

Charity registration number 1088146

EIKOKU IESU NO MITAMA KYOKAI

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MARCH 2021

EIKOKU IESU NO MITAMA KYOKAI
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

<u>INDEX</u>	<u>Page</u>
Legal and Administrative Information	1
Trustees' Report	2 - 3
Independent Examiner's Report	4
Statement of Financial Activities	5
Balance Sheet	6
Notes forming part of the Financial Statements	7 - 12

EIKOKU IESU NO MITAMA KYOKAI

LEGAL AND ADMINISTRATIVE INFORMATION

FOR THE YEAR ENDED 31 MARCH 2021

CONSTITUTION

Eikoku Iesu No Mitama Kyokai is governed by its charitable Trust Deed dated 1 July 2001.

TRUSTEES

The directors of the Charity are its Trustees and throughout this report are collectively referred to as the Trustees.

The Trustees who served during the year were as follows:

Reverend S Kawamura
Reverend Y Kawamura
Reverend M Kawamura
M Koshino
S Shikayama
M Mackie
R Tahara

REGISTERED OFFICE

27 Valley Drive
London
NW9 9NJ

INDEPENDENT EXAMINER

Anthony Epton
Goldwins
75 Maygrove Road
West Hampstead
London
NW6 2EG

BANKERS:

Barclays Bank PLC
Kensington and Chelsea

SOLICITORS:

Mr Sohail Afzal
SHAAD
Linton House
39-51 Highgate Road
London NW5 1RS

EIKOKU IESU NO MITAMA KYOKAI

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2021

The Trustees are please to present their report together with the financial statements of the charity for the year ended 31 March 2021.

OBJECTS OF THE CHARITY

The objects of the Trust are to advance the Christian faith in the United Kingdom and elsewhere in accordance with the teaching of the late Bishop Jun Murai.

ORGANISATION

The Trustees meet on a regular basis throughout the year to administer the Charity.

INVESTMENT POWERS

In accordance with the Trust Deed the Charity has the power to make any investment which the Trustees see fit.

REVIEW OF THE ACTIVITIES

Church has eight meeting places in Japan that is Hakodate, Tokyo, Nagoya, Osaka, Himeji, Kurayoshi, Takamatsu, Kochi, one in UK, one in San Francisco USA, one in Switzerland, one in Spain, one in Portugal, one in Italy. 56 (172 in 2020) people were baptized in this fiscal year. There was no annual convention during the year due to Covid-19 pandemic restrictions. Church aim is to worship the God, to preach the gospel, to establish and maintain the church inside and outside of this country and keep the faith according to the teaching of the Bible and the late Bishop Rev. Jun Murai. Donation and offering comes from members only, mainly from England and Japan.

PUBLIC BENEFIT

The principal activities of the charity during the year continued to be to advance the Christian faith in the United Kingdom and elsewhere in accordance with the teaching of the late Bishop Jun Murai. The trustees are aware of the Charity Commission guidance on public benefit reporting as set out in Section 17 Charities Act 2011. The trustees believe that the charity achieves a public benefit by providing these services as detailed earlier in this report.

RESERVES POLICY

The current level of free reserves, being the unrestricted funds not committed or invested in tangible fixed assets, is negative. The trustees have set a target level of free reserves of £180,000 which equates to 9 months of resources expended. This will enable the Charity to continue its current activities and allow it to respond quickly in the event of an emergency. The reserves policy will be reviewed annually.

EIKOKU IESU NO MITAMA KYOKAI

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2021

RISK MANAGEMENT

The trustees have identified the major risks affecting the Charity and are taking necessary steps to monitor and control these risks to mitigate any impact they may have on the Charity in the future. The risks are reviewed on an ongoing basis.

By order of the Trustees on 16th October 2021.

A handwritten signature in black ink, consisting of a stylized 'S' followed by a horizontal line.

Reverend Satoshi Kawamura
Trustee

EIKOKU IESU NO MITAMA KYOKAI

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
EIKOKU IESU NO MITAMA KYOKAI

I report to the trustees on my examination of the accounts of the Eikoku Iesu No Mitama Kyokai (EINMK) for the year ended 31 March 2021.

