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**REDEEMED CHRISTIAN CHURCH OF GOD (RCCG) - VICTORY HOUSE**

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**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2021**



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**REDEEMED CHRISTIAN CHURCH OF GOD (RCCG) - VICTORY HOUSE**

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**CONTENTS**

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	Page
<b>Reference and Administrative Details of the Charity, its Trustees and Advisers</b>	<b>1</b>
<b>Trustees' Report</b>	<b>2 - 8</b>
<b>Independent Auditors' Report on the Financial Statements</b>	<b>9 - 12</b>
<b>Statement of Financial Activities</b>	<b>13</b>
<b>Balance Sheet</b>	<b>14</b>
<b>Statement of Cash Flows</b>	<b>15</b>
<b>Notes to the Financial Statements</b>	<b>16 - 36</b>



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**REDEEMED CHRISTIAN CHURCH OF GOD (RCCG) - VICTORY HOUSE**

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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<b>Trustees</b>	Mrs Abimbola Odufisan, Trustee Dr Adebisi Akinde, Chairman Mr Stephen Bello, Trustee
<b>Charity registered number</b>	1084586
<b>Principal office</b>	5 Congreve Street Off Old Kent Road London SE17 1TJ
<b>Chief executive officer</b>	Mr Adeleke Sanusi
<b>Independent auditors</b>	Accendo Consulting Limited Chartered Certified Accountants and Statutory Auditors 160 City Road London EC1V 2NX
<b>Bankers</b>	Barclays Bank Plc 93 Barclays Bank Plc London SE13 6BB



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## REDEEMED CHRISTIAN CHURCH OF GOD (RCCG) - VICTORY HOUSE

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### TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

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The Trustees present their annual report together with the audited financial statements of the Redeemed Christian Church of God (RCCG) - Victory House for the 1 January 2021 to 31 December 2021. The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 October 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

#### **Objectives and activities**

##### **a. Policies and objectives**

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

##### **b. Strategies for achieving objectives**

The year 2021 started on a great note and hope that the global COVID-19 pandemic which the Charity suffered in the previous year would come to an end in the year 2021. However, there was nothing much to write home about, at the inception of the new financial year, about the Charity business picking up for better. The operations were still skeletal somehow as all businesses were still shut down/grounded as a result of the government lockdown directives which already was entering the tenth month in the new financial year 2021.

##### **c. Activities undertaken to achieve objectives**

The Charity could still not meet as she would have loved to do. However, the Charity resorted to meeting physically on Sundays from her premises for the best part of 2021 while it continues to meet online for the rest of the year for programmes such as the weekly services and other special programmes. And this afforded her the opportunity to continue to render her services to the community through providing spiritual and evangelical activities.

The church annual programmes continues unabated online. The programmes, such as Healing and Deliverance Conference, Prayer Revival Conference and Break Through Conference continues to help in raising effective leaders among the members that will influence their families and immediate communities positively. On this note alone, dumbfounding testimonies in all areas of life were recorded by people and these achievements have also been documented in most of the church publications.

##### **d. Volunteers**

The charity is grateful for the unstinting efforts of its volunteers who are involved in service provision, charity shops and fundraising. The management actively works to ensure that best value is derived from the sterling efforts of our volunteers.



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## REDEEMED CHRISTIAN CHURCH OF GOD (RCCG) - VICTORY HOUSE

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

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#### Objectives and activities (continued)

##### e. Main activities undertaken to further the Charity's purposes for the public benefit

While locked down with reduced operations, the church continues to meet her public benefit requirements by (i) providing benefit to affected members of the church and public through the sharing of the Christian Gospel of the Lord Jesus Christ (i.e. advancement of religion); and (ii) engaging in a wide range of activities designed to provide other tangible benefits to the society. In addition to our regular activities as outlined above, are other activities summarised below providing examples of some of the activities the church undertook during the year.

#### Achievements and performance

##### a. Main achievements of the Charity

The church continues to develop a strong family life via an online meetings and engaged with members of the community. And to this end, various programmes such as women's and men's conferences were organised online during this year to keep addressing issues of parenting, childbearing, childcare and child education as well as career development among our men and women.

With the movement and various imposed restrictions during the year, the visitations to hospital and prison ministries were reduced to barest minimum level as compared to 2019. The Church hope to resume this initiative as soon as all various restrictions have been removed in the coming years.

##### b. Review of activities

Our Youth programmes continues to be relevant to meeting the needs of the youth in our community and environs. They are meant to be the leaders of tomorrow, hence our resolves to invest more in their activities remains intact. And this continue to draw large participants from the community. Different programmes were organised for the youth during the year, e.g. Game Changer Conference, which has now become a yearly programme, continues to engage these young people in more productive, proactive, and peaceful activities. In addition to this, we intend to run a programme that will look into Climate Change for these young adults. The aim is to teach them on the importance of climate change and its effect on their health. We hope to work in conjunction with the National Lottery to run this project in the coming financial year.

Within our local community and even during the reduced operations in 2021, we continued to provide the supports to the elderly by offering basic provisions on a monthly basis, social and recreational services such as Christmas carol services.

We could not organise our annual 'Christmas Hampers' towards the end of the year, for the second year running, where we would have loved to give out those hampers to local members of the community. This was not possible for obvious reason of the pandemic. However, we look forward to doing much better in the coming year.

Also, regular health awareness and fitness programmes continues to be provided by our health volunteers for the benefit of our members and that of the community at large and of course this was also done remotely during this year.

