

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022

Carmel Ministries International

(A company limited by guarantee)

Charity registration number: 1094052

Company registration number: 04478212

Independent Examiners Ltd
2 Broadbridge Business Centre
Delling Lane
Bosham, Chichester
West Sussex
PO18 8NF

CARMEL MINISTRIES INTERNATIONAL

CONTENTS

Reference and Administrative Details	1
Trustees' Report	2 to 11
Independent Examiner's Report	12
Statement of Financial Activities	13
Balance Sheet	14
Statement of Cash Flows	15
Notes to the Financial Statements	16 to 27

CARMEL MINISTRIES INTERNATIONAL

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees	Gerri Di Somma (resigned 24 October 2022) Richard Carson (resigned 26 April 2022) Wayne Skinner (resigned 1 May 2022) Michelle Leask (appointed 21 October 2022) Graham Keelan (appointed 21 October 2022) Sean Leask (appointed 21 October 2022) Gerardina Meyers (appointed 11 October 2022) Lorena Muchenje (appointed 7 November 2022) John Quintanilla (appointed 2 May 2022 and resigned 21 October 2022) Harvey Grahame-Smith (appointed 26 April 2022 and resigned 11 October 2022) Asif Eppo (appointed 21 October 2022 and resigned 23 October 2022)
Secretary	Michelle Leask
Charity Registration Number	1094052
Company Registration Number	04478212
Registered Office	The Charity is incorporated in England. 817a Bath Road Brislington Bristol Avon BS4 5NL
Independent Examiner	G W Schulz ACMA Independent Examiners Ltd 2 Broadbridge Business Centre Delling Lane Bosham, Chichester West Sussex PO18 8NF
Bankers	Royal Bank of Scotland Plc P.O Box 10 38 St Andrew Square Edinburgh EH2 2AD

CARMEL MINISTRIES INTERNATIONAL

TRUSTEES' REPORT

The Trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 October 2022.

Structure, governance and management

Nature of governing document

The organisation is a charitable company limited by guarantee, incorporated on 5 July 2002 and registered as a Charity on 4 October 2002. A review of the Articles has been undertaken to ensure they are in line with current legal and best practices and was adopted by Special Resolution on the 27 October 2016.

Recruitment and appointment of Trustees

The directors of the company are also the Trustees for the purposes of Charity Law. Under the requirements of the Memorandum and Articles of Association, the Trustees are not subject to retirement by rotation. Unless otherwise determined by the Charity in a general meeting, the term of office of a trustee shall continue until he/she retires or is removed in accordance with the relevant provisions of the Articles. In the event of the appointment of a new Trustee, a full induction and training programme will be developed in line with the prevailing best practices as set out at the time by the Charity Commission.

Organisational structure

The Trustees provide strategic and visionary leadership to the organisation. Within the guidelines laid down by the Trustees, daily operational decisions are made under the direction of the Chief Executive Officer, who is also the Chair of the Trustees.

In addition, Carmel Christian Centre has an Overseer management committee who meet weekly and are responsible for the strategic and operational management and reporting of the Charity to the Chair of Trustees. The Overseers of the committee reports directly to the Chairman of the Board of Trustees. This committee has no voting rights but is responsible for the daily provision of the services of the Charity. A structure of delegation is in place and day to day accountability for the provision of the services rest with the Chief Executive along with the Company Secretary and Finance manager. The Chief Executive is responsible for ensuring that the Charity delivers the services specified and that key performance indicators are met. A Human Resources officer is responsible for individual supervision of the staff team ensuring that the team continues to develop their skills and working practices in line with government legislation and good practice. The Christian School has a Board of Governors who are responsible for the delivery of the full range of skills within the school. The Bible Institute has a Dean supported by an administrative staff that provides the full range of support needed for the students.

To facilitate the delivery of the vision the Overseer management committee serves as the senior administrative team comprising Overseers of Assets, People, and Teaching.

Overseer of Assets - This includes divisions serving: Media, Community Impact. Carmel Business Solutions, Finances, Regulators, Human Resources, Logistics.

CARMEL MINISTRIES INTERNATIONAL

TRUSTEES' REPORT

Overseer of People - This includes divisions serving: Partner Services, Home Groups, Life Groups, Humanitarian, Recreation, Youth Ministry, Children's Church, Outreach, Missions.

Overseer of Teaching - This includes divisions serving: Carmel Christian School, Carmel Bible College, Name changed to Carmel Bible Institute, Adult education, Practical Ministries, Resources, Guest services, Events.

The senior administrative team focuses the actions of those who work within the ministry, both as paid staff and volunteers to ensure the delivery of the vision. In January 2011, the first year of a five-year vision was launched, bring the 20-year vision of the Ministry to a culmination.

