

REGISTRATION NUMBER: 04366897

CHARITY NUMBER: 1093401

AMANA TRUST

(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

AMANA TRUST
(A Company limited by guarantee)

CONTENTS

| | PAGES |
|--|--------------|
| Reference and administrative details of the Charity, its trustees and advisors | 1 |
| Trustees' report | 2 to 9 |
| Independent auditor's report | 10 to 12 |
| Statement of financial activities | 13 |
| Balance sheet | 14 |
| Cash flow statement | 15 |
| Notes to the financial statements | 16 to 29 |

AMANA TRUST
(A Company limited by guarantee)

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

| | |
|------------------------------------|---|
| Company registration number | 04366897 |
| Charity registration number | 1093401 |
| Trustees | Mr. J Davis Mr. P Cooke Mr. C Kennard Mr W Lewallen (Appointed 1 September 2023) Mr. D Szubert (Appointed 1 September 2023) |
| Registered office | Bower House Orange Tree Hill Romford Essex RM4 1PB |
| Company Secretary | Mr. S P Alexander |
| Independent Auditors | Ensors Accountants LLP Chartered Accountants & Statutory Auditors Connexions 159 Princes Street Ipswich Suffolk IP1 1QJ |
| Bankers | Barclays Bank Plc 3 – 5 King Street Reading Berkshire RG1 2HD |
| Solicitors | Jackamans Solicitors Oak House 7 Northgate Street Ipswich Suffolk IP1 3BX |

AMANA TRUST **(A Company limited by guarantee)**

TRUSTEES' REPORT **FOR THE YEAR ENDED 31 DECEMBER 2022**

The Trustees, who are also Directors of Amana Trust (the Charity) for the purposes of the Companies Act, submit their combined annual report and the audited financial statements for the year ended 31 December 2022. The Trustees confirm that the annual report (which also contains the Directors' report as required by company law) and financial statements of the Charity comply with current statutory requirements, the requirements of the Charity's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in July 2014 (effective 1 January 2015).

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Charity is a charitable company limited by guarantee, not having share capital, and governed by its Memorandum and Articles of Association dated 26 January 2002. It is registered as a charity with the Charity Commission.

Appointment of trustees

The trustees are elected and co-opted under the terms of the Articles of Association. The Charity may from time to time by ordinary resolution increase or reduce the number of trustees. Every trustee must be appointed by a resolution passed at a properly convened meeting of the Charity's Trustees. In selecting individuals for appointment, the Charity's Trustees must have regard to the skills, knowledge and experience needed for the effective administration of the Charity.

Trustees' induction and training

New Trustees are provided with a copy of the current version of the Company's constitution and the latest copy of the Trustees' Annual Report and Statement of Accounts. Trustees are informed of decision-making processes and are briefed on the business plan of the Charity. Further, the Charity is advised on an ongoing basis by its solicitor as to the duties and obligations of trustees.

Organisational structure and decision making

The Trustees of the Charity, who are the members of the governing body, are legally responsible for the overall management and control of the Charity. In addition to the Annual General Meeting (AGM) held by the trustees, the trustees may from time to time call for any other meetings as and when required.

The Charity does not have a delegated Chief Executive. The day-to-day management of Amana Trust is administered by the trustees with the support of key administrative staff.

Related parties and co-operation with other organisations

No trustee receives remuneration or other benefits from their work with the Charity. Any connections between a trustee of the Charity and any connected person or entity are required to be disclosed to the Board of Trustees in the same way as any other contractual relationship with a related party.

In addition to the related parties listed in note 19 to the financial statements, the Charity has a close relationship with The Church of the Londoners (the Church), a charity which shares Amana Trust's objectives. Through collaboration with the Church several events and trainings have been established to benefit the community. All transactions with the Church are at arm's length.

Remuneration policy for senior staff

The key management of the Charity are the trustees, who play an active role in the day-to-day management of the Charity. All trustees give their time freely and no trustee received payment for professional or other services provided to the Charity during the year. During the year, no salary was paid to the trustees.

AMANA TRUST
(A Company limited by guarantee)

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

OBJECTIVES AND ACTIVITIES

Objectives

The Charity's objectives are to advance the Christian faith and to educate people in relation to that faith.

In shaping our objectives for the year and planning the activities, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance from Public benefit: running a charity (PB2)".

Strategies employed to achieve the Charity's objectives include:

- promoting and hosting training courses, lectures, seminars, and educational courses in the Christian faith;
- selling books and literature to promote the faith; and
- providing the community with access to the Charity's premises, facilities.

Activities for achieving objectives

We endeavour to encourage members of the community to take part in our activities through promoting training courses; the sale and free distribution of Christian literature; hosting of Christian conferences, events, and seminars; and through the ongoing broadcast of "Life Study of the Bible," a Christian radio program.

The activities employed to achieve the charity's objectives are:

Full-time Training in London Residential Training Community

The Charity hosts an ongoing residential training course in London, mainly aimed at UK and European university graduates of all backgrounds. The course is held over a two-year cycle with intakes taking place in August and February each year. The training program focuses on the participation in Christian lectures, outreach programs aimed at university students and community members, and practical services to help meet the needs of the training centre and other activities undertaken by the Charity.

During 2022, the average intake of trainees was 38 (2021: 36) persons, which was in-line with our expectation. Over the medium- to long-term we are endeavouring for the number of trainees to increase. The increase will be facilitated through the continual recruitment of local and international, top-level trainers, who are experts in their field, to present the training course and through the redevelopment of the training facility, which will form part of the Bower House building project. The increase is further supported by the presence of course participants in outreach projects on university campuses and by their attendance at university events.

Tuition income increased to £171.19k (2021: £141.15k), which was due to a small increase in tuition fees and trainees. Training expenditures of £669.15k (2021: £654.23k) mainly comprise of staff costs, which are funded through donation income and support costs.

Literature sales

Literature sales mainly take place through two bookstores, monthly subscriptions, and online sales. Due to the prime location of the bookstores, they are easily accessible to members of the public and thus facilitate the distribution of literature and outreach to local communities.

An increase of £1.8k was seen in literature sales of £92k (2021: £90.2k) as there were more in person events again. Literature costs of £400.1k (2021: £395.2k) mainly comprise direct staff costs, which are funded through donation income, support cost and cost of sales.

AMANA TRUST **(A Company limited by guarantee)**

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

Conferences and events

The Charity hosted several national and international conferences and events throughout the year. The dates and details of all events are publicised on the Amana Trust website. The Charity further promotes events and encourages attendance through direct contact with the community and with individuals listed on our database.

The redevelopment of Bower House and related building projects will allow for an increased capacity to host larger events locally. The expansion of residential facilities will allow for an increase in overnight attendees, which will contribute to the expected increase in total attendees.

Conference and event income for the year increased by £135.6k to £164.7k (2021: £29.1k), due to the resumption of in person events. Related expenditure was £754.01 (2021: £617.3). Costs are driven by direct staff costs, which are funded through donation income and support costs allocated to the activity.

Radio broadcast

"Life Study of the Bible" is a radio program broadcast daily on Premier Christian Radio, a Christian radio station in the UK. Amana Trust began sponsoring the program in November 1999. The program focuses on an in-depth study of the Bible. Regular promotions are ran as part of the program, allowing listeners to get in contact with the Charity and receive free Christian literature and information related to the activities carried out by the Charity. It is through this program that Amana Trust can reach members of the public throughout the UK, educating them in relation to the Christian faith and bringing them into contact with other Christians in their area.

The Charity received several large donations during the year totalling £129.9k (2021: £119.5k). The donations were used to fund radio broadcast fees during the year. Total radio broadcast and related costs amounted to £241.0k (2021: £275.7k). These included some advertising.