Our OFSTED approved children centre continued to grow in length and bounds until Covid-19 pandemic struck towards the end of the first quarter of the year 2020 and since then the nursery was forced to close as in all other schools in the country. However, by September 2021, the nursery was reopened on a skeletal operations for the rest of the year.



TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2021

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**Achievements and performance (continued)**

**c. Trustees holding title to charity's properties**

The trustees listed on reference and administrative details page hold title to charity's properties.

**Financial review**

**a. Going concern**

The trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties that may cast doubt on the ability of the charity to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of financial statements.

The current economic climate and COVID-19 pandemic, have had some negative effects upon the fortunes of the Charity. We have noticed a decline in the membership strength of the Charity which in turn translated into a decline in income.

The trustees are working on a plan to cut cost and increase charity's income. The trustees have no reason to believe that the freewill donations being received through the members will stop and also believe that membership base will continue to increase, our services continued online during pandemic and members kept giving as usual. It is therefore considered appropriate to prepare the accounts on a going concern basis.

After making appropriate enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for at least 12 months from the date of approval of the financial statements. For this reason the charity continues to adopt the going concern basis in preparing the financial statements.

**b. Reserves policy**

This year was quite similar to previous year because of the economic downturn in the country, however, the charity suffered more in terms of drastic reduction in her income this year due to the effect of COVID-19 pandemic.

**Income & Fundraising**

Our total income at £875k was 3% lower than the previous year. We seek to diversify as much as possible in the coming years from the charity's principal source of funding which continues to be the individuals who attend services and make contributions in the form of free will offerings, tithes and other donations.

As at 31 December 2021, the level of reserves available for the Charity's use (i.e. unrestricted funds) was £1.12m (2020: £1.08m).

**Charitable expenditure**

Our expenditure on charitable activities was £843k compared to the previous year expenditure of £1.04m. The breakdown of charitable activities is set out in notes to the accounts.

**Reserves**

There has been no change in our policy, which is, to hold reserves equivalent to three months operating expenditures which currently equates to £211k. The trustees strive to maintain at least three months of reserves in order to ensure on going delivery of its charitable objects during an unforeseen downturn in income.



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## REDEEMED CHRISTIAN CHURCH OF GOD (RCCG) - VICTORY HOUSE

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

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#### **c. Principal risks and uncertainties**

The economic and political climate of the environment in which the Charity operates together with the rising interest rate and cost of living, are negatively impacting the fortunes of the Charity. We have noticed in the last couple of years a decline in the membership strength of the Charity which in turn translated into a decline in income.

The Charity's income has declined significantly due to lockdown as a consequence of COVID-19 pandemic. However, the Charity's expenses have also decreased significantly and the Charity has taken advantage of government furlough scheme.

#### **d. Risk management**

The Trustees have conducted a review of the major risks to which the Charity is exposed. A risk register has been established which identifies the major risks by area of activity, the nature of those risks, the likelihood of the risks happening and the measure taken to manage them. The Trustees review the risk register regularly at their meetings and are satisfied that systems are in place to manage the risks that have been identified. In particular, insurance cover is in place and the finances of the Charity are kept under review. Appropriate Disclosure & Barring Services checks (DBS), supported by regularly reviewed policies are conducted for all those who work with children or other vulnerable groups within the Charity.

Internal control risks are minimised by the implementation of procedures and authorisation of all transactions and projects. Procedures are in place to ensure compliance with health and safety of members of staff, volunteers, clients and visitors to the Charity.

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

##### **a. Constitution**

Redeemed Christian Church of God (RCCG) - Victory House is a registered charity, number 1084586, and is constituted under a Trust deed.

The principal objectives of the Charity are:

- a) The furtherance of Christianity and the Christian education
- b) Provision of suitable atmosphere where the Christian principles can be taught and developed with our community.
- c) The relief of poverty.

There have been no changes in the objectives since the last annual report.

##### **b. Methods of appointment or election of Trustees**

The management of the Charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Trust deed. The trustees listed on page 1 hold titles as trustees to properties belonging to the Charity.



TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2021

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**Structure, governance and management (continued)**

**c. Organisational structure and decision-making policies**

The Charity is controlled by its governing document, a deed of trust and constitutes an unincorporated Charity. Decisions are determined by a simple majority vote by the trustees, the trustees set the strategic direction of the charity and authority has been delegated to the Pastoral Board and Management team for the day to day running of the operations of the Charity.

The Charity is a parish of the Redeemed Christian Church of God - a network comprised of churches all over the world. There is an agreement for common purposes entered into by the Charity with the Redeemed Christian Church of God which documents this relationship.

**d. Policies adopted for the induction and training of Trustees**

New trustees are selected on the basis of the contribution that they will make to the governance of the organisation and the skills that they will contribute. They are provided with copies of the Charity Commission's guidance to trustees and are given an introduction to the activities of the Charity by the existing board. Existing trustees are provided with training as and when required.

**e. Pay policy for key management personnel**

The need to attract and retain people with the leadership, experience, knowledge and skills required to lead the charity. Having a competitive reward offering is one of the many ways in which we secure the very best people to deliver the service to our members and community. The Board of Trustees is responsible for deciding on the salaries of the Chief Executive and his management team.

**f. Financial risk management**

The Trustees have assessed the major risks to which the Charity is exposed, in particular those related to the operations and finances of the Charity, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

**g. Trustees' indemnities**

During the year the Charity had in force an indemnity provision in favour of its trustees against liability in respect of proceedings brought by third parties.

