

THE WAY OF THE SPIRIT

England & Wales · Charity number 1110648

Details

Status Registered

Legal form Charitable company

Company number [05471349](#)

Registered 2005-07-29

Register [View on the Charity Commission register](#)

Contact

Address Laundry Corner
The Street
Framingham Pigot
Norwich
NR14 7QJ

Phone 01508494952

Email info@thewayofthespirit.com

Website www.thewayofthespirit.com

Activities

Objects: 3. THE CHARITY'S OBJECTS ARE THE ADVANCEMENT OF THE CHRISTIAN FAITH IN ACCORDANCE WITH THE STATEMENT OF FAITH SET OUT IN APPENDIX A TO THE MEMORANDUM OF ASSOCIATION IN PARTICULAR BUT NOT EXCLUSIVELY BY:(I) PROVIDING INSPIRATIONAL TEACHING THROUGH STUDY GROUPS AND CONFERENCES;(II) ADVANCING EDUCATION AND PROVIDING TRAINING IN THE STUDY OF THE BIBLE;(III) PROVIDING CHRISTIAN RESOURCES BY WAY OF BOOKS, TAPES, VIDEOS, COMPACT DISCS AND OTHER FORMS OF MEDIA;(IV) PROMOTING THE OUTWORKING OF THE CHRISTIAN MINISTRY THROUGH WORSHIP, PRAYER AND FELLOWSHIP.

Activities: The Charity's objectives are the advancement of the Christian Faith by means of:Providing inspirational teaching through study groups and conferences.Advancing education and providing training in the study of the Bible.Providing Christain resources by way of books, cd's, DVD's and other form of media.Promoting the outworking of the Christian Ministry through Worship,Prayer and Fellowship

Classification

- **How:** Provides Services
- **What:** Religious Activities
- **Who:** The General Public/mankind

Geography

- **Area of benefit:** NOT DEFINED. IN PRACTICE WORLDWIDE.
- Burundi
- Congo (Democratic Republic)
- India
- Kenya
- Rwanda
- Uganda
- Zambia

Finances

Period end	Income	Expenditure	Assets	Employees
2024-08-31	£219,780	£219,810	-	-
2023-08-31	£226,133	£244,090	-	-
2022-08-31	£183,516	£220,025	-	-
2021-08-31	£166,191	£142,735	-	-
2020-08-31	£146,999	£162,355	-	-

Trustees

Name	Role	Appointed
IAIN SINCLAIR MCKAY	Chair	
RICHARD CLIVE GEORGE		
Stephen Robert Moore		2016-11-26

THE WAY OF THE SPIRIT

England & Wales - Charity number 1110648

Accounts

THE WAY OF THE SPIRIT

(A company limited by guarantee)

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

Charity Registered Number 1110648

Company Registered Number 05471349

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LEGAL AND ADMINISTRATIVE INFORMATION

Trustees: Iain McKay
 Richard George
 Stephen Moore

Company registered number: 05471349

Charity registered number: 1110648

Registered Office: Laundry Corner
 The Street
 Framingham Pigot
 Norwich
 NR14 7QJ

Accountant: G Schulz & Company Ltd
 Chartered Management Accountants
 G Schulz FCMA CGMA
 3 Lane Close
 Broadbridge Heath
 Horsham
 RH12 3UF

Bankers: Barclays Bank
 School Road
 Drayton
 Norwich
 NR8 6DN

THE WAY OF THE SPIRIT

(A company limited by guarantee)

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2024

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 August 2024.

Structure, governance and management

Nature of governing document

The company is registered as a charitable company limited by guarantee (registered charity number 1110648) and was set up under a Memorandum of Association on 3 June 2005.

Methods of appointment or election of Trustees

The management of the charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association.

Organisational structure

The management of the company is the responsibility of the Trustees who are appointed in accordance with the Articles of Association. The day to day operation is managed by Richard George, one of the Trustees.

Risk management

The Trustees actively review the major risks which the charity faces on a regular basis and believe that maintaining the free reserves stated, combined with the annual review of the controls over key financial systems will provide sufficient resources in the event of adverse conditions. The Trustees have also examined other operational and business risks which they face and confirm that they have established systems to mitigate the significant risks.

Objectives and activities

Objects and aims

The object is the advancement of the Christian faith by means of:

1. Providing inspirational teaching through study groups and conferences
2. Advancing education and providing training in the study of the Bible
3. Providing Christian resources by way of printed and digital media
4. Promoting the outworking of the Christian ministry through worship, prayer and fellowship.

