

Charity registration number 1091642

Company registration number 04395378 (England and Wales)

EQUIPPERS CHURCH
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021



Caladine
Chartered Certified Accountants

EQUIPPERS CHURCH

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr M Collard Mrs L G S Dua Mr J Everitt Mrs I Jack Mr P A Prothero Mr T Yates	(Appointed 12 January 2022)
Secretary	Miss S C R Drummond	
Charity number	1091642	
Company number	04395378	
Principal address	Suite 4 45-47 Monument Hill Weybridge Surrey KT13 8RN	
Registered office	Suite 4 45-47 Monument Hill Weybridge Surrey KT13 8RN	
Auditor	Caladine Limited Chantry House 22 Upperton Road Eastbourne East Sussex BN21 1BF	

EQUIPPERS CHURCH

CONTENTS

	Page
Trustees' report	1 - 4
Statement of Trustees' responsibilities	5
Independent auditor's report	6 - 9
Statement of financial activities	10
Statement of financial position	11
Statement of cash flows	12
Notes to the financial statements	13 - 28

EQUIPPERS CHURCH

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

The Trustees present their annual report and financial statements for the year ended 31 December 2021.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "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)" (as amended for accounting periods commencing from 1 January 2019).

Objectives and activities

The purpose of the Equippers Church charitable company is to advance the Christian faith for the public benefit in accordance with the Statement of Beliefs outlined in our Articles of Association in such parts of the UK or the world as the Trustees deem fit.

Public Benefit

The Trustees have regard to the Charity Commission's guidance on public benefit when exercising any powers or duties to which the guidance is relevant in deciding what activities should be undertaken.

Principal Activities

Equippers Church is a vibrant organisation which is part of the Acts Churches UK movement. Below is a list of our principal activities:

- The provision of Christian events and education
- Community Impact and Financial Support

Achievements and performance

(i) Provision of Christian events and education

The vision of the charity is to "Equip people for life through faith in Jesus Christ". This is done primarily through Christian events and education. Teaching on the Christian faith is done both through regular Sunday meetings and Connect Groups. These activities are open to all.

Sunday Services

2021 is a year worth celebrating! It was a year where we were able to gather together in-person again. We started the year in lockdown, soon moved to in-person Watch Parties with restrictions and then in September were able to resume our normal Sunday services.

During lockdown our online services became a lifeline for many. From January to April, we saw an average of 259 screens watching along each Sunday. It is difficult to determine exactly how many people are represented by a screen – in many cases, one screen represented a whole family.

From April we were able to host in-person watch parties and from September we were able to relaunch our live services. Over this period we saw an average of 386 people attending on a Sunday. Following the successful merger of Equippers Church London and Equippers Church in 2021, the charity now meets on Sundays in two locations: Twickenham and Weybridge.

We absolutely love saying Hello to first time visitors and in 2021 we were able to welcome 574 new visitors.

When somebody says yes to Jesus, all of Heaven celebrates, and so do we. In 2021 we celebrated 150 salvations and 19 baptisms.

EQUIPPERS CHURCH

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

Connect Groups

Teaching on the Christian faith is also done midweek through Connect Groups. These are small groups of around 10-15 people who gather online and in communities across Surrey and West London which are open to all. Connect Groups have a more interactive format where people can discuss issues, ask questions, share challenges and pray with each other. During 2021, we had 58 Connect Groups in operation.

Kids and Youth

We have a growing kids and youth ministry, with 355 kids and 101 young people regularly taking part in our programmes.

We were able to host our annual youth camp, The Brave Age, after not being able to do so in 2020. We had 74 young people registered and 9 of them said yes to Jesus!

Education

The charity continues to invest in training and educating future leaders and workers through the Advance Programme. The volunteers on the programme serve in various areas of the charity's operations and receive regular foundational and leadership training through access to our training events as well as one-to-one mentoring. We continue to celebrate the success of The Advance Programme, with past volunteers now filling leadership roles within local churches. In 2021 we welcomed seven Year 1 Advancers, and six Year 2 Advancers, representing six countries.