Risk management

All financial transactions are processed via a rigorous system that ensures that all transactions are authorised by a senior member of staff. All members of staff completed Health and Safety and safe guarding training to ensure that our systems and procedures are up to date and comply with all relevant legislation and mitigate harm to people in the building as far as possible.

Levels of risk are monitored by members of the Executive management team, and reported on, and dealt with as appropriate. Our risks include:

Fire at the building. This is mitigated by ensuring that our electrical installation is in a safe condition, that our portable appliances are regularly tested and confirmed safe. A remotely monitored fire and smoke alarm ensures that the Avon Fire and Rescue crews are called to the building in the event of an alarm. All firefighting equipment is maintained by a specialist firm through annual inspection.

Theft and criminal damage. This is mitigated by installing a dual PIR sensor alarm system throughout the building. This is regularly maintained by a specialist alarm firm, and is monitored by a remote alarm centre. The system includes an autodialler that connects to the local Police Force in the event of an activation whilst the building is closed. Whilst the building is open, all access doors are protected by swipe card access points so that casual visitors cannot access the building without the appropriate equipment.

Reputational damage and risk of closure. We maintain the school to a high standard and are Ofsted registered and inspected to ensure our standards are verified by an outside body. Inability of our key personnel to be able to deliver public speaking engagements thereby affecting our voluntary income on a Sunday. This risk is mitigated by developing strength in depth of those that can deliver public speaking engagements should the designated speaker not be available.

We maintain a Social Media policy to ensure our media exposure is maintained to a high standard. We have reviewed our Memorandum and Articles to ensure we are in line with current law and best practise.

Data loss. Our IT systems have been built to ensure a robust backup of business critical data, and we are exploring the extension of that to include cloud based backups as an additional layer of backup.

CARMEL MINISTRIES INTERNATIONAL

TRUSTEES' REPORT

Local civil unrest. This is mitigated by the installation of a secondary alarm in the building. It is used when the building needs to be locked down, and alert users not to leave the building. Safe guarding policy ensures compliance with legislation and local authority requirements.

Outside scrutiny

Carmel Ministries International is scrutinised by a number of outside public bodies. As a Charitable Company we are regulated by both Companies House [Company registered number 4478212) and the Charity Commission [Charity registered number 1094052). As a School we are regulated by OFSTED. DCSF number 801/6021 OFSTED Unique reference number 132774. The building is registered as required by the Places of Worship Registration Act 1855. The building is registered for the purposes of marriage under the Marriage Act 1949, Section 41.

Whistleblowing policy

Employees may, in carrying out their responsibilities, have access to, or come into contact with, information of a confidential nature. The terms and conditions provide that except in the proper performance of their duties, employees are forbidden from disclosing, or making use of in any form whatsoever, such confidential information.

However, the law allows employees to make a "protected disclosure" of certain information. In order to be "protected" a disclosure must relate to a specific subject matter [listed below) and the disclosure must be made in an appropriate way. If in the course of employment, an employee becomes aware of information which they reasonably believe tends to show one or more of the following, they must use the Company's disclosure procedure set out below:

- a) That a criminal offence has been committed, is being committed, or is likely to be committed.
- b) That a person has failed, is failing, or is likely to fail to comply with any legal obligation to which he/she is subject.
- c) That a miscarriage of justice has occurred, is occurring, or is likely to occur.
- d) That health or safety of any individual has been, is being, or is likely to be endangered.
- e) That the environment has been, is being, or is likely to be damaged.
- f) That information tending to show any of the above has been, is being, or is likely to be deliberately concealed.

Disclosure procedure

Information which an employee reasonably believes to show one or more of the above should promptly be disclosed to their manager/supervisor so that any appropriate action can be taken. If it is inappropriate to make such a disclosure to the manager/ supervisor, the employee should speak to Rev. Sean Leask.

Employees will suffer no detriment of any sort for making such a disclosure in accordance with this procedure. However, failure to follow this procedure may result in the disclosure of information losing its "protected status". For further guidance in relation to this matter or concerning the use of the disclosure procedure generally, employees should speak in confidence to Rev. Sean Leask.

CARMEL MINISTRIES INTERNATIONAL

TRUSTEES' REPORT

Objectives and activities

Objects and aims

The objects of the Charity are:

- Advance the Christian Faith in accordance with the Statement of Beliefs in such parts of the United Kingdom and the world as the Trustees may from time to time think fit.
- Other such purposes which are exclusively charitable according to the law of England and Wales and are connected with the charitable work of the Charity.

Public benefit

The Trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

In line with Charity Commission guidelines the Trustees continually review the Charity's fulfilment of public benefit. As outlined above the Charity's Aims are to:

1. Promote religion through the promotion of the Christian Faith; and to
2. Undertake such purposes which are exclusively charitable as defined within the law of England and Wales.