**h. Principal activities**

The principal activities of the church are:

Christian worship, Christian outreach programmes to increase Christian awareness and to spread the gospel of our Lord Jesus Christ and the development of the whole man, spiritually, mentally and physically.

In determining how best to pursue these objects the trustees have had regards to the Charity Commission's guidance on public benefit.

The charity's principal funding source continues to be the individuals who attend services and make contributions in the form of freewill offerings, tithes and other donations.



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## REDEEMED CHRISTIAN CHURCH OF GOD (RCCG) - VICTORY HOUSE

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

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#### Plans for future periods

Our plan to build a fully equipped Youth Community Centre that will serve the needs of the youngsters in the community continues unabated and this is to reduce crimes and other anti-social crisis amongst the youth.

The charity continues the effort of impacting the community in which she operates, by looking into engaging a well established U.K developers to redevelop the building the charity occupies by providing more affordable residential flats for member of the community. This is still ongoing. We are also currently engaging the planning department in Southwark Council in this regard.

The Charity continues to explore ways of furthering it's charitable objectives in an effective manner by ensuring there is awareness of its services and proactively seeking opportunities to be more involved in the community. The Charity seeks to provide services and activities that meet the needs of people and contribute to a positive change in the moral and spiritual climate of the local Borough, that reflects its Christian ethos and beliefs.

#### Grant making policies

Under the "Agreement for Common Purposes", the Charity has agreed to make regular contributions to the Central Office Funds (COF) and the World Evangelism Mission (WEM) through RCCG Central Office UK. We support Africa Missions, an aid relief Agency to underprivileged people and communities, mainly in Africa. We also actively and strongly support other missionary organisations, such as Compassion UK, African Child Trust, Festival of Life, Good Women Fellowship, Annual Conventions held at the RCCG National Headquarters. We continue to prayerfully search for other areas where we can come in partnership and throw our support to meeting their needs. We believe this will again be achievable in the coming year..

#### Statement of Trustees' responsibilities

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

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial which give a true and fair view of the state of affairs of the Charity and of its incoming resources and application of resources, including its income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



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**REDEEMED CHRISTIAN CHURCH OF GOD (RCCG) - VICTORY HOUSE**

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**TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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**Disclosure of information to auditors**

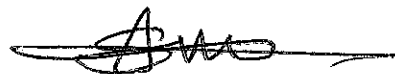
Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

**Auditors**

The auditors, Accendo Consulting Limited, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:



.....  
**Mr Stephen Bello, Trustee**

Date: 12/17/23



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## REDEEMED CHRISTIAN CHURCH OF GOD (RCCG) - VICTORY HOUSE

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### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF REDEEMED CHRISTIAN CHURCH OF GOD (RCCG) - VICTORY HOUSE

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#### Opinion

We have audited the financial statements of Redeemed Christian Church of God (RCCG) - Victory House (the 'charity') for the year ended 31 December 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 charity's affairs as at 31 December 2021 and of its 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 Charities Act 2011.

#### 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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Material uncertainty related to going concern

We draw attention to note 2.2 in the financial statements, which indicates that the charity's ability to continue as a going concern is subject to material uncertainty. The charity's primary source of income is donations, which have decreased over the recent years due to the impact of the COVID-19 pandemic. Additionally, the charity's mortgage loan carries a variable interest rate, which is calculated at 1.75% plus the floating rate. The Bank of England base rate has surged from 0.1% in November 2021 to 5% by July 2023 which has increased monthly instalments. As stated in note 2.2, these events or conditions, along with the other matters as set forth in the note 2.2, present a significant additional financial burden for the charity, particularly in terms of increased monthly mortgage repayment obligations. As a result, these conditions indicate that a material uncertainty exists that may cast significant doubt on the charity's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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.

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



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## REDEEMED CHRISTIAN CHURCH OF GOD (RCCG) - VICTORY HOUSE

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### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF REDEEMED CHRISTIAN CHURCH OF GOD (RCCG) - VICTORY HOUSE (CONTINUED)

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#### 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 contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

#### Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the Trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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



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## REDEEMED CHRISTIAN CHURCH OF GOD (RCCG) - VICTORY HOUSE

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### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF REDEEMED CHRISTIAN CHURCH OF GOD (RCCG) - VICTORY HOUSE (CONTINUED)

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#### **Auditors' responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act 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 Auditors' 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:

#### **Extent to which the audit was considered capable of detecting irregularities, including fraud:**

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

Identifying and assessing potential risks related to irregularities:

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and noncompliance with laws and regulations, we considered the following:

The nature of the industry and sector, control environment and business performance including the design of the entity's remuneration policies, results of our enquiries of management about their own identification and assessment of the risks of irregularities and any matters we identified having reviewed the entity's policies and procedures; the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in relation to revenue recognition. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory frameworks that the entity operates in and focused on those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Charities Act 2011.

Audit response to risks identified:

As a result of performing the above, we identified revenue recognition as key audit matter related to the potential risk of fraud. Our procedures to respond to risks identified included the following:

- 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;
- enquiring of management, concerning actual and potential litigation and claims;



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## REDEEMED CHRISTIAN CHURCH OF GOD (RCCG) - VICTORY HOUSE

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### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF REDEEMED CHRISTIAN CHURCH OF GOD (RCCG) - VICTORY HOUSE (CONTINUED)

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- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

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 noncompliance with laws and regulations throughout the audit.

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' Report.

#### Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.