Volunteers

The Charity enjoys the privilege of voluntary help, which is mainly offered to support community events. The Charity relies on Christian volunteers to coordinate and support services related to Bible and Christian literature distributions; shuttle services; ushering during events; catering services; and venue set-up and clean-up. Volunteers mainly comprise local community members and conference attendees. The services provided by volunteers have a direct impact on the number of persons reached by Amana Trust and on lowering the costs associated with hosting conferences and events. Due to the informal way voluntary help is provided, the Charity does not make use of formal processes to monitor hours of services or number of volunteers and thus an indicative value of their contribution has not been quantified.

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

Making further progress with construction projects

During 2022 Woodland Camp was further improved in the current phase of construction including the completion of the 120-seater West Hall and the Reception building at the front entrance. This allowed for the removal of construction personnel and equipment from site and full designation of the full space as an event facility capable of feeding, sleeping, and meeting between 100 and 150 people. Events included self-catered church events and catered Amana Trust weekends.

In addition, a new property, 1 Priors Cottage, was purchased adjacent to the existing Priors residence. This property sits on the other side to the rear entrance to Woodland Camp to Priors House, and thereby further improves the security and access to Woodland Camp. Work began to improve the property.

The Bower Estate was finally granted planning permission for the amended training centre scheme. A pre-application was also submitted for the construction of residences on Bower Farm. A hedge was planted around the boundary of Bower Farm to improve privacy.

AMANA TRUST **(A Company limited by guarantee)**

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

A new kitchen and dining room was built in the back of the Bower House accommodation block to make it more flexible to receive guests. The visiting speaker's room was renovated to include an accessible shower which can also be used for disabled guests. The Bower House Pond had a new fence installed to improve safety on site for children.

Continuing to focus on the Amana Trust mission statement

Following the upheaval of the Covid-19 pandemic the latter part of 2022 was an important period of focussing the Trust again on its core mission statement. The trustees worked with the employees to consider how their practical day to day work could be made more efficient and how to incorporate more volunteers to allow the workers to dedicate more of their time to inform people of the Christian faith and support them in their further understanding of the Christian faith. More time was dedicated to direct training and oversight of the employees.

The ongoing events at Bower House and Woodland Camp and the central London bookshop were crucial in supporting this goal. Seminars took place in five locations around London each month giving the contacts of Amana Trust the greatest possible chance to attend a significant in-person event. April 2022 also saw the resumption of the Spring International Conference in London with over 900 people in attendance and the resumption of fully in person Saturdays at Bower House. There was also a greater emphasis on a wider distribution of the books and Bibles with improved follow up of those responding and increased attendance at events.

Fundraising activities

The Charity did not undertake fundraising activities during the year. Income was mainly generated through donations that amounted to £3,192.6k (2021: £2,421.2k), of which £283k (2021: £298.1k) was unrestricted. The remainder of the Charity's income was derived mainly from charitable activities of £519.4k (2021: £432.2k), which included trading activities of £0k (2021: £0k).

FINANCIAL REVIEW

Results for the year

The Charity reported a net surplus of £811.3k (2021: £73.1k) for the year. The increase is attributable to the favourable movement in net restricted surplus of £844.3k (2021: unfavourable 735.0k) offset by the unfavourable movement in net unrestricted surplus of £106.2k (2021: unfavourable £360.1k).

The overall increase in surplus is mainly attributable to an increase in donation income of £771.5k, conference and events income of £135.6k, training income of £30k, offset by a decrease in other income of £80.2k and an increase in expenses of £124.5k.

Deficits are still reported across several activities and were mainly driven by the allocation of overhead costs. Overhead costs are mainly funded through general donation income. The Trustees continued to take steps to ensure an increase in the visibility of performance by activity. This resulted in the ongoing revision of pricing policies and an increased review of resources expended to ensure the viability of activities. This will allow for better decision making for the allocation of general donations used to partly subsidise shortfalls where activities are deemed crucial to the carrying out of the Charity's objectives. Further, trading activities are being reviewed along with the construction project with the intention to expand operations to better cover the costs and increase trading income in the long term.

The increase in fixed assets to £15,234.6k (2021: £13,560.9k) mainly resulted from the addition of freehold property of £1,744.1k, assets under construction of £68.1k and motor vehicles of £89.3k partly offset by depreciation of £227.9k.

Current assets decreased by £1,038.3k, mainly resulting from lower cash and stock held, offset by higher debtors' balances at year-end. Cash balances will continue to mainly be utilised on the construction project during 2023. Current liabilities increased by £153.5k. The increase was because of higher trade creditors and accruals.

AMANA TRUST **(A Company limited by guarantee)**

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

Reserves policy and going concern

The Charity has adopted a risk identification approach in establishing its reserves policy. This approach is based on an understanding of the income streams and their risk profile, the degree of commitment to expenditure, and the overall risk environment in which the Charity operates.

Amana Trust's Reserve Policy is to maintain sufficient levels of reserve to meet committed expenditure and enable normal operating activities to continue over a period of three months, should a shortfall in income occur, and to take care of potential risks and contingencies that may arise from time to time.

Based on Amana Trust's reserve policy, it must hold, as an operating reserve, approximately three months' net operating expenditure, which equates to £200k.

As of 31 December 2022, available reserves amounted to £388.2k (2021: £ 1,720.08k), which is more than the optimal amount of reserves to be held. Reserves available are based on unrestricted funds of £10,244k (2021: £10,367.98k) less amounts represented by fixed assets of £9,492k (2021: £8,578.4k) and designated funds of £363.8k (2021: £69.5k). The charitable activities of Amana Trust are funded by fee income, and the shortfall is subsidised by general and restricted donations

The increase in cash inflow from operating activities of £738.1k (2021: £1095.1k decrease) resulted mainly from the large increase in restricted donations received.

The net current asset position is at an acceptable level of £1,372.8k (2021: £2,239.7k) of which £698.9k (2021: £510.4k) relates to restricted assets and £673.9k (2021: £1,729.3k) to unrestricted assets.

The trustees are of the opinion that the Charity has adequate resources available to fund the activities for the foreseeable future and are of the view that the Charity is a going concern.

The relative freedom from debt and the strength of the charity's donation base has meant that the financial situation of the Trust is currently good. However, the charity is strictly managing spending at all times with monthly finance meetings reviewing all funds.

In the event of a significant drop in donations, Woodland Camp is currently at a stage where a large portion of the property can be safely and comfortably used for events and the remaining construction work put on hold. The charity can also reduce its entire operation to a minimal team of employees, supported by volunteers, and still maintain a baseline operation.

Investment policy

The trustees, having regard to the liquidity requirements of the Charity, have kept available funds in a highly liquid interest-bearing deposit account. The savings account funds achieved an average rate of 0.4% (2021: 0.13%), which is reflective of average market interest rates for similar investments.

Risk Management

The Trustees have a risk management strategy that was developed and comprises:

- the review of the principal risks and uncertainties that the Charity faces;
- the establishment of policies, systems, and procedures to mitigate those risks identified in the review; and
- the implementation of procedures designed to minimise or manage any potential impact on the Charity should the risk materialise.

The principal risks to the Charity's objectives are aligned with the Charity's objectives. These risks and the actions implemented to mitigate these risks are summarised in the table below.