Responsibilities and basis of report

As the charity trustees of the Trust, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Anthony Epton

Anthony Epton BA FCA CTA FCIE
Goldwins
Chartered accountants
75 Maygrove Road
West Hampstead
London NW6 2EG

1st April 2022

EIKOKU IESU NO MITAMA KYOKAI
Statement of financial activities (incorporating an income and expenditure account)
For the year ended 31 March 2021

		2021		2020	
		Unrestricted	Total	Unrestricted	Total
		Funds	Funds	Funds	Funds
	Note	£	£	£	£
Income from:					
Donations and legacies	2	181,335	181,335	206,261	206,261
Investment income		-	-	-	-
Total income		<u>181,335</u>	<u>181,335</u>	<u>206,261</u>	<u>206,261</u>
Expenditure on:					
Charitable activities	3	192,794	192,794	223,077	223,077
Total expenditure		<u>192,794</u>	<u>192,794</u>	<u>223,077</u>	<u>223,077</u>
Net income / (expenditure) for the year	4	(11,459)	(11,459)	(16,816)	(16,816)
Transfers between funds		-	-	-	-
Net movement in funds		<u>(11,459)</u>	<u>(11,459)</u>	<u>(16,816)</u>	<u>(16,816)</u>
Reconciliation of funds:					
Total funds brought forward		101,612	101,612	118,428	118,428
Total funds carried forward		<u>90,153</u>	<u>90,153</u>	<u>101,612</u>	<u>101,612</u>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 13 to the financial statements.

EIKOKU IESU NO MITAMA KYOKAI

Balance sheet

As at 31 March 2021

	Note	2021 £	2021 £	2020 £	2020 £
Fixed assets:					
Tangible assets	8		280,845		309,775
Current assets:					
Debtors	9	1,575		1,575	
Cash at bank and in hand		23,867		28,264	
		<u>25,442</u>		<u>29,839</u>	
Liabilities:					
Creditors: amounts falling due within one year	10	<u>109,727</u>		<u>111,163</u>	
Net current (liabilities)			<u>(84,285)</u>		<u>(81,324)</u>
Total assets less current liabilities			196,560		228,451
Creditors: amounts falling due more than one year	11		106,407		126,839
Net assets excluding pension asset / (liability)			<u>90,153</u>		<u>101,612</u>
Defined benefit pension scheme asset / (liability)			<u>-</u>		<u>-</u>
Total net assets	12		<u><u>90,153</u></u>		<u><u>101,612</u></u>
Funds	13				
Unrestricted funds:					
General funds		<u>90,153</u>		<u>101,612</u>	
Total unrestricted funds			<u>90,153</u>		<u>101,612</u>
Total funds			<u><u>90,153</u></u>		<u><u>101,612</u></u>

Approved by the trustees on 01/04/2022.
and signed on their behalf by:



Reverend S Kawamura
Trustee

The attached notes form part of the financial statements.

EIKOKU IESU NO MITAMA KYOKAI
Notes to the financial statements
For the year ended 31 March 2021

1 Accounting policies

a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102 - effective 1 January 2015) - (Charities SORP FRS 102).

b) Going concern

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

c) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred. Income received in advance for the provision of specified service is deferred until the criteria for income recognition are met.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

d) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

e) 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 bank.

f) Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

Notes to the financial statements
For the year ended 31 March 2021

1 Accounting policies (continued)

g) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise of trading costs and the costs incurred by the charity in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose.
- Other expenditure represents those items not falling into any other heading.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

h) Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The bases on which support costs have been allocated are set out in note 3.

i) Tangible fixed assets

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Freehold land and buildings	4 %
Fixtures, fittings and equipment	25 %
Motor vehicle	25 %

j) Debtors

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

k) Cash at bank and in hand

Cash at bank and cash 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.

l) Creditors and provisions

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

2 Income from donations and legacies

	2021		2020	
	Unrestricted Funds	Total Funds	Unrestricted Funds	Total Funds
	£	£	£	£
Donations, gifts and deed of covenants	181,335	181,335	206,261	206,261
	181,335	181,335	206,261	206,261

EIKOKU IESU NO MITAMA KYOKAI
Notes to the financial statements
For the year ended 31 March 2021

3 Analysis of expenditure

	Charitable activities £	2021 Total £	2020 Total £
Staff costs	35,412	35,412	35,732
Direct cost			
Travel and subsistence	61,494	61,494	79,561
Gifts and donations	4,665	4,665	1,638
Support cost			
Printing, postage and stationary	943	943	1,047
Telephone	3,626	3,626	3,932
Legal and accountancy fee	6,118	6,118	4,690
Insurance	5,836	5,836	6,528
Rent, rates and ancillary maintenance cost	24,275	24,275	20,643
Flower and plants	145	145	4,888
Medical expenses	7,845	7,845	8,810
Sundry cost	5,749	5,749	15,685
Mortgage interest	1,450	1,450	3,080
Depreciation	28,930	28,930	30,071
Bank charges	6,306	6,306	6,772
Total expenditure 2021	192,794	192,794	223,077
Total expenditure 2020	223,077	223,077	

All of the expenditure £192,794 was unrestricted (2020:£223,077).

