
REDEEMED CHRISTIAN CHURCH OF GOD (RCCG) - VICTORY HOUSE

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

REDEEMED CHRISTIAN CHURCH OF GOD (RCCG) - VICTORY HOUSE

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REDEEMED CHRISTIAN CHURCH OF GOD (RCCG) - VICTORY HOUSE

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 DECEMBER 2022

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

REDEEMED CHRISTIAN CHURCH OF GOD (RCCG) - VICTORY HOUSE

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

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 2022 to 31 December 2022. 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 2022 began on a high note, with the Charity building upon the momentum established in 2021. Throughout the year, the Charity continued to develop strategies aimed at encouraging members, who had grown accustomed to online services, to return to in-person worship. This concerted effort has been successful, and the church has now fully regained its pre-pandemic attendance levels, marking a significant milestone in its journey toward community and spiritual reconnection. The dedication to fostering a welcoming and vibrant physical space for worship has truly paid off, reinvigorating the congregation and reinforcing the church's commitment to its mission.

c. Activities undertaken to achieve objectives

The church's annual programs have continued with great success. Events like the Healing and Deliverance Conference, Prayer Revival Conference, and Breakthrough Conference have been instrumental in developing effective leaders within the congregation, empowering them to positively influence their families and local communities. Remarkably, numerous testimonies of transformation in various aspects of life have been shared, and these achievements are being carefully documented in many of the church's publications. In addition to our regular activities as outlined above, are other activities summarised below providing examples of some of the activities the church undertook in the year 2022.

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.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

Objectives and activities (continued)

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

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

After a prolonged suspension due to the COVID-19 pandemic, we are pleased to announce that our hospital and prison ministries have fully resumed. These vital services, which provide spiritual support and hope to those in some of the most challenging circumstances, are once again active. The charity has worked tirelessly to reestablish these ministries, and the impact is already evident. Our dedicated volunteers are back, offering comfort, counseling, and a compassionate presence to those in need. The resumption of these ministries is a testament to our commitment to serve and uplift communities, demonstrating the charity's ongoing and significant impact.

Achievements and performance

a. Main achievements of the Charity

The church continues to develop a strong family life via hybrid services 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.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

Achievements and performance (continued)

b. Review of activities

Within our local community, we continue to provide supports to the elderly by offering basic provisions on a monthly basis, social and recreational services such as Christmas carol services and Christmas hampers.

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

Our OFSTED-approved children's centre has quickly become a cornerstone of the community, growing by leaps and bounds in both size and reputation. Since its inception, the centre has attracted a diverse group of children from the surrounding area, all eager to be part of the vibrant and nurturing environment we offer.

The centre's continuous growth is a testament to the trust parents and guardians place in our ability to provide high-quality care and education. Our dedicated staff works tirelessly to create a safe, stimulating, and inclusive space where every child can thrive. We offer a wide range of activities that cater to various interests and developmental stages, ensuring that each child feels engaged and valued.

One of the key factors behind our success is our commitment to fostering a sense of community. We encourage children to build friendships, develop social skills, and learn the importance of teamwork through group activities and collaborative projects. Our programmes are designed not just to educate, but to inspire creativity, curiosity, and a lifelong love of learning.

As we continue to expand, we remain focused on maintaining the high standards that earned us OFSTED's approval. We are constantly seeking new ways to enhance our offerings, from upgrading our facilities to introducing innovative educational programmes. The centre's growth is not just measured in numbers, but in the positive impact we have on the lives of the children and families we serve.

We are proud to be a part of this community and are committed to continuing our mission of providing exceptional care and education. The future is bright for our children's centre, and we look forward to welcoming even more children to join us on this exciting journey.

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

REDEEMED CHRISTIAN CHURCH OF GOD (RCCG) - VICTORY HOUSE

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

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 trustees are working on a plan to cut cost and increase charity's income. The charity has no reason to believe that the freewill donations being received through the members will stop or reduce, and it also believes that the membership base will continue to increase as we now run hybrid services. In addition to the physical services being held in the physical church building, we continued with the online services, which are run simultaneously, and members kept giving as usual even via online. 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 much better as compared to the previous year (2021) because of the slight pick up in the economy of the country, although the charity is still gradually coming out of the effect the COVID-19 pandemic had on the charity operations in the previous two years. Despite this, one could see that the church was doing well in terms of her income drive and reduction in expenditure.

