

THE APOSTOLIC FAITH MISSION UK LTD

(A company limited by guarantee)

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022**

CHARITY REGISTRATION NUMBER : 1087489

COMPANY REGISTERED NUMBER : 04139551

THE APOSTOLIC FAITH MISSION UK LTD
(A company limited by guarantee)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

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THE APOSTOLIC FAITH MISSION UK LTD
(A company limited by guarantee)

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

CHARITY REGISTRATION NUMBER: 1087489

COMPANY REGISTERED NUMBER: 04139551
REGISTERED OFFICE: 13 Penhill Road
Bexley
DA5 3EP

TRUSTEES Reverend Olatokunbo Balogun
Reverend Mark Sinaanoda Mfandarahwa (appointed 27 July 2022)
Reverend Francis Olanrewaju Odudu
Reverend Toyin Olushola Emitola
Reverend Lazarus Simbanegavi

CHAIRMAN OF THE BOARD Reverend Mark Mfandarahwa

CORPORATE SECRETARY Reverend Toyin Olushola Emitola

CORPORATE TREASURER Reverend Francis Olanrewaju Odudu

ACCOUNTANTS May & Moy Chartered Management Accountants
1 Cookson Grove
Northumberland Heath
DA8 1YE

INDEPENDENT AUDITORS Stephen Michael Associates
Chartered Certified Accountants
Statutory Auditors
201 Borough High Street
London
SE1 1JA

BANKERS Barclays Bank plc
29 Borough High Street
London SE1 1LY

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022

The Trustees present their annual report together with the audited financial statements of the church from 1 January 2022 to 31 December 2022. The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the church qualifies as small company under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

Objectives and Activities

a. POLICIES AND OBJECTIVES

Our primary objective is to seek the advancement of the Christian religion in accordance with the preaching of the faith of the early Apostles and wherever possible, educate people using the Word of God as our guide. We aim to establish and manage schools, Bible schools, vocational Bible schools, correspondence courses, and to teach religious knowledge in schools, institutions and the wider community.

The church has adopted the following strategies for achieving its objectives:

- Establish and support branches and Bible Study centres as close to our members as possible;
- Organise street events where free Christian literature materials are distributed;
- Visit Prisons to share the Word of God;
- Support other charities and Christian events/organisations;
- Build and establish a solid relationship with the local community;
- Organise periodic Musical concerts and performances within the community for the benefits of members of the Church and the community; and
- Support sister churches suffering from natural disasters and/or having major building projects

c. ACTIVITIES FOR ACHIEVING OBJECTIVES

In order for the Church to achieve its aims and objectives, during the year we held Sunday School classes for all ages every Sunday; we also held weeknight Bible studies and Prayer meetings.

An enduring positive effect of COVID-19 is the advantage that we have taken of the benefits of electronic media by continuing to reach out to a larger-than pre-COVID virtual audience in most of our services and other community-tailored outreach activities. We have thus been able to reach out to a great number of people within and beyond the UK, for whom those meetings have continued to be a blessing.

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

Children's programmes such as music concerts, Celebration of Light, Back To School, Children's Day and stage plays were presented at different times in the year, including Easter and Christmas seasons. During the year we held weekly and monthly youth activities, an annual youth camp and Singles Conference. Equally, during the year, Family Forums as well as conferences for Men, Women and Couples, were held at different times, to engender socialisation and bonding among members.

All of these meetings and events were however held virtually with archive videos and live activities well mixed.

d. PUBLIC BENEFIT STATEMENT

The Board of Trustees confirm that they have met their duties in strict compliance with the provisions of sections 4 and 17 of the Charities Act 2011, and have had due regards to the Charity Commission's general guidance on public benefit. Particular consideration has been given to the Charity Commission's supplementary public guidance provisions on the advancement of religion for public benefit.

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)'.

e. VOLUNTEERS

The Church values the efforts of its volunteers; it is estimated that over the year our volunteers dedicated over 10,000 hours to Church work. If this is conservatively valued at £10.00 per hour, the volunteer efforts during the year amount to over £100,000.

While the volunteers do not receive any regular income, they are supported with subsistence covering transportation and feeding while on duty.