The primary purpose of the Charity is to promote the Christian Faith. To support this aim, the Charity provides a building as a place of worship which the public is free to attend. Access is continually reviewed in the light of relevant disability legislation to ensure public worship services are as fully accessible as possible. The building has clear external signs and has invested in large road front signage that promotes visibility. The Charity maintains a website that provides full details of the services provided, including the open public worship services, and ensure as far as is possible that internet search engines return that website address on the first page of results. Following the Charity Commission's guidance, the Trustees believe that this provision in itself satisfies the test for public benefit. Notwithstanding that, the Trustees ensure that the following services are provided that further promote aim number 1 - the promotion of religion.

Conducting Christian instruction for children during open worship services. Conducting religious ceremonies such as weddings and funerals. Supporting Pastoral staff in their duties through Stipends. Providing forums where enquirers can investigate the Christian Faith without obligation, specifically:

- Through street teams.
- Through the provision of food on the street to the homeless.
- Through UK based and International mission activities.
- Through a food bank.

CARMEL MINISTRIES INTERNATIONAL

TRUSTEES' REPORT

Writing, producing and promoting Christian books. Providing a retail Christian book shop. Teaching a course introducing new converts to the basics of the Christian Faith. Visiting the sick in hospitals. Promoting efficiency in other Christian Charities and internal departments through marketing; branding and website design. Continuing within these aims, it is clear that during the past year the Charity fulfils the 'other such purposes' charitable function as set out below

2.1. The prevention or relief of poverty

2.2. The advancement of education

2.3. The advancement of citizenship

2.4. The advancement of the arts

2.5 The relief of those in need, by reason of youth, age, ill-health, disability, financial hardship, or other disadvantage. In fulfilment of aim 2, the Trustees note the following activities that fulfil Public Benefit.

2.6 Opening a free food and provisions bank. And 2.6. Provide debt management advice. Run a Money Management course.

2.7 Maintain a full time day school.

2.8 Maintain a Bible Institute. Making free courses available covering pre-Marriage counselling; Marriage counselling; Divorce counselling and Bereavement counselling. Teaching a course of the basics of the Christian Faith in local prisons. And 2.3. Provide at cost price the basics course to other churches. Distribute free audio cd's both nationally and internationally espousing the tenets of the Christian Faith. Stream Christian material via the internet

2.9 Convening times of Christian worship in four local prisons. Assisting in the Chaplaincy duties at local prisons.

2.10 Writing, producing and presenting public performances of plays and musicals written by members of the Charity. Encouraging prayer, praise and study.

2.11 Providing a bursary scheme for the Bible Institute.

2.12 Providing a subsidy scheme for the Day school.

2.13 Empower creative designers with freelance and internship work, to enable them to improve their employability potential.

2.14 Support local businesses with professional branding and marketing skills.

2.15. Providing a chaplaincy service to various care homes

Future plans to fulfil the Public Benefit requirement are:

1.Grow our services in the community.

2.Greater joint working initiatives with other charities and churches

CARMEL MINISTRIES INTERNATIONAL

TRUSTEES' REPORT

Objectives, strategies and activities

The main objectives and activities for the year continued to be focused on the promotion of the Christian faith, education, improvement of life skills and family values, childcare and alleviation of poverty.

The strategies employed to assist the Charity to meet these objectives included the following:

- Providing a range of services within the community which are reflective of relevant quality standards and addressing the potential and ongoing challenges.
- Feeding and clothing the homeless and deprived as well as the relief of poverty in our local community.
- Establishment of a free food bank.
- Providing educational support and services to the community.
- Education and care of children and youth.
- Engaging with the Prison Chaplaincy Service to provide spiritual support and guidance to four local prisons.
- Providing Chaplaincy Service to various Care Homes in the community.
- Maintain a book shop.
- Provide teaching material free to the end user, distributed within the UK and overseas.
- Missions and services worldwide.
- Internet streaming of church services.
- Build relationships with other Christian Ministries around the world.
- Provide work experience to help people 'get back to work' or join a new workforce.
- Host conferences to further the Christian Faith.
- Providing real-time translation of Sunday services into 3 languages available over the internet.
- Continuation of the vision to find ways and means of reaching out to the community, being proactive in assessing and strategising the right approach to the needs of people we contact or who contact us.

Our Mission is clear

Carmel's mission statement is Luke 9:2 'He sent them to preach the Kingdom of God and to heal the sick' which was given to us in 1994 and has become focal point of all we do and helps us navigate God's unfolding plan for Carmel. To achieve this God gave us a 4-phase strategy: Which is to cover our city, bless our neighbours, send to the nation and touch the world, this allows us to multiply globally establishing the vision of God. The concept of one Church, many locations is the Blueprint of the Mission, Strategy and Process that the vision of Carmel follows. Following this blueprint has seen the work flourish.