AMANA TRUST
(A Company limited by guarantee)

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

| Risk | Management of risk |
|--|--|
| <u>Reputation</u> Events that could adversely affect Amana Trust's reputation and operations. This could include a cyber-attack, a serious data security breach, or fraud. It could also include a significant health and safety incident or an incident relating to the integrity of one of the Charity's charitable activities. | <ul style="list-style-type: none">• engagement in policy setting and monitoring• training and awareness programs for staff• outsourced specialists in health and safety and information technology• information security policies and procedures including anti-virus software• regular reviews of and investment in IT infrastructure• anti-fraud processes and controls |
| <u>Financial</u> credit risk, liquidity risk, currency risk and cash flow risk | <ul style="list-style-type: none">• income comes from fees for services and donations received from many customers who are related to the Charity; therefore, the trust has limited exposure to credit risk. The maximum exposure as of 31 December 2022 are in debtors, as disclosed in Note 13• regular review of operating reserve policy and available liquid funds to settle debts as they fall due• continued appeal for funds for projects such as UK building project which are well received• in depth accounting and legal advice including VAT consultant• currency forward contracts to mitigate the currency risk between the USD: GBP currency pair for highly probable forecast transactions. Keep sufficient reserves to avoid needing to exchange at adverse rates in times contracts are not in place. |
| <u>Talent</u> Knowledgeable and experienced employees are not attracted, developed, and retained | <ul style="list-style-type: none">• good relationship management with UKVI• regular reviews of resourcing processes• employee engagement and follow up action plans• encouraging the upskilling of current employees |

The Trustees regularly review and monitor risks and the effectiveness of current plans and strategies for managing major risks of the Charity.

FUTURE DEVELOPMENTS

As the construction projects move from Woodland Camp to Bower House there will be a need to engage more with the local community. Steps already taken include inviting the local MP to visit Bower House. Future steps will include restarting the Open House and talking directly to neighbours about the project.

In the first half of 2023 the main focus of construction will be the completion of various projects at Woodland Camp and the renovating of 1 Priors. In the second half of 2023 the team will form into two with the first team working on renovating Priors and the second team preparing the site at Bower House for the beginning of construction. This will include building a construction road, setting up welfare facilities and offices, and moving the marquee to Woodland Camp. The current goal is to begin demolition of the existing classrooms after the Autumn term of the

AMANA TRUST **(A Company limited by guarantee)**

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

FTTL in December 2023

Amana Trust will also follow up on the pre-application submitted for Bower Farm with a full application and hope to bring this to a conclusion.

As the FTTL has begun to enlarge, preparations need to be made to accommodate the trainees while waiting for these longer-term projects to complete. The work at Priors and 1 Priors is part of this project but it is expected that additional houses in the local area may need to be purchased for this purpose.

The main emphasis of the events in 2023 will be twofold. For seven weeks during the FTTL term there will be a Saturday at Bower House. Each Saturday will be followed by a Weekend at Woodland Camp for those who are able to stay. Churches in the UK have been invited to attend at least one of these weekends.

In addition, there will be a resumption of the one-week trainings in May and November of 2023. The hope is also that the full-time trainees will begin again to visit churches outside of London to participate in gospel labour and visitation.

Amana Trust will work with donors to explore a salary increase for the employees as close as possible to inflation to help with the cost of living.

FUNDS HELD AS CUSTODIAN

Funds are held by Amana Trust on behalf of several organisations with similar objectives to those of Amana Trust. These mainly include funds for:

- video training funds held on behalf of Living Stream Ministry, which publishes Christian literature, of £67.3k (2021: £38.6k); and
- other funds held by Amana Trust including gospel trips in Europe for the Church in Anaheim, which is responsible for a Bible school in the USA of £4.9k (2021: £4.9k); a gift for Bulgaria and the Balkans of £5.5k (2021: £15.9k); gifts for Ukraine of £28.1k (2021: £0); gifts for FTTL graduates of £65.1k (2021: £0) and other small funds totalling £8.7k (2021: £14k).

These funds are held by the Charity and managed separately from the activities of the Charity. Total funds held at year end were £186.8k (2021: £73.5k).

TRUSTEES' LIABILITY

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

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also Directors of Amana Trust for the purposes of company law) are responsible for preparing a Trustees' annual report and financial statements in accordance with applicable law 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) (effective 1 January 2015) - (Charities SORP (FRS 102)).

Company law requires the Charity Trustees to prepare financial statements for each year that give a true and fair view of the state of affairs of the charitable Company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing the financial statements the trustees are required to:

- select suitable accounting policies and then apply them consistently;

AMANA TRUST
(A Company limited by guarantee)

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

- 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;
- 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 proper 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 and the Charity constitution. 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.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable Company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement as to disclosure to our auditors

- there is no relevant audit information of which the Charity'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.

Auditors

Ensors were reappointed as auditors for the year ended 31 December 2022.

This report was approved by the Trustees on [22/09/2023](#), including, in their capacity as Company Directors, approving the Directors and Strategic Reports contained therein, and signed on its behalf, by:

Mr. Joseph Davis

AMANA TRUST
(A Company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AMANA TRUST
FOR THE YEAR ENDED 31 DECEMBER 2022

Opinion

We have audited the financial statements of Amana Trust (the "charitable company") for the year ended 31 December 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the 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 FRS 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, 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 and the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with the 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 charitable company 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 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.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's 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 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.

AMANA TRUST
(A Company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AMANA TRUST
FOR THE YEAR ENDED 31 DECEMBER 2022**

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.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 require 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; 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' exemption in preparing the Trustees' Report.

Responsibilities of the trustees

As explained more fully in the statement of responsibilities, the trustees, who are also the directors 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 trustees determine is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statement, 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 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.

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.

In planning our audit, we identify and assess the risk of material misstatement within the financial statements, whether due to fraud or error. In assessing the risks, consideration is given to the control environment (including Trustees' and management's own processes for identification and risk assessment) as well as the nature of the entity, the industry in which it operates and the underlying performance. Consideration is also given to the attitudes and incentives of management to commit fraud, with specific procedures planned and performed to respond to the risk of inappropriate management override of controls.

We also obtained an understanding of the applicable laws and regulations to which the charity must adhere, through discussions with management and those charged with governance, as well as commercial knowledge of the sector and statutory legislation, in order to determine the key laws and regulations applicable to the charity.

After assessing the risk of fraud, we performed audit procedures to gain assurance regarding fraud and management override as follows:

- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the rationale behind significant transactions outside the normal course of business.
- Assessment of key accounting estimates within the financial statements in order to assess their reasonableness to determine whether there is any bias in the estimates.
- Review of meeting minutes of Trustees and management

AMANA TRUST
(A Company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AMANA TRUST
FOR THE YEAR ENDED 31 DECEMBER 2022

- Enquiring of management and Trustees as to whether they are aware of any alleged, suspected or actual fraud during the year
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the rationale behind significant transactions outside the normal course of business.
- Assessment of key accounting estimates within the financial statements in order to assess their reasonableness to determine whether there is any bias in the estimates.
- Review of meeting minutes of Trustees and management
- Enquiring of management and Trustees as to whether they are aware of any alleged, suspected or actual fraud during the year

We also performed procedures to satisfy ourselves regarding the Charity's compliance with applicable laws and regulations, including:

- Enquiry of Trustees, management and the entity's solicitors around actual and potential litigation and claims
- Reviewing correspondence with relevant legal authorities
- Reviewing legal expense accounts for any indicators of litigations

All audit team members were made aware of the applicable laws and regulations, as well as potential fraud risks during the planning stage of the audit and this was discussed at the audit team planning meeting. It was therefore determined that team members all had the relevant awareness and competence to identify any instances of non-compliance or fraud.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorresponsibilities>. This description forms part of our auditor's 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 2016, and to the charitable company's trustees as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the 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.

