

BETEL OF BRITAIN

Report and Financial Statements

Year ended 31st December 2022

Charity Numbers: 1081462 & SC045808

Company Number: 03998028

Reference and Administrative Information

Charity numbers: 1081462 & SC045808

Company registration number: 03998028

Registered Office and operational address:

58 Chester Street
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Birmingham
B6 4BE

Trustees: Kent Martin
Elliott Tepper
Mary Alice Martin
John Bagg
Rachel Hickson
Yvonne Mosquito
Paul Reid

Secretary: Karen Shirazi

Senior Staff: Kent and Mary Alice Martin
The Regional Managers of Birmingham/Anchor Point, Derby, Hexham, Manchester,
Motherwell and Nottingham

Auditors: Just Audit & Assurance Ltd.
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Betel of Britain Trustees Report for 2022

The trustees are pleased to give their report for the year ending 31st December 2022.

2022 saw us remember and celebrate over 25 years of Betel being in and serving the UK. We look forward expectantly to the future ahead, whilst continuing to navigate the post-pandemic climate. In the midst of so much economic and social turbulence we remain dedicated to helping some of society's most hurting men and women transform their lives and impact society, inspiring resilience in our men and women through living, working and serving together as vital contributors to our community.

During such uncharted seasons we are reminded that Betel's work would not be possible without the hard work and commitment of our leadership team and volunteers who walk alongside our residents daily to help them realise their future and hope. We also remain truly grateful to those individuals, landlords, trusts, churches and companies who have partnered with us in different ways for the sake of our men and women. Being part of such unity and vision has been a real encouragement when the scale of the addiction problem and the impact on society seems overwhelming. Perseverance and co-labouring matters. The ability to provide all our services free of charge and with minimal government support would simply not be possible without the help of our longer serving men and women and our faithful supporters.

A total of 560 men and women lived in Betel UK communities during 2022 (2021 - 518). This number includes both new and existing residents. Whilst Betel continues to recover from the pandemic, we are encouraged by the overall increase in number, which generally represents an increase of new entries. Our doors continue to open to those seeking freedom from addiction free of charge.

In the rest of the report, we seek to show how Betel is fulfilling its charitable objects and the impact that it is making to various sections of society.

Strategic Report

Plans for future periods

The past few years have been immensely challenging but also inspiring as we have continued to travel through new territory. It has enabled us to review many of our processes including our business models to ensure they continue to work in the current climate. The core aim is to remain accessible and welcoming to enable our men and women to find lifelong restoration. This reflection has also birthed a three-year strategy:

Rebuilding Centre Numbers and Greater Partnerships Post Pandemic – We remain committed to reaching out in 2023 to churches, drop-in centres, prisons, magistrate courts and the needy on the streets, both at a local level across our centres as well as nationally. We aim to rebuild partnerships, arrange speaking engagements and make new contacts to raise awareness of our ability to serve the wider community in helping those struggling with addiction in a way local communities are unable to do.

Pilot Detox - In January 2023, we began work with NHS addictions specialist Dr. D. Cavanaugh to pilot a medicated detox service to help accelerate the entrance of new residents. Whilst currently being piloted for men coming to our Birmingham centre, the plan is to role this out nationally including for women by the end of 2023. Our ambitious goal is to host 400 recovering men and women free of charge within 3 years' time.

Restructuring Business Strategies – Given the uncertain economic climate, we continue to review our existing business strategies to make them as cost effective as possible whilst being open to consider new business ventures into which to possibly expand. The primary purpose for our charitable businesses continues to be helping as many people as we can through their recovery. Whilst our income streams have remained strong, the challenge has been to manage operating costs with the sharply increasing prices of fuel, utilities and interest rates. Our commitment to be as financially self-sufficient as possible whilst training recovering men and women in an increasing variety of employable skills has been a challenge in recent years with spiralling costs. We have been extremely grateful to supporters and trusts who understand us and are willing to partner with us financially.

Anchor Point Project – Being more than halfway through to completing Phase 3, and subject to raising the remaining funds, we hope to finish the build by Autumn 2023. Our four existing social enterprises will interface with three additional businesses (a children's soft play, a beauty salon and a conferencing/catering suite) to create a bustling, family friendly community hub. Under one roof, all seven businesses (restaurant, catering, events hire, Infinite Arts, conferencing, beauty salon and children's soft play) will be run by some 60 recovering men and women, showcasing their transformed lives and promoting Betel's businesses and recovery service to thousands. Anchor Point aims to be an encouragement to our residents as they see the impact of their daily good choices, inspiring customers, families and members of the local community who benefit from our social enterprises, as well as inner-city professionals who seek to find out more.

The trustees acknowledge that the development of Anchor Point is the largest investment of its kind in the charity's history (as set out in more detail in the Financial Review). We also appreciate, given the size of the venture, that the business start-ups will take time to achieve profitability as we build a customer base in a deprived ward and further afield. This development was essential to the longer-term vision and expansion of Betel. As such, the trustees keep abreast of these financial matters whilst continuing to keep our sights on the longer-term goal of our social enterprises helping to train Betel's recovering men and women whilst also creating a community hub. Once all charitable businesses are fully functioning we expect Anchor Point to become a net contributor to Betel's wider activities.

Wholeness Development – We remain committed to the development and training of Recovery Centre leaders and Directors nationwide, as well as to our residents generally. To these ends, we continue to host national conferences regularly and arrange support for couples within Betel to build healthy relationships. We also encourage our men and women to parent well and pursue restoration with their own wider families. Healthy leaders create healthy families which can invest well in and impact society positively.

Social Media/Raising Awareness – Our in-house Betel Social Media Marketing Team, working with professionals, continues to build skills and expertise in-house whilst increasing our advertising presence to raise awareness of how Betel can help individuals and partner with local initiatives. Our landscape gardening, internet furniture, house clearance, Rising Café restaurants, food catering and Anchor Point Events Hire businesses have all benefitted from this intentional investment. Given the diverse facets of Betel, communicating what we do requires a lot of time and effort. We are grateful for our marketing team and their passion to share the vision of Betel across the various social media platforms.

Covid-19 – Whilst the impact of the pandemic exacerbated by the general economic and social climate in 2022 and 2023 has been challenging, we continue to persevere as good stewards of what we have, whilst fixing our eyes on Christ as our hope. We remain as committed as ever to our calling as a community, fully supporting those in the Betel communities on the road to recovery and wholeness.

Objectives, Activities and Public Benefit

A summary of our objectives is as follows:

- a) The advancement of the Christian Faith
- b) The relief of persons who are in condition of need, hardship or distress or who are aged or sick
- c) The restoration of persons who suffer from the effects of drug, alcohol or substance abuse, gambling and other addictions or who are homeless, particularly through the provision of accommodation and therapeutic work

Betel's mission is to help restore homeless and drug and alcohol-dependent people to productive, independent lifestyles and assist them to rebuild their family relationships through work-as-a-therapy and the long-term experience of a stable, ordered life in one of our homes. Some new residents have never experienced the necessary discipline of a working day and many lived chaotic lifestyles which revolved around drugs or alcohol. People are referred to us from many sources and some people refer themselves.

We seek to help disadvantaged and marginalised men and women; they come from a wide variety of backgrounds including those who are homeless or of no fixed abode, unemployed, long-term drug or alcohol dependent, ex-offenders, with or without religious faith and of various ethnic backgrounds. Alcohol and drug addiction in the UK are a serious problem, blighting many lives. Our aim is to provide more peer-led caring communities throughout the UK where people can be helped.

To achieve these objectives, we will promote residents who show signs of increasing stability by offering them additional responsibilities. They may become "responsibles", therapeutic work managers or house leaders. They can then lead new centres as these become available. We also want to increase our main sources of income (second-hand furniture shops, furniture restoration, gardening & cafés) by further therapeutic work development and by research into new work ventures. For residents, this work builds genuine self-esteem, a work ethic and other employable skills. We want to involve more volunteers and seek the help of more charitable resources.