Vision

All vision comes from God and with this He gives a strategy for its fulfilment. God had a vision of man when he created the heavens and the earth! He had a vision of redemption when man fell, He had a vision for the church when Jesus Christ returned to heaven and He has a vision for His bride for when He returns. Vision is a practical and purposeful necessity for believers in today's world. It is our responsibility to draw near to God to find out just what it is. Carmel's vision is rooted in four basic instructions which align us with the book of Acts 2:42 (MEV) They continued steadfastly in the apostles' teaching and fellowship, in the breaking of bread and in the prayers.

CARMEL MINISTRIES INTERNATIONAL

TRUSTEES' REPORT

Vision Values

We all have an important role to play in seeing the vision established in preparation for the return of Christ, we have been ploughing and planting for over 20 years with many ministries being birthed and many finding their place in the global family of God. It is time for the great harvest of souls and God has given us this window of opportunity.

A prophecy given in 2016 said: "Seeds planted years ago have come to full maturity and are ready to be harvested. Winds of change are blowing and a changing of the guard is coming to the Church as well as the political arena. Weeds are being uprooted that have been choking the life out of my children and distracting them from me." We continue to see these changes globally and it is as if the church is awakening from its slumber and is beginning to roar like the Lion of the tribe of Judah.

Achievements and performance

Context on the year: We would like to preface this report by giving context on the year. Due to COVID-19 and its unforeseen effect on society as a whole; many projects we had in mind we either postponed, strongly modified or cancelled. Because of this, much of the ministry has remained the same, and very few structural changes have occurred.

2021 was the year where we *Built Dreams*, we began to put in place many projects and ministries that would lead us to fulfilling God's mandate for Carmel Ministries International. This year, we aimed to bounce back from a year filled with restrictions and challenges, and place effort into creating beneficial projects for all our congregation.

2021 was about BUILDING DREAMS. Focusing on that which God has ordained for this ministry. Our focus was to be that of faith; Faith in Jesus, the Son of the living God. Faith to live out our daily lives with our family. Faith to share the gospel with everyone. Faith to serve the church and in the church. Faith to serve and bless our community both with prayer to see lives enhanced and also with the practical; ie soup run, food bank, Christmas hampers.

2022 saw God continue to take us from a local church to a global vision and is now working the succession plan that has given us the knowledge to build internationally. There is still much to do and confidence has grown in both the overseers and the church family to see our community impacted by the Gospel.

As the apostolic oversight and founders of Carmel Ministries International and Carmel Global Ministries we are always excited to see how God leads us. Every year we build on the platform of the previous year, it is not a change of focus but rather an unfolding revelation of God's building plan. It is never comfortable and requires us to grow in ourselves that will release the potential that may be laying dormant in us, it also presents us with the opportunity to learn and employ our gifting to the Glory of God.

The name Carmel means to be fruitful and to flourish and we have seen this in the lives of those that have travelled this journey of FAITH with us. The strength of this ministry is to equip people to do life and this is achieved through the teaching and training of the Word of God.

As always, we are excited about sharing the vision for Carmel as it means we get to go higher, wider and deeper with the mission and mandate God has declared over us all, so together we can Enjoy the Journey.

CARMEL MINISTRIES INTERNATIONAL

TRUSTEES' REPORT

Financial review

The principal funding sources of the Charity are by way of donations given mainly by the congregation in the form of tithes and offerings. These are free will gifts given without expectation of favour, reciprocal gift or use of services. Gifts in kind are valued at their estimated value to the Charity. If a donor specifies that a donation is to be used for a specified purpose, the amount will be treated as restricted funds. Qualifying expenditure is set against the restricted funds. Designated funds are unrestricted funds that the Trustees have designated for a specific purpose. Income generated from designated funds is treated as general income. General funds are neither designated nor restricted.

Overall income for the year was £496,679 (2021: £553,119), and total expenses £526,245 (2021: £436,410). The Trustees are aware of these expenses and formally approve them at the Trustees meetings as they are presented.

Reserves policy

Carmel Ministries International general fund is an unrestricted income fund and therefore requires a reserve policy. Whilst the policy remains to maintain reserves, the Trustees are very aware of the general legal duty to apply charitable funds within a reasonable time of receiving them and have actively encouraged delegated staff to utilise funds on charitable purposes within their charitable objectives and in a manner that as far as possible meets donor's wishes. It is noted that a number of donors may specify that their funding is intended to provide funding for a specified project. Where this is specifically restricted, the project funding will be ring fenced into a Restricted fund and will not form part of this reserve policy.