Barry Gostling (Senior Statutory Auditor)

For and on behalf of

Ensors Accountants LLP

Chartered Accountants

Statutory Auditors

Connexions
159 Princes Street
Ipswich
IP1 1QJ

Date: 25/09/2023

AMANA TRUST
(A Company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating Income and Expenditure Account)
FOR THE YEAR ENDED 31 DECEMBER 2022

| | | Restricted funds | Unrestricted funds | Total funds | Restricted funds | Unrestricted funds | Total funds |
|---|------|-------------------------|--------------------------|--------------------------|-------------------------|--------------------------|--------------------------|
| | Note | 2022 | 2022 | 2022 | 2021 | 2021 | 2021 |
| | | £ | £ | £ | £ | £ | £ |
| INCOME | | | | | | | |
| Donations | 2 | 2,909,650 | 282,995 | 3,192,645 | 2,123,047 | 298,147 | 2,421,194 |
| Charitable activities | | | | | | | |
| Training | | - | 171,192 | 171,192 | - | 141,150 | 141,150 |
| Literature sales | | - | 91,968 | 91,968 | - | 90,207 | 90,207 |
| Conferences and events | | - | 164,666 | 164,666 | - | 29,051 | 29,051 |
| Other | | 396 | 91,222 | 91,618 | 22,691 | 149,099 | 171,790 |
| Trading activities | 3 | - | - | - | - | - | - |
| Investments | | | | | | | |
| Interest income | 4 | - | 4,129 | 4,129 | - | 172 | 172 |
| TOTAL INCOME | | <u>2,910,045</u> | <u>806,173</u> | <u>3,716,218</u> | <u>2,145,738</u> | <u>707,826</u> | <u>2,853,564</u> |
| EXPENSES | | | | | | | |
| Charitable activities | 5 | 1,398,585 | 662,676 | 2,061,061 | 1,500,620 | 441,874 | 1,942,494 |
| Raising funds | 5 | | | | | | |
| Trading activities | | - | 49,997 | 49,997 | - | 74,602 | 74,602 |
| Other | 5 | | | | | | |
| Other | | 442,057 | 351,639 | 793,696 | 516,518 | 246,806 | 766,324 |
| TOTAL EXPENSES | | <u>1,840,642</u> | <u>1,064,312</u> | <u>2,904,954</u> | <u>2,017,138</u> | <u>763,282</u> | <u>2,780,420</u> |
| NET INCOMING/(OUTGOING) FUNDS FROM OPERATIONS BEFORE TRANSFERS | | 1,069,403 | (258,139) | 811,264 | 128,600 | (55,456) | 73,144 |
| Transfers between funds | | (134,161) | 134,161 | - | (37,706) | 37,706 | - |
| NET INCOME BEFORE OTHER RECOGNISED GAINS AND LOSSES | | <u>935,242</u> | <u>(123,978)</u> | <u>811,264</u> | <u>90,894</u> | <u>(17,750)</u> | <u>73,144</u> |
| OTHER RECOGNISED GAINS AND LOSSES | | | | | | | |
| Cash flow hedge - mark to market | | 13,259 | - | 13,259 | (17,431) | - | (17,431) |
| Reclassification to profit and loss | | - | - | - | - | - | - |
| NET MOVEMENT IN FUNDS | | <u>948,501</u> | <u>(123,978)</u> | <u>824,523</u> | <u>73,463</u> | <u>(17,750)</u> | <u>55,713</u> |
| <i>Total funds 1 January 2021</i> | 17 | <u>5,492,972</u> | <u>10,367,982</u> | <u>15,860,954</u> | <u>5,419,509</u> | <u>10,385,732</u> | <u>15,805,241</u> |
| TOTAL FUNDS AT 31 DECEMBER 2022 | | <u><u>6,441,473</u></u> | <u><u>10,244,004</u></u> | <u><u>16,685,477</u></u> | <u><u>5,492,972</u></u> | <u><u>10,367,982</u></u> | <u><u>15,860,954</u></u> |

The notes on pages 18 to 31 form part of these financial statements.

AMANA TRUST
(A Company limited by guarantee)

BALANCE SHEET
AS AT 31 DECEMBER 2022

| | Note | Restricted funds 2022 £ | Unrestricted funds 2022 £ | Total funds 2022 £ | Restricted funds 2021 £ | Unrestricted funds 2021 £ | Total funds 2021 £ |
|--|------|----------------------------------|------------------------------------|-----------------------------|----------------------------------|------------------------------------|-----------------------------|
| NON-CURRENT ASSETS | | | | | | | |
| Tangible assets | 9 | 5,742,568 | 9,492,029 | 15,234,597 | 4,982,536 | 8,578,384 | 13,560,920 |
| Investments | 10 | 1 | - | 1 | - | 1 | 1 |
| Fixed assets | | 5,742,569 | 9,492,029 | 15,234,598 | 4,982,536 | 8,578,385 | 13,560,921 |
| Long-term receivable | 13 | - | 83,985 | 83,985 | - | 91,425 | 91,425 |
| | | 5,742,569 | 9,576,014 | 15,318,583 | 4,982,536 | 8,669,810 | 13,652,346 |
| CURRENT ASSETS | | | | | | | |
| Stocks | 12 | - | 76,142 | 76,142 | - | 77,454 | 77,454 |
| Debtors | 11 | - | 248,810 | 248,810 | - | 121,240 | 121,240 |
| Cash and cash equivalents | | 698,904 | 766,848 | 1,465,752 | 510,436 | 1,794,925 | 2,305,361 |
| Derivative financial instrument | 16 | - | - | - | - | - | - |
| | | 698,904 | 1,091,800 | 1,790,704 | 510,436 | 1,993,619 | 2,504,055 |
| CURRENT LIABILITIES | | | | | | | |
| Creditors: amounts falling due within one year | 14 | - | (417,870) | (417,870) | - | (264,368) | (264,368) |
| Derivative financial instrument | 16 | - | - | - | - | - | - |
| | | - | (417,870) | (417,870) | - | (264,368) | (264,368) |
| NET CURRENT ASSETS | | <u>698,904</u> | <u>673,930</u> | <u>1,372,834</u> | <u>510,436</u> | <u>1,729,251</u> | <u>2,239,687</u> |
| NON-CURRENT LIABILITIES | | | | | | | |
| Creditors: amounts falling due after one year | 15 | - | (5,940) | (5,940) | - | (17,820) | (17,820) |
| Derivative financial instrument | 16 | - | - | - | - | (13,259) | (13,259) |
| | | - | (5,940) | (5,940) | - | (31,079) | (31,079) |
| NET ASSETS | | <u>6,441,473</u> | <u>10,244,004</u> | <u>16,685,477</u> | <u>5,492,972</u> | <u>10,367,982</u> | <u>15,860,954</u> |
| CHARITY FUNDS | | | | | | | |
| Restricted funds | 17 | 6,441,473 | - | 6,441,473 | 5,492,972 | - | 5,492,972 |
| Unrestricted funds | 17 | - | 10,244,004 | 10,244,004 | - | 10,367,982 | 10,367,982 |
| TOTAL FUNDS | | <u>6,441,473</u> | <u>10,244,004</u> | <u>16,685,477</u> | <u>5,492,972</u> | <u>10,367,982</u> | <u>15,860,954</u> |

The financial statements were approved by the trustees on 22 September.....2023 and signed on their behalf, by:

Mr. J Davis

The notes on pages 18 to 31 form part of these financial statements.