Public Benefit: Betel's work and services are available free of charge to all members of the public except where ongoing mental illness may provide a safeguarding risk to our community or where the resident will not, or cannot, cooperate within our community. The complex issues with which our men and women come to us requires much time, patience and compassion to walk through life with them and help them find freedom. Such peer-led mentoring and training impacts the individual, but inevitably impacts their family and friends, particularly their children as well as society in general. Many people regularly share about the impact of the transformed lives of our residents. All of Betel's therapeutic income is used for the free provision of our services, and all our income is used solely for our charitable purposes.

Achievements and Performance

Weekly Average Number of Residents: In 2022, the weekly average number of residents decreased to 202. Given that the percentage this past year of those who left Betel during the first two weeks of withdrawal was actually 5% less than the 12-year average, it is likely that this decrease also reflects the number of long-term residents who moved on from Betel compared to the number of new people who entered this past year.

To set this in context the figures for the last thirteen years are shown.

2010 – 192	2014 – 262	2018 – 319	2022 – 202
2011 – 229	2015 – 277	2019 – 309	
2012 – 244	2016 – 280	2020 – 266	
2013 – 252	2017 – 302	2021 – 232	

Given the need for our help in society we are confident that these numbers will gradually increase again over time. We are aware that the decision to change is a personal choice. As such, we seek to be available for as many people as possible who need our help whilst investing on an individual basis in those who really commit to their recovery. We did that when Betel was just starting with a small team and continue with that ethos today. We envisage that the offer of detox will help to increase numbers, but this may take a few years to raise awareness and for our figures to eventually reflect this.

Overview of 2022 Statistics:

- A total of 560 individual men and women lived in Betel UK communities during 2022 (518 in 2021).¹
- There were 418 new entries into Betel in 2022 (decreased from 678 in 2019 but rising from 345 in 2020 and 384 in 2021).
- The average age of new entries was 37 years.
- 29% of new entrants had abused substances for more than 10 years, and an additional 26% for more than 20 years.
- At least 46% of new entrants had criminal records, and 54% were homeless or living in unstable conditions prior to entry.
- 58% of new entrants had children (62% of female new entrants had children).

From 1996 to 2022 8,913 individuals have entered into a Betel UK centre. There has been a total of 13,692 entries which includes multiple stays by some of those individuals.

Increased Support for Women

Of the 8,913 individuals who entered Betel UK from 1996-2022, 1,269 were women. Our continued provision of support for women is reflected in the table below. Given that our information for women is collated for a 5-year period the next set of figures won't be available until 2025. Whilst our numbers for women are lower than pre-pandemic levels we continue to let people know of the support we can provide, with spaces for up to around 70 women across four of our centres.

Number of Individual Women who entered Betel in 5-year increments:

1996-2000: 31	2006-2010: 224	2016-2020: 400
2001-2005: 197	2011-2015: 322	

Anchor Point – The Impact to Date: With Phase 3 looking to be built out by Autumn 2023, we are preparing the teams to lead the beauty salon, soft play area and conference facility. Our presence at Anchor Point in less than two years has already led to a regular clientele being built up at the Rising Cafe. The community atmosphere at Anchor Point continues to grow, and we are confident that this will develop further as our other social enterprises start up, the aim being to have businesses to train our men and women whilst benefitting the local area.

Anchor Point Hiring Facilities: Our Anchor Points Events Hire social enterprise has also seen Anchor Point rented out to a diverse range of groups including the NHS, dancers performing for the Commonwealth Games in Birmingham, awards ceremonies, wedding receptions and as a venue for performing arts students from Birmingham City University amongst other things. Interest in hiring our facilities continues to grow. In addition, three churches hire the facility including Anchor Point Church.

¹ Whilst calculating the 2022 statistics, one error on the 2021 statistics was found. Rather than 597 unique individuals (as reported in last years' accounts) there were 518.

Betel's Impact

The lifting of Covid-19 restrictions in 2022 enabled us to resume as much as possible many of our pre-pandemic events. These, combined with our continued peer-led mentoring, training and support, enabled our men and women to be encouraged by wider teaching and interaction with residents from other centres.

National Conferences and Events: In 2022 the number of our national conferences were able to increase, and in 2023 they returned to pre-pandemic levels. This is a real encouragement as the space at Anchor Point enables us to welcome people from around the UK to attend and enjoy the teaching, worship and fellowship. We also resumed our annual women's conference in October 2022 where Joanna Hargreaves was our speaker. Over 70 women attended and were equipped and encouraged. We are looking forward to the women's conference in October 2023. These events continue to be well attended by Betel residents as well as people outside of the Betel residential communities.

Training: There continues to be a variety of training provided across the centres. We remain truly grateful for those supporters who have helped cover the cost of a number of training courses for our men and women to attain driving and digger licences and attend theological training above other things. This support genuinely makes such a difference as well as encouraging our men and women with skills to invest in whilst at Betel as well as increasing their employability when they choose to move on.

Music Training: Betel continues to invest in musicianship with the focus on teamwork. The impact of this on our community is very real, with many men and women commenting on the difference this has on helping them build confidence as part of their recovery.

Infinite Arts – Music, Arts and Creative Development: Our Infinite Arts team continues passionately to seek ways to combine the creative arts together with training for our men and women. As a social enterprise, the team hosted a children's performing arts workshop week in 2022. Their work also included a performance at the 25th Anniversary and a Christmas play that included a number of our men and women. April 2023 also saw another powerful performance in the run up to Easter together with the creative arts teams who provided three beautiful reflective areas to ponder over the Easter message of hope. The Infinite Arts team are also holding a two-week arts internship taster session over June and July 2023, and they are considering ways to host a national conference for creatives in 2024. The opportunity that this provides for our men and women really is unique.



Easter Performance 2023

Internship Training Programme: Four interns served as part of Betel of Britain's Internship programme in 2022, 3 of whom have committed to serve with us long-term. In 2023 to date 4 interns are due to serve with us. We are also looking forward to how the Infinite Arts internship programme progresses.

SROI study: Following on from the Just Economics study of 2022 we continue to collect survey responses from our residents at set stages of their journey with us to review and learn from the responses.

Building community, impacting society: We regularly get feedback on how much the transformed lives of our men and women impact and encourage professionals and individuals in society.

Supporting Restoration: We remain fully committed to helping support our men and women in restoring family relationships. In November 2022 senior leaders and centre directors attended a training day in family law matters to help us understand legal procedures and protocols. It shows our residents how much we want to help them rebuild relationship with their children as they pursue their recovery.

Restoring the Foundation (RTF): RTF sessions continue to be held ministering to and mentoring our men and women, with extremely positive feedback and results.

Church Relationships and Theological Colleges' Visits: Several theological students from Wycliffe Hall, Ridley Hall and Trinity College have come to serve at our Birmingham centre in 2023 on social placements. We are grateful for this partnership and were encouraged by the impact of the lives of our men and women on these students. We continue to have a number of visits from churches who are partnering with us on mission trips. Visitors always comment on how positively they have been impacted by the community.

Criminal Justice Sector Impact: Prison visits resumed, but slowly due to the reduced numbers of longer serving men and women able to lead the teams. We remain committed to engaging and working with the Criminal Justice Sector as much as possible and have had increased engagement with particularly the West Midlands probation and magistrates to raise awareness of the help we offer.

Outreach: Our outreach teams continue to build relationships with those living on the streets, as well as building links with drop-in centres, hostels and other homeless organisations.

Wider community involvement, Carol singing – Carol singing over the Christmas season continues to bring joy and hope and raise awareness of Betel across the country. So many passers-by comment on the positive influence our presence brings. We are truly grateful to those councils and supermarkets who support us running these events. Ongoing community support and conversations emphasise how important this venture has become, especially encouraging those whose family members may be struggling with addiction issues.

Wider community impact, Helping the Next Generation – Members of our Birmingham team continue to mentor at a local academy and have spoken at two assemblies and been on a panel of a youth drugs initiative. Whilst it looks likely due to our reduced numbers that the mentoring may need to stop, we are looking at ways to continue partnering with the school to share and encourage at assemblies.