The Trustees have conducted a thorough review of the major risks that would prevent the Charity carrying out its normal weekly operation (see above), and are satisfied that sufficient steps have been taken to mitigate those risks sufficiently to ensure continued operation.

The Trustees are confident that in the event of a catastrophic event that affects the building that they could call on the church members to continue to support the Charity through voluntary donations direct into the various bank accounts until such time as the building is brought back into operation.

The Trustees note that the current Free Reserves stand at £60,748 and are satisfied that future plans, together with improvements to income due after the Balance Sheet date [see paragraph on The Charity as a Going Concern], will bring the Free Reserves in line with this policy.

Going forward the Trustees will regularly review this Policy with the intention that Free Reserves will be held at a level commensurate with three months fixed costs for the Charity.

CARMEL MINISTRIES INTERNATIONAL

TRUSTEES' REPORT

Going concern

The Trustees have reviewed the current environment in which the Charity operates and are satisfied that there are strong reasons to believe that the Charity will be a going concern into the future. There have been no issues that have arisen since the Balance Sheet date that would require the Trustees to liquidate the Charity or to cease its activities. The numbers of individuals attending the Church is steady, and with it the voluntary income that arises from that constituency. The Bible Institute is going well with a new cohort of part time students that has improved the fee income from the Institute. The Trustees also note that the debt outstanding on the mortgage charge over the main building has been satisfied. This has led to a total reduction on the amount of interest charged by said lender, thus removing the pressure on expenditure. Cash position has improved significantly, however remains an ongoing challenge within the ministry and all operations are managed in accordance with the weekly cash flow reporting structure.

Plans for future periods

To ensure that the Charity discharges its responsibilities to the Charity Commission, the Trustees will investigate the legal avenues that can be used to ensure that any trading activities of the Charity do not breach Charity requirements.

To ensure the continued comfort and wellbeing of the congregants on the weekend, as well as the workload of the teams involved on a weekend, the Trustees will continue to investigate the options for optimising the main auditorium capacity.

We will investigate working in partnership with organisations in the UK and overseas to deliver support to those in greatest need within society.

CARMEL MINISTRIES INTERNATIONAL

TRUSTEES' REPORT

Statement of Responsibilities

The Trustees (who are also the directors of Carmel Ministries International for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards, comprising FRS 102 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 charitable company will continue in business.

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

Small companies provision statement

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

The annual report was approved by the Trustees of the Charity on 14 June 2023 and signed on its behalf by:

.....
Michelle Leask
Company secretary and trustee

CARMEL MINISTRIES INTERNATIONAL

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF CARMEL MINISTRIES INTERNATIONAL

I report to the Charity Trustees on my examination of the accounts of the Charity for the year ended 31 October 2022 which are set out on pages 13 to 27.

Responsibilities and basis of report

As the Charity's Trustees of Carmel Ministries International (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of Carmel Ministries International are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your Charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the Company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Chartered Institute of Management Accountants, which is one of the listed bodies.

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

1. accounting records were not kept in respect of Carmel Ministries International as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

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

.....
G W Schulz ACMA
Independent Examiners Ltd

14 June 2023

CARMEL MINISTRIES INTERNATIONAL

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 OCTOBER 2022

	Note	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Income and Endowments from:					
Donations and legacies	3	424,103	5,660	429,763	490,068
Charitable activities	4	56,080	8,126	64,206	60,677
Other trading activities	5	776	-	776	347
Investment income	6	-	-	-	49
Other income	7	1,934	-	1,934	1,978
Total income		<u>482,893</u>	<u>13,786</u>	<u>496,679</u>	<u>553,119</u>
Expenditure on:					
Raising funds	8	1,527	-	1,527	445
Charitable activities	9	512,680	13,565	526,245	435,965
Total expenditure		<u>514,207</u>	<u>13,565</u>	<u>527,772</u>	<u>436,410</u>
Net (expenditure)/income		<u>(31,314)</u>	<u>221</u>	<u>(31,093)</u>	<u>116,709</u>
Net movement in funds		(31,314)	221	(31,093)	116,709
Reconciliation of funds					
Total funds brought forward		<u>866,629</u>	<u>13,369</u>	<u>879,998</u>	<u>763,289</u>
Total funds carried forward	17	<u>835,315</u>	<u>13,590</u>	<u>848,905</u>	<u>879,998</u>

The notes on pages 16 to 27 form an integral part of these financial statements.

