A special collection was taken during the year to support the work of partners that EMCF has worked with over the years and whose aims and purposes align with EMCF's. During the year the money was disbursed to various partners, principally DCM, Storehouse, Upbeat Communities, Welcome Churches, Restore, Safe Families for Children, Saffires, Hope City Furniture, Shoulder to Shoulder and Talk It Over, which EMCF have supported over the years.
<u>Benevolent Hardship- CCD</u>	A special collection was taken during the Covid Pandemic to support the disadvantaged. The money was disbursed to various individuals facing financial difficulties during the crisis, identified by the Senior Leaders Team and Community Groups throughout Reach. The Benevolent Fund was amalgamated with the Covid Crisis Fund during the year. A fund set up to provide support to those in time of financial need at the discretion of the EMCF leadership.
<u>Open Doors</u>	A special collection taken to support the work of Open Doors at a time of a particular crises in an overseas country
<u>Reach Planting</u>	A special collection was taken during the year to support the EMCF members and partners to plant churches in East Midlands, the rest of UK and overseas.
<u>Reach Inspiration</u>	The Fund was set up during the prior year to support the development of a ministry for the women within the members of the Church and the community
<u>ICUK</u>	This money is held on behalf of ICUK (Inter Cultural UK), to support the administration of an initiative which will promote the vision and values of intercultural church to Christian groups in the UK. ICUK was registered as a charity in its own right in the year.
<u>WTC</u>	During the Year EMCF commenced work in partnership with the Westminster Theological College as a 'Hub Centre' in the Midlands to offer accredited courses in theology. A one off specific donation was received to support the provision of a digital library for the students enrolled on the WTC courses.

Reach Churches Ministries Limited
(A Charitable Company Limited by Guarantee)

Notes to the Consolidated Financial Statements for the Year Ended 31 August 2023 – continued

<u>Support for overseas and homebased workers</u>	EMCF supports various overseas and homebased workers within the egis of the EMCF. Special collections taken for these individuals is disbursed to them to provide support for the specific purposes for which the collection is taken.
Designated Funds	The designated funds are allocated for capital projects and spiritual consultancy, the balance left aside being £57,177.

19. Financial Commitments

A photocopier lease commenced in January 2022 for a period of 5 years, quarterly payments of £545 are made against this liability.

20. Related Party Transactions

No directors of the Charity had received remuneration during the period in their capacity as pastor or teacher.

There are no other related party transactions.

21. Pension Commitment

The Charity contributes to defined contribution pension schemes. The assets are held and administered by individually selected pension providers. The pension cost charge represents contributions payable by the Charity to the pension schemes and amounts to £21,641 (2022: £19,646).

22. FRC Ethical Standard – Provisions Available for Small Entities

In common with many other entities of our size and nature we use our auditors to assist with the preparation of the financial statements.

23. Capital Commitment

At 31 August 2023 the Charity had no capital commitments (2022: NIL).

24. Subsidiary Company

Riverside Event Management Limited - The Charity owns 100% of the issued share capital of Riverside Event Management Limited ("REM"), a company registered in England and Wales (company number 04473452) the registered office is The Riverside Centre, Riverside Court, Pride Park, Derby, DE24 8HY. The subsidiary is used to further the overall objectives of the Charity by the provision of room hire and related facilities.

Reach Churches Ministries Limited
(A Charitable Company Limited by Guarantee)

Notes to the Consolidated Financial Statements for the Year Ended 31 August 2023 – continued

A proportion of their taxable profits is given as a charitable donation to the Charity by Gift Aid; the amount for 2023 was £30,000 (2022: £13,000). A summary of the results of the subsidiary is shown below:

	<u>2023</u>	<u>2022</u>
	<u>£</u>	<u>£</u>
Turnover	424,439	189,682
Cost of Sales	(157,927)	(49,170)
Other Income	-	19,307
Gross Profit	<u>266,512</u>	<u>159,819</u>
Administrative Expenses	266,503	168,269
Net (Loss)/Profit Before Tax	<u>1,009</u>	<u>(8,450)</u>
Taxation	-	-
Net (Loss)/Profit After Tax	<u>1,009</u>	<u>(8,450)</u>
Net Assets	<u>1,009</u>	<u>(8,450)</u>

25. Cash Flow Statement

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

	<u>2023</u>	<u>2022</u>
	<u>£</u>	<u>£</u>
Net incoming resources before taxation	(195,712)	(67,940)
Adjustments:		
Interest paid	73,569	47,838
Investment income	(1,253)	(119)
Depreciation charges	83,039	82,681
(Increase)/decrease in debtors	(10,453)	66,312
Increase/(decrease) in creditors	<u>71,052</u>	<u>24,605</u>
	<u>20,243</u>	<u>153,377</u>