Income & Fundraising

Our total income at £1m was 15% higher 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 2022, the level of reserves available for the Charity's use (i.e. unrestricted funds) was £1.19m (2021: £1.12m).

Expenditure

Our expenditure on charitable activities was £938k compared to the previous year expenditure of £843k. 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 £234k. 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.

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, have had an impact on 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 in previous years.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

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.

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.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

Structure, governance and management (continued)

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.

REDEEMED CHRISTIAN CHURCH OF GOD (RCCG) - VICTORY HOUSE

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Plans for future periods

The charity is dedicated to creating a safe, welcoming, and purpose-driven environment for young adults through our church community. With the alarming resurgence of violence, including stabbings and killings affecting this age group, we recognise the urgent need to offer a positive alternative. Our church seeks to attract young adults away from the streets by providing them with a space where they can find belonging, support, and spiritual growth.

Every Sunday afternoon, over four hundred young adults gather to worship God and connect with each other. In addition to their Sunday services, they meet twice during the week to continue building these relationships, offering guidance, mentorship, and opportunities for personal development.

Our focus is on creating a church experience that resonates with young adults - effective in its outreach, friendly in its approach, and deeply focused on addressing the real challenges they face. Through engaging worship, relevant teachings, and a strong sense of community, we aim to inspire young adults to live purposefully, make positive choices, and become leaders who contribute to the betterment of society.

The Charity continues to explore ways of furthering its 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 continued to support Africa Missions, which is an aid relief agency for underprivileged people and communities, mainly in Africa. We also continued actively and strongly to support other missionary organisations, such as Compassion UK, African Child Trust, ORMOND Children Hospital in London, Festival of Life, Good Women Fellowship, and Annual Conventions held at the RCCG World Headquarters. We continue to prayerfully search for other areas where we can be of assistance and hence come in partnership and throw our support to meeting needs. This will continue to be part of our objectives and goals going forward in the coming year.

REDEEMED CHRISTIAN CHURCH OF GOD (RCCG) - VICTORY HOUSE

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

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 year 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.

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: 10/9/24

REDEEMED CHRISTIAN CHURCH OF GOD (RCCG) - VICTORY HOUSE

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

Opinion

We have audited the financial statements of Redeemed Christian Church of God (RCCG) - Victory House (the 'charity') for the year ended 31 December 2022 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 2022 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, although it has increased in current year. 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% now 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.

REDEEMED CHRISTIAN CHURCH OF GOD (RCCG) - VICTORY HOUSE

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

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.

REDEEMED CHRISTIAN CHURCH OF GOD (RCCG) - VICTORY HOUSE

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

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;

REDEEMED CHRISTIAN CHURCH OF GOD (RCCG) - VICTORY HOUSE

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

- 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. 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: 10 September 2024

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

REDEEMED CHRISTIAN CHURCH OF GOD (RCCG) - VICTORY HOUSE

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Note	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Income from:					
Donations and legacies	4	45,491	956,838	1,002,329	868,802
Investments	5	-	51	51	14
Other income	6	-	-	-	6,257
Total income		45,491	956,889	1,002,380	875,073
Expenditure on:					
Raising funds	7	-	16,800	16,800	23,555
Charitable activities	8	50,616	870,648	921,264	819,178
Total expenditure		50,616	887,448	938,064	842,733
Net movement in funds		(5,125)	69,441	64,316	32,340
Reconciliation of funds:					
Total funds brought forward		283,241	1,122,536	1,405,777	1,373,437
Net movement in funds		(5,125)	69,441	64,316	32,340
Total funds carried forward		278,116	1,191,977	1,470,093	1,405,777

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

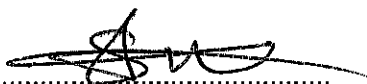
The notes on pages 17 to 38 form part of these financial statements.