Company Registration Number: 04366897

Charity Number: 1093401

AMANA TRUST
(A Company limited by guarantee)

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2022

| | 2022 £ | 2021 £ |
|---|-------------------------|-------------------------|
| a) Reconciliation of net income to net cash flow from operating activities | | |
| Net income for the reporting year (as per the Statement of Financial Activities) | 811,264 | 73,144 |
| Adjustments for: | | |
| Depreciation charge | 227,888 | 209,794 |
| Loss on disposal of fixed assets | - | - |
| Profit on disposal of fixed assets | (840) | - |
| Foreign exchange loss / (gain) shown in financing activities | - | 3 |
| Interest income shown in investing activities | (4,129) | (172) |
| Adjustments for changes in working capital: | | |
| (Increase) / Decrease in inventory | 1,312 | 10,335 |
| (Increase) / Decrease in debtors | (127,570) | (22,899) |
| Increase / (Decrease) in creditors | 163,972 | 6,184 |
| Net cash provided by operating activities | <u>1,062,288</u> | <u>276,389</u> |
| b) Statement of cash flows | | |
| Net cash provided by operating activities | <u>1,062,288</u> | <u>276,389</u> |
| Cash flows for investing activities: | | |
| Interest income | 4,129 | 172 |
| Long-term receivable | 7,440 | 6,820 |
| Purchase of tangible assets | (1,833,484) | - |
| Payments for assets under construction | (68,102) | (1,117,864) |
| Net cash used in investing activities | <u>(1,890,017)</u> | <u>(1,110,872)</u> |
| Cash flow for financing activities | | |
| Repayment of long-term financing | - | - |
| Repayments of Hire Purchase obligations | (11,880) | (11,880) |
| Proceeds from sale of tangible assets | - | - |
| Net cash provided by financing activities | <u>(11,880)</u> | <u>(11,880)</u> |
| Change in cash and cash equivalents in the year | (839,609) | (846,363) |
| Currency translation differences | - | (3) |
| Net change in cash and cash equivalents in the year | <u>(839,609)</u> | <u>(846,366)</u> |
| Cash and cash equivalents at the beginning of the year | <u>2,305,361</u> | <u>3,151,727</u> |
| Cash and cash equivalents at the end of the year | <u><u>1,465,752</u></u> | <u><u>2,305,361</u></u> |

AMANA TRUST
(A Company limited by guarantee)

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

1. ACCOUNTING POLICIES

1.1 Company information

The Charity is a private company limited by guarantee. The Charity is incorporated in England, United Kingdom with its registered office at Bower House, Orange Tree Hill, Romford, Essex, RM4 1PB.

The members of the company are the trustees named on page 1. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity.

1.2 Basis of preparation of financial statements

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

The Charity has taken advantage of the exemptions available from producing consolidated financial statements on the basis that it only has one subsidiary, which is a dormant entity. Consequently, the preparation of consolidated financial statements is not deemed necessary to present a true and fair view of the group in the period to, and at 31 December 2022.

Amana Trust meets the definition of a public benefit entity under FRS 102.

The financial statements are presented in Pound Sterling (£).

1.3 Going concern

The Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. The Charity therefore continues to adopt the going concern basis in preparing its financial statements.

1.4 Fund accounting

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

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

1.5 Incoming resources

All incoming resources are included in the statement of financial activities when the Charity has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability. Incoming resources, except for donation income, are derived from the provision of goods / services, and stated after trade discounts, other sales taxes and are net of VAT.

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

Income from Christian training and events undertaken by the Charity is included in incoming resources in the period in which the relevant activity takes place.

Income from sales of literature is recognised when goods are dispatched to customers.

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

1. ACCOUNTING POLICIES (continued)

1.6 Interest income

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.

1.7 Resources expended

Expenditure is accounted for on an accrual basis and has been included under expense activities that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

Expenditure is classified under the following activity headings:

- The costs of raising funds comprise the costs associated with the generation of income relating to trading activities and their associated support costs.
- Expenditure on charitable activities includes the costs associated with the activities undertaken to further the purposes of the Charity and their associated support costs.
- Other expenditure represents those items not falling into any other category.

Support costs are those costs incurred in support of expenditure on the objects of the Charity and include overhead costs relating to functions carried out at Bower House. Governance costs are those incurred in connection with administration of the Charity and compliance with constitutional and statutory requirements. Support costs and Governance costs have been allocated on the basis of cost drivers specific to each cost. The cost driver used was the number of staff members required to support a specific charitable activity as set out in the Charities organogram.

1.8 Tangible fixed assets and depreciation

All assets costing more than £5,000 are capitalised. Complements of items below those thresholds are capitalised where they form part of one project and together cost more than £50,000.

Assets under construction are not depreciated until they are brought into use. Tangible fixed assets are stated at cost less depreciation and any accumulated impairment loss. Depreciation is not charged on freehold land. Depreciation on other tangible fixed assets is provided at rates calculated to write off the cost of those assets, less their estimated residual value, over their expected useful lives on the following bases:

| | | |
|-----------------------|---|---|
| Freehold property | - | 2% straight line |
| Motor vehicles | - | 25% straight line |
| Fixtures and fittings | - | 20% straight line |
| Office equipment | - | 20% straight line and 25% straight line |

1.9 Investments

Unlisted investments are held at cost as an approximation to fair value where the fair value is not easily obtainable.

1.10 Impairment of assets

At each reporting date fixed assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

1.11 Operating leases

The Charity classifies the lease of printing and laundry equipment as operating leases; the title to the equipment remains with the lessor. Rentals under operating leases are charged to the statement of financial activities on a straight-line basis over the lease term.

AMANA TRUST
(A Company limited by guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.12 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. The cost of stocks includes the cost of purchases and other costs incurred in bringing the stocks to their present location and condition.

1.13 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

1.14 Cash and cash equivalents

Cash and cash equivalents 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 a deposit or similar account.

1.15 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 recognised at their settlement amount after allowing for any trade discounts due.

The Charity recognises a provision for annual leave accrued by employees as a result of services rendered in the current period. Employees are entitled to carry forward and use within the first month of the following year. The provision is measured at the salary cost payable for the period of absence.

1.16 Financial instruments

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost using the effective interest method, unless the transaction constitutes a financial transaction, where the transaction is measured at the present value of the future receipts.

Derivatives designated as hedging instruments in an effective hedge are carried on the balance sheet at fair value. The treatment of gains and losses arising from revaluation are recognised within other recognised gains and losses, except if the hedging instrument expires or is sold, terminated or exercised without replacement or rollover, or if its designation as a hedge is revoked, amounts previously recognised within other recognised gains and losses remain in equity until the forecast transaction occurs and are reclassified to the statement of financial activity. If the forecast transaction is no longer expected to occur, amounts previously recognised within other recognised gains and losses will be immediately reclassified to the statement of financial activity.

1.17 Pensions

Employees are automatically enrolled into a multi-employer, defined contribution occupational pension scheme with People Pension, unless they exercise their right to opt-out of the scheme membership. Amana Trust makes a 3% contribution to the pension scheme. The employer's contribution is charged to the Statement of Financial Activities in the period in which the salary to which the pension relates is due.

1.18 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into Pound Sterling at rates of exchange ruling at the balance sheet date.

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

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

AMANA TRUST
(A Company limited by guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.19 Critical judgements and sources of estimation uncertainty

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

Critical accounting estimates and assumptions

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

Depreciation

The Charity uses rate of depreciation to write down different classes of assets which the Charity owns and which it estimates based on prior experience and after taking into account any additional circumstances that, once fully depreciated over its useful life, the asset should be stated at its residual value or £Nil if there is no residual value.