Financial Review

2022 has been both an amazing year and a challenging year financially. Betel received significant restricted gifts to make some much needed repairs to our recovery residences and to re-start work developing our social enterprise centre, Anchor Point, into multiple business areas to create additional work options for our recovering men and women. However, the current economic climate, namely steep rises in energy, mortgage interest rates and fuel costs have alone accounted for nearly £175,000 of 2022's unrestricted net income loss. Added to these were a significant reduction (due to the pandemic) of more than 100 residents who help generate resources participating in their therapeutic work, along with the added non-capital expenses of bringing Anchor Point's new businesses to profitability, have together put a considerable strain on general operations. The resulting deficit of £219,915 in Unrestricted Net Income is only the second annual loss recorded since year-end 1996. The following financial information summarises the effect of rising costs.

	2022 £	2021 £
As Per Statement of Financial Activities		
Unrestricted Net Income (Loss) for the year before Transfers (includes depreciation expense)	(219,915)	82,814
Covid-19 Government support received in 2021 vs. 2022	-	(229,369)
Unrestricted Net Income adjusted for government support	(219,915)	(146,555)
Cost Differences between 2022 and 2021		
Depreciation expense increase	116,441	-
Major building repairs occurring in 2021 and not 2022	-	118,935
Utility cost increase	80,756	-
Vehicle fuel cost increase	50,478	-
Interest cost increase	43,626	-
Net other cost decrease, mostly due to lower resident numbers	(40,768)	-
Unrestricted Net Income (Loss) adjusted for Economic Climate and Newly Developing Businesses Carrying Costs	30,618	(27,620)

Concerted efforts have been made to address the financial situation by increasing charges for services provided and products sold by the businesses, finding other sources for business direct costs, consolidating residences to reduce overhead housing costs and reducing daily use of multiple vehicles as often as feasible. In the meantime, the trustees are looking into other means of generating funds to support the recovery work of Betel. Cost reduction plans also include installation of an array of solar panels at Anchor Point, for which we are actively seeking donated funds.

Our therapeutic work activities provide opportunities for our recovering men and women to learn valuable skills and life lessons and also provide resources to help cover housing and living costs for our residents (which rose through 2022).

Our Furniture Shop Revenue surplus (including the donations received in our shops from gift aided furniture sales and the tax reclaimed on these sales) decreased due to the still faltering economy, a decrease in gift aided donated furniture and an increase in vehicle fuel and utility costs. Internet trade sales, which spiked during pandemic lockdowns, predictably decreased by 7%, but as a percentage of total Shop Revenue grew 1%. However, we still anticipate growth in internet trade as we continue to shift our focus from high-overhead retail shops. Several shops were closed in 2022 to reduce overhead costs and to focus more on internet trade.

With the opening of the café at Anchor Point in August 2021, and therefore a full year of operation in 2022 (and no Covid restrictions), the contribution from our Rising Cafés to the overall Other Therapeutic Work Revenue rose to 25% (from 18% in 2021).

Whilst revenue at Anchor Point increased in 2022 (as indicated by the percentage increase of Betel's Rising Cafés contribution to the overall Other Therapeutic Work Revenue), the income potential is still being developed. As a result, other Therapeutic Work Revenue surplus decreased significantly due to a full year's operation in the new businesses at Anchor Point. With twelve months of operations for the Café and Building/Events Hire, costs exceeded income by over £263k (2021: £120k). Other therapeutic work areas are still being impacted by reduced resident numbers, but the gardens surplus increased by £9,955 (2021: reduced by £233k). The café in Hexham had a reduced surplus due to a significant change in workers, but the café in Nottingham generated a greater surplus as it had a full twelve months of post-Covid operations in 2022.

Overall, therapeutic work (including gift aided furniture and the associated gift aid tax) generated 51% (2021: 48%) of the revenue of the charity. Combining therapeutic work income (including revenue from our gift aided furniture) and the solicited donations from our concerted fund-raising efforts during the month of December, the residents generated 77% (2021: 81%) of general revenue (total revenue adjusted for restricted capital improvement donations, in-kind food donations and government support).

Our modest costs of administration remain well under control.

The rest of the revenue was received in donations and gifts, the last of Covid-19 government support, various grants, and in-kind donations for food and vehicles.

Principal Funding Sources – Therapeutic Work

51% of revenue in 2022 (48% in 2021) was generated by our therapeutic work areas (including donations generated by gift aided furniture) and has been applied to the maintenance and expansion of the same and the support and provision of housing for our residents. There was a 3% increase in 2022 over 2021, but it is still lower than percentages in pre-Covid years, and because of significant donations for capital improvements.

Below are the results for our furniture shops, restoration and other therapeutic work (principally gardening/tree work, cafés, events/building hire and house clearances). Please note: because of the way Gift Aid on furniture donations operates, the income derived from gift aided furniture is actually shown under "Voluntary Income: Donations" in the Statement of Financial Activities. This is also true for grants received to help with our social enterprise costs. We have presented the financial information below adjusted for Gift Aided Donations as well as Expenditures paid from Restricted Gifts to arrive at the surplus generated by Unrestricted activities.

Shop/Furniture Trade Summary	2022	2021
	£	£
As Per Statement of Financial Activities		
Total Shop Revenue	1,090,420	1,136,357
Shop Expenditure	1,066,309	1,152,487
Surplus for Charitable Purposes	24,111	(16,130)
Voluntary Income: Donations associated with Shops		
Gift Aided Furniture Sales	149,232	236,824
Tax reclaimed on these sales	37,308	59,206
Shop Surplus adjusted for gift-aided furniture	210,651	279,900
Voluntary Income: Other Donations associated with Shops Work		
Shop Costs paid from Restricted Gifts	3,872	16,111
Shop Surplus (Unrestricted)	214,523	296,011

Other Therapeutic Work Summary

	2022 £	2021 £
As Per Statement of Financial Activities		
Other Therapeutic Work Revenue (principally gardening)	1,852,478	1,844,072
Other Therapeutic Expenditure (principally gardening)	1,418,055	1,174,570
Surplus for Charitable Purposes	434,423	669,502
Voluntary Income: Donations associated with Other Therapeutic Work		
Other Therapeutic Work Costs paid from Restricted Gifts	26,401	55,477
Other Therapeutic Work Surplus (Unrestricted)	460,824	724,979

Principal Funding Sources – Fundraising Activities

Betel of Britain is committed to high standards with regard to fundraising activity and has complied with all laws relating to charities and fundraising. We are clear, honest and open about our activities and fund-raising requirements. We are respectful towards all supporters, and with the work being carried out to meet GDPR regulations have recognised our strong procedures with regards to fundraising information security.

Donations: The majority of donations come from unsolicited gifts. In 2022 several centres received donations towards capital improvements, enabling the charity to provide enhanced facilities for residents, whilst also contributing to the future growth and expansion of the charity. We continue to apply for and receive grant funding for specific purposes and projects, resulting in the provision of additional equipment and resources for the various vocational work streams and other activities. This has expanded the range of opportunities that the charity has been able to offer to residents, promoting the furtherance of the aims and objectives of the charity. We have been truly thankful for and touched by individuals, churches and trusts for their support over the year.

Food donations are received from various national stores and restaurants including Aldi, Brakes, Chapman in Butchers Wishaw, Costco, Greggs, His Church Limited, KFC, Lidl, Marks & Spencer, Morrisons, Nandos, Ocado, Sainsburys, Tesco and Waitrose. Although there has been a decrease in these donations (assumed due to an increase in the demand for food donations across the nation and shops tightening food purchases to eliminate excess food), we are extremely grateful to all of these companies for their invaluable support and contribution to the charity. We also benefit greatly through membership in FareShare.

Our major fundraising events in the run up to Christmas produced solicited donations totaling £266,951 (2021 - £281,162).

Betel of Britain has not signed up to any voluntary fundraising schemes or standards. However, as noted above, all our fundraising activities are carried out to the highest possible standards. As regards the carol singing, many of the venues are subject to local authority licences which require formal reporting.

Principal Funding Sources – Covid-19 Government Support

Betel of Britain received £19,832 (2021: £249,201) in Covid-19 government support business rates relief and grants for qualifying properties (2021 included loan interest reduction from a £50k bounce-back loan).