Social Media and TV

In 2021, our social media posts were seen over 320,000 times. Our social media content is not about event promotion. We make a point of sharing content that inspires, encourages and uplifts our followers.

Towards the end of 2021, we had the privilege of compiling a weekly TV show called The Sound of Equippers, which was broadcast on TBN UK via Freeview and Sky. 12 episodes were aired and we received positive feedback from people who watched the programme who otherwise had not heard of Equippers Church.

Our Volunteers

Our amazing Volunteers help to make our Sunday and midweek gatherings happen. There are 291 people serving regularly across all areas of the charity, and we are so thankful for them!

(ii) Community Impact and Financial Support

With the pandemic came an increased need for financial, practical and spiritual support for the communities in which we are based. Our response to this need was an initiative called "Love In Action" which we launched in 2020. We continued this in 2021 and distributed financial grants, food vouchers and food parcels to individuals and local charities who had been adversely impacted by the pandemic, to the sum of £14,726. We also offered practical support such as running errands for those who were unable to do so themselves. In addition to this, we set up an online support service where anyone who wished to talk with a pastor could do so by booking an online appointment with a member of our pastoral team.

Another area we focused on this year was our provision of mental health support. During Mental Health week in May 2021 we put on a range of events to raise awareness of mental health and mental health problems and inspire action to promote the message of good mental health for all. Since then we have continued to provide support through various means.

EQUIPPERS CHURCH

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

Each year we take up an annual "Impact Offering". This is a pledged offering across twelve months with the funds used to support initiatives beyond our regular operating costs within Equippers Church, both within the wider community and internationally.

During 2021 we received donations of £309,510 towards Impact Offering, and were pleased to be able to make donations of £153,888, with £131,526 of this coming from Impact funds. More detail on this can be found within the notes to the accounts. The trustees agreed to ringfence £250,000 from Impact funds accumulated this year and from previous years towards the purchase of a future building for use as a church venue. The trustees are actively seeking such a property.

Financial review

During this financial year, the charity made a net surplus on unrestricted funds of £475,792, leaving a balance in hand of £1,306,789 at 31 December 2021. Overall the Trustees are pleased with the results for 2021 and note the charity is in a healthy financial position.

In accordance with best practice, reserves have been set at a level equating to 3 months' essential core operating costs. This currently equates to £109,000.

Risk management

The Trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

Risks are examined and considered under the following headings:

Governance
Operational
Finance
Compliance
External

This allows the Trustees and management to adapt policies and actions appropriately.

Plans for future periods

The focus for the next season, in addition to our existing principal activities, is on leadership development. To this end Equippers College will be launching as a full-time college course in September 2022.

Structure, governance and management

Equippers Church (changed name on 17 November 2016, formerly Jubilee Life Ministries UK) is governed by its Memorandum and Articles of Association amended 11 October 2016. The charity is a company limited by guarantee, as defined by the Companies Act 2006.

The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr M Collard
Mrs L G S Dua
Mr J Everitt
Mrs I Jack
Mr J O H Nash
Mr P A Prothero
Mr T Yates

(Resigned 11 December 2021)

(Appointed 12 January 2022)

EQUIPPERS CHURCH

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

The existing Trustees may identify the need for additional Trustees to be appointed as the demands of the charity continue to develop, and as and when existing Trustees stand down from office. The Trustees will identify a suitable candidate to act as a Trustee, based on a series of factors including their character, experience, specialist skills and chemistry with the existing Trustees.

Subsequently the candidate will be approached by one of the current Trustees to establish their willingness to consider the role. They may be invited to sit in on meetings as an observer until they reach a decision. If they accept they will be formally appointed to the board at the next meeting.

The Chairman of the board of Trustees will ensure that they are given any necessary induction and training for the role. This will depend on their previous experience in similar roles. The new Trustee will be given tasks suitable to their experience level.

Day-to-day management is delegated by the Trustees to the management team, led by the Senior Pastor.

Auditor

In accordance with the company's articles, a resolution proposing that Caladine Limited be reappointed as auditor of the company will be put at a General Meeting.