REDEEMED CHRISTIAN CHURCH OF GOD (RCCG) - VICTORY HOUSE

**BALANCE SHEET
AS AT 31 DECEMBER 2022**

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	13	3,849,199	3,919,930
		<u>3,849,199</u>	<u>3,919,930</u>
Current assets			
Debtors	14	13,235	42,962
Cash at bank and in hand		118,079	100,560
		<u>131,314</u>	<u>143,522</u>
Creditors: amounts falling due within one year	15	(240,721)	(190,225)
Net current liabilities		<u>(109,407)</u>	<u>(46,703)</u>
Total assets less current liabilities		<u>3,739,792</u>	<u>3,873,227</u>
Creditors: amounts falling due after more than one year	16	(2,262,746)	(2,460,497)
Provisions for liabilities		(6,953)	(6,953)
Net assets excluding pension asset		<u>1,470,093</u>	<u>1,405,777</u>
Total net assets		<u><u>1,470,093</u></u>	<u><u>1,405,777</u></u>
Charity funds			
Restricted funds	19	278,116	283,241
Unrestricted funds	19	1,191,977	1,122,536
Total funds		<u><u>1,470,093</u></u>	<u><u>1,405,777</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: 10/1/24

The notes on pages 17 to 38 form part of these financial statements.

REDEEMED CHRISTIAN CHURCH OF GOD (RCCG) - VICTORY HOUSE

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022**

	2022 £	2021 £
Cash flows from operating activities		
Net cash used in operating activities	181,978	86,390
	<hr/>	<hr/>
Cash flows from investing activities		
Purchase of tangible fixed assets	(7,011)	(28,483)
	<hr/>	<hr/>
Net cash used in investing activities	(7,011)	(28,483)
	<hr/>	<hr/>
Cash flows from financing activities		
New loan / Repayments of borrowing	(152,464)	(130,881)
Repayments of HP / finance leases	(4,990)	(12,367)
	<hr/>	<hr/>
Net cash used in financing activities	(157,454)	(143,248)
	<hr/>	<hr/>
Change in cash and cash equivalents in the year	17,513	(85,341)
Cash and cash equivalents at the beginning of the year	100,566	185,907
	<hr/>	<hr/>
Cash and cash equivalents at the end of the year	118,079	100,566
	<hr/> <hr/>	<hr/> <hr/>

The notes on pages 17 to 38 form part of these financial statements

REDEEMED CHRISTIAN CHURCH OF GOD (RCCG) - VICTORY HOUSE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

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 2022

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 and 2022.

At the end of the accounting period on 31 December 2022, the charity had current assets of £131k and current liabilities of £241k. The mortgage loan balance stood at £2.4 million, with monthly repayments being made as scheduled.

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%. 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 2022

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 2022

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 2022

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 2022

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.

REDEEMED CHRISTIAN CHURCH OF GOD (RCCG) - VICTORY HOUSE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

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 2022 £	Unrestricted funds 2022 £	Total funds 2022 £
Donations			
Tithes and offerings	-	642,641	642,641
Thanksgiving	-	39,439	39,439
Other donations	45,491	213,061	258,552
Gift aid	-	54,334	54,334
Subtotal detailed disclosure	45,491	949,475	994,966
Similar incoming resources	-	7,363	7,363
Subtotal	-	7,363	7,363
	45,491	956,838	1,002,329

REDEEMED CHRISTIAN CHURCH OF GOD (RCCG) - VICTORY HOUSE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

4. Income from donations and legacies (continued)

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

5. Investment income

	Unrestricted funds 2022 £	Total funds 2022 £
Investment income	<u>51</u>	<u>51</u>

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

REDEEMED CHRISTIAN CHURCH OF GOD (RCCG) - VICTORY HOUSE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

6. Other incoming resources

		Total funds 2022 £
	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Letting and trading income	6,257	6,257
	<u>6,257</u>	<u>6,257</u>

7. Expenditure on raising funds

Costs of raising voluntary income

	Unrestricted funds 2022 £	Total funds 2022 £
World Evangelical Mission (WEM) levies	12,000	12,000
Donations to missions, churches and parishes	1,200	1,200
Central office charges	3,600	3,600
	<u>16,800</u>	<u>16,800</u>

REDEEMED CHRISTIAN CHURCH OF GOD (RCCG) - VICTORY HOUSE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

7. Expenditure on raising funds (continued)

Costs of raising voluntary income (continued)

	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
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
	<u>23,555</u>	<u>23,555</u>

8. Analysis of expenditure on charitable activities

Summary by fund type

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total 2022 £
Charitable activities	50,616	847,452	898,068
Direct costs - EU & overseas missions	-	23,196	23,196
	<u>50,616</u>	<u>870,648</u>	<u>921,264</u>