Achievements and performance

a. KEY FINANCIAL PERFORMANCE INDICATORS

- i. Attendance at weekly meetings and other events
- ii. Voluntary donations – Tithes and Offerings
- iii. Gift aid Income
- iv. Percentage of Expenditure to Income

b. REVIEW OF ACTIVITIES

Community outreach

1 Bible Study

We held virtual meetings throughout the year, that combined members from all our Branches, Groups and Bible study centres, including Aberdeen, Bexley, Beckenham, Birmingham, Bristol/Cardiff, Chingford, Coventry, Edinburgh, Glasgow, Hackney, Leicester, Manchester, Peckham, Rochester, Sussex as well as our branches outside the UK, including France, Republic of Ireland, Denmark, Spain and Germany.

2 Homes for The Elderly & Prison Evangelism

We resumed our visits to Homes for the Elderly and Prisons during the year. Specifically, we visited a number of Homes for the Elderly on Christmas day, where we sang and played Christmas Carols for the residents and staff.

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

3 Children Activities

It is our belief that when children are taught early the Word of God and are brought up in the way of the Lord, they will grow up to make a better society in the future. It is with this at the back of our mind that we regularly organise special outreaches for our children in the Church and the communities where our branch churches are located.

Accordingly, during the year, in addition to our weekly children Sunday School, we held activities like Music Workshops, Back To School Lunch, Let's celebrate Light and Children's Day which were generously attended by children, parents and carers within our communities.

c. INVESTMENT POLICY AND PERFORMANCE

The Trustees have decided that at present, funds should be retained in its Current and No Notice Deposit accounts with Barclays Bank PLC, while efforts are being made to seek other suitable banks.

The Trustees will agree any change in such banking arrangements. As far as possible, funds will be retained in interest bearing accounts.

Financial review

a. GOING CONCERN

After making appropriate enquiries, the trustees have a reasonable expectation that the church has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

b. RESERVES POLICY

The trustees have established a policy whereby the unrestricted funds not committed or invested in tangible fixed assets ('the free reserves') held by the church should be at least, 3 months of annual expenditure. At this level, the trustees feel that they would be able to continue the current activities of the church in the event of a significant drop in funding. The free reserve currently stands at £1,135,322 (2021 - £691,217).

REVIEW OF THE FINANCIAL POSITION

The church is financially stable.

We were able to generate the same level of income as in the prior year.

c. PRINCIPAL FUNDING

This is provided mainly through voluntary tithes and offerings given by Church members and through a gift aid scheme. Apart from this, voluntary pledges are taken for specific projects.

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

Structure, governance and management

a. CONSTITUTION

The church is a charitable company limited by guarantee and was set up by a Memorandum of Association on 20 November 2000.

The church is constituted under a Memorandum of Association dated 20 November 2000 and is a registered charity with number 1087489.

The charitable company's Articles of Association was amended on 11th June 2022 and filed with the Companies House on 23rd June 2022.

b. METHOD OF APPOINTMENT OR ELECTION OF TRUSTEES

The directors are co-opted under the terms of the Articles of Association. The Trustees are responsible for the management of the Church.

c. POLICIES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES

Policies and procedures for induction and training of trustees include regular Teachers Conference, Workshop, Ministerial Training, and attendance at Annual National and International Camp Meetings organised by the Charity.

d. PAY POLICY FOR SENIOR STAFF

Only the District Superintendent is on a regular structured pay in addition to the Retired Pioneer Pastor, Rev. Victor Okusanya who is receiving a maintenance stipend.

e. ORGANISATIONAL STRUCTURE AND DECISION MAKING

The Trustees are responsible for the church's overall governance. The day to day management of the Church is delegated to the Pastors, Ministers, Heads of various departments, and volunteers.

f. CONNECTED CHARITIES

The church reports all its activities including acquisition of properties, financial statements, and any major undertakings to the International Headquarters in Portland Oregon, U.S.A.

g. RISK MANAGEMENT

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

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

Plans for future periods

a. FUTURE DEVELOPMENTS

- i. We are searching for premises to buy for our annual camp meeting convention.
- ii. We are praying that God will establish our branches and provide them their own places of worship where they currently make use of rented facilities.