Disclosure of information to auditor

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The Trustees' report was approved by the Board of Trustees.



Mr M Collard

Trustee

Date: 30/6/22

EQUIPPERS CHURCH

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2021

The Trustees, who are also the directors of Equippers Church for the purpose 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 which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping adequate accounting records that 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 Companies Act 2006. 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.

EQUIPPERS CHURCH

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF EQUIPPERS CHURCH

Opinion

We have audited the financial statements of Equippers Church (the 'charity') for the year ended 31 December 2021 which comprise the statement of financial activities, the statement of financial position, the statement of cash flows and notes to the financial statements, including 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 2021 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, 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 charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

EQUIPPERS CHURCH

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF EQUIPPERS CHURCH

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the Trustees' report.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- 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; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a strategic report.

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities, the Trustees, who are also the directors of the charity for the purpose 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 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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

EQUIPPERS CHURCH

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF EQUIPPERS CHURCH

The extent to which the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with Trustees, and from our commercial knowledge and experience of the charity sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including the Companies Act 2006, Charities Act 2011 and employment legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

Audit response to risks identified

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC and relevant regulators

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the Trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

EQUIPPERS CHURCH

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF EQUIPPERS CHURCH

This report is made solely to the company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



**John Richard Caladine FCCA CTA FCIE (Senior Statutory Auditor)
for and on behalf of Caladine Limited**

7 July 2022

**Chartered Certified Accountants
Statutory Auditor**

Chantry House
22 Upperton Road
Eastbourne
East Sussex
BN21 1BF

EQUIPPERS CHURCH

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	Unrestricted funds 2021 £	Restricted funds 2021 £	Total Unrestricted funds 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
<u>Income from:</u>							
Donations and legacies	3	1,114,776	12,991	1,127,767	925,182	41,585	966,767
Charitable activities	4	24,178	-	24,178	25,552	-	25,552
Investments	5	20,554	-	20,554	17,230	-	17,230
Other income	6	184,187	-	184,187	25,707	-	25,707
Total income		1,343,695	12,991	1,356,686	993,671	41,585	1,035,256
<u>Expenditure on:</u>							
Raising funds	7	13,509	-	13,509	10,791	-	10,791
Charitable activities	8	886,388	20,447	906,835	732,768	41,575	774,343
Other	13	3,006	-	3,006	44,318	-	44,318
Total expenditure		902,903	20,447	923,350	787,877	41,575	829,452
Net gains/(losses) on investments	14	35,000	-	35,000	-	-	-
Net income/(expenditure) for the year/							
Net movement in funds		475,792	(7,456)	468,336	205,794	10	205,804
Fund balances at 1 January 2021		830,997	7,456	838,453	625,203	7,446	632,649
Fund balances at 31 December 2021		1,306,789	-	1,306,789	830,997	7,456	838,453

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

The major income and expenditure of the Church derive from continuing activities.


The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

EQUIPPERS CHURCH

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Property, plant and equipment	15		88,873		138,183
Investment properties	16		445,000		410,000
			<u>533,873</u>		<u>548,183</u>
Current assets					
Trade and other receivables	17	46,354		78,149	
Cash at bank and in hand		1,013,102		533,463	
		<u>1,059,456</u>		<u>611,612</u>	
Current liabilities	19	(64,329)		(86,493)	
Net current assets			<u>995,127</u>		<u>525,119</u>
Total assets less current liabilities			<u>1,529,000</u>		<u>1,073,302</u>
Non-current liabilities	20		(222,211)		(234,849)
Net assets			<u><u>1,306,789</u></u>		<u><u>838,453</u></u>
Income funds					
Restricted funds	22		-		7,456
<u>Unrestricted funds</u>					
Designated funds:					
Reserve fund		414,000		109,000	
		<u>414,000</u>		<u>109,000</u>	
General unrestricted funds	23	892,789		721,997	
		<u>1,306,789</u>		<u>830,997</u>	
			<u><u>1,306,789</u></u>		<u><u>838,453</u></u>