Reserves Policy

The current reserves policy is to hold designated funds for specific projects only until distributed. No other reserves are held except for funds accrued for periodic outflows such as VAT and rent. However, the policy is currently being reviewed by a committee designated by the trustees and should be finalised for trustee approval later in 2023.

Investment Policy

Betel does not have any investments.

Structure, Governance and Management

Governing Document

Memorandum and Articles of Association incorporated 19th May 2000.

A charitable company limited by guarantee.

The directors also act as trustees of the charitable activities of Betel of Britain.

Recruitment and Appointment of Trustees

Trustees are recruited and appointed by the existing Board of Trustees and are representative of professional, business, charitable and Christian service backgrounds.

Trustee Induction and Training

New trustees are provided with an induction pack containing charity commission guidance and are fully committed to the ethos of Betel.

Risk Management

The trustees acknowledge their responsibility to manage the risks facing the charity. The pursuit of our charitable objects entails a level of risk higher than many other charities. Most of our beneficiaries are from unstable backgrounds. Our vision is to see people transformed from an addictive life to a productive one. Part of the process involves putting people into positions of trust when in the past they have been untrustworthy. This strategy brings successful results but entails risk.

We have identified risks in the areas of governance, operational, financial, external and compliance. Major risks have been identified and steps taken to mitigate those risks as much as is possible. Risk management is an ongoing process, fluid and challenging in a relatively young and growing organisation.

Organisational Structure

The trustees, supported by professional advisers, provide overall strategy and vision.

The decisions of the trustees are enacted by Kent and Mary Alice Martin, the Executive UK Directors, and delegated through regional and local house managers or business managers.

Birmingham Region and HQ: Overall oversight by Kent and Mary Alice Martin assisted by a local leadership team.

The following regions of *Nottingham, Derby, Manchester, Hexham and Motherwell* have regional managers who are assisted by local leadership teams. These managers meet regularly on a national basis and form the backbone of Betel's management structure.

Equal Opportunities and representation: The majority of those regional managers together with all the local leadership teams, are people who have used, or are using, our services (ex-addicts).

Grant Making

Related Parties

Betel of Britain has a number of important informal relationships which arise out of common areas of operation which help Betel to function more effectively, i.e., Betel International, Spain. Workers from Betel of Britain attend conferences and leaders' meetings at the head office in Spain. There are occasional movements of volunteers from one country to another, and there are centres in twenty-one countries on all major continents (including Betel USA, which is in the process of being re-opened). Betel was started by personnel from WEC International, an evangelical Christian missionary organisation; and there continues informal contact with this organisation. Betel is a member of ISAAC (the International Substance Abuse and Addiction Coalition) and the Evangelical Alliance.

Individuals

Grants can be made to individuals where it is assessed that such support will aid the individual on a course to a more independent life.

Details of grants made are reported in Note 8.

Statement of Trustees' Responsibilities

The trustees (who are also directors of the charitable company for the purposes of company law) are responsible for preparing the trustees' 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 trustees 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 trustees are required to:

Select suitable accounting policies and then apply them consistently;

Observe the methods and principles in the Charities SORP;

Make judgements 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 trustees 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 as the trustees are aware:

There is no relevant audit information of which the charitable company's auditor is unaware; and the trustees 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.

This report was approved by the Trustees on 22 August 2023 and signed on its behalf by

A handwritten signature in dark ink, reading "Kent Martin". The signature is written in a cursive, flowing style.

Kent Martin
Trustee and Director

AUDITOR'S REPORT TO THE TRUSTEES OF BETEL OF BRITAIN

Independent Auditors' Report to the members of Betel of Britain

Opinion

We have audited the financial statements of Betel of Britain for the year ended 31 December 2022, which comprise the Statement of Financial Activities, Balance Sheet and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)).

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 and trustees those matters we are required to state to them in an auditor's report and for no other purpose.

To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charitable Company, the Charitable Company's members as a body, and the Charitable Company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities Act 2011 and the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (amended).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the 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 as applied to public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or

our knowledge obtained in the audit or otherwise appears to be materially 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.

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 directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

- adequate and proper accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.; or
- the charity has not kept sufficient accounting records; 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' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 8, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 of the Charities Act 2011, and section 44(1) (c) of the Charities and Trustee Investment (Scotland) Act 2002 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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

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:

Our assessment focused on key laws and regulations the charitable company has to comply with and areas of the financial statements we assessed as being more susceptible to misstatement. These key laws and

regulations included but were not limited to compliance with the Companies Act 2006, Charities Act 2011, United Kingdom Generally Accepted Accounting Practice and relevant tax legislation.

We are not responsible for preventing irregularities. Our approach to detect irregularities included, but was not limited to, the following:

- obtaining an understanding of the charitable company's policies and procedures and how the charitable company has complied with these, through discussions and sample testing of controls;
- obtaining an understanding of the legal and regulatory framework applicable to the charitable company and how the charitable company is complying with that framework;
- an understanding of the charitable company's risk assessment process, including the risk of fraud;
- designing our audit procedures to respond to our risk assessment; and
- performing audit work over the risk of management override of controls including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing estimates for bias.

Whilst considering how our audit work addressed the detection of irregularities, we also consider the likelihood of detection based on our approach. Irregularities arising from fraud are inherently more difficult to detect than those arising from error.

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

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

Use of our report

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



Jonathan Russell (Senior Statutory Auditor)
For and on behalf of Just Audit & Assurance Ltd, Statutory Auditor

37 Market Square
Witney
Oxfordshire
OX28 6RE

Date: 31 August 2023

Betel of Britain
Statement of Financial Activities
(including Income and Expenditure Account)
for the year ended 31st December 2022

Incoming Resources	Notes	Unrestricted £	Restricted £	2022 Total £	2021 Total £
Incoming resources from generated funds					
Voluntary income					
Donations	2	1,060,982	1,837,332	2,898,314	3,273,605
Activities for generating funds: Carol Singing, Bag Packing, Calendars, etc.	3	266,951	-	266,951	281,162
Incoming resources from charitable activities					
Shop income	4	1,090,420	-	1,090,420	1,136,357
Other Therapeutic Work	4	1,852,478	-	1,852,478	1,844,072
Total incoming resources from generated funds and charitable activities		4,270,831	1,837,332	6,108,163	6,535,196
Investment Income	5	516	615	1,131	128
Other Incoming Resources	6	84,728	-	84,728	279,215
Total Incoming Resources		4,356,075	1,837,947	6,194,022	6,814,539
Resources expended					
Cost of generating funds					
Fundraising and publicity	7	29,345	8,200	37,545	56,517
Charitable Expenditure					
Grants Payable	8	178,544	152,465	331,009	270,849
Shop Expenditure (incl Cost of Sales)	9	1,062,437	3,872	1,066,309	1,152,487
Other Therapeutic Work	9	1,391,654	26,401	1,418,055	1,174,570
Centre Expenses	9	1,882,686	195,020	2,077,706	2,276,239
Governance Costs	9	31,324	-	31,324	28,607
Total Charitable Expenditure		4,546,645	377,758	4,924,403	4,902,752
Total Resources Expended		4,575,990	385,958	4,961,948	4,959,269
Net Income (Loss) for the year before Transfers	10,11	(219,915)	1,451,989	1,232,074	1,855,270
Transfers between Funds	19	1,090,568	(1,090,568)	-	-
Net Movement in Funds		870,653	361,421	1,232,074	1,855,270
Reconciliation of Funds					
Total Funds brought forward		8,972,228	95,482	9,067,710	7,212,440
Total Funds carried forward		9,842,881	456,903	10,299,784	9,067,710