FUNDS HELD AS CUSTODIAN

The church held £61,895.93 (£49,212) in a dedicated currency bank account at the end of the year as intermediary for the benefit of Apostolic Faith Mission Europe. The fund is not included in this financial statement because the church is only acting as a custodian and is not involved in the decision making regarding the disbursement of the fund.

MEMBER'S LIABILITY

The Trustees of the church guarantee to contribute an amount not exceeding £1 to the assets of the church in the event of winding up.

EVENTS SUBSEQUENT TO THE FINANCIAL YEAR END

None.

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

TRUSTEES' RESPONSIBILITIES STATEMENT

The Trustees (who are also directors of The Apostolic Faith Mission UK for the purposes of company law) 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).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

DISCLOSURE OF INFORMATION TO AUDITORS

So far as each of the Trustees is aware at the time the report is approved:

- there is no relevant audit information of which the company's auditors are unaware, and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

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

AUDITORS

The church's auditors, Stephen Michael Associates have indicated their willingness to continue in office and offer themselves for re appointment at the next Annual General Meeting.

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



Reverend Francis Olanrewaju Odudu
Corporate Treasurer

Date: 17/10/23

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE APOSTOLIC FAITH MISSION UK

Opinion

We have audited the financial statements of The Apostolic Faith Mission UK Ltd (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 charitable company's affairs as at 31 December 2022 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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.

Conclusions relating to going concern

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

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

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE APOSTOLIC FAITH MISSION UK
(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.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report.

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a Strategic report.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE APOSTOLIC FAITH MISSION UK
(CONTINUED)**

Responsibilities of trustees

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

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

Auditors' responsibilities for the audit of the financial statements

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

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:

- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience through discussion with the Trustees and other management (as required by auditing)
- We had regard to laws and regulations in areas that directly affect the financial statements including financial reporting and taxation legislation.
- We considered the extent of compliance with those laws and regulations as part of our procedure on the related financial statement items.
- With the exception of any known or possible non compliance, and as required by auditing standards, our work in respect of these was limited to enquiry of the Trustees.
- We communicated identified laws and regulations throughout our team and remained alert to any indications of non compliance throughout the audit.
- We reviewed minutes of trustees' meetings, and other records with view to ensuring that there are no undisclosed related party transactions. In addition, we explained the meaning of related party transaction to management and these charged with
- We addressed the risk of fraud through management override of controls, by testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE APOSTOLIC FAITH MISSION UK
(CONTINUED)**

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 charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in 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 charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Mr Stephen Oladapo Odeleye (Senior statutory auditor)

for and on behalf of
Stephen Michael Associates

Chartered Certified Accountants
Statutory Auditors

1st Floor
3 More London Riverside
London
SE1 2RE

Date: **25 October 2023**

THE APOSTOLIC FAITH MISSION UK LTD
(A company limited by guarantee)

THE APOSTOLIC FAITH MISSION UK LTD
STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

		Unrestricted funds 2022 £	Restricted Funds 2022 £	Total funds 2022 £	Prior year funds 2021 £
INCOMING RESOURCES					
<i>Donations and Legacies</i>	3	762,840	5,763	768,603	731,181
<i>Investments</i>	4	117,834	-	117,834	86,012
<i>Charitable activities</i>	5	1,482	47,044	48,526	2,702
TOTAL INCOMING RESOURCES		882,156	52,807	934,963	819,895
RESOURCES EXPENDED					
Expenditure on:					
<i>Charitable Activities</i>	6	467,963	63,714	531,677	282,792
Net movement in funds before other recognised gains		414,193	(10,907)	403,286	537,103
Other recognised gains/losses:					
<i>Revaluation gain on Fixed Assets</i>	14	4,365	-	4,365	262,172
Net movement in funds		418,558	(10,907)	407,651	799,275
Reconciliation of funds:					
<i>Total funds brought forward</i>		6,440,982	136,749	6,577,731	5,778,456
<i>Net movement in funds</i>		418,558	(10,907)	407,651	799,275
Total funds carried forward		6,859,540	125,842	6,985,382	6,577,731

The Statements of financial activities includes all gains and losses recognised in the year.

The notes, 1 to 19 form part of these financial statements.