CARMEL MINISTRIES INTERNATIONAL

REGISTERED NUMBER: 04478212

BALANCE SHEET AS AT 31 OCTOBER 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	13	<u>769,437</u>	<u>768,813</u>
		<u>769,437</u>	<u>768,813</u>
Current assets			
Debtors	14	12,152	16,063
Cash at bank and in hand		<u>73,860</u>	<u>117,334</u>
		86,012	133,397
Creditors: Amounts falling due within one year	15	<u>(6,544)</u>	<u>(22,212)</u>
Net current assets		<u>79,468</u>	<u>111,185</u>
Net assets		<u>848,905</u>	<u>879,998</u>
Funds of the Charity:			
Restricted income funds			
Restricted funds		13,590	13,369
Unrestricted income funds			
Unrestricted funds		<u>835,315</u>	<u>866,629</u>
Total funds	17	<u>848,905</u>	<u>879,998</u>

For the financial year ending 31 October 2022 the Charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the Charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

The financial statements on pages 13 to 27 were approved by the Trustees, and authorised for issue on 14 June 2023 and signed on their behalf by:

.....
Michelle Leask
Company secretary and trustee

The notes on pages 16 to 27 form an integral part of these financial statements.

CARMEL MINISTRIES INTERNATIONAL

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 OCTOBER 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Net (expenditure)/income		(31,093)	116,709
Adjustments to cash flows from non-cash items			
Depreciation	8	1,861	1,510
Investment income	6	<u>-</u>	<u>(49)</u>
		(29,232)	118,170
Working capital adjustments			
Decrease/(increase) in debtors	14	3,911	(8,903)
Decrease in creditors	15	<u>(5,424)</u>	<u>(2,461)</u>
Net cash flows from operating activities		<u>(30,745)</u>	<u>106,806</u>
Cash flows from investing activities			
Interest receivable and similar income	6	-	49
Purchase of tangible fixed assets	13	(2,714)	-
Sale of tangible fixed assets		<u>229</u>	<u>-</u>
Net cash flows from investing activities		(2,485)	49
Cash flows from financing activities			
Repayment of loans and borrowings	15	<u>(10,244)</u>	<u>(22,375)</u>
Net (decrease)/increase in cash and cash equivalents		(43,474)	84,480
Cash and cash equivalents at 1 November		<u>117,334</u>	<u>32,854</u>
Cash and cash equivalents at 31 October		<u><u>73,860</u></u>	<u><u>117,334</u></u>
Reconciliation of net cash flow to movement in net funds			
(Decrease)/increase in cash		(43,474)	84,480
Cash outflow from repayment of loans		<u>(10,244)</u>	<u>(22,375)</u>
Change in net (debt)/funds resulting from cash flows		(53,718)	62,105
Net funds at 1 November 2021		<u>117,334</u>	<u>32,854</u>
Net funds at 31 October 2022		<u><u>63,616</u></u>	<u><u>94,959</u></u>

All of the cash flows are derived from continuing operations during the above two periods.

The notes on pages 16 to 27 form an integral part of these financial statements.

CARMEL MINISTRIES INTERNATIONAL

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

1 Charity status

The Charity is limited by guarantee, incorporated in England, and consequently does not have share capital. Each of the Trustees is liable to contribute an amount not exceeding £10 towards the assets of the Charity in the event of liquidation.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

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 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

Basis of preparation

Carmel Ministries International meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Going concern

The Trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the Charity.

Income and endowments

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

CARMEL MINISTRIES INTERNATIONAL

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

Donations and legacies

Donations are recognised when the Charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the Charity before the Charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Grants receivable

Grants are recognised when the Charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Gift aid

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

Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Charitable activities

Charitable expenditure comprises those costs incurred by the Charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

CARMEL MINISTRIES INTERNATIONAL

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

Grant provisions

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

Individual fixed assets costing £1,500 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

No depreciation is charged to freehold property as the property is maintained to such a standard that the estimated residual value is not less than cost.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Land and buildings	Not depreciated
Furniture and equipment	25% on reducing balance
Motor vehicles	33% on reducing balance

Debtors

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

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

CARMEL MINISTRIES INTERNATIONAL

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

Liabilities

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Fund structure

Unrestricted income funds are general funds that are available for use at the Trustees' discretion in furtherance of the objectives of the Charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Pensions and other post retirement obligations

The Charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the Charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Financial instruments

The company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

CARMEL MINISTRIES INTERNATIONAL

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2022

3 Income from donations and legacies

	Unrestricted funds General £	Restricted funds £	Total 2022 £	Total 2021 £
Donations and legacies;				
Donations	330,397	5,660	336,057	324,634
Gift aid reclaimed	67,282	-	67,282	64,661
Grants, including capital grants;				
Government grants	-	-	-	69,651
Council grants	26,424	-	26,424	31,122
	<u>424,103</u>	<u>5,660</u>	<u>429,763</u>	<u>490,068</u>