The notes on pages 16 - 29 form an integral part of these accounts

Betel of Britain
Company Number: 03998028
Balance Sheet at 31st December 2022

		2022		2021	
Fixed Assets	Notes	£	£	£	£
Tangible Assets	12		13,818,550		13,110,383
Intangible Assets	13		<u>334</u>		<u>501</u>
			13,818,884		13,110,884
Current Assets					
Stocks	14	265,551		288,023	
Debtors	15	292,355		440,211	
Cash at Bank and in Hand		<u>744,867</u>		<u>432,672</u>	
		1,302,773		1,160,906	
Creditors: amounts falling due within one year	16	<u>899,783</u>		<u>861,548</u>	
Net Current Assets			<u>402,990</u>		<u>299,358</u>
Total Assets less Current Liabilities			14,221,874		13,410,242
Creditors: amounts falling due after more than one year	17		<u>3,922,090</u>		<u>4,342,532</u>
Net Assets	18		<u>10,299,784</u>		<u>9,067,710</u>
Funds					
Unrestricted Funds			9,842,881		8,972,228
Restricted Funds	19		<u>456,903</u>		<u>95,482</u>
Total Funds			<u>10,299,784</u>		<u>9,067,710</u>

The Financial Statements were approved by the Board on 22 August 2023 and signed on its behalf by



Kent Martin, Director

The notes on pages 16 – 29 form an integral part of these accounts

Betel of Britain
Statement of Cash Flows
for the year ended 31st December 2022

	Notes	Unrestricted £	Restricted £	2022 Total £	2021 Total £
Cash flows from operating activities:					
Net cash provided by (used in) operating activities	Table 1	217,065	1,477,995	1,695,060	1,756,144
Cash flows from investing activities:					
Proceeds from sale of fixed assets		14,946	-	14,946	25,303
Purchase of intangible asset		-	-	-	-
Purchase of property, plant and equipment		(86,750)	(1,090,568)	(1,177,318)	(2,761,899)
Net cash provided by (used in) investing activities		(71,804)	(1,090,568)	(1,162,372)	(2,736,596)
Cash flows from financing activities					
Repayments of borrowing		(220,493)	-	(220,493)	(278,462)
Cash inflows from new borrowing		-	-	-	359,966
Net cash provided by (used in) financing activities		(220,493)	-	(220,493)	81,504
Change in cash and cash equivalents in the reporting period		(75,232)	387,427	312,195	(898,948)
Cash and cash equivalents at the beginning of the reporting period		337,190	95,482	432,672	1,331,620
Cash and cash equivalents at the end of the reporting period	Table 2	261,958	482,909	744,867	432,672

	Unrestricted £	Restricted £	2022 Total £	2021 Total £
Table 1: Reconciliation of net movement in funds to net cash flow from operating activities				
Net income (loss) for year before transfers	(219,915)	1,451,989	1,232,074	1,855,270
Adjustments for:				
Depreciation	450,869	-	450,869	334,428
Amortisation of intangible assets	167	-	167	166
Loss/(profit) on disposition of assets	3,335	-	3,335	7,452
(Increase)/decrease in stocks	22,472	-	22,472	7,372
(Increase)/decrease in debtors	147,856	-	147,856	(154,811)
Increase/(decrease) in creditors	(187,719)	26,006	(161,713)	(293,733)
Net cash provided by (used in) operating activities	217,065	1,477,995	1,695,060	1,756,144

Table 2: Analysis of cash and cash equivalents

Cash in hand	46,456	-	46,456	48,678
Notice deposits (less than 30 days)	286,499	482,909	769,408	451,077
Overdraft facility repayable on demand	(70,997)	-	(70,997)	(67,083)
Total cash and cash equivalents	261,958	482,909	744,867	432,672

The notes on pages 16 - 29 form an integral part of these accounts

Betel of Britain

Notes to the Financial Statements For the year ended 31st December 2022

1. Accounting Policies

1.1. Accounting Convention

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 (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Betel of Britain meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

1.2. Incoming Resources

Voluntary income is received by way of donations and gifts and is included in full in the Statement of Financial Activities when receivable. Gifts donated for resale are included as income when they are sold. Donated assets are included at the value to the charity where this can be quantified and a third party is bearing the cost. Significant food donations are received from various national stores and restaurants, and a Gift in Kind value has been calculated for these donations based on an average number of residents multiplied by £4.26 per day. This is included in voluntary income. Other than where small regular allowances and other payments have been made to them, the value of services provided by volunteers has not been included.

Grants and benefits, including grants for the purchase of fixed assets, are recognised in full in the Statement of Financial Activities in the year in which they are receivable.

Income from charity shops is included in the year in which it is receivable. Since these provide therapeutic work, which is a direct aim of the charity, such is included as activities in furtherance of the charity's objects.

Shop Expenditure is similarly treated as direct.

Income from investments is included in the year in which it is receivable.

Tax receivable on Gift Aided donations is included when receivable.

1.3. Resources expended

Resources expended are recognised in the year in which they are incurred and include irrecoverable VAT in the cost to which it relates.

Fundraising costs are those incurred in seeking voluntary contributions, including the costs of disseminating information in support of the charitable activities. Where publicity incorporates details of shop and services, such costs have not been separated out to Shop & Services expenses, since it is impractical to do so.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management. These have been allocated to each of the elements of charitable expenditure as appropriate.

Governance costs are those incurred in ensuring that the company complies with its legal and statutory obligations.

1.4. Tangible Fixed Assets and depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Freehold Buildings	Straight line over fifty years
Portable Buildings	15% reducing balance
Leasehold Properties	Straight line over period of lease
Equipment	25% reducing balance
Furniture, Fixtures and Fittings	15% reducing balance
Motor Vehicles	25% reducing balance
Sewage Treatment Plant	5% reducing balance
Intangible Fixed Asset – Software	20% straight line

Freehold land is not depreciated.

The capitalisation thresholds for fixed assets are:

£500 for equipment

£1,000 for property e.g. 'leasehold property improvements', 'furniture fixtures & furnishings'.

For 2021, due to the large volume of assets purchased to open new therapeutic work areas at the property developed at 58 Chester Street (a.k.a. Anchor Point) and only operating for 4 ½ months, the equipment and furniture, fixtures and fittings were aggregated and depreciated for 4 months instead of the full year which is normally taken when acquiring these assets. For 2022, a full year of depreciation has been taken for the completed areas.

1.5 Leasing

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Income & Expenditure Account so as to produce constant periodic rates of charge on the net obligations outstanding in each period.

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

1.6 Investments

Fixed Asset Investments are stated at cost less provision for diminution in value.

Current Asset Investments are at the lower of cost and net realisable value.

1.7 Stock

Stock bought for re-sale in the charity shops is valued at the lower of cost and net realisable value. Christmas tree stock is valued at a percentage of future re-sale value less harvesting & transportation costs. The percentage is based on accumulative years of growth over the number of years required to obtain five to eight feet in height.

1.8 Fund Accounting

Unrestricted Funds are incoming resources, which can be used in accordance with the charitable objects at the discretion of the trustees.

Restricted Funds are to be used for specific purposes. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

1.9 Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and call deposits and other short term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

1.10 Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

2 Donations

	Unrestricted Funds £	Restricted Funds £	2022 Total £	2021 Total £
General Donations	540,666	1,657,901	2,198,567	1,880,730
Gift Aid Donations	182,355	143,545	325,900	742,587
Income tax recoverable	45,589	35,886	81,475	185,647
Non-restricted income tax on restricted gifts	-	-	-	-
Tithes	1,554	-	1,554	5,326
Gifts in Kind	290,818	-	290,818	459,315
	1,060,982	1,837,332	2,898,314	3,273,605

3 Activities for generating funds

	Unrestricted Funds £	Restricted Funds £	2022 Total £	2021 Total £
Bag packing	-	-	-	36
Carol Singing	261,310	-	261,310	145,004
Street Collections	4,195	-	4,195	134,451
Books, CDs, DVDs	1,446	-	1,446	1,671
	266,951	-	266,951	281,162

4 Incoming resources from charitable activities

All unrestricted funds:

Centre	2022			2021		
	Shops £	Therapeutic £	Total £	Shops £	Therapeutic £	Total £
Motherwell	7,689	118,734	126,423	4,228	145,997	150,225
Hexham	191,438	234,336	425,774	185,843	277,550	463,393
Manchester	76,970	141,112	218,082	85,141	180,701	265,842
Derby	267,044	414,954	681,998	269,357	426,329	695,686
Birmingham	355,614	338,507	694,121	404,375	390,490	794,865
Anchor Point	-	198,811	198,811	-	51,597	51,597
Nottingham	191,665	406,024	597,689	187,413	371,408	558,821
Totals	1,090,420	1,852,478	2,942,898	1,136,357	1,844,072	2,980,429

5 Investment Income

	Unrestricted Funds £	Restricted Funds £	2022 Total £	2021 Total £
Interest from UK Bank Accounts and HMRC	516	615	1,131	128

6 Other Incoming Resources

	Unrestricted Funds £	Restricted Funds £	2022 Total £	2021 Total £
Covid-19 Government Support - Bus Rates Relief	7,194	-	7,194	23,932
Covid-19 Government Support - Grants	12,638	-	12,638	224,006
Covid-19 Government Support – BBLs interest	-	-	-	1,147
Covid-19 Government Support – SSP Rebate Scheme	-	-	-	116
Other Income	64,896	-	64,896	30,014
	84,728	-	84,728	279,215

The Covid-19 government support income has been recorded using the accrual model and the grants as revenue-based. There are no unfulfilled conditions or contingencies attached to the grants.