THE APOSTOLIC FAITH MISSION UK LTD
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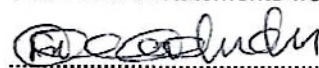
**THE APOSTOLIC FAITH MISSION UK LTD
STATEMENT FOR FINANCIAL POSITION
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022**

	Notes	£	2022 £	£	2021 £
Fixed Assets					
Tangible Assets	13		1,613,629		1,646,834
Investment Property	14		2,725,872		2,721,507
			<u>4,339,501</u>		<u>4,368,341</u>
Current assets					
Debtors	15	94,089		100,051	
Cash at bank and in hand		2,586,243		2,139,420	
		<u>2,680,332</u>		<u>2,239,471</u>	
Creditors: amounts falling due within one year	16	(34,450)		(30,081)	
Net current assets			<u>2,645,882</u>		<u>2,209,390</u>
Total assets less current liabilities			<u>6,985,382</u>		<u>6,577,731</u>
Net assets			<u>6,985,382</u>		<u>6,577,731</u>
Total net assets			<u><u>6,985,382</u></u>		<u><u>6,577,731</u></u>
Charity funds					
Restricted funds	18		125,842		136,749
Unrestricted funds	18		6,859,540		6,440,982
Total funds			<u><u>6,985,382</u></u>		<u><u>6,577,731</u></u>

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

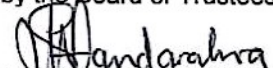
The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised by the Board of Trustees and signed on its behalf



Reverend Francis Olanrewaju Odudu
Corporate Treasurer

Date : 17/10/23



Reverend Mark Mfandarahwa

17/10/2023

THE APOSTOLIC FAITH MISSION UK LTD
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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022

		2022 £	2021 £
Cash flows from operating activities			
Net cash used in operating activities	22	368,255	466,697
Cash flows from investment activities			
Dividends, interests, and rents from investments	22	117,834	86,552
Proceed from the sale of tangible fixed assets		456	612
Purchase of tangible fixed assets	13	(39,721)	(80,332)
Purchase of investments		-	(826,288)
Net cash used in investing activities		78,569	(819,456)
Cash flows from financing activities		0	0
Net cash provided by financing activities			
Change in cash and cash equivalents in the year		446,823	(352,759)
Cash and cash equivalent at the beginning of the year		2,139,420	2,492,179
Cash and cash equivalent at the end of the year		2,586,243	2,139,420

THE APOSTOLIC FAITH MISSION UK LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

1. General Information

Apostolic Faith Mission UK LTD is a private company limited by guarantee incorporated in England and Wales. The registered office is 13 Penhill Road, Bexley, Kent DA5 3EP.

2 ACCOUNTING POLICIES

2.1 Basis of preparation of financial statements

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

The Apostolic Faith Mission UK Ltd 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.

2.2 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.

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

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

All expenditure is inclusive of irrecoverable VAT

2.4 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.

THE APOSTOLIC FAITH MISSION UK LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

2.5 Tangible fixed assets and depreciation

Tangible fixed assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is provided on the following bases:

Freehold properties	2% straight line
Motor vehicles	25% reducing balance
Fixtures and fittings	20% straight line
Office equipment	20% straight line
Computer equipment	33.33% straight line

2.6 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

2.7 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.

2.8 Liabilities and provisions

Liabilities 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.

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2.9 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.

2.10 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.

2.11 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.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements

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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ANALYSIS OF INCOMING RESOURCES

3 Incoming Resources:

	Restricted Funds	Unrestricted Funds	Total Funds
	2022	2022	2022
	£	£	£
Donations and Legacies	5,763	674,466	680,229
Gift Aid Claim Receivable	0	88,374	88,374
	<u>5,763</u>	<u>762,840</u>	<u>768,603</u>
	Restricted Funds	Unrestricted Funds	Total Funds
	2021	2021	2021
	£	£	£
Donations and Legacies	1,901	640,001	641,902
Gift Aid Claim Receivable	0	89,279	89,279
	<u>1,901</u>	<u>729,280</u>	<u>731,181</u>

4 Incoming resources: Investment Income

	Restricted Funds	Unrestricted Funds	Total Funds
	2022	2022	2022
	£	£	£
Investment income - local investment properties	0	113,843	113,843
Investment Income - Interest Received	0	3,991	3,991
	<u>0</u>	<u>117,834</u>	<u>117,834</u>