AMANA TRUST
(A Company limited by guarantee)

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

2. DONATIONS

| | Restricted funds 2022 | Unrestricted funds 2022 | Total funds 2022 | Total funds 2021 |
|-------------------------------|-----------------------------|-------------------------------|---------------------|---------------------|
| | £ | £ | £ | £ |
| General fund | - | 282,995 | 282,995 | 298,147 |
| Servant support fund | 1,344,569 | - | 1,344,569 | 1,320,391 |
| Radio contributions fund | 129,928 | - | 129,928 | 119,481 |
| Construction fund | 1,432,754 | - | 1,432,754 | 680,797 |
| Romanian RcV translation fund | 2,399 | - | 2,399 | 2,378 |
| Total 2022 | 2,909,650 | 282,995 | 3,192,645 | 2,421,194 |
| <i>Total 2021</i> | <i>2,123,047</i> | <i>298,147</i> | <i>2,421,194</i> | <i>3,666,418</i> |

3. TRADING ACTIVITIES

| | Unrestricted funds 2022 | Total funds 2022 | Total funds 2021 |
|----------------|-------------------------------|---------------------|---------------------|
| | £ | £ | £ |
| Bookshop gifts | - | - | - |
| Total | - | - | - |

4. INVESTMENT INCOME

All the Charity's investment income of £4,129 (2021: £172) arises from money held in interest bearing deposit accounts.

5. ANALYSIS OF EXPENDITURE

| | Direct costs Cost of sales £ | Direct costs Staff £ | Direct costs external £ | Support costs other £ | Support costs governance £ | Total £ |
|------------------------------|---------------------------------------|----------------------------|-------------------------------|--------------------------------|-------------------------------------|------------------|
| Charitable activities | | | | | | |
| Training | 3,838 | 281,031 | 92,448 | 275,599 | 16,237 | 669,153 |
| Literature costs | 44,176 | 216,178 | 18,633 | 111,345 | 9,759 | 400,091 |
| Conferences | - | 467,772 | 160,808 | 118,114 | 7,320 | 754,013 |
| Radio broadcast | - | 80,422 | 130,336 | 27,836 | 2,440 | 241,034 |
| | 48,013 | 1,045,402 | 402,225 | 532,895 | 35,756 | 2,064,292 |
| Raising funds | | | | | | |
| Trading activities | - | - | 49,997 | - | - | 49,997 |
| | - | - | 49,997 | - | - | 49,997 |
| Other | | | | | | |
| Other | - | 461,910 | 237,926 | 83,509 | 7,320 | 790,665 |
| | - | - | - | - | - | 790,665 |
| Total 2022 | 48,013 | 1,507,312 | 690,148 | 616,404 | 43,076 | 2,904,954 |
| <i>Total 2021</i> | <i>36,478</i> | <i>1,560,677</i> | <i>438,672</i> | <i>700,676</i> | <i>43,917</i> | <i>2,780,420</i> |

Expenditure on charitable activities was £2,061,261 (2021: £1,942,494) of which £1,398,585 (2021: £1,500,620) was restricted and £662,676 (2021: £441,874) was unrestricted.

AMANA TRUST
(A Company limited by guarantee)

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

6. GOVERNANCE COSTS

| | Unrestricted funds 2022 £ | Total funds 2022 £ | Total funds 2021 £ |
|-----------------------------------|------------------------------------|-----------------------------|-----------------------------|
| Audit | 12,271 | 12,271 | 9,437 |
| Accountancy and taxation services | 18,266 | 18,266 | 18,671 |
| Other governance costs | 17,336 | 17,336 | 15,809 |
| Total 2022 | <u>47,873</u> | <u>47,873</u> | <u>43,917</u> |
| <i>Total 2021</i> | <u>43,917</u> | <u>43,917</u> | <u>43,917</u> |

7. NET INCOME / (EXPENDITURE)

This is stated after charging / (crediting):

| | 2022 £ | 2021 £ |
|--|-----------|-----------|
| Depreciation of tangible fixed assets | 227,888 | 209,794 |
| Auditor's remuneration | 12,271 | 9,437 |
| Rentals payable under operating leases | 3,145 | 4,193 |
| Interest payable and similar charges | 315 | 276 |
| (Profit) / loss on disposal of assets | - | - |
| Foreign exchange (gain) / loss | <u>-</u> | <u>-</u> |

8. STAFF COSTS

| Staff costs were as follows: | Restricted funds 2022 £ | Unrestricted funds 2022 £ | Total 2022 £ | Total 2021 £ |
|------------------------------|----------------------------------|------------------------------------|--------------------|--------------------|
| Salaries | 1,295,259 | 57,687 | 1,352,946 | 1,433,006 |
| Social security costs | 128,533 | 1,102 | 129,635 | 104,046 |
| Pension costs | 22,590 | 672 | 23,262 | 23,624 |
| Total 2022 | <u>1,446,382</u> | <u>59,461</u> | <u>1,505,843</u> | <u>1,560,677</u> |
| <i>Total 2021</i> | <u>1,441,543</u> | <u>119,133</u> | <u>1,560,677</u> | <u>1,560,677</u> |

The average number of employees during the year was as follows:

| | 2022 No. | 2021 No. |
|--|-------------|-------------|
| Office staff | 20 | 40 |
| Staff engaged in charitable activities | <u>58</u> | <u>51</u> |
| | <u>78</u> | <u>91</u> |

No employee received remuneration amounting to more than £60,000 in either year. Pension costs are allocated to activities in proportion to the related staffing costs incurred.

The key management of the Charity are the trustees who play an active role in the day to day management of the Charity. No trustee received payment for professional or other services provided to the Charity (2021: £nil).

AMANA TRUST
(A Company limited by guarantee)

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

9. TANGIBLE FIXED ASSETS

| | Freehold property | Assets under construction ¹ | Motor vehicles | Fixtures & Fittings | Office equipment | Total |
|-----------------------|-------------------|--|----------------|---------------------|------------------|-------------------|
| Cost | | | | | | |
| At 1 January 2022 | 12,759,927 | 1,692,716 | 334,597 | 283,164 | 28,516 | 15,098,920 |
| Additions | 1,744,135 | 68,102 | 89,349 | - | - | 1,901,586 |
| Disposals | - | - | (10,469) | - | - | - |
| Transfers | 1,373,414 | (1,373,414) | - | - | - | (10,469) |
| At 31 December 2022 | <u>15,877,476</u> | <u>387,404</u> | <u>413,477</u> | <u>283,164</u> | <u>28,517</u> | <u>16,990,037</u> |
| Depreciation | | | | | | |
| At 1 January 2022 | 961,179 | - | 293,076 | 256,669 | 27,077 | 1,538,000 |
| Charge for the year | 176,177 | - | 40,192 | 10,100 | 1,439 | 227,908 |
| On disposals | - | - | (10,469) | - | - | (10,469) |
| At 31 December 2022 | <u>1,137,356</u> | <u>-</u> | <u>322,799</u> | <u>266,769</u> | <u>28,516</u> | <u>1,755,439</u> |
| Net book value | | | | | | |
| At 31 December 2022 | <u>14,740,119</u> | <u>387,404</u> | <u>90,678</u> | <u>16,395</u> | <u>-</u> | <u>15,234,597</u> |
| At 31 December 2021 | <u>11,798,748</u> | <u>1,692,716</u> | <u>41,521</u> | <u>26,496</u> | <u>1,439</u> | <u>13,560,920</u> |

1 Assets under construction comprise capitalised construction costs within the restricted Construction fund which have been capitalised as part of the building project. Refer to the Trustees Report for more details.

Included within Freehold property is land of £5,229,448 (2021: £4,787,935), which is not depreciated.