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.

Financial review

Reserves policy

The Trustees have considered the level of reserves they wish to retain, appropriate to the charity's needs. This is based on the charity's size and the level of financial commitments. The Trustees aim to ensure the charity will be able to continue to fulfil its charitable objectives even if there is a temporary shortfall in income or unexpected expenditure. The Trustees will endeavour not to set aside funds unnecessarily.

THE WAY OF THE SPIRIT

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2024 (continued)

Going concern

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

Achievements and performance

Review of activities

During the period the ministry flourished in the UK and abroad, including in East Africa. The Senior Leadership Team and Pioneering Team were active in helping to lead development of the ministry, alongside the central Norfolk team. Finances were sufficient to cover all planned activities and projects.

Training and equipping of supporters over recent years continues to bring ever greater participation in the national effort. Many are now maturing into leadership positions and this will lead to increased recruitment of new teachers and supporters. This long term strategy will form the basis of the next season of growth in the ministry.

In the UK, national conferences, teaching schools and training centre days were held on-line and in person, alongside on-line teaching podcasts.

The work in East Africa continued, with additional on-line teaching schools being run for delegates in the Democratic Republic of the Congo and other French speaking African countries.

Development of the Bible College continued in Uganda, funded from donations. During the year, the five acre site north of Kampala was leased to The Way of The Spirit Bible College Ltd. (the local operating company) to secure long term use of the land and buildings by the Bible College, having previously been held in trust by local partners. The planned first phase of development continued during the year, with further development of the teaching hall and dormitory.

In parallel, the Ugandan NGO application and the Ugandan National Council for Higher Education application to secure accreditation for the Bible College continued to progress slowly.

The long-term aim is to develop the Ugandan Bible College with mostly African Bible teachers, to train local Bible teachers, provide teaching support to local and regional churches, and to send African teaching teams on mission throughout East Africa.

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2024 (continued)

Trustees' responsibilities statement

The Trustees (who are directors of The Way Of The Spirit for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

In preparing this report, the Trustees have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the Trustees on 14 May 2025 and signed on their behalf by:

.....
Richard George
Trustee

THE WAY OF THE SPIRIT

(A company limited by guarantee)

INDEPENDENT EXAMINER'S REPORT FOR THE YEAR ENDED 31 AUGUST 2024

Independent examiner's report to the Trustees of The Way of the Spirit

I report to the charity Trustees on my examination of the accounts of the company for the year 31 August 2024.

Respective responsibilities of trustees and examiner

As the Trustees of the company (and 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 the company 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 the company's accounts 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

I have completed my examination. I can 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 the company 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 FCMA CGMA

G Schulz & Company Ltd
Chartered Management Accountants
3 Lane Close
Broadbridge Heath
Horsham
RH12 3UF

14 May 2025

THE WAY OF THE SPIRIT

(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2024

	Note	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
INCOMING RESOURCES					
Donations and legacies	2	134,101	29,434	163,535	172,072
Charitable activities	3	44,476	-	44,476	43,916
Other trading activities	4	11,707	-	11,707	10,083
Investments	5	62	-	62	62
TOTAL INCOMING RESOURCES		190,346	29,434	219,780	226,133
RESOURCES EXPENDED					
Raising funds	4	4,522	-	4,522	5,815
Charitable activities	6	169,693	45,595	215,288	238,275
TOTAL RESOURCES EXPENDED		174,215	45,595	219,810	244,090
NET INCOMING RESOURCES/(RESOURCES EXPENDED) BEFORE TRANSFERS		16,131	(16,161)	(30)	(17,957)
Transfers between funds		(16,161)	16,161	-	-
NET MOVEMENT IN FUNDS FOR THE YEAR		(30)	-	(30)	(17,957)
<i>Total funds at 1 September 2023</i>		9,370	-	9,370	27,327
TOTAL FUNDS AT 31 AUGUST 2024	12	9,340	-	9,340	9,370

The notes on pages 9 to 16 form part of these financial statements

THE WAY OF THE SPIRIT

(A company limited by guarantee)

Registered number: 05471349

BALANCE SHEET AS AT 31 AUGUST 2024

	Note	£	2024 £	2023 £
FIXED ASSETS				
Tangible assets	9		1,188	1,063
CURRENT ASSETS				
Stock		14,870	14,035	
Debtors	10	2,639	2,987	
Cash at bank and in hand		342	1,924	
		17,851	18,946	
CREDITORS: amounts falling due within one year	11	9,699	10,639	
NET CURRENT ASSETS/(LIABILITIES)			8,152	8,307
NET ASSETS			9,340	9,370
CHARITY FUNDS				
Restricted funds			-	-
Unrestricted funds			9,340	9,370
TOTAL FUNDS		12	9,340	9,370

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

The Trustees consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Act.