	Restricted Funds	Unrestricted Funds	Total Funds
	2021	2021	2021
	£	£	£
Investment income - local investment properties	0	85,476	85,476
Investment Income - Interest Received	0	536	536
	<u>0</u>	<u>86,012</u>	<u>86,012</u>

5 Incoming resources : Charitable activities

	Restricted Funds	Unrestricted Funds	Total Funds
	2022	2022	2022
	£	£	£
Income from charitable activities - furtherance of the gospel	47,044	1,482	48,526
	<u>47,044</u>	<u>1,482</u>	<u>48,526</u>

	Restricted Funds	Unrestricted Funds	Total Funds
	2021	2021	2021
	£	£	£
Income from charitable activities - furtherance of the gospel	2,462	240	2,702

	Restricted Funds	Unrestricted Funds	Total Funds
	2022	2022	2022
	£	£	£
Total Incoming Resources	<u>52,807</u>	<u>882,157</u>	<u>934,963</u>

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ANALYSIS OF RESOURCES EXPENDED

6 Analysis of charitable giving

	Charitable giving to Institutions 2022 £	Total Funds 2022 £
Charitable giving, furtherance of the gospel	<u>29,070</u>	<u>29,070</u>

	Charitable giving to Institutions 2021 £	Total Funds 2021 £
Charitable giving, furtherance of the gospel	<u>11,052</u>	<u>11,052</u>

7 Analysis of expenditure on charitable activities.

	Restricted Funds 2022 £	Unrestricted Funds 2022 £	Total Funds 2022 £
Furtherance of the Gospel	<u>63,714</u>	<u>467,963</u>	<u>531,677</u>

	Restricted Funds 2021 £	Unrestricted Funds 2021 £	Total Funds 2021 £
Furtherance of the Gospel	<u>7,088</u>	<u>275,704</u>	<u>282,792</u>

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Analysis of expenditure by activities

	Activities undertaken directly 2022 £	Charitable giving funding of activities 2022 £	Support Costs 2022 £	Total Funds 2022 £
Furtherance of the Gospel	221,041	29,070	281,566	531,677
	Activities undertaken directly 2021 £	Charitable giving funding of activities 2021 £	Support Costs 2021 £	Total Funds 2021 £
Furtherance of the Gospel	56,769	11,052	214,971	282,792

	Furtherance of the gospel	
	2022 £	2021 £
Staff costs - Wages & Salaries	26,852	2,954
Staff Costs - Contribution to defined contribution pension schemes	1,920	6,557
Camp fees and expenses	138,571	1,000
Parsonage maintenance	19,568	21,671
Evangelism, special events, ministry expenses	34,130	24,587
	221,041	56,769

	2022 £	2021 £
Staff costs - Wages & Salaries	26,852	2,954
Staff Costs - Contribution to defined contribution pension schemes	1,920	6,557
	28,772	9,511

The average number of persons employed by the charity during the year:

	2022	2021
Pastor	1	2

No employee received remuneration amounting to more than £60,000 in either year.

	2022 £	2021 £
Depreciation	72,921	75,611
church building repairs and maintenance, security	96,081	89,802
utilities	16,227	11,859
travel and motor expenses	25,865	13,090
advertising	-	694
Printing, postage, stationery and other office expenses	4,984	135
Hall hire	22,704	1,979
cleaning, decoration	4,118	1,590
insurance	6,813	6,093
Sundry church and office expenses	18,700	3,469
Profit/loss on disposal of fixed assets	(450)	(139)
legal and professional fees	6,771	5,518
Governance costs	6,830	5,270
	281,566	214,971

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11 Auditors' and Accounting Remuneration	2022	2021
	£	£
Fees payable to the charity's auditor for the audit of the charity's annual accounts	5,000	3,970
Fees payable to the charity's auditor in respect of all taxation advisory services not included above		520
	5,000	4,490

12 Trustees' remuneration and expenses

During the year, one Trustee was paid as the Minister In Charge of the church and Chief Executive Officer of the charitable company. The payment is within the charitable company's governing documents. The value of the Trustee's remuneration and other benefits was as follows:

	2022	2021
	£	£
Rev. Mark Sinannoda Mfandarahwa		
Remuneration	24,000	0
Pension contributions paid	1,421	0