AMANA TRUST
(A Company limited by guarantee)

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

10. INVESTMENTS

The Charity has only one subsidiary, which is a dormant entity, with a registered address of, Bower House, Orange Tree Hill, Romford, Essex, RM4 1PB.

| | Unlisted investments | Total |
|-----------------------|---------------------------------|--------------|
| | £ | £ |
| Cost | | |
| At 1 January 2022 | 1 | 1 |
| Additions | - | - |
| At 31 December 2022 | <u>1</u> | <u>1</u> |
| Net book value | | |
| At 31 December 2022 | <u>1</u> | <u>1</u> |
| At 31 December 2021 | <u>1</u> | <u>1</u> |

| Company | Country of registration or incorporation | Class | Shares held |
|-------------------------------|---|--------------|--------------------|
| Subsidiary undertaking | | | % |
| FTTL Limited | England and Wales | Ordinary | 100% |

The aggregate amount of capital and reserves and the results of this undertaking for the last relevant financial year are as follows:

| Subsidiary undertaking | Principal activity | Capital and reserves 2022 | Profit / (loss) for the year 2022 |
|-------------------------------|---------------------------|--|--|
| | | £ | £ |
| FTTL Limited | Dormant | 1 | - |

11. DEBTORS

| | 2022 | 2021 |
|---|----------------|----------------|
| | £ | £ |
| Trade debtors | 27,702 | 18,627 |
| Other debtors | 44,035 | 23,123 |
| Short term portion - Long-term receivable | 33,855 | 39,209 |
| Prepayments and accrued income | 143,300 | 40,384 |
| Total | <u>248,892</u> | <u>121,343</u> |

All amounts are payable within 12 months. The net carrying value of debtors is considered a reasonable approximation of fair value.

AMANA TRUST
(A Company limited by guarantee)

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

12. STOCKS

| | 2022 | <i>2021</i> |
|----------------|---------------|---------------|
| | £ | £ |
| Bookshop stock | <u>76,142</u> | <u>77,454</u> |

Stock recognised in cost of sales during the year as an expense was £48,013 (2021: £36,478).

13. DEBTORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

| | Total | <i>Total</i> |
|--|----------------------|----------------------|
| | 2022 | <i>2021</i> |
| | £ | £ |
| Amounts receivable between two and five years | | |
| Long-term receivable | <u>29,139</u> | <u>29,139</u> |
| Amounts receivable after more than five years | | |
| Long-term receivable | <u>54,846</u> | <u>62,286</u> |
| Total debtors receivable after more than one year | <u><u>83,985</u></u> | <u><u>91,425</u></u> |

In 2017, Amana Trust sold its property in Glasgow to the Church in Glasgow for £151.8k, whereby the church in Glasgow will repay Amana Trust over a period of 30 years in equal monthly instalments. During 2020, it was determined that no interest would be charged on the loan balance from the beginning of 2020. This is still the case as at 31 December 2022.

14. CREDITORS

| | Unrestricted funds | Total | <i>Total</i> |
|---|---------------------------|-----------------------|-----------------------|
| | 2022 | 2022 | <i>2021</i> |
| | £ | £ | £ |
| Amounts falling due within one year | | | |
| Trade creditors | 102,072 | 102,072 | 62,013 |
| Other creditors | 193,369 | 193,369 | 80,267 |
| Obligations under finance leases | 11,880 | 11,880 | 11,880 |
| Accruals and income received in advance | <u>110,549</u> | <u>110,549</u> | <u>110,208</u> |
| Total 2022 | <u>417,870</u> | <u>417,870</u> | <u>264,368</u> |
| <i>Total 2021</i> | <u><u>264,368</u></u> | <u><u>264,368</u></u> | <u><u>264,368</u></u> |

AMANA TRUST
(A Company limited by guarantee)

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

15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

| | Total 2022 £ | <i>Total 2021 £</i> |
|---|-----------------------------|-----------------------------|
| Amounts falling due between two and five years | | |
| Long term borrowing - payable by instalments | - | - |
| Obligations under finance leases | 5,940 | 17,820 |
| | 5,940 | 17,820 |
| Amounts falling due after more than five years | | |
| Long term borrowing - payable by instalments | - | - |
| Total creditors falling due after more than one year | 5,940 | 17,820 |

16. FINANCIAL INSTRUMENTS

The Charity has the following financial instruments:

| | Restricted funds 2022 £ | Unrestricted funds 2022 £ | Total 2022 £ | <i>Total 2021 £</i> |
|--|--|--|-----------------------------|-----------------------------|
| Financial assets | | | | |
| Measured at amortised cost: | | | | |
| Cash | 698,904 | 766,848 | 1,465,752 | 2,305,361 |
| Long-term receivable | - | 83,985 | 83,985 | 98,865 |
| Trade debtors | - | 27,702 | 27,702 | 18,627 |
| Other debtor transactions | - | 137,205 | 137,205 | 95,277 |
| | 698,904 | 1,015,740 | 1,714,644 | 2,518,130 |
| Measured at fair value: | | | | |
| Derivative financial instruments | - | - | - | - |
| Total 2022 | 698,904 | 1,015,740 | 1,714,644 | 2,518,130 |
| <i>Total 2021</i> | 627,254 | 1,890,876 | 2,518,130 | 2,518,130 |
| Financial liabilities measured at amortised cost: | | | | |
| Trade creditors | - | 102,072 | 102,072 | 62,013 |
| Other creditor transactions | - | 303,918 | 303,918 | 190,475 |
| Long-term financing | - | 17,820 | 17,820 | 29,700 |
| | - | 423,810 | 423,810 | 282,188 |
| Measured at fair value: | | | | |
| Derivative financial instruments | - | - | - | 13,529 |
| Total 2022 | - | 423,810 | 423,810 | 295,447 |
| <i>Total 2021</i> | - | 295,447 | 295,447 | 295,447 |

AMANA TRUST
(A Company limited by guarantee)

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

17. STATEMENT OF FUNDS

| | Brought forward | Incoming resources | Resources expended | Transfer of funds | Total funds | Mark to market | Carried forward |
|-------------------------------------|--------------------|-----------------------|-----------------------|----------------------|-------------------|-------------------|--------------------|
| | 2021 | 2022 | 2022 | 2022 | 2022 | 2022 | 2022 |
| | £ | £ | £ | £ | £ | £ | £ |
| Unrestricted funds | | | | | | | |
| General fund | 10,298,490 | 806,173 | (1,028,421) | (196,051) | 9,880,191 | - | 9,880,191 |
| Designated fund - Managed | 33,913 | - | (33,913) | - | - | - | - |
| Designated fund - Ministry | 35,580 | - | (1,978) | (33,602) | - | - | - |
| Designated fund – Construction | - | - | - | 363,814 | 363,814 | - | 363,814 |
| Total Unrestricted funds | <u>10,367,983</u> | <u>806,173</u> | <u>(930,151)</u> | <u>134,161</u> | <u>10,244,005</u> | <u>-</u> | <u>10,244,005</u> |
| Restricted funds | | | | | | | |
| Construction fund | 5,472,487 | 1,433,149 | (442,054) | (61,097) | 6,402,485 | 13,259 | 6,415,744 |
| Servant support fund | 9,081 | 1,344,569 | (1,264,582) | (70,100) | 18,969 | - | 18,969 |
| Radio contributions fund | 6,982 | 129,928 | (133,946) | (2,964) | - | - | - |
| Romania travel | - | - | - | - | - | - | - |
| Romanian Recovery fund | 4,420 | 2,399 | (60) | - | 6,759 | - | 6,759 |
| Total Restricted funds | <u>5,492,971</u> | <u>2,910,045</u> | <u>(1,840,642)</u> | <u>(134,161)</u> | <u>6,428,213</u> | <u>13,259</u> | <u>6,441,472</u> |
| Total funds | <u>15,860,954</u> | <u>2,910,045</u> | <u>(2,904,954)</u> | <u>-</u> | <u>16,672,218</u> | <u>13,259</u> | <u>16,685,477</u> |

The general fund represents 'free reserves' after allowing for all designated funds.