The financial statements were approved by the Trustees on 30/6/22



Mr M Collard
Trustee

Company registration number 04395378

EQUIPPERS CHURCH

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash generated from operations	28		492,078		310,592
Investing activities					
Purchase of property, plant and equipment		(27,039)		(128,168)	
Proceeds on disposal of property, plant and equipment		5,658		5,175	
Investment income received		20,554		17,230	
Net cash used in investing activities			(827)		(105,763)
Financing activities					
Repayment of bank loans		(11,612)		(6,684)	
Net cash used in financing activities			(11,612)		(6,684)
Net increase in cash and cash equivalents			479,639		198,145
Cash and cash equivalents at beginning of year			533,463		335,318
Cash and cash equivalents at end of year			1,013,102		533,463

EQUIPPERS CHURCH

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

Charity information

Equippers Church is a charitable company limited by guarantee incorporated in England and Wales. The registered office is Suite 4, 45-47 Monument Hill, Weybridge, Surrey, KT13 8RN.

1.1 Accounting convention

The accounts have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "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)" (as amended for accounting periods commencing from 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention modified to include the revaluation of mixed motive investments. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

EQUIPPERS CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies (Continued)

1.5 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 are allocated on the portion of the asset's use.

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

1.6 Property, plant and equipment

Property, fixtures and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following basis:

Production equipment, fixtures and fittings	25% straight line
Motor vehicles	25% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Investment properties

Mixed motive investments represents a property, held for a combination of the financial return it generates and the contribution its use by another charity makes to Equippers Church's charitable purposes. The property was initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in the Statement of Financial Activities.

1.8 Impairment of non-current assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

EQUIPPERS CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies (Continued)

1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including trade and other payables and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

EQUIPPERS CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2021 £	2021 £	2021 £	2020 £	2020 £	2020 £
Donations and gifts	1,114,776	12,991	1,127,767	925,182	41,585	966,767
Donations and gifts						
Regular donations	626,564	-	626,564	576,855	-	576,855
Impact	307,236	2,274	309,510	197,423	1,000	198,423
Special offerings	1,027	9,004	10,031	6,719	37,660	44,379
Gift aid	179,949	1,713	181,662	144,185	2,925	147,110
	1,114,776	12,991	1,127,767	925,182	41,585	966,767

4 Charitable activities

	Church activities 2021 £	Church activities 2020 £
Events and courses	21,402	4,553
Fun tots	-	5,778
Church groups income	-	646
Coffee shop sales	-	9,332
Other income	2,776	5,243
	24,178	25,552

EQUIPPERS CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

5 Investments

	Unrestricted funds	Unrestricted funds
	2021 £	2020 £
Rental income	19,370	15,182
Interest receivable	1,184	2,048
	<u>20,554</u>	<u>17,230</u>

6 Other income

	Unrestricted funds	Unrestricted funds
	2021 £	2020 £
HMRC Job Retention Scheme	-	15,707
Government Grant	-	10,000
Transfer from Equippers London on Church merger	184,187	-
	<u>184,187</u>	<u>25,707</u>

7 Raising funds

	Unrestricted funds	Unrestricted funds
	2021 £	2020 £
<u>Fundraising and publicity</u>		
Advertising and promotion	13,509	10,791

EQUIPPERS CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

8 Charitable activities

	Church activities	Church activities
	2021	2020
	£	£
Staff costs	179,401	167,082
Depreciation and impairment	75,073	76,584
Church and ministry expenses	100,737	86,911
Events and conferences	13,588	15,426
Education and training	18,391	12,537
Motor expenses	20,263	21,358
Travel and subsistence	3,763	6,819
Organisational subscriptions	12,526	11,537
Pastoral accommodation	34,400	21,000
Hub rent, rates and equipment	38,407	20,270
Coffee shop expenses	-	5,700
Sunday service venue costs	54,292	20,242
Speakers gifts and travel expenses	5,481	2,421
Church hospitality and catering	18,513	18,792
	<u>574,835</u>	<u>486,679</u>
Grant funding of activities (see note 9)	153,888	108,685
Share of support costs (see note 10)	159,902	158,419
Share of governance costs (see note 10)	18,210	20,560
	<u>906,835</u>	<u>774,343</u>
Analysis by fund		
Unrestricted funds	886,388	732,768
Restricted funds	20,447	41,575
	<u>906,835</u>	<u>774,343</u>