The Trustees acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements were approved by the Trustees on 14 May 2025 and signed on their behalf, by:

.....
Richard George
Trustee

The notes on pages 9 to 16 form part of these financial statements

THE WAY OF THE SPIRIT

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2024

1. ACCOUNTING POLICIES

Company status

The company is a company limited by guarantee. The members of the company are the Trustees named on page 2. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

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)) (issued in October 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

The Way Of The Spirit 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.

Income

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

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.

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 company; this is normally upon notification of the interest paid or payable by the Bank.

THE WAY OF THE SPIRIT

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2024 (continued)

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.

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.

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.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Plant & Equipment, Furniture & Fittings 20% on cost

Stock

Stocks held for sale as part of non-charitable trade are measured at the lower of cost or net realisable value.

Goods or services provided as part of a charitable activity are measured at net realisable value based on the service potential provided by items of stock.

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.

Creditors and provisions

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

THE WAY OF THE SPIRIT

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2024 (continued)

Pensions

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.

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 company 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 company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

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.

2. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted £	Restricted £	2024 £	2023 £
Offerings and Other gifts	113,938	29,434	143,372	149,658
Gift aid	20,163	-	20,163	22,414
Legacies	-	-	-	-
	134,101	29,434	163,535	172,072

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2024 (continued)

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted £	Restricted £	2024 £	2023 £
Part-time school	4,295	-	4,295	330
Conferences	39,829	-	39,829	43,351
Other income	352	-	352	235
	44,476	-	44,476	43,916

4. TRADING ACTIVITIES

	Unrestricted £	Restricted £	2024 £	2023 £
Charity trading income				
Sales of books and CDs	11,707	-	11,707	10,083
Charity trading expenses				
Cost of sales	4,522	-	4,522	5,815
Net income from trading activities	7,185	-	7,185	4,268

5. INVESTMENT INCOME

	Unrestricted £	Restricted £	2024 £	2023 £
Bank interest	62	-	62	62
	62	-	62	62

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(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2024 (continued)

6. EXPENDITURE ON CHARITABLE ACTIVITIES

	Note	Unrestricted £	Restricted £	2024 £	2023 £
Conference Expenses		42,706	-	42,706	51,013
Travel and accommodation		13,620	-	13,620	7,875
Grants to individuals		-	18,192	18,192	12,275
Grants to organisations		-	27,403	27,403	61,355
Ministry Staff	7	88,018	-	88,018	82,726
Property Costs		12,223	-	12,223	12,214
Licences & insurance		2,106	-	2,106	2,271
Legal & Professional Fees		468	-	468	333
Other Administration		7,258	-	7,258	5,270
Bank Charges		2,320	-	2,320	2,139
Depreciation		474	-	474	354
Independent examination		500	-	500	450
		169,693	45,595	215,288	238,275

7. STAFF COSTS

	Unrestricted £	Restricted £	2024 £	2023 £
Wages and salaries	83,464	-	83,464	79,886
Social security costs	800	-	800	256
Pension	3,134	-	3,134	2,584
Redundancy	620	-	620	-
	88,018	-	88,018	82,726

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

	2024	2023
Ministry	4	5

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

8. TRUSTEE REMUNERATION AND EXPENSES

During the year, one Trustee received remuneration amounting to £22,868 (2023 - £20,004).

During the year, one Trustee received pension contributions amounting to £880 (2023 - £880).

The only other payments made to the Trustees, or any person connected with them, consisted of reimbursements of expenditure incurred on behalf of the charity in furthering the charity's objects.