#### Accendo Consulting Limited

Accendo Consulting Limited  
Chartered Certified Accountants and Statutory Auditors

Date: 12 July 2023

Accendo Consulting Limited are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.



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**REDEEMED CHRISTIAN CHURCH OF GOD (RCCG) - VICTORY HOUSE**

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**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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	<b>Note</b>	<b>Restricted funds 2021 £</b>	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>	<i>Total funds 2020 £</i>
<b>Income from:</b>					
Donations and legacies	4	<b>28,223</b>	<b>840,579</b>	<b>868,802</b>	895,480
Investments	5	-	<b>14</b>	<b>14</b>	88
Other income	6	-	<b>6,257</b>	<b>6,257</b>	3,700
<b>Total income</b>		<b>28,223</b>	<b>846,850</b>	<b>875,073</b>	899,268
<b>Expenditure on:</b>					
Raising funds	7	-	<b>23,555</b>	<b>23,555</b>	32,295
Charitable activities	8	<b>35,211</b>	<b>783,967</b>	<b>819,178</b>	1,013,369
<b>Total expenditure</b>		<b>35,211</b>	<b>807,522</b>	<b>842,733</b>	1,045,664
<b>Net movement in funds</b>		<b>(6,988)</b>	<b>39,328</b>	<b>32,340</b>	(146,396)
<b>Reconciliation of funds:</b>					
Total funds brought forward		<b>290,229</b>	<b>1,083,208</b>	<b>1,373,437</b>	1,519,833
Net movement in funds		<b>(6,988)</b>	<b>39,328</b>	<b>32,340</b>	(146,396)
<b>Total funds carried forward</b>		<b>283,241</b>	<b>1,122,536</b>	<b>1,405,777</b>	1,373,437

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 16 to 36 form part of these financial statements.

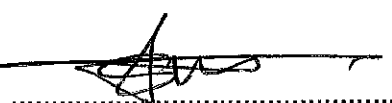


**REDEEMED CHRISTIAN CHURCH OF GOD (RCCG) - VICTORY HOUSE**

**BALANCE SHEET  
AS AT 31 DECEMBER 2021**

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	13	3,919,930	3,963,983
		<u>3,919,930</u>	<u>3,963,983</u>
<b>Current assets</b>			
Debtors	14	42,956	42,108
Cash at bank and in hand		100,566	185,907
		<u>143,522</u>	<u>228,015</u>
Creditors: amounts falling due within one year	15	(190,225)	(189,056)
<b>Net current liabilities / assets</b>		<u>(46,703)</u>	<u>38,959</u>
<b>Total assets less current liabilities</b>		<u>3,873,227</u>	<u>4,002,942</u>
Creditors: amounts falling due after more than one year	16	(2,460,497)	(2,622,552)
Provisions for liabilities		(6,953)	(6,953)
<b>Net assets excluding pension asset</b>		<u>1,405,777</u>	<u>1,373,437</u>
<b>Total net assets</b>		<u><u>1,405,777</u></u>	<u><u>1,373,437</u></u>
<b>Charity funds</b>			
Restricted funds	19	283,241	290,229
Unrestricted funds	19	1,122,536	1,083,208
<b>Total funds</b>		<u><u>1,405,777</u></u>	<u><u>1,373,437</u></u>

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



.....  
**Mr Stephen Bello**

Trustee

Date: 12/7/23

The notes on pages 16 to 36 form part of these financial statements.



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**REDEEMED CHRISTIAN CHURCH OF GOD (RCCG) - VICTORY HOUSE**

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**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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	2021 £	2020 £
<b>Cash flows from operating activities</b>		
Net cash used in operating activities	<b>86,390</b>	<b>(115,385)</b>
<b>Cash flows from investing activities</b>		
Proceeds from the sale of tangible fixed assets	-	2,500
Purchase of tangible fixed assets	<b>(28,483)</b>	<b>(34,589)</b>
<b>Net cash used in investing activities</b>	<b>(28,483)</b>	<b>(32,089)</b>
<b>Cash flows from financing activities</b>		
New loan / Repayments of borrowing	<b>(130,881)</b>	251,338
New HP / finance leases	-	12,100
Repayments of HP / finance leases	<b>(12,367)</b>	<b>(11,455)</b>
<b>Net cash (used in)/provided by financing activities</b>	<b>(143,248)</b>	<b>251,983</b>
<b>Change in cash and cash equivalents in the year</b>	<b>(85,341)</b>	<b>104,509</b>
Cash and cash equivalents at the beginning of the year	<b>185,907</b>	81,398
<b>Cash and cash equivalents at the end of the year</b>	<b>100,566</b>	<b>185,907</b>

The notes on pages 16 to 36 form part of these financial statements



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**REDEEMED CHRISTIAN CHURCH OF GOD (RCCG) - VICTORY HOUSE**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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**1. General information**

The entity is unincorporated charity registered in England & Wales under registration number 1084586. The registered office of the charity which is also the principal place of business is:

5 Congreve Street  
Off Old Kent Road  
London  
SE17 1TJ

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

The financial statements have been prepared in accordance with the second edition of the Charities Statement of Recommended Practice issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom (FRS 102) and the Charities Act 2011.

Redeemed Christian Church of God (RCCG) - Victory House 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 TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021

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2. Accounting policies (continued)

2.2 Going concern

The trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties that may cast doubt on the ability of the charity to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of financial statements.