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

REDEEMED CHRISTIAN CHURCH OF GOD (RCCG) - VICTORY HOUSE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

9. Analysis of expenditure by activities

	Activities undertaken directly 2022 £	Charitable activity support costs 2022 £	Total funds 2022 £
Charitable activities	127,212	770,856	898,068
Direct costs - EU & overseas missions	23,196	-	23,196
Total 2022	<u>150,408</u>	<u>770,856</u>	<u>921,264</u>

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

Analysis of direct costs

	Charitable activities - Church 2022 £	EU & overseas missions 2022 £	Total funds 2022 £
Honorarium	43,907	-	43,907
Christian working outside the Parish	20,984	-	20,984
Conferences, events & travel	1,032	23,196	24,228
Guest ministers' expenses	42,528	-	42,528
Youth church	1,598	-	1,598
Outreach activities	17,163	-	17,163
	<u>127,212</u>	<u>23,196</u>	<u>150,408</u>

REDEEMED CHRISTIAN CHURCH OF GOD (RCCG) - VICTORY HOUSE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

9. Analysis of expenditure by activities (continued)

Analysis of direct costs (continued)

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

Analysis of support costs

	Charitable activities 2022 £	Total funds 2022 £
Staff costs	271,970	271,970
Church expenditure	313,306	313,306
Depreciation	77,742	77,742
Interest and bank charges	82,944	82,944
Governance costs	24,894	24,894
	<u>770,856</u>	<u>770,856</u>

REDEEMED CHRISTIAN CHURCH OF GOD (RCCG) - VICTORY HOUSE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

9. Analysis of expenditure by activities (continued)

Analysis of support costs (continued)

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

10. Auditors' remuneration

	2022 £	2021 £
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	4,700	4,500
Fees payable to the Charity's auditor in respect of: All non-audit services not included above	1,300	1,250
	<u>1,300</u>	<u>1,250</u>

11. Staff costs

	2022 £	2021 £
Wages and salaries	249,585	247,455
Social security costs	25,098	22,415
Contribution to defined contribution pension schemes	7,862	7,661
	<u>282,545</u>	<u>277,531</u>

REDEEMED CHRISTIAN CHURCH OF GOD (RCCG) - VICTORY HOUSE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

11. Staff costs (continued)

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

	2022 No.	<i>2021 No.</i>
Administration and management	8	<i>9</i>

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

	2022 No.	<i>2021 No.</i>
In the band £90,001 - £100,000	-	<i>1</i>
In the band £100,001 - £110,000	1	<i>-</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 £95,584 (2021: £88,026). In addition, the Charity paid lease rentals of £10,575 (2021: £7,481) for CEO's car.

12. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2021 - £NIL).

During the year ended 31 December 2022, no Trustee expenses have been incurred (2021 - £NIL).

13. Tangible fixed assets

	Freehold property £	Church equipment £	Motor vehicles £	Fixtures and fittings £	Total £
Cost or valuation					
At 1 January 2022	4,919,057	368,641	46,966	271,833	5,606,497
Additions	-	7,011	-	-	7,011
At 31 December 2022	4,919,057	375,652	46,966	271,833	5,613,508
Depreciation					
At 1 January 2022	1,066,982	335,611	38,217	245,757	1,686,567
Charge for the year	36,981	10,478	4,375	25,908	77,742
At 31 December 2022	1,103,963	346,089	42,592	271,665	1,764,309

REDEEMED CHRISTIAN CHURCH OF GOD (RCCG) - VICTORY HOUSE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

13. Tangible fixed assets (continued)

	Freehold property £	Church equipment £	Motor vehicles £	Fixtures and fittings £	Total £
Net book value					
At 31 December 2022	3,815,094	29,563	4,374	168	3,849,199
<i>At 31 December 2021</i>	<i>3,852,075</i>	<i>33,030</i>	<i>8,749</i>	<i>26,076</i>	<i>3,919,930</i>

Included in land and buildings is freehold land at cost of £3.07m (2021 - £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:

	2022 £	2021 £
Freehold property	4,063,280	4,100,261
Church equipment	29,562	41,820
Motor vehicles	4,375	8,750
Fixtures and fittings	167	12,541
	4,097,384	4,163,372

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	£4k (2021: £9k)
Office equipment	£6k (2021: £13k)