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

13 Tangible Fixed Assets

	Freehold Property £	Other Assets £	Total £
Cost or valuation			
At 1 January 2022	1,977,661	352,473	2,330,134
Additions	37,039	2,682	39,721
At 31 December 2022	2,014,700	355,155	2,369,855
Depreciation			
At 1 January 2022	423,959	259,346	683,305
Charge for the year	40,294	32,627	72,921
At 31 December 2022	464,253	291,973	756,226
Net Book Value			
At 31 December 2022	1,550,447	63,182	1,613,629
At 31 December 2021	1,553,705	93,129	1,646,834

14 Investment Properties

	Freehold Properties
Valuation	
At 1 January 2022	2,721,507
Additions	0
Surplus on revaluation	4,365
At 31 December 2022	2,725,872

The 2022 valuations were made by the trustees, on an open market value for existing use basis.

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15 Debtors	2022	2021
	£	£
Due within one year		
Rent Receivable	1,200	0
Prepayments and accrued income	4,691	7,203
Gift Aid Claim recoverable	88,198	92,848
	<u>94,089</u>	<u>100,051</u>

16 Creditors: Amounts falling due within one year	2022	2021
	£	£
Trade Creditors	21,531	16,941
Other Creditors	5,600	2,307
Accruals and deferred Income	7,320	10,833
	<u>34,450</u>	<u>30,081</u>

17 Financial Instruments	2022	2021
	£	£
Financial assets		
Financial assets measured at fair value through income and expenditure	<u>2,586,243</u>	<u>2,139,420</u>

Financial assets measured at fair value through income and expenditure comprise cash at bank and in hand.

18 Statement of funds

	Balance at 1 January 2022	Income	Expenditure	Gains/Losses	Balance at 31 December 2022
	£	£	£	£	£
Statement of funds - current year					
Unrestricted Funds					
Designated funds					
Camp Site Fund	<u>1,500,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,500,000</u>
General Funds					
General Funds	<u>4,940,982</u>	<u>882,156</u>	<u>(467,963)</u>	<u>4,365</u>	<u>5,359,540</u>
Total Unrestricted Funds	<u>6,440,982</u>	<u>882,156</u>	<u>(467,963)</u>	<u>4,365</u>	<u>6,859,540</u>

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NOTES TO THE FINANCIAL STATEMENTS
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Restricted Funds

Birmingham Church Building Fund	118,576	0	(3,294)	0	115,282
Camp Site	7,255	0	0	0	7,255
Men	2,615	1,138	(1,298)	0	2,455
Women	35	0	(35)	0	0
Needy	15	20	(35)	0	0
Couple conference	0	0	0	0	0
Church building maintenance	0	0	0	0	0
Youth Camp	250	0	(250)	0	0
Camp Fees	7,087	47,044	(54,131)	0	0
Evangelism	0	100	(100)	0	0
Nigeria Flood	0	1,441	(1,441)	0	0
Church building	0	115	(115)	0	0
Youth Fund	0	2,409	(2,159)	0	250
Bexley Cleaning	0	540	(540)	0	0
Hackney	600	0	0	0	600
Sunday School Teachers	141	0	(141)	0	0
Youth Workers	175	0	(175)	0	0
Total Restricted Funds	136,749	52,807	(63,714)	0	125,842
Total Funds	6,577,731	934,963	(531,677)	4,365	6,985,382

19 Statement of funds - prior year

	Balance at 1 January 2021	Income	Expenditure	Gains/Losses	Balance at 31 December 2021
	£	£	£	£	£
Statement of funds - prior year					
Unrestricted Funds					
Designated funds					
Camp Site Fund	1,500,000	0	0	0	1,500,000
General Funds					
General Funds	4,138,982	815,532	(275,704)	262,172	4,940,982
Total Unrestricted Funds	5,638,982	815,532	(275,704)	262,172	6,440,982

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NOTES TO THE FINANCIAL STATEMENTS
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Restricted Funds