The financial statements have been prepared on a going concern basis, which the trustees believe to be appropriate, though the trustees acknowledge there are material uncertainties which may cast significant doubt on the charity's ability to continue as a going concern. The key factors and uncertainties are as follows:

The charity primarily relies on donations for its income, which have seen a decrease in recent years due to the impact of the COVID-19 pandemic, leading to the closure of the church during the lockdown periods in 2020 and 2021. Despite these challenges, the charity has transitioned to offering online services and was able to achieve a surplus in 2021 after a period of deficits in the preceding years.

At the end of the accounting period on 31 December 2021, the charity had current assets of £144k and current liabilities of £190k. The mortgage loan balance stood at £2.6 million.

The charity's mortgage loan carries a variable interest rate, the rate is 1.75% plus floating rate. The Bank of England base rate has experienced a considerable escalation, surging from 0.1% in November 2021 to 5% by June 2023. These increases present a significant additional financial burden on the charity, increasing the monthly mortgage repayment obligations.

The trustees recognise the significant impact that the increase in the base rate has on the charity's finances and its ability to service the mortgage. This uncertainty, combined with the reliance on donations, poses a risk to the charity's ability to continue as a going concern.

The trustees are actively working on strategies to mitigate this risk, such as measures to increase donations, reduce costs, and explore options for renegotiating the loan terms or refinancing. They remain committed to ensuring the sustainability of the charity's operations.

Nevertheless, these uncertainties indicate the existence of a material uncertainty that may cast significant doubt on the charity's ability to continue as a going concern. Therefore, the trustees believe it appropriate to disclose the situation in these financial statements.

The financial statements do not include any adjustments that would result from the outcome being different.

After making appropriate enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for at least 12 months from the date of approval of the financial statements. For this reason the charity continues to adopt the going concern basis in preparing the financial statements.



NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021

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**2. Accounting policies (continued)**

**2.3 Income**

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold.

Where the donated good is a fixed asset, it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset class and depreciated over the useful economic life in accordance with the Charity's accounting policies.

On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the Charity which is the amount it 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.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

**2.4 Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Charity to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.



NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021

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**2. Accounting policies (continued)**

**2.4 Expenditure (continued)**

All expenditure is inclusive of irrecoverable VAT.

**2.5 Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

**2.6 Foreign currencies**

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the reporting date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Statement of Financial Activities.

**2.7 Tangible fixed assets and depreciation**

Tangible fixed assets are initially recognised at cost. After recognition, under the revaluation model, tangible fixed assets whose fair value can be measured reliably shall be carried at a revalued amount, being their fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting date.

Fair values are determined from market-based evidence by appraisal that is normally undertaken by professionally qualified valuers. If there is no market-based evidence of fair value because of the specialised nature of the tangible fixed asset and it is rarely sold, except as part of a contributing business, a Charity may need to estimate fair value using an income or depreciated replacement cost approach.

Gains and losses on revaluation are recognised in the Statement of Financial Activities, with a separate revaluation reserve being shown in the Statement of funds note.

At each reporting date the Charity assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined to be the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.



NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021

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**2. Accounting policies (continued)**

**2.7 Tangible fixed assets and depreciation (continued)**

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Freehold property	-	2% on cost
Church equipment	-	20% on cost
Motor vehicles	-	25% on cost
Fixtures and fittings	-	20% on cost
Office equipment	-	20% on cost

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Financial Activities.

**2.8 Debtors**

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**2.9 Cash at bank and in hand**

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**2.10 Liabilities**

Liabilities and provisions are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

**2.11 Financial instruments**

The Charity only 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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.



NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021

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**2. Accounting policies (continued)**

**2.12 Finance leases and hire purchase**

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the Charity. 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 Statement of Financial Activities so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

**2.13 Operating leases**

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

**2.14 Pensions**

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

**2.15 Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.



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## REDEEMED CHRISTIAN CHURCH OF GOD (RCCG) - VICTORY HOUSE

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

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#### 3. Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical areas of judgment:

Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and physical condition of the assets.

#### 4. Income from donations and legacies

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £
<b>Donations</b>			
Tithes and offerings	-	580,268	<b>580,268</b>
Thanksgiving	-	21,791	<b>21,791</b>
Other donations	28,223	75,657	<b>103,880</b>
Europe Mission donations	-	-	-
Gift aid	-	73,603	<b>73,603</b>
<b>Subtotal detailed disclosure</b>	<b>28,223</b>	<b>751,319</b>	<b>779,542</b>
Government grants	-	89,260	<b>89,260</b>
<b>Subtotal</b>	<b>-</b>	<b>89,260</b>	<b>89,260</b>
	<b>28,223</b>	<b>840,579</b>	<b>868,802</b>



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**REDEEMED CHRISTIAN CHURCH OF GOD (RCCG) - VICTORY HOUSE**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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**4. Income from donations and legacies (continued)**

	<i>Restricted funds 2020 £</i>	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
<b>Donations</b>			
Tithes and offerings	-	507,874	507,874
Thanksgiving	-	26,969	26,969
Other donations	9,278	127,632	136,910
EU Mission donations	-	89	89
Gift aid	-	99,421	99,421
<b>Subtotal detailed disclosure</b>	<u>9,278</u>	<u>761,985</u>	<u>771,263</u>
Government grants	<u>-</u>	<u>124,217</u>	<u>124,217</u>
<b>Subtotal</b>	<u>-</u>	<u>124,217</u>	<u>124,217</u>
	<u>9,278</u>	<u>886,202</u>	<u>895,480</u>

**5. Investment income**

	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>
Investment income	<u>14</u>	<u>14</u>