4 Income from charitable activities

	Unrestricted funds General £	Restricted funds £	Total 2022 £	Total 2021 £
Activities and projects	-	6,826	6,826	12,063
Bible College	14,650	-	14,650	15,608
School	112	-	112	4,775
Carmel Global	-	1,300	1,300	1,880
Charitable missions	13,054	-	13,054	7,986
Ministry	9,719	-	9,719	2,411
St Revolution	18,545	-	18,545	15,954
	<u>56,080</u>	<u>8,126</u>	<u>64,206</u>	<u>60,677</u>

5 Income from other trading activities

	Unrestricted funds General £	Total funds £	Total 2021 £
Trading income;			
Bookshop	15	15	116
Coffee shop	761	761	231
	<u>776</u>	<u>776</u>	<u>347</u>

CARMEL MINISTRIES INTERNATIONAL

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2022

6 Investment income

	Total 2022 £	Total 2021 £
Interest receivable and similar income;		
Interest receivable on bank deposits	-	49
	<u>-</u>	<u>49</u>

7 Other income

	Unrestricted funds General £	Total 2022 £	Total 2021 £
Other income	1,863	1,863	1,978
Gains on sale of tangible fixed assets for Charity's own use	71	71	-
	<u>1,934</u>	<u>1,934</u>	<u>1,978</u>

8 Expenditure on raising funds

a) Costs of trading activities

	Unrestricted funds General £	Total 2022 £	Total 2021 £
Coffee shop purchases	1,527	1,527	445
	<u>1,527</u>	<u>1,527</u>	<u>445</u>

CARMEL MINISTRIES INTERNATIONAL

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2022

9 Expenditure on charitable activities

		Unrestricted funds General	Restricted funds	Total 2022	Total 2021
	Note	£	£	£	£
Activities and events		769	-	769	1,243
Ministry and outreach		9,795	-	9,795	5,918
Youth costs		18,479	-	18,479	13,555
School costs		-	-	-	1,845
Premises costs		43,000	-	43,000	25,374
Repairs and maintenance		23,207	-	23,207	10,157
Equipment		1,553	-	1,553	155
Communication and media		10,370	-	10,370	9,607
Printing, post and stationery		4,912	-	4,912	3,839
Insurance and subscriptions		13,753	-	13,753	16,825
Motor costs		(18)	-	(18)	1,543
Travel costs		1,392	-	1,392	76
Benevolence and gifts		11,551	12,705	24,256	17,434
Training and resources		2,312	-	2,312	2,258
Professional fees		7,505	-	7,505	1,372
Bank charges and interest		1,993	-	1,993	1,978
Sundry expenses		10,976	-	10,976	213
Independent examination		2,700	-	2,700	2,700
Depreciation, amortisation and other similar costs		1,861	-	1,861	1,510
Grant funding of activities	10	70,239	860	71,099	69,352
Staff costs	12	276,331	-	276,331	249,011
		<u>512,680</u>	<u>13,565</u>	<u>526,245</u>	<u>435,965</u>

CARMEL MINISTRIES INTERNATIONAL

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2022

10 Grant-making

Analysis of grants

	Grants to institutions	
	2022	2021
	£	£
Grants	<u>79,099</u>	<u>69,352</u>

11 Trustees remuneration and expenses

Carmel Global Ministries Inc - Operate as Carmel City Church is a registered non profit religious organisation located in Houston, United States of America. Director Mr G. Somma and Mrs M. Di Somma are founders of Carmel Global Ministries Inc. Director Mr G. Di Somma is on the Board of Directors of Carmel Global Ministries Inc and holds the role of President. Mrs M. Di Somma is on the Board of Directors of Carmel Global Ministries Inc and holds the role of Vice President. During the financial year the Charity made grants of £40,520 (2021: £64,170) to Carmel Global Ministries Inc, in furthering the Charity's objects. These grants ceased to be made in September 2022.

During the Mrs M. Di Somma (Spouse of Mr G. Di Somma, a trustee) received remuneration of £3,500 (2021: £8,400) in her capacity as secretary to the Trustees for Carmel Ministries International in furthering the Charity's objects.

No other payments were made to trustees or any persons connected with them during this financial period. No other material transaction took place between the Charity and the trustees or any person connected with them.

CARMEL MINISTRIES INTERNATIONAL

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

12 Staff costs

The aggregate payroll costs were as follows:

	2022 £	2021 £
Staff costs during the year were:		
Wages and salaries	241,818	216,350
Social security costs	10,350	6,662
Pension costs	3,995	3,671
Redundancies	4,568	5,528
Stipend	<u>15,600</u>	<u>16,800</u>
	<u><u>276,331</u></u>	<u><u>249,011</u></u>

The number of persons (including senior management team) employed by the Charity during the year was as follows:

	2022 No	2021 No
Full and part-time employees	<u><u>13</u></u>	<u><u>19</u></u>

During the year, the Charity made redundancy and/or termination payments which totalled £4,568 (2021 - £5,528).