7 Cost of Generating Funds (Fundraising and Publicity)

	Unrestricted Funds £	Restricted Funds £	2022 Total £	2021 Total £
Flyers	12,449	-	12,449	28,934
Advertising/Promotional Activities	15,322	8,200	23,522	26,534
Calendars	-	-	-	-
Betel Books	1,431	-	1,431	1,049
Signage	143	-	143	-
	29,345	8,200	37,545	56,517

8 Grants Payable

	Number of grants	Unrestricted Funds £	Restricted Funds £	2022 Total £	2021 Total £
Betel of Spain	1	78,000	100,000	178,000	119,750
Betel of India/Nepal	1	-	-	-	20,000
Betel of Kazakhstan	1	-	-	-	15,000
Betel International	1	-	50,000	50,000	-
Betel USA	1	6,000	-	6,000	-
Ground Level	1	360	-	360	360
Other organisations	-	-	-	-	115
Individuals	109	94,184	2,465	96,649	115,624
		178,544	152,465	331,009	270,849

9 Charitable Activities

Costs directly related to activities:	Shops	Other Therapeutic Work	Centre	Governance	2022	2021
	£	£	£	£	£	£
Premises	384,359	291,968	909,405	-	1,585,732	1,683,679
Direct Costs	285,266	466,476	-	-	751,742	789,016
Vehicles	124,894	244,996	375,302	-	745,192	696,881
Residents	-	-	375,208	-	375,208	469,810
Voluntary workers' costs	44,280	73,049	-	-	117,329	90,456
Staff & training	120	20,431	19,878	-	40,429	46,016
Communications	12,617	14,551	7,870	-	35,038	40,890
Events & meetings	-	-	67,378	-	67,378	48,006
Office	11,443	4,872	418	-	16,733	18,802
Equipment & tools	7,884	104,942	582	-	113,408	123,782
Legal & professional	32,956	4,593	10,477	10,376	58,402	40,343
Bank interest & charges	6,204	28,142	123,570	-	157,916	120,211
Other costs	17,837	28,709	49,257	-	95,803	80,200
Support costs allocated to activities:						
Voluntary workers' costs	77,961	72,376	74,458	11,831	236,626	180,309
Communications	12,541	15,484	12,686	2,143	42,854	50,893
Office	6,395	9,633	6,255	1,173	23,456	27,014
Staff & training	35,704	36,210	38,313	5,801	116,028	111,747
Bank interest & charges	5,848	1,623	6,649	-	14,120	13,848
	1,066,309	1,418,055	2,077,706	31,324	4,593,394	4,631,903

10 Operating Surplus

	2022 Total £	2021 Total £
Operating surplus is stated after charging:		
Depreciation and other amounts written off tangible assets	450,869	334,428
Amortisation of intangible assets	167	166
Loss (Gain) on disposal of tangible fixed assets	3,335	7,452
Auditor's remuneration	10,000	10,000
Equipment Hire	8,969	12,385
Vehicle Hire	6,848	6,051

11 Interest payable and similar charges

Included in this category is the following:

	2022 Total £	2021 Total £
On Unsecured Obligations and Supplier Balances	316	111
Hire purchase finance charges	16,113	16,407
On Bank Loans and Overdrafts	6,564	4,210
On Secured Loans repayable in five years or more	141,075	97,788
	164,068	118,516

12 Tangible Fixed Assets

Cost	Freehold Land & Buildings £	Long-term Leasehold Improvements £	Short-term Leasehold Improvements £	Equipment £	Furniture Fixtures & Fittings £	Motor Vehicles £	Total £
At 1 st January 2022	13,191,762	119,035	1,000	505,341	338,307	750,510	14,905,955
Additions	988,006	1,768	-	87,779	31,453	68,312	1,177,318
Disposals	-	(13,722)	-	(4,408)	-	(52,558)	(70,688)
At 31 st December 2022	14,179,768	107,081	1,000	588,712	369,760	766,264	16,012,585
Depreciation							
At 1 st January 2022	985,856	55,069	1,000	217,750	120,858	415,039	1,795,572
On Disposals	-	(9,917)	-	(3,256)	-	(39,233)	(52,406)
Charge for the Year	226,421	10,794	0	80,354	35,685	97,615	450,869
At 31 st December 2022	1,212,277	55,946	1,000	294,848	156,543	473,421	2,194,035
Net Book Value							
At 31 st December 2022	12,967,491	51,135	0	293,864	213,217	292,843	13,818,550
At 31 st December 2021	12,205,906	63,966	0	287,591	217,449	335,471	13,110,383

The Freehold Land and Buildings are subject to legal charges of £4,019,631 (2021: £4,154,848).

Included above are assets held under finance leases or hire purchase contracts as follows:

Asset Description	2022 Net Book Value £	Total Depreciation Charge £	2021 Net Book Value £	Total Depreciation Charge £
Equipment	5,062	(1,688)	6,750	(2,250)
Vehicles	103,162	(34,387)	150,499	(50,166)
	108,224	(36,075)	157,249	(52,416)

13 Intangible Assets

Cost	£	Total £
At 1 st January and 31 st December 2022		30,474
Amortisation		
At 1 st January 2022	29,973	
Charge for the Year: Presenter Software	167	
At 31 st December 2022		30,140
Total Intangible Asset		334

14 Stocks

	2022	2021
	Total	Total
	£	£
Raw Materials and Consumables	146,722	138,997
Finished goods and goods for resale	118,829	149,026
	265,551	288,023

15 Debtors

	2022	2021
	Total	Total
	£	£
Other Debtors	96,741	277,311
Prepayments & Accrued Income	195,614	162,900
	292,355	440,211

16 Creditors: amounts falling due within one year

	2022	2021
	Total	Total
	£	£
VAT	9,793	2,183
Payroll Liabilities	2,199	2,467
Trade Creditors	392,332	549,687
Credit Card Accounts	8,968	6,968
Bank Loans (secured)	42,397	119,618
Net Obligations under Finance Leases & Hire Purchases (secured)	41,164	63,871
Other Loans (unsecured)	20,405	23,824
Other Loans (secured)	329,563	26,266
Accruals and Deferred Income	52,962	66,664
	899,783	861,548

17 Creditors: amounts falling due after more than one year

	2022	2021
	Total	Total
	£	£
Bank Loans due in 2-5 years (secured)	166,592	512,167
Other Loans due in 2-5 years (secured)	40,694	111,503
Other Loans due in 2-5 years (unsecured)	84,530	82,667
Loans due in > 5 years (unsecured, repayable by instalments)	139,158	159,009
Loans due in > 5 years (secured, repayable by instalments)	3,440,386	3,385,293
Net Obligations under Finance Leases & Hire Purchases (secured)	50,730	91,893
	3,922,090	4,342,532

18 Analysis of Net Assets between Funds

	Unrestricted Funds £	Restricted Funds £	2022 Total £	2021 Total £
Fund Balances at 31 st December 2022 as represented by:				
Tangible Fixed Assets	13,818,550	-	13,818,550	13,110,383
Intangible Fixed Assets	334	-	334	501
Current Assets	819,864	482,909	1,302,773	1,160,906
Current Liabilities	(873,777)	(26,006)	(899,783)	(861,548)
Long-term Liabilities	(3,922,090)	-	(3,922,090)	(4,342,532)
	9,842,881	456,903	10,299,784	9,067,710