	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Investment income - local cash	<u>88</u>	<u>88</u>



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REDEEMED CHRISTIAN CHURCH OF GOD (RCCG) - VICTORY HOUSE

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021

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6. Other incoming resources

	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>
Letting and trading income	6,257	6,257

	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Letting and trading income	3,700	3,700

7. Expenditure on raising funds

Costs of raising voluntary income

	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>
World Evangelical Mission (WEM) levies	11,025	11,025
Donations to missions, churches and parishes	1,530	1,530
Central office charges	6,900	6,900
Costs of raising voluntary income	4,100	4,100
	23,555	23,555



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**REDEEMED CHRISTIAN CHURCH OF GOD (RCCG) - VICTORY HOUSE**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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**7. Expenditure on raising funds (continued)**

**Costs of raising voluntary income (continued)**

	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
World Evangelical Mission (WEM) levies	20,000	20,000
Donations to missions, churches and parishes	8,695	8,695
Central office charges	3,600	3,600
	<u>32,295</u>	<u>32,295</u>

**8. Analysis of expenditure on charitable activities**

**Summary by fund type**

	<b>Restricted funds 2021 £</b>	<b>Unrestricted funds 2021 £</b>	<b>Total 2021 £</b>
Charitable activities	35,211	766,967	<b>802,178</b>
Direct costs - EU & overseas missions	-	17,000	<b>17,000</b>
	<u>35,211</u>	<u>783,967</u>	<u><b>819,178</b></u>

	<i>Restricted funds 2020 £</i>	<i>Unrestricted funds 2020 £</i>	<i>Total 2020 £</i>
Direct costs - Charitable activities	5,313	977,369	982,682
Direct costs - EU & overseas missions	-	30,687	30,687
	<u>5,313</u>	<u>1,008,056</u>	<u>1,013,369</u>



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**REDEEMED CHRISTIAN CHURCH OF GOD (RCCG) - VICTORY HOUSE**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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**9. Analysis of expenditure by activities**

	<b>Activities undertaken directly 2021 £</b>	<b>Charitable activity support costs 2021 £</b>	<b>Total funds 2021 £</b>
Charitable activities	92,254	709,924	<b>802,178</b>
Direct costs - EU & overseas missions	17,000	-	<b>17,000</b>
<b>Total 2021</b>	<u>109,254</u>	<u>709,924</u>	<u><b>819,178</b></u>

	<i>Activities undertaken directly 2020 £</i>	<i>Support costs 2020 £</i>	<i>Total funds 2020 £</i>
Charitable activities	85,207	897,475	982,682
Direct costs - EU & overseas missions	30,687	-	30,687
	<u>115,894</u>	<u>897,475</u>	<u>1,013,369</u>

**Analysis of direct costs**

	<b>Charitable activities - Church 2021 £</b>	<b>EU &amp; overseas missions 2021 £</b>	<b>Total funds 2021 £</b>
Honorarium	48,826	-	<b>48,826</b>
Christian working outside the Parish	7,351	-	<b>7,351</b>
Conferences, events & travel	600	17,000	<b>17,600</b>
Guest ministers' expenses	8,389	-	<b>8,389</b>
Youth church	8,264	-	<b>8,264</b>
Outreach activities	18,824	-	<b>18,824</b>
	<u>92,254</u>	<u>17,000</u>	<u><b>109,254</b></u>



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**REDEEMED CHRISTIAN CHURCH OF GOD (RCCG) - VICTORY HOUSE**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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**9. Analysis of expenditure by activities (continued)**

**Analysis of direct costs (continued)**

	<i>Charitable activities - Church 2020 £</i>	<i>EU &amp; overseas missions 2020 £</i>	<i>Total funds 2020 £</i>
Honorarium	50,696	-	50,696
Christian working outside the Parish	12,765	-	12,765
Conferences, events & travel	600	30,687	31,287
Guest ministers' expenses	2,592	-	2,592
Youth church	1,147	-	1,147
Outreach activities	17,407	-	17,407
	<u>85,207</u>	<u>30,687</u>	<u>115,894</u>

**Analysis of support costs**

	<b>Charitable activities 2021 £</b>	<b>Total funds 2021 £</b>
Staff costs	270,050	<b>270,050</b>
Church expenditure	277,650	<b>277,650</b>
Depreciation	72,536	<b>72,536</b>
Interest and bank charges	57,439	<b>57,439</b>
Governance costs	32,249	<b>32,249</b>
	<u>709,924</u>	<u><b>709,924</b></u>



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**REDEEMED CHRISTIAN CHURCH OF GOD (RCCG) - VICTORY HOUSE**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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**9. Analysis of expenditure by activities (continued)**

**Analysis of support costs (continued)**

	<i>Charitable activities 2020 £</i>	<i>Total funds 2020 £</i>
Staff costs	246,600	246,600
Church expenditure	236,933	236,933
Depreciation	85,814	85,814
Interest and bank charges	298,060	298,060
Governance costs	30,068	30,068
	<u>897,475</u>	<u>897,475</u>

**10. Auditors' remuneration**

	<b>2021 £</b>	<b>2020 £</b>
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	<b>4,500</b>	4,500
Fees payable to the Charity's auditor in respect of: All non-audit services not included above	<b>1,250</b>	1,200
	<u><b>1,250</b></u>	<u>1,200</u>