THE WAY OF THE SPIRIT

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2024 (continued)

9. FIXED ASSETS

	Office Equipment	Furniture & Fittings	Sound Equipment	Total
	£	£	£	£
Cost				
At 1 September 2023	4,475	2,842	1,601	8,918
Additions	599	-	-	599
Disposals	1,728	2,628	1,601	5,957
At 31 August 2024	3,346	214	-	3,560
Accumulated Depreciation				
At 1 September 2023	3,412	2,842	1,601	7,855
Charged in the period	474	-	-	474
Disposals	1,728	2,628	1,601	5,957
At 31 August 2024	2,158	214	-	2,372
Net Book Value:				
At 31st August 2024	1,188	-	-	1,188
At 1 September 2023	1,063	-	-	1,063

10. DEBTORS

	2024	2023
	£	£
Trade debtors	1,839	2,084
Gift aid receivable	800	903
	2,639	2,987

11. CREDITORS

	2024	2023
	£	£
Accruals and deferred income	3,500	3,450
Other taxation and social security	1,384	1,016
Other creditors	4,815	6,173
	9,699	10,639

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2024 (continued)

12. STATEMENT OF FUNDS

Current year	Brought forward 2024 £	Incoming resources 2024 £	Resources expended 2024 £	Transfers in/out 2024 £	Carried forward 2024 £
General funds	9,370	190,346	(174,215)	(16,161)	9,340
Restricted funds:					
Mission Fund	-	29,434	(45,595)	16,161	-
	-	29,434	(45,595)	16,161	-
	9,370	219,780	(219,810)	-	9,340

The Mission fund supports The Way of the Spirit work in Kampala, Uganda and other mission work.

Prior year	Brought forward 2023 £	Incoming resources 2023 £	Resources expended 2023 £	Transfers in/out 2023 £	Carried forward 2023 £
General funds	27,327	196,699	(170,460)	(44,196)	9,370
Restricted funds:					
Mission Fund	-	29,434	(73,630)	44,196	-
	-	29,434	(73,630)	44,196	-
	27,327	226,133	(244,090)	-	9,370

THE WAY OF THE SPIRIT

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2024 (continued)

13. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Current year	Unrestricted	Restricted	Total
	funds	funds	funds
	2024	2024	2024
	£	£	£
Fixed assets	1,188	-	1,188
Current assets	17,851	-	17,851
Creditors due within one year	(9,699)	-	(9,699)
	<u>9,340</u>	<u>-</u>	<u>9,340</u>

Prior year	Unrestricted	Restricted	Total
	funds	funds	funds
	2023	2023	2023
	£	£	£
Fixed assets	1,063	-	1,063
Current assets	18,946	-	18,946
Creditors due within one year	(10,639)	-	(10,639)
	<u>9,370</u>	<u>-</u>	<u>9,370</u>

14. OPERATING LEASE COMMITMENTS

At 31 August 2024 the charity had annual commitments under non-cancellable operating leases as follows:

	2024	2023
	£	£
Expiry date:		
Within 1 year	5,375	7,167
Between 2 to 5 years	<u>-</u>	<u>-</u>

15. PENSION COMMITMENTS

The charity operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund and amounted to £3,134 (2023 - £2,584). Contributions totalling £476 were payable to the fund at the balance sheet date and are included in creditors (2023 - £901).

THE WAY OF THE SPIRIT

England & Wales - Charity number 1110648

Accounts

THE WAY OF THE SPIRIT

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**TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

Charity Registered Number 1110648

Company Registered Number 05471349

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LEGAL AND ADMINISTRATIVE INFORMATION

Trustees: Iain McKay
 Richard George
 Stephen Moore

Company registered number: 05471349

Charity registered number: 1110648

Registered Office: Laundry Corner
 The Street
 Framingham Pigot
 Norwich
 NR14 7QJ

Accountant: G Schulz & Company Ltd
 Chartered Management Accountants
 G Schulz FCMA
 3 Lane Close
 Broadbridge Heath
 Horsham
 RH12 3UF

Bankers: Barclays Bank
 School Road
 Drayton
 Norwich
 NR8 6DN

THE WAY OF THE SPIRIT

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2023

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Structure, governance and management

Nature of governing document

The company is registered as a charitable company limited by guarantee (registered charity number 1110648) and was set up under a Memorandum of Association on 3 June 2005.

Methods of appointment or election of Trustees

The management of the charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association.

Organisational structure

The management of the company is the responsibility of the Trustees who are appointed in accordance with the Articles of Association. The day to day operation is managed by Richard George, one of the Trustees.

Risk management

The Trustees actively review the major risks which the charity faces on a regular basis and believe that maintaining the free reserves stated, combined with the annual review of the controls over key financial systems will provide sufficient resources in the event of adverse conditions. The Trustees have also examined other operational and business risks which they face and confirm that they have established systems to mitigate the significant risks.

Objectives and activities

Objects and aims

The object is the advancement of the Christian faith by means of:

1. Providing inspirational teaching through study groups and conferences
2. Advancing education and providing training in the study of the Bible
3. Providing Christian resources by way of printed and digital media
4. Promoting the outworking of the Christian ministry through worship, prayer and fellowship.