19 Restricted Funds

	At 1 st January 2022 £	Incoming £	Outgoing £	Transfers £	At 31 st December 2022 £
BIRMINGHAM					
E.M. Bell Trust - Holidays	-	1,400	(1,400)	-	-
Building Trades Training	7,200	-	(2,326)	-	4,874
Houston Charitable Trust - Theological Training	775	4,500	(5,275)	-	-
Vardy Foundation – Leaving Support	3,632	10,000	(4,073)	-	9,559
Jerusalem Trust – Food Services Manager & Social Media Development	-	7,925	(7,925)	-	-
Houston Charitable Trust/Greatbach Family Trust - General Training	7,665	-	(3,423)	-	4,242
Greatbach Family Trust – Security Improvements	-	4,501	(464)	(3,123)	914
St. John's Harborne – Various Projects	-	40,000	(24,403)	(15,597)	-
Support Gifts for Voluntary Workers	-	1,675	(1,675)	-	-
Heart Cry & NC4 (USA church) – 25 th Anniversary Celebrations	-	4,205	(4,205)	-	-
Various Individuals – CZ Youth Camp & Christmas Activities	-	1,545	(1,545)	-	-
Neighbourly Foundation – Donations Shed	-	500	-	-	500
Anonymous Gift - International Betel Work	-	150,000	(150,000)	-	-
Sub-totals	19,272	226,251	(206,714)	(18,720)	20,089
ANCHOR POINT					
58 Chester St - Development & Kitting Out	(19,989)	-	-	19,989	-
Various Gifts (including anonymous)	-	14,920	-	(14,920)	-
M V Kelly Ltd	-	1,000,000	(18,792)	(632,125)	349,083
John Kelly	-	125,000	-	(125,000)	-
Betenbough Companies (USA)	-	86,080	-	(86,080)	-
29 th May 1961 Charitable Trust	-	10,000	-	(10,000)	-
WEC USA	-	3,641	-	(3,641)	-
Interest on Restricted Gifts	-	615	-	(615)	-
BRCC USA Church - for IT equipment	-	3,220	(82)	(3,138)	-
Jerusalem Trust – Food Services Manager & Social Media Development	6,405	13,074	(19,479)	-	-
Houston Charitable Trust - Pilates & Dance Training	1,097	-	(740)	-	357
WEC UK - Hair Salon	20,460	-	(301)	(20,000)	159
NC4 (USA Church) - Infinite Arts	731	-	(731)	-	-
Sub-totals	8,704	1,256,550	(40,125)	(875,530)	349,599

19 Restricted Funds, continued

	At 1 st January 2022	Incoming	Outgoing	Transfers	At 31 st December 2022
	£	£	£	£	£
NOTTINGHAM					
Ikon church	-	1,200	(1,200)	-	-
Various Gifts – David's Tent Event & CZ Youth Camp	-	6,294	(6,294)	-	-
Whelan, Paul/Karen - Vehicles	480	15,625	(662)	(15,443)	-
Connaught Plant Hire - Vehicles	-	18,000	-	(18,000)	-
Manna Farm - New Residence					
Whelan, Paul/Karen	-	36,530	(512)	(36,018)	-
Manna Farm – Original House Renovations					
M V Kelly Ltd	47,781	160,000	(66,147)	(88,375)	53,259
AD & PJ Howlett	-	890	(890)	-	-
Nottinghamshire CM NCF - NRL Fund	-	30,000	(30,000)	-	-
The Jones 1986 Charitable Trust	-	15,000	(15,000)	-	-
New Life Christian Fellowship Sleaford for Manna Farm	-	530	(530)	-	-
Oaks Community Centre – for Manna Farm	-	1,800	(1,800)	-	-
Sub-totals	48,261	285,869	(123,035)	(157,836)	53,259
DERBY					
Foundation Derbyshire - Gardening Tools	1,354	-	(1,354)	-	-
Foundation Derbyshire - Residents' Christmas meal	120	-	(120)	-	-
Sainsburys (Neighbourly) - New Chiller	11,000	-	-	(11,000)	-
Neighbourly Foundation - Chiller Housing	-	500	-	-	500
Neighbourly Foundation - Hard Standing Vehicles	-	5,000	-	-	5,000
One Stop Community Partnership	1,000	-	-	(1,000)	-
The Arnold Clark Community Fund	1,000	-	-	(1,000)	-
M V Kelly Ltd	-	18,000	-	(18,000)	-
One Stop Jubilee Fund - Jubilee Celebration	-	500	(500)	-	-
Western Power Distribution - Resident Food	-	2,493	(2,493)	-	-
Asda Foundation - Cost of Living Grant	-	605	(605)	-	-
One Stop Community Partnership – Christmas Meal	-	500	-	-	500
Sub-totals	14,474	27,598	(5,072)	(31,000)	6,000
MANCHESTER					
The Neighbourly Foundation - New Kitchen	-	5,500	-	-	5,500
The Neighbourly Foundation - Training	1,500	-	(1,338)	-	162
The Albert Hunt Trust - for Core Costs	-	7,000	(7,000)	-	-
Manchester Airport Community Trust - for Gardening Equipment	-	1,714	(1)	(1,713)	-
Charity Services - Gardens Equipment	2,946	-	(614)	(2,332)	-
The City Centre Ministry	-	19,566	-	-	19,566
Sub-totals	4,446	33,780	(8,953)	(4,045)	25,228
HEXHAM					
Northumberland CC - Café Carbon Filters	-	500	(500)	-	-
Hexham Community Church - Christmas	-	528	-	-	528
Gift from Individuals - Training	-	3,031	(1,156)	-	1,875
Sub-totals	-	4,059	(1,656)	-	2,403

19 Restricted Funds, continued

	At 1 st January 2022	Incoming	Outgoing	Transfers	At 31 st December 2022
	£	£	£	£	£
MOTHERWELL					
Gifts from Individuals – Chiller Unit/Chimney	-	2,940	(3)	(2,937)	-
Gift from Individual – Resident Entertainment	-	400	(400)	-	-
Neighbourly Foundation – Fridge Unit	-	500	-	(500)	-
Gift from Individual – Theological Training	325	-	-	-	325
Sub-total	325	3,840	(403)	(3,437)	325
TOTALS	95,482	1,837,947	(385,958)	(1,090,568)	456,903

Transfers are made for funds expended on capitalised fixed assets such as property purchases, vehicles and equipment.

20 Financial Commitments

At 31st December 2022, the company had annual commitments under non-cancellable operating leases as follows:

	<u>Land & Buildings and Vehicle Leases</u>	<u>Terms</u>	<u>Break Clause</u>	<u>Rent per Annum</u> £	<u>Total Lease Commitment</u> £
1	Residence, Birmingham	Month to month		11,940	0
2	Garage, Alvechurch	Month to month		15,000	0
3	Greenhouse, Coventry	Month to month		1,800	0
4	Residence, Redditch	Month to month		9,600	0
5	Residence, Birmingham	Month to month		13,140	0
6	Residence, Harborne	Month to month		11,400	0
7	Residence, Wythall	Month to month		11,040	0
8	Warehouse, Birmingham	Tenancy at will		14,000	0
9	Residence, Birmingham	Through 20/11/2045 Rent review every year		60,096	1,375,457
10	Yardley Wood Shop, Birmingham	New Lease to be Agreed Rent review every 5 years		23,000	0
11	Burton On Trent Shop, Derby	Through 31/03/2024		47,000	58,718
12	Benwell Shop, Newcastle u Tyne	Through 25/11/2029		20,000	148,167
13	Hexham Shop, Hexham	Through 22/04/2023		31,500	9,666
14	Residence, Hexham	Through 01/09/26 rent free		0	0
15	Rising Café, Hexham	Through 19/03/2023		8,592	1,813
16	Renault DX19 EBU Furniture Van	Through 12/08/2023		8,038	4,019
17	Alive Church Café, Lincoln	New Lease to be Agreed		5,000	0
18	Arnold Shop, Nottingham	Month to month		15,000	0
	Total Financial Commitments:				1,597,840

The above financial commitments can be analysed as follows:

The total of future minimum lease payments under non-cancellable operating leases for each of the following periods

	£
Not later than one year	142,594
Later than one year but not later than five years	334,268
Later than five years	1,120,978

21 Transactions with Trustees

Trustee transactions are insignificant as most trustees cover their own costs pertaining to their duties as trustees (seven trustees in 2022, seven in 2021). However, significant related party expenses are incurred, as two (2021, two) of the trustees are the national operational directors of Betel of Britain, and six (2021, four) other related party individuals are involved in the furtherance of the charitable objectives. Kent and Mary Alice Martin, two of the trustees, were provided with rent free on-site accommodation for the furtherance of the charitable objectives; and two related party voluntary workers were provided offsite housing, also for the furtherance of the charitable objectives.