**11. Staff costs**

	<b>2021 £</b>	<b>2020 £</b>
Wages and salaries	<b>247,455</b>	224,228
Social security costs	<b>22,415</b>	20,478
Contribution to defined contribution pension schemes	<b>7,661</b>	7,085
	<u><b>277,531</b></u>	<u>251,791</u>



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**REDEEMED CHRISTIAN CHURCH OF GOD (RCCG) - VICTORY HOUSE**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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**11. Staff costs (continued)**

The average number of persons employed by the Charity during the year was as follows:

	<b>2021 No.</b>	<i>2020 No.</i>
Administration and management	<b>9</b>	<i>8</i>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	<b>2021 No.</b>	<i>2020 No.</i>
In the band £90,001 - £100,000	<b>1</b>	<i>-</i>
In the band £100,001 - £110,000	<b>-</b>	<i>1</i>

The Charity considers its key management personnel comprise the Chief Executive Officer (CEO). The total employment benefits including employer pension contributions of the key management personnel were £88,026 (2020: £95,664). In addition, the Charity paid lease rentals of £7,481 (2020: £5,191) for CEO's car.

**12. Trustees' remuneration and expenses**

During the year, no Trustees received any remuneration or other benefits (2020 - £NIL).

During the year ended 31 December 2021, no Trustee expenses have been incurred (2020 - £NIL).

**13. Tangible fixed assets**

	<b>Freehold property £</b>	<b>Church equipment £</b>	<b>Motor vehicles £</b>	<b>Fixtures and fittings £</b>	<b>Total £</b>
<b>Cost or valuation</b>					
At 1 January 2021	<b>4,919,057</b>	<b>341,436</b>	<b>46,966</b>	<b>270,555</b>	<b>5,578,014</b>
Additions	<b>-</b>	<b>27,205</b>	<b>-</b>	<b>1,278</b>	<b>28,483</b>
At 31 December 2021	<b>4,919,057</b>	<b>368,641</b>	<b>46,966</b>	<b>271,833</b>	<b>5,606,497</b>
<b>Depreciation</b>					
At 1 January 2021	<b>1,030,001</b>	<b>313,325</b>	<b>33,842</b>	<b>236,863</b>	<b>1,614,031</b>
Charge for the year	<b>36,981</b>	<b>22,286</b>	<b>4,375</b>	<b>8,894</b>	<b>72,536</b>
At 31 December 2021	<b>1,066,982</b>	<b>335,611</b>	<b>38,217</b>	<b>245,757</b>	<b>1,686,567</b>



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**REDEEMED CHRISTIAN CHURCH OF GOD (RCCG) - VICTORY HOUSE**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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**13. Tangible fixed assets (continued)**

	Freehold property £	Church equipment £	Motor vehicles £	Fixtures and fittings £	Total £
<b>Net book value</b>					
At 31 December 2021	<b>3,852,075</b>	<b>33,030</b>	<b>8,749</b>	<b>26,076</b>	<b>3,919,930</b>
<i>At 31 December 2020</i>	<i>3,889,056</i>	<i>28,111</i>	<i>13,124</i>	<i>33,692</i>	<i>3,963,983</i>

Included in land and buildings is freehold land at cost of £3.07m (2020 - £3.07m) which is not depreciated.

The property has been valued by Strettons, in August 2017 who have valued the freehold property at £4m.

The valuation was carried out by an independent, RICS registered valuer. The valuation is carried out in accordance with Royal Institute of Chartered Surveyors (RICS) valuation - Professional Standards, incorporating the IVSC International Valuation Standards, Global and UK edition (January 2014) (The Red Book).

The Charity has adopted a policy of revaluation for tangible fixed assets. Had these assets been measured at historic cost, the carrying values would have been as follows:

	2021 £	2020 £
Freehold property	<b>4,100,261</b>	4,137,241
Church equipment	<b>41,820</b>	36,437
Motor vehicles	<b>8,750</b>	13,125
Fixtures and fittings	<b>12,541</b>	20,622
	<b>4,163,372</b>	4,207,425

The charity has a mortgage which is secured against the charity's freehold property. The carrying value of the freehold property is disclosed in the above note.

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

Motor vehicles	£9k (2020: £18k)
Office equipment	£13k (2020: £22k)



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**REDEEMED CHRISTIAN CHURCH OF GOD (RCCG) - VICTORY HOUSE**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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**14. Debtors**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>Due within one year</b>		
Other debtors	<b>42,956</b>	42,108
	<u><b>42,956</b></u>	<u>42,108</u>

**15. Creditors: Amounts falling due within one year**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Bank loans	<b>151,642</b>	131,065
Trade creditors	<b>5,772</b>	5,035
Other taxation and social security	<b>5,569</b>	14,940
Obligations under finance lease and hire purchase contracts	<b>10,597</b>	12,367
Other creditors	<b>1,027</b>	3,051
Accruals and deferred income	<b>15,618</b>	22,598
	<u><b>190,225</b></u>	<u>189,056</u>

**16. Creditors: Amounts falling due after more than one year**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Bank loans	<b>2,452,853</b>	2,604,311
Net obligations under finance lease and hire purchase contracts	<b>7,644</b>	18,241
	<u><b>2,460,497</b></u>	<u>2,622,552</u>

The bank loan is secured on charity's properties. As per original terms the loan was repayable in 228 installments (principal and interest) of £29,044 each. Interest is charged at a rate equal to aggregate of bank margin (1.75%) and base rate.

The charity has agreed new terms with its bank in January 2020, this has resulted in reduction of monthly installment to £18,940. Under the revised terms, the loan will be paid in 111 installments of £18,940 each and remaining balance will be paid in a lump sum at the end of loan term of 10 years from January 2020. The above instalments will change in line with increase in interest rates.