EQUIPPERS CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

9 Grants payable

	Church activities 2021 £	Church activities 2020 £
Grants to institutions:		
Actions on Ponodionosis Association	7,625	-
ACTS Churches UK	6,000	-
Equippers Budapest	9,000	10,000
Equippers Ghana	20,000	11,510
Equippers Mexico City	4,500	-
Equippers Network International	5,100	3,600
Equippers Rio	-	6,000
Equippers Tonga	15,000	-
International Justic Mission	12,000	5,000
Love in Action (relief for individuals)	14,726	28,242
Vision Rescue UK	12,358	-
Gateway Beyond Cyprus	10,000	-
Other grants below £5,001	24,516	40,808
General	13,063	3,525
	<u>153,888</u>	<u>108,685</u>

EQUIPPERS CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

10 Support costs

	Support costs £	Governance costs £	Total 2021 £	Support costs £	Governance costs £	Total 2020 £
Staff costs	106,080	-	106,080	98,716	-	98,716
Facilities running costs	22,680	-	22,680	34,102	-	34,102
Rent and rates	-	-	-	1,480	-	1,480
Insurance	7,610	-	7,610	3,959	-	3,959
Telephone and internet	4,603	-	4,603	4,248	-	4,248
Software and stationery	6,164	-	6,164	7,700	-	7,700
Bank charges and interest	6,530	-	6,530	4,304	-	4,304
Sundry expenses	6,235	-	6,235	3,910	-	3,910
Legal and professional	-	2,800	2,800	-	4,247	4,247
Accountancy	-	2,010	2,010	-	2,640	2,640
Audit fees	-	5,280	5,280	-	5,455	5,455
Mortgage interest	-	7,758	7,758	-	8,004	8,004
Payroll fees	-	362	362	-	214	214
	<u>159,902</u>	<u>18,210</u>	<u>178,112</u>	<u>158,419</u>	<u>20,560</u>	<u>178,979</u>
<u>Analysed between</u>						
Charitable activities	<u>159,902</u>	<u>18,210</u>	<u>178,112</u>	<u>158,419</u>	<u>20,560</u>	<u>178,979</u>

The amounts paid to the auditors includes £5,280 (2020: £5,455) for audit work and £2,010 (2020: £2,640) for other services.

11 Trustees

Trustee Mr P Prothero was paid £20,000 (2020: £8,000) for the provision of consultancy services through P3 Consultants, and had expenses incurred in his capacity of consultant of £690 (2020: £2,670) met by the charity.

Trustee Mr P Prothero purchased a car from the charity which was no longer required for operational use. The proceeds received from Mr P Prothero were £5,300.

Trustee Mr M Collard is also employed by the Charity and received gross remuneration of £79,664 (2020 - £75,864) which included manse rental costs of £21,000 (2020 - £21,000) and car allowance of £5,565 (2020: £5,200). The Charity also made contributions into a defined contribution pension scheme of £3,517 (2020 - £3,503). The legal authority for these payments is found in a provision in the Memorandum and Articles of Association of the Charity. In their capacity as employees they incurred disclosable expenses of £299 (2020 - £800) which were met by the charity.

No Trustees had costs incurred in fulfilling their duties as Trustees met by the charity.

No other Trustees received any remuneration or benefits from the Charity during the year (2020 - None)

The total amount of donations received without restriction from the Trustees and related parties amounted to £120,257 (2020 - £137,444).