Analysis of expenditure-prior year

	Charitable activities £	2020 Total £	2019 Total £
Staff costs	35,732	35,732	35,372
Direct cost			
Travel and subsistence	79,561	79,561	80,270
Gifts and donations	1,638	1,638	3,280
Support cost			
Printing, postage and stationary	1,047	1,047	964
Telephone	3,932	3,932	4,206
Legal and accountancy fee	4,690	4,690	5,077
Insurance	6,528	6,528	6,713
Rent, rates and ancillary maintenance cost	20,643	20,643	19,488
Flower and plants	4,888	4,888	3,401
Medical expenses	8,810	8,810	5,064
Sundry cost	15,685	15,685	12,643
Mortgage interest	3,080	3,080	2,364
Depreciation	30,071	30,071	30,116
Bank charges	6,772	6,772	6,061
Total expenditure 2020	223,077	223,077	215,019

EIKOKU IESU NO MITAMA KYOKAI
Notes to the financial statements
For the year ended 31 March 2021

4 Net incoming resources for the year

This is stated after charging / crediting:

	2021	2020
	£	£
Examiner's Fees	1,950	1,950
Depreciation	28,930	30,071

5 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2021	2020
	£	£
Salaries and wages	35,412	35,782
Pension	-	(50)
	35,412	35,732

The total employee benefits including pension contributions of the key management personnel were £13,093 (2020: £13,251).

No employees earned more than £60,000 per annum.

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2020: £nil). No charity trustee received payment for professional or other services supplied to the charity (2020: £nil).

No trustees received any payment or reimbursement of travel and subsistence costs.

6 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was as follows:

	2021	2020
	No.	No.
Charitable activity	1.5	1.5
Support	1.5	1.5
	3	3

7 Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

EIKOKU IESU NO MITAMA KYOKAI
Notes to the financial statements
For the year ended 31 March 2021

8 Tangible fixed assets

	Properties £	Fixtures, fittings & equipment £	Motor Vehicle £	Total £
Cost				
At the start of the year	720,316	59,035	15,953	795,304
Additions in year	-	-	-	-
Disposals in year	-	-	-	-
At the end of the year	<u>720,316</u>	<u>59,035</u>	<u>15,953</u>	<u>795,304</u>
Depreciation				
At the start of the year	424,895	44,681	15,953	485,529
Charge for the year	28,813	117	-	28,930
Eliminated on disposal	-	-	-	-
At the end of the year	<u>453,708</u>	<u>44,798</u>	<u>15,953</u>	<u>514,459</u>
Net book value				
At the end of the year	<u>266,608</u>	<u>14,237</u>	<u>-</u>	<u>280,845</u>
At the start of the year	<u>295,421</u>	<u>14,354</u>	<u>-</u>	<u>309,775</u>

9 Debtors

	2021 £	2020 £
Sundry debtors	<u>1,575</u>	<u>1,575</u>
	<u>1,575</u>	<u>1,575</u>

10 Creditors: amounts falling due within one year

	2021 £	2020 £
Taxation & social security	143	157
Payable to trustees	103,094	101,971
Net wages	2,740	2,730
Accruals	1,950	1,950
Other creditors	<u>1,800</u>	<u>4,355</u>
	<u>109,727</u>	<u>111,163</u>

11 Creditors: amounts falling due after one year

	2021 £	2020 £
Loan	<u>106,407</u>	<u>126,839</u>
	<u>106,407</u>	<u>126,839</u>

The bank loans are secured on charity assets and are repayable after more than five years.

EIKOKU IESU NO MITAMA KYOKAI
Notes to the financial statements
For the year ended 31 March 2021

12 Analysis of net assets between funds

	General Unrestricted Funds	Designated Funds	Restricted Funds	Total funds
	£	£	£	£
Tangible fixed assets	280,845	-	-	280,845
Net current assets / (liabilities)	(84,285)	-	-	(84,285)
Mortgage loan	(106,407)			(106,407)
Net assets at the end of the year	90,153	-	-	90,153

Analysis of net assets between funds-prior year

	General Unrestricted Funds	Designated Funds	Restricted Funds	Total funds
	£	£	£	£
Tangible fixed assets	309,775	-	-	309,775
Net current assets / (liabilities)	(81,324)	-	-	(81,324)
Mortgage loan	(126,839)	-	-	(126,839)
Net assets at the end of the year	101,612	-	-	101,612

13 Movements in funds

	At the start of the year £	Incoming resources & gains £	Outgoing resources & losses £	Transfers £	At the end of the year £
General funds					
Total Unrestricted Funds	101,612	181,335	192,794	-	90,153
Total unrestricted funds	101,612	181,335	192,794	-	90,153
Total funds	101,612	181,335	192,794	-	90,153

Movements in funds-prior year

	At the start of the year £	Incoming resources & gains £	Outgoing resources & losses £	Transfers £	At the end of the year £
General funds					
Total Unrestricted Funds	118,428	206,261	223,077	-	101,612
Total unrestricted funds	118,428	206,261	223,077	-	101,612
Total funds	118,428	206,261	223,077	-	101,612

14 Related party transactions

Trustees have lent the charity £103,094 (2020: £101,971).

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.