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REDEEMED CHRISTIAN CHURCH OF GOD (RCCG) - VICTORY HOUSE

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021

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17. Financial instruments

	2021 £	2020 £
<b>Financial assets</b>		
Financial assets measured at fair value through income and expenditure	<b>100,566</b>	185,907

18. Provisions

	Provision £
At 1 January 2021	6,953
	<b>6,953</b>



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**REDEEMED CHRISTIAN CHURCH OF GOD (RCCG) - VICTORY HOUSE**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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**19. Statement of funds**

**Statement of funds - current year**

	Balance at 1 January 2021 £	Income £	Expenditure £	Balance at 31 December 2021 £
<b>Unrestricted funds</b>				
General Funds - all funds	1,083,208	846,850	(807,522)	1,122,536
Unallocated amounts	-	-	-	-
	<u>1,083,208</u>	<u>846,850</u>	<u>(807,522)</u>	<u>1,122,536</u>
<b>Restricted funds</b>				
Restricted Funds - all funds	<u>290,229</u>	<u>28,223</u>	<u>(35,211)</u>	<u>283,241</u>
<b>Total of funds</b>	<u><u>1,373,437</u></u>	<u><u>875,073</u></u>	<u><u>(842,733)</u></u>	<u><u>1,405,777</u></u>

**20. Summary of funds**

**Summary of funds - current year**

	Balance at 1 January 2021 £	Income £	Expenditure £	Balance at 31 December 2021 £
General funds	1,083,208	846,850	(807,522)	1,122,536
Restricted funds	290,229	28,223	(35,211)	283,241
	<u>1,373,437</u>	<u>875,073</u>	<u>(842,733)</u>	<u>1,405,777</u>



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**REDEEMED CHRISTIAN CHURCH OF GOD (RCCG) - VICTORY HOUSE**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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**21. Analysis of net assets between funds**

**Analysis of net assets between funds - current year**

	<b>Restricted funds 2021 £</b>	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>
Tangible fixed assets	207,996	3,711,934	<b>3,919,930</b>
Current assets	75,245	68,277	<b>143,522</b>
Creditors due within one year	-	(190,225)	<b>(190,225)</b>
Creditors due in more than one year	-	(2,460,497)	<b>(2,460,497)</b>
Provisions for liabilities and charges	-	(6,953)	<b>(6,953)</b>
<b>Total</b>	<b>283,241</b>	<b>1,122,536</b>	<b>1,405,777</b>

**Analysis of net assets between funds - prior year**

	<i>Restricted funds 2020 £</i>	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Tangible fixed assets	230,631	3,733,352	3,963,983
Current assets	59,598	168,417	228,015
Creditors due within one year	-	(189,056)	(189,056)
Creditors due in more than one year	-	(2,622,552)	(2,622,552)
Provisions for liabilities and charges	-	(6,953)	(6,953)
<b>Total</b>	<b>290,229</b>	<b>1,083,208</b>	<b>1,373,437</b>



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**REDEEMED CHRISTIAN CHURCH OF GOD (RCCG) - VICTORY HOUSE**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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

	2021 £	2020 £
Net income/expenditure for the year (as per Statement of Financial Activities)	<b>32,340</b>	<b>(146,396)</b>
<b>Adjustments for:</b>		
Depreciation charges	<b>72,536</b>	88,314
Profit / loss on sale of assets	-	(2,500)
Increase in debtors	<b>(848)</b>	(35,586)
Decrease in creditors	<b>(17,638)</b>	(18,238)
Decrease in provision	-	(979)
<b>Net cash provided by/(used in) operating activities</b>	<b>86,390</b>	<b>(115,385)</b>

**23. Analysis of cash and cash equivalents**

	2021 £	2020 £
Cash in hand	<b>100,566</b>	185,907
<b>Total cash and cash equivalents</b>	<b>100,566</b>	185,907

**24. Analysis of changes in net debt**

	At 1 January 2021 £	Cash flows £	At 31 December 2021 £
Cash at bank and in hand	<b>185,907</b>	<b>(85,341)</b>	<b>100,566</b>
Debt due within 1 year	<b>(131,065)</b>	<b>(20,577)</b>	<b>(151,642)</b>
Debt due after 1 year	<b>(2,604,311)</b>	<b>151,458</b>	<b>(2,452,853)</b>
Finance leases	<b>(30,608)</b>	<b>12,367</b>	<b>(18,241)</b>
	<b>(2,580,077)</b>	<b>57,907</b>	<b>(2,522,170)</b>

**25. Pension commitments**

The charity operates a defined contribution pension scheme. The assets of the scheme are held



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## REDEEMED CHRISTIAN CHURCH OF GOD (RCCG) - VICTORY HOUSE

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

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#### **25. Pension commitments (continued)**

separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund and amounted to £7,661 (2020 - £7,085). Total contributions of £476 (2020: £2,500) were payable to the fund at the balance sheet date and are included in creditors.

#### **26. Related party transactions**

Victory House Children Centre

The church has provided a moratorium rent free space to Victory House Children's Centre, an evangelism arm of the church, until the end of this financial year.

During the year, the charity paid salaries totalling £55,398 to employees related to senior pastor.

#### **27. Restricted fund**

Restricted fund relates to following:

- a) Building fund & Trinity Partners - donations received to help charity maintain its buildings and pay mortgage.
- b) Food bank.