EQUIPPERS CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

12 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Pastoral	7	7
Support	7	8
Coffee shop	-	1
Fun Tots	-	1
Total	14	17

Employment costs

	2021 £	2020 £
Wages and salaries	257,697	246,604
Social security costs	13,869	9,295
Other pension costs	13,915	9,899
	285,481	265,798

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2021 Number	2020 Number
£70,000- £79,999	1	1

13 Other

	Unrestricted funds 2021	Unrestricted funds 2020
Net loss on disposal of tangible fixed assets	(4,381)	(5,175)
"Toshiba" building costs	7,387	49,493
	3,006	44,318

EQUIPPERS CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

14 Net gains/(losses) on investments

	Unrestricted funds	Total
	2021 £	2020 £
Revaluation of investment properties	35,000	-

15 Property, plant and equipment

	Production equipment, fixtures and fittings £	Motor vehicles £	Total £
Cost			
At 1 January 2021	479,257	19,000	498,257
Additions	27,039	-	27,039
Disposals	(1,277)	(17,000)	(18,277)
At 31 December 2021	505,019	2,000	507,019
Depreciation and impairment			
At 1 January 2021	341,073	19,000	360,073
Depreciation charged in the year	75,073	-	75,073
Eliminated in respect of disposals	-	(17,000)	(17,000)
At 31 December 2021	416,146	2,000	418,146
Carrying amount			
At 31 December 2021	88,873	-	88,873
At 31 December 2020	138,183	-	138,183

16 Investment property

	2021 £
Fair value	
At 1 January 2021	410,000
Net gains or losses through fair value adjustments	35,000
At 31 December 2021	445,000

Land and Building at Wern Industrial Estate, Wern Terrace, Rogerstone, Newport, NP10 9YB was purchased in May 2017 and is held as a mixed motive investment in the financial statements. A value by Jones Lang LaSalle Limited was given in the sum of £445,000 at 31 December 2021.

EQUIPPERS CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

17 Trade and other receivables

	2021 £	2020 £
Amounts falling due within one year:		
Trade receivables	324	1,497
Other receivables	29,721	47,590
Prepayments and accrued income	16,309	29,062
	<u>46,354</u>	<u>78,149</u>

18 Borrowings

	2021 £	2020 £
Bank loans	<u>234,601</u>	<u>246,213</u>
Payable within one year	12,390	11,364
Payable after one year	<u>222,211</u>	<u>234,849</u>

The Barclays plc bank loan of £273,000 commenced 19 May 2017 repayable over 20 years at 3.15% per annum, secured by legal charge dated 19 May 2017 over The Warehouse, Rogerstone, Newport, NP10 9FQ.

19 Current liabilities

	Notes	2021 £	2020 £
Bank loans	18	12,390	11,364
Other taxation and social security		-	(8)
Trade payables		31,502	53,435
Accruals and deferred income		20,437	21,702
		<u>64,329</u>	<u>86,493</u>

20 Non-current liabilities

	Notes	2021 £	2020 £
Bank loans	18	<u>222,211</u>	<u>234,849</u>

EQUIPPERS CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

21 Retirement benefit schemes

Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

22 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			Movement in funds			
	Balance at 1 January 2020	Incoming resources	Resources expended	Balance at 1 January 2021	Incoming resources	Resources expended	Balance at 31 December 2021
	£	£	£	£	£	£	£
Specific gifts	-	269	(269)	-	7,349	(7,349)	-
Staff fund	6,821	-	(6,821)	-	-	-	-
Restricted impact COVID 19 (Love in Action)	625	1,250	(625)	1,250	2,274	(3,524)	-
	-	33,065	(26,859)	6,206	3,368	(9,574)	-
	-	7,001	(7,001)	-	-	-	-
	<u>7,446</u>	<u>41,585</u>	<u>(41,575)</u>	<u>7,456</u>	<u>12,991</u>	<u>(20,447)</u>	<u>-</u>

Specific Gifts

From time to time donors will make a donation for a specific purpose, normally in support of a visiting speaker. These amounts are passed onto that speaker or are used for the purpose identified by the donor.

Staff fund

Funds received for staff costs, volunteer and training expenses

Restricted impact

Donations given outside of normal offerings used for purposes as specified.