Birmingham Church Building Fund	121,870	0	(3,294)	0	118,576
Camp Site	7,255	0	0	0	7,255
Men	2,455	160	0	0	2,615
Women	0	35	0	0	35
Needy	0	15	0	0	15
Couple conference	0	2,244	(2,244)	0	0
Church building maintenance	0	910	(910)	0	0
Youth Camp	250	0	0	0	250
Camp Feee	7,044	43	0	0	7,087
Bexley Cleaning	0	640	(640)	0	0
Hackney	600	0	0	0	600
Sunday Schoold Teachers	0	141	0	0	141
Youth Workers	0	175	0	0	175
Total Restricted Funds	139,474	4,363	(7,088)	0	136,749
Total of Funds	5,778,456	819,895	(282,792)	262,172	6,577,731

20 Statement of funds (continued)

The Camp Site designated fund is designated for the purchase of a site for our camping event. The church is in the process of searching for an appropriate site on which to build the Camp.

The Birmingham church building fund was used as part-payment for the Birmingham church building and represents future depreciation (£3,294 per year - 2% of the original cost covered by the fund).

The Camp Site fund is for the purchase of a site for our camping event.

The Men fund is church collections received for men activities.

The Women fund is church collections received for women activities.

The Needy fund is church collections received to help those in need.

The Youth Camp fund is for the running of the annual youth event.

The Camp fee fund is for our camping event

The Hackney fund is for Hackney group bible study centre.

The Sunday School Teachers fund is church collections received for sunday school activities.

The Youth Workers fund is church collections received for workers' activities.

The charitable company has enough fund to pay for the non fixed asset funds.

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Summary of funds

Summary of funds - current year

	Balance at 1 January 2022	Income	Expenditure	Gains/Losses	Balance at 31 December 2022
	£	£	£	£	£
Designated Funds	1,500,000	0	0	0.00	1,500,000
General Funds	4,940,982	882,156	(467,963)	4,365	5,359,540
Restricted Funds	136,749	52,807	(63,714)	0.00	125,842
	6,577,731	934,963	(531,677)	4,365	6,985,382

Summary of funds - prior year

	Balance at 1 January 2021	Income	Expenditure	Gains/Losses	Balance at 31 December 2021
	£	£	£	£	£
Designated Funds	1,500,000	0	0	0	1,500,000
General Funds	4,138,982	815,532	(275,704)	262,172	4,940,982
Restricted Funds	139,474	4,363	(7,088)		136,749
	5,778,456	819,895	(282,792)	262,172	6,577,731

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	115,282	1,498,347	1,613,629
Investment properties	0	2,725,872	2,725,872
Current assets	10,560	2,669,772	2,680,332
Creditors due within one year	0	(34,450)	(34,450)
Total	125,842	6,859,540	6,985,382

Analysis of net assets between funds - prior year

	Restricted Funds 2021	Unrestricted Funds 2021	Total Funds 2021
	£	£	£
Tangible fixed assets	118,576	1,528,258	1,646,834
Investment properties	0	2,721,507	2,721,507
Current assets	18,173	2,221,298	2,239,471
Creditors due within one year	0	(30,081)	(30,081)
Total	136,749	6,440,982	6,577,731

**NOTES TO THE FINANCIAL STATEMENTS
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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)	403,286	537,103
Adjustments for:		
Depreciation charges	72,921	75,611
Dividends, interests and rents from investments	(117,834)	(86,552)
Profit on the sale of fixed assets	(450)	(139)
Decrease/(increase) in debtors	5,962	(31,457)
Increase/(decrease) in creditors	4,369	(27,869)
Net cash provided by operating activities	<u>368,255</u>	<u>466,697</u>

23 Analysis of cash and cash equivalents

	2022 £	2021 £
Cash in hand	2,586,243	2,139,420
Total cash and cash equivalent	<u>2,586,243</u>	<u>2,139,420</u>

24 Analysis of changes in net debt

	At 1 January 2022 £	Cash flows £	At 31 December 2022 £
Cash in bank and in hand	2,139,420	446,823	2,586,243
	<u>2,139,420</u>	<u>446,823</u>	<u>2,586,243</u>

25 Pension commitments

The church operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the church in an independently administered fund. The pension cost charge represents contributions payable by the church to the fund and amounted to £1,920 (2021 £6,557).

26 Related party transactions

The charity has not entered into any related party transaction during the year, nor are there any outstanding balances owing between related parties and the charity at 31 December 2022.