The designated fund represents rental income from managed properties which has been designated for maintenance costs related to those properties, offset by costs incurred in respect of maintenance carried out.

The Construction fund represents donations made toward the costs for construction at Bower House, Woodland Camp and Bower Farm and will be used for ongoing construction and redevelopment projects.

The Servant support fund represents donations made toward the support of the employees of the Charity.

The Radio contributions fund represents donations made toward the radio broadcasting and associated costs.

The Romanian Recovery version fund represents donations being given towards the costs incurred in starting to translate the Recovery version of the New Testament into Romanian.

The Romania travel fund represents travel costs incurred for travel to Romania that are reimbursed by LME. The fund was in deficit at the Year End owed to timing differences between the cost being incurred and the reimbursement being received.

The transfer of funds from restricted to general funds relates to overheads allocation.

The transfer of fund from general to designated funds relates to funds which were designated to cover maintenance costs related to Amana Trust managed properties.

AMANA TRUST
(A Company limited by guarantee)

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

17. STATEMENT OF FUNDS (CONTINUED)

| | Brought forward | Incoming resources | Resources expended | Transfer of funds | Total funds | Mark to market | Carried forward |
|-------------------------------------|--------------------|-----------------------|-----------------------|----------------------|-------------------|-------------------|--------------------|
| | 2020 | 2021 | 2021 | 2021 | 2021 | 2021 | 2021 |
| | £ | £ | £ | £ | £ | £ | £ |
| Unrestricted funds | | | | | | | |
| General fund | 10,320,929 | 707,826 | (713,971) | (16,294) | 10,298,490 | - | 10,298,490 |
| Designated fund | 53,387 | - | (37,474) | 18,000 | 33,913 | - | 33,913 |
| Designated fund - Ministry | 11,416 | - | (11,836) | 36,000 | 35,580 | - | 35,580 |
| Total Unrestricted funds | <u>10,385,732</u> | <u>707,826</u> | <u>(763,281)</u> | <u>37,706</u> | <u>10,367,983</u> | <u>-</u> | <u>10,367,983</u> |
| Restricted funds | | | | | | | |
| Construction fund | 5,324,497 | 681,940 | (516,519) | - | 5,489,918 | (17,431) | 5,472,487 |
| Servant support fund | 8,173 | 1,341,939 | (1,303,325) | (37,706) | 9,081 | - | 9,081 |
| Radio contributions fund | 90,021 | 119,481 | (202,520) | - | 6,982 | - | 6,982 |
| Netherlands fund | (5,264) | - | 5,264 | - | - | - | - |
| Romanian Recovery fund | 2,082 | 2,378 | (40) | - | 4,420 | - | 4,420 |
| Total Restricted funds | <u>5,419,509</u> | <u>2,145,738</u> | <u>(2,017,139)</u> | <u>(37,706)</u> | <u>5,510,402</u> | <u>(17,431)</u> | <u>5,492,971</u> |
| Total funds | <u>15,805,241</u> | <u>2,853,564</u> | <u>(2,780,420)</u> | <u>-</u> | <u>15,843,524</u> | <u>(17,431)</u> | <u>15,860,954</u> |

The general fund represents 'free reserves' after allowing for all designated funds.

The designated fund represents rental income from managed properties which has been designated for maintenance costs related to those properties, offset by costs incurred in respect of maintenance carried out.

The Construction fund represents donations made toward the costs for construction at Bower House, Woodland Camp and Bower Farm and will be used for ongoing construction and redevelopment projects.

The Servant support fund represents donations made toward the support of the employees of the Charity.

The Radio contributions fund represents donations made toward the radio broadcasting and associated costs.

The Romanian Recovery version fund represents donations being given towards the costs incurred in starting to translate the Recovery version of the New Testament into Romanian.

The Romania travel fund represents travel costs incurred for travel to Romania that are reimbursed by LME. The fund was in deficit at the Year End owed to timing differences between the cost being incurred and the reimbursement being received.

The transfer of funds from restricted to general funds relates mainly to loan repayments made out of general funds in relation to the construction fund, plus construction overheads allocation.

The transfer of fund from general to designated funds relates to funds which were designated to cover maintenance costs related to Amana Trust managed properties.

AMANA TRUST
(A Company limited by guarantee)

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

18. OPERATING LEASE COMMITMENTS

At 31 December 2021 the charity had annual commitments under non-cancellable operating leases as follows:

| | 2022 | 2021 |
|----------------------------|--------------|--------------|
| | £ | £ |
| Expiry Date: | | |
| Within one year | 3,145 | 4,193 |
| Between two and five years | - | 3,415 |
| Total | <u>3,145</u> | <u>7,338</u> |

19. ANALYSIS OF CHANGES IN NET DEBT

| | At 1 January 2022 £ | Cash Flows | Changes in Market Value | At 31 December 2022 £ |
|---|--|-------------------|--|--|
| Cash & Cash Equivalents | 2,305,361 | (839,609) | - | 1,465,752 |
| Derivative financial instruments | (13,259) | - | (13,259) | - |
| Obligations under Hire purchase contracts | (29,700) | (11,880) | - | (17,820) |
| | <u>2,262,402</u> | <u>(851,489)</u> | <u>(13,259)</u> | <u>1,447,932</u> |

20. RELATED PARTIES AND RELATED PARTY TRANSACTIONS

Expenses reimbursed to Trustees and the remuneration of the key management personnel of the Charity are disclosed in Note 8.

The Charity has also employed two family members of a Trustee during the period. Their remuneration totalled £33,475 (2021: £42,702) and is considered to be a market rate for services provided.

The trustees of the Charity are also trustees or directors of organisations that donate funds to or enter into commercial transactions with the Charity. The following transactions are disclosed as the individuals concerned are regarded as holding a position of influence in both parties to the transactions concerned at the time they were entered into.

Mr Joseph H Davis and Mr Curtis Kennard are trustees of the Charity and are also trustees of Living Stream Ministry in the USA. As at 31 December 2021, related party balances with Living Stream Ministry comprised a £816 trading balance due by the Charity (2021: £816 due to the Charity). During the year, Amana Trust paid 62k (2021: £16.4k) to Living Stream Ministry, which related to the purchase of publications for resale in the Charity's bookshop, and received £147.6k (2021: £64.9k), which was received as support for employees of Amana Trust who translate and typeset Living Stream Ministry publications.

Mr Joseph H Davis is a trustee of the Charity and is also a trustee of the Church in Houston in the USA. During the year, Amana Trust received £813k (2021: £265.5k) from the Church in Houston, of which £703k was restricted for use on the UK building project, and £110k was restricted for use as support for Christian workers employed by Amana Trust.

AMANA TRUST
(A Company limited by guarantee)

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

20. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

Mr Joseph H Davis is a trustee of the Charity and is also a trustee of Bibles for Europe in the UK. During the year, Amana Trust received nil (2021: £nil) from Bibles for Europe, which was received in respect of support for a full time employee and for office rental space.

21. OFF-BALANCE SHEET ARRANGEMENTS

As at balance sheet date Amana Trust held custodian funds of £186k (2021: £73.5k). The funds include monies held on behalf of Living Stream Ministry of £67k (2021: £38.6k).