	2022 Total £	2021 Total £
Trustee Travel & Food associated with Trustee Duties	-	-
Related Party Transactions		
Donations received in recognition of work done for the charity (including speaking)	24,936	22,263
Mileage/Travelling Expenses	5,154	4,020
Guest Hospitality/Entertainment	663	249
Training obtained for Additional Charitable Work	2,750	4,612
Travel/Food Costs incurred while Supporting Betel International Centres	2,011	-
Travel/Food while Visiting USA Supporters of Betel of Britain	332	520
Food/Subsistence while Travelling in the UK for Charitable Objectives	39	1,057
Attending Conferences (Accommodation, Travel and Food)	-	240
Ministry/Meetings Food and Drink	1,036	625
Other Accommodation	261	-

22 Related party transactions

Kent Martin, Director of Betel of Britain, is also a trustee of Betel Czech Republic, Betel South Africa and Betel United States of America. Elliott Tepper, Founder of Betel International and Director of Betel of Spain, is also a trustee of these Centres (except Betel USA) and many others. Regular gifts, as listed in Note 8, have been made during the year by Betel of Britain to other Betel Centres around the world.

23 Staff costs

There were 3 part time employees and 3 full time staff during the year. (2021: 3 part time and 3 full time). No employees received emoluments greater than £60,000 in 2022 or 2021. Input into Betel is given by 9 people who are WEC missionaries (2021: 10). Their support comes from churches and individuals and is channelled to them via WEC International.

	2022 Total £	2021 Total £
Wages and Salaries	114,899	114,697
Social Security	6,426	6,684

24 Control of the Charity

Control of the charity is vested in the trustees.

25 Contingent Liabilities

There are no contingent liabilities.

26 Post Balance Sheet Events

Work is still ongoing at the new Anchor Point property located in the Aston area of Birmingham. As of 31 December 2022, Betel has received specific donations and grants for the site development and kitting out totalling £4.157 million. A restaurant, events/building hire and performing arts areas and the administrative offices were completed in 2021. We continue to seek donations to complete the conversion of the warehouse to include the 600-seat auditorium, catering kitchen, beauty salon and soft play area with small cafe.

27 Statement of Financial Activities, year ended 31st December 2022, by Centre

	Birmingham £	Anchor Point £	Nottingham £	Derby £	Manchester £	Hexham £	Motherwell £	Central £	2022 £	2021 £
Incoming Resources										
Incoming resources from generated funds										
Voluntary Income										
Donations	753,618	1,264,769	463,291	172,989	122,899	86,616	34,132	-	2,898,314	3,273,605
Activities for generating funds	96,293	-	34,816	78,489	28,840	13,678	14,835	-	266,951	281,162
Incoming resources from charitable activities										
Shop Income	355,614	-	191,665	267,044	76,970	191,438	7,689	-	1,090,420	1,136,357
Other Therapeutic Work	338,507	198,811	406,024	414,954	141,112	234,336	118,734	-	1,852,478	1,844,072
Total incoming resources from generated funds and charitable activities	1,544,032	1,463,580	1,095,796	933,476	369,821	526,068	175,390	-	6,108,163	6,535,196
Investment Income	82	644	91	225	81	7	1	-	1,131	128
Other Incoming Resources	20,689	3,772	16,046	11,916	1,455	19,522	11,328	-	84,728	279,215
Total Incoming Resources	1,564,803	1,467,996	1,111,933	945,617	371,357	545,597	186,719	-	6,194,022	6,814,539
Resources Expended										
Cost of generating funds										
Fundraising and Publicity	19,001	6,140	4,531	3,923	1,419	1,752	779	-	37,545	56,517
Charitable Expenditure										
Grants Payable*	20,162	-	23,941	25,483	12,667	9,928	4,468	234,360	331,009	270,849
Shop Expenditure	377,385	12,299	175,701	245,692	86,025	158,348	10,859	-	1,066,309	1,152,487
Other Therapeutic Work	200,003	456,184	221,491	224,567	108,632	157,291	49,887	-	1,418,055	1,714,570
Centre Expenses	774,915	28,749	527,655	295,063	115,804	225,531	109,989	-	2,077,706	2,276,239
Governance Costs	10,844	2,868	5,982	4,326	1,769	3,487	2,048	-	31,324	28,607
Total Charitable Expenditure	1,383,309	500,100	954,770	795,131	324,897	554,585	177,251	234,360	4,924,403	4,902,752
Total Resources Expended	1,402,310	506,240	959,301	799,054	326,316	556,337	178,030	234,360	4,961,948	4,959,269
Net Income for the year before transfers	162,493	961,756	152,632	146,563	45,041	(10,740)	8,689	(234,360)	1,232,074	1,855,270
Central Office Transfers	(12,800)	(49,502)	(48,701)	(89,087)	(58,695)	19,861	4,564	234,360	-	-
Net Income after central office transfers	149,693	912,254	103,931	57,476	(13,654)	9,121	13,253	-	1,232,074	1,855,270

* for Centres: Grants payable are Gifts to Individuals. *for Central: Grants Payable are gifts to support organisations with similar aims as Betel. (e.g. Betel in India)

Central Office Transfers are to/from a 'Central' pool - negative figures are contributions to this pool, positive figures are withdrawals from. Nothing is left in this central pool at year end.

28 Balance Sheet at 31st December 2022, By Centre

	Birmingham £	Anchor Point £	Nottingham £	Derby £	Manchester £	Hexham £	Motherwell £	2022 £	2021 £
Fixed Assets									
Tangible Assets	1,299,132	6,619,686	2,982,867	1,096,022	565,791	375,544	879,508	13,818,550	13,110,383
Intangible Assets	334	-	-	-	-	-	-	334	501
	1,299,466	6,619,686	2,982,867	1,096,022	565,791	375,544	879,508	13,818,884	13,110,884
Current Assets									
Stocks	27,475	4,514	59,465	38,586	12,219	121,375	1,917	265,551	288,023
Debtors	127,459	29,007	49,225	42,459	12,829	26,612	4,764	292,355	440,211
Cash at Bank and in Hand	(10,668)	397,711	37,128	210,418	90,039	16,027	4,212	744,867	432,672
	144,266	431,232	145,818	291,463	115,087	164,014	10,893	1,302,773	1,160,906
Creditors: amounts falling due within one year	191,104	129,052	418,602	47,574	12,640	54,344	46,467	899,783	861,548
Net Current Assets	(46,838)	302,180	(272,784)	243,889	102,447	109,670	(35,574)	402,990	299,358
Total Assets less Current Liabilities	1,252,628	6,921,866	2,710,083	1,339,911	668,238	485,214	843,934	14,221,874	13,410,242
Creditors: amounts falling due after more than one year	805,704	1,103,984	891,089	420,056	-	231,297	469,960	3,922,090	4,342,532
Net Assets	446,924	5,817,882	1,818,994	919,855	668,238	253,917	373,974	10,299,784	9,067,710
Funds									
Unrestricted Funds	426,835	5,468,283	1,765,735	913,855	643,010	251,514	373,649	9,842,881	8,972,228
Restricted Funds	20,089	349,599	53,259	6,000	25,228	2,403	325	456,903	95,482
Total Funds	446,924	5,817,882	1,818,994	919,855	668,238	253,917	373,974	10,299,784	9,067,710