REDEEMED CHRISTIAN CHURCH OF GOD (RCCG) - VICTORY HOUSE

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

14. Debtors

	2022 £	2021 £
Due within one year		
Other debtors	13,235	42,962
	<u>13,235</u>	<u>42,962</u>

REDEEMED CHRISTIAN CHURCH OF GOD (RCCG) - VICTORY HOUSE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

15. Creditors: Amounts falling due within one year

	2022	2021
	£	£
Bank overdrafts	10,182	-
Bank loans	182,062	151,642
Trade creditors	1,916	5,772
Other taxation and social security	12,381	5,569
Obligations under finance lease and hire purchase contracts	4,691	4,990
Other creditors	993	6,634
Accruals and deferred income	28,496	15,618
	240,721	190,225

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

	2022	2021
	£	£
Bank loans	2,259,793	2,452,853
Net obligations under finance lease and hire purchase contracts	2,953	7,644
	2,262,746	2,460,497

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 (Increased to £22,052 as at 31 December 2022 due to change in interest rates) 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.

17. Financial instruments

	2022	2021
	£	£
Financial assets		
Financial assets measured at fair value through income and expenditure	118,079	100,560

REDEEMED CHRISTIAN CHURCH OF GOD (RCCG) - VICTORY HOUSE

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

18. Provisions

	Provision £
At 1 January 2022	6,953
	<hr/>
	6,953
	<hr/>

REDEEMED CHRISTIAN CHURCH OF GOD (RCCG) - VICTORY HOUSE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

19. Statement of funds

Statement of funds - current year

	Balance at 1 January 2022 £	Income £	Expenditure £	Balance at 31 December 2022 £
Unrestricted funds				
General Funds - all funds	1,122,536	956,889	(887,448)	1,191,977
	<hr/>	<hr/>	<hr/>	<hr/>
Restricted funds				
Restricted Funds - all funds	283,241	45,491	(50,616)	278,116
	<hr/>	<hr/>	<hr/>	<hr/>
Total of funds	<u>1,405,777</u>	<u>1,002,380</u>	<u>(938,064)</u>	<u>1,470,093</u>

20. Summary of funds

Summary of funds - current year

	Balance at 1 January 2022 £	Income £	Expenditure £	Balance at 31 December 2022 £
General funds	1,122,536	956,889	(887,448)	1,191,977
Restricted funds	283,241	45,491	(50,616)	278,116
	<hr/>	<hr/>	<hr/>	<hr/>
	<u>1,405,777</u>	<u>1,002,380</u>	<u>(938,064)</u>	<u>1,470,093</u>

REDEEMED CHRISTIAN CHURCH OF GOD (RCCG) - VICTORY HOUSE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

21. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	244,169	3,605,030	3,849,199
Current assets	33,947	97,367	131,314
Creditors due within one year	-	(240,721)	(240,721)
Creditors due in more than one year	-	(2,262,746)	(2,262,746)
Provisions for liabilities and charges	-	(6,953)	(6,953)
Total	<u>278,116</u>	<u>1,191,977</u>	<u>1,470,093</u>

Analysis of net assets between funds - prior year

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

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

	2022 £	2021 £
Net income for the year (as per Statement of Financial Activities)	64,316	32,340
Adjustments for:		
Depreciation charges	77,742	72,536
Decrease/(increase) in debtors	29,727	(848)
Increase/(decrease) in creditors	10,193	(17,638)
Net cash provided by operating activities	181,978	86,390

23. Analysis of cash and cash equivalents

	2022 £	2021 £
Cash in hand	118,079	100,566
Total cash and cash equivalents	118,079	100,566

24. Analysis of changes in net debt

	At 1 January 2022 £	Cash flows £	At 31 December 2022 £
Cash at bank and in hand	100,560	17,519	118,079
Bank overdrafts repayable on demand	-	(10,182)	(10,182)
Debt due within 1 year	(151,642)	(30,420)	(182,062)
Debt due after 1 year	(2,452,853)	193,060	(2,259,793)
Finance leases	(12,634)	4,990	(7,644)
	(2,516,569)	174,967	(2,341,602)

25. Pension commitments

The charity operates a defined contribution pension scheme. The assets of the scheme are held 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 £7,862 (2021: £7,661). Total

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25. Pension commitments (continued)

contributions of £442 (2021: £476) 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 £70,416 (2021: £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.