CARMEL MINISTRIES INTERNATIONAL

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2022

13 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Motor vehicles £	Total £
Cost				
At 1 November 2021	765,717	181,456	3,356	950,529
Additions	-	2,714	-	2,714
Disposals	-	(36,775)	(3,356)	(40,131)
At 31 October 2022	<u>765,717</u>	<u>147,395</u>	<u>-</u>	<u>913,112</u>
Depreciation				
At 1 November 2021	-	178,589	3,127	181,716
Charge for the year	-	1,861	-	1,861
Eliminated on disposals	-	(36,775)	(3,127)	(39,902)
At 31 October 2022	<u>-</u>	<u>143,675</u>	<u>-</u>	<u>143,675</u>
Net book value				
At 31 October 2022	<u>765,717</u>	<u>3,720</u>	<u>-</u>	<u>769,437</u>
At 31 October 2021	<u>765,717</u>	<u>2,867</u>	<u>229</u>	<u>768,813</u>

14 Debtors

	2022 £	2021 £
Trade debtors	1,777	7,162
Prepayments	7,387	5,977
Accrued income	<u>2,988</u>	<u>2,924</u>
	<u>12,152</u>	<u>16,063</u>

15 Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	792	1,033
Other loans	-	10,244
Other taxation and social security	2,468	3,431
Other creditors	584	804
Accruals	<u>2,700</u>	<u>6,700</u>
	<u>6,544</u>	<u>22,212</u>

CARMEL MINISTRIES INTERNATIONAL

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

16 Pension and other schemes

Defined contribution pension scheme

The Charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the Charity to the scheme and amounted to £3,995 (2021 - £3,671).

Contributions totalling £584 (2021 - £803) were payable to the scheme at the end of the year and are included in creditors.

17 Funds

	Balance at 1 November 2021 £	Incoming resources £	Resources expended £	Balance at 31 October 2022 £
Unrestricted funds				
General				
General Funds	866,629	482,893	(514,207)	835,315
Restricted funds				
Carmel Global Fund	40	1,300	(860)	480
Christmas Hamper Fund	13,329	6,826	(7,045)	13,110
Honour Offerings	-	5,660	(5,660)	-
	<u>13,369</u>	<u>13,786</u>	<u>(13,565)</u>	<u>13,590</u>
Total funds	<u>879,998</u>	<u>496,679</u>	<u>(527,772)</u>	<u>848,905</u>

Carmel Global Fund represent donations towards the establishment of Carmel Global in Houston, USA.

Christmas Hamper Fund represents income donated for the purpose of providing Christmas Hampers to needy families, individuals and the homeless.

Honour Offering Fund represent donations for the specific purpose of supporting the ministries of pastors and visiting speakers.

CARMEL MINISTRIES INTERNATIONAL

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

	Balance at 1 November 2020 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 October 2021 £
Unrestricted funds					
<i>General</i>					
General Funds	754,929	531,973	(411,693)	(8,580)	866,629
Restricted funds					
Building Fund	-	3,840	(12,135)	8,295	-
Carmel Global Fund	-	1,880	(1,840)	-	40
Christmas Hamper Fund	8,360	12,063	(7,094)	-	13,329
Honour Offerings	-	665	(950)	285	-
Love Zambia Fund	-	1,209	(1,209)	-	-
Gospel Life International	-	1,489	(1,489)	-	-
	<u>8,360</u>	<u>21,146</u>	<u>(24,717)</u>	<u>8,580</u>	<u>13,369</u>
Total funds	<u>763,289</u>	<u>553,119</u>	<u>(436,410)</u>	<u>-</u>	<u>879,998</u>

18 Analysis of net assets between funds

	Unrestricted funds General £	Restricted funds £	Total funds at 31 October 2022 £
Tangible fixed assets	769,437	-	769,437
Current assets	72,422	13,590	86,012
Current liabilities	<u>(6,544)</u>	<u>-</u>	<u>(6,544)</u>
Total net assets	<u>835,315</u>	<u>13,590</u>	<u>848,905</u>
	Unrestricted funds General £	Restricted funds £	Total funds at 31 October 2021 £
Tangible fixed assets	768,813	-	768,813
Current assets	120,028	13,369	133,397
Current liabilities	<u>(22,212)</u>	<u>-</u>	<u>(22,212)</u>
Total net assets	<u>866,629</u>	<u>13,369</u>	<u>879,998</u>