COVID 19 (Love in Action)

This fund was started to provide support for families during the COVID 19 pandemic.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

- 25 -

EQUIPPERS CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

25 Operating lease commitments

Equippers Church entered into a five year lease in January 2017 of £29,000 per annum for the Hub Chertsey Road with a 6 month notice period. A lease was also taken out for office premises from June 2020 at The Monument Weybridge for a term of 14 months at £15,000 per annum expiring July 2021. This has continued on a rolling 1 month lease since that date

The tenancy on the two Church manses are also on 1 month notice.

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2021 £	2020 £
Within one year	21,408	26,750

26 Merger

On 2nd March 2021, the assets and liabilities of Equippers Church London (Charity number 1135428 and Company number 07182200) were merged into Equippers Church. The net value of the reserves received was £184,187 and this is shown in note 6 to these accounts.

27 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2021 £	2020 £
Aggregate compensation	114,061	105,524

EQUIPPERS CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

27 Related party transactions (Continued)

Donations totalling £NIL (2020: £3,000) were received from Equippers Church London. M Collard was a Trustee of Equippers Church London. Also during the year, Equippers London merged with Equippers Church and the results of this are shown in Note 26

Donations totalling £NIL (2020: £3,000) was received from Equippers Essex, a Charity of which M Collard and P Prothero are Trustees.

Donations totalling £NIL (2020: £2,250) were made to JD Church, a Charity of which M Collard is a Trustee.

Donations totalling £20,000 (2020: £11,510) were made to Equippers Ghana, a Charity of which M Collard is a member of Key Management Personnel.

A number of family members of Trustees were employed by the Charity during the year and received remuneration and pension contributions as follows:

	Salary	Pension contributions	Total 2021	Total 2020
Mrs M Collard (Wife of Trustee Mr M Collard)	22,495	1,300	23,796	19,874
Mrs Esther Wecki (Daughter of Trustee Mr J Nash)	15,305	677	15,981	1,950
Miss S Drummond (Sister-in-law of Trustee Mr M Collard)	25,905	1,574	27,479	28,907
Mr J Matts (Son of Prior Trustee Mr P Matts)	-	-	-	9,355
Mr T Yates (Son-in-law of Trustee Mr P Prothero)	23,650	1,313	24,964	1,025
Mr M Nash (Son of Prior Trustee Mr J Nash)	6,956	917	7,873	-
Mrs C Nash (Son of Prior Trustee Mr J Nash)	1,581	-	1,581	-
	95,892	5,781	101,673	61,111

Levies of £12,526 (2020: £11,537) were paid to Acts Churches UK, in addition to a donation totalling £6,000 (2020: £NIL) and payments towards events of £1,203 (2020: £NIL). A Charity of which M. Collard is a Trustee and P. Prothero Key Management Personnel.

At the balance sheet date £1,028 (2020: £1,840) was owed to Acts Churches UK.

During the year grants of £5,000 were paid to East to West, a charity of which I Jack (trustee) is a trustee.

A grant £3,000 was paid to the Lighthouse Church New Malden of which P Prothero (trustee) is also a trustee.

No amounts have been written off in the period in respect of debts due to or from related parties.

EQUIPPERS CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

28 Cash generated from operations	2021 £	2020 £
Surplus for the year	468,336	205,804
Adjustments for:		
Investment income recognised in statement of financial activities	(20,554)	(17,230)
Gain on disposal of property, plant and equipment	(4,381)	(5,175)
Fair value gains and losses on investment properties	(35,000)	-
Depreciation and impairment of property, plant and equipment	75,073	76,584
Movements in working capital:		
Decrease in trade and other receivables	31,795	34,207
(Decrease)/increase in trade and other payables	(23,191)	16,402
Cash generated from operations	492,078	310,592
29 Analysis of changes in net funds		
	At 1 January 2021 £	Cash flows At 31 December 2021 £
Cash at bank and in hand	533,463	1,013,102
Loans falling due within one year	(11,364)	(12,390)
Loans falling due after more than one year	(234,849)	(222,211)
	287,250	778,501