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.

Financial review

Reserves policy

The Trustees have considered the level of reserves they wish to retain, appropriate to the charity's needs. This is based on the charity's size and the level of financial commitments. The Trustees aim to ensure the charity will be able to continue to fulfil its charitable objectives even if there is a temporary shortfall in income or unexpected expenditure. The Trustees will endeavour not to set aside funds unnecessarily.

THE WAY OF THE SPIRIT

(A company limited by guarantee)

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2023 (continued)

Going concern

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

Achievements and performance

Review of activities

During the period the ministry flourished in the UK and abroad, especially in East Africa. The Senior Leadership Team and Pioneering Team were active in helping to lead development of the ministry, alongside the central Norfolk team. Finances were sufficient to cover all planned activities and projects.

Training and equipping of supporters over recent years has led to a greater participation in the national effort. Many are now maturing into leadership positions and this will lead to increased recruitment of new teachers and supporters. This long term strategy will form the basis of the next season of growth in the ministry.

In the UK, national conferences, teaching schools and training centre days were held on-line and in person, alongside on-line teaching podcasts.

The work in East Africa continued, with on-line teaching schools being run for delegates in the Democratic Republic of the Congo and other French speaking African countries.

Development of the Bible College continued in Uganda, funded from donations. The five acre site north of Kampala is legally held in trust by local partners for The Way of The Spirit Bible College Ltd. (the NGO's local operating company) pending transfer to that company once local formalities have been completed. The planned first phase of development continued during the year, with further development of the teaching hall, dining and kitchen block, dormitory, and office block.

In parallel, the Ugandan NGO application continued to progress slowly.

The long-term aim is to develop the Ugandan Bible College with mostly African Bible teachers, to train local Bible teachers, provide teaching support to local and regional churches, and to send African teaching teams on mission throughout East Africa.

THE WAY OF THE SPIRIT

(A company limited by guarantee)

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2023 (continued)

Trustees' responsibilities statement

The Trustees (who are directors of The Way Of The Spirit for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

In preparing this report, the Trustees have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the Trustees on 17 May 2024 and signed on their behalf by:

.....
Richard George
Trustee

THE WAY OF THE SPIRIT

(A company limited by guarantee)

INDEPENDENT EXAMINER'S REPORT FOR THE YEAR ENDED 31 AUGUST 2023

Independent examiner's report to the Trustees of The Way of the Spirit

I report to the charity Trustees on my examination of the accounts of the company for the year 31 August 2023.

Respective responsibilities of trustees and examiner

As the Trustees of the company (and 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 the company 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 the company's accounts 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

I have completed my examination. I can 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 the company 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 FCMA

G Schulz & Company Ltd
Chartered Management Accountants
G W Schulz FCMA
3 Lane Close
Broadbridge Heath
Horsham
RH12 3UF

17 May 2024

THE WAY OF THE SPIRIT

(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2023

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
INCOMING RESOURCES					
Donations and legacies	2	142,638	29,434	172,072	154,472
Charitable activities	3	43,916	-	43,916	22,023
Other trading activities	4	10,083	-	10,083	6,997
Investments	5	62	-	62	24
TOTAL INCOMING RESOURCES		196,699	29,434	226,133	183,516
RESOURCES EXPENDED					
Raising funds	4	5,815	-	5,815	2,488
Charitable activities	6	164,645	73,630	238,275	217,537
TOTAL RESOURCES EXPENDED		170,460	73,630	244,090	220,025
NET INCOMING RESOURCES/(RESOURCES EXPENDED) BEFORE TRANSFERS		26,239	(44,196)	(17,957)	(36,509)
Transfers between funds		(44,196)	44,196	-	-
NET MOVEMENT IN FUNDS FOR THE YEAR		(17,957)	-	(17,957)	(36,509)
<i>Total funds at 1 September 2022</i>		27,327	-	27,327	63,836
TOTAL FUNDS AT 31 AUGUST 2023	12	9,370	-	9,370	27,327

The notes on pages 9 to 16 form part of these financial statements

THE WAY OF THE SPIRIT

(A company limited by guarantee)

Registered number: 05471349

BALANCE SHEET AS AT 31 AUGUST 2023

	Note	£	2023 £	2022 £
FIXED ASSETS				
Tangible assets	9		1,063	1,417
CURRENT ASSETS				
Stock		14,035		14,732
Debtors	10	2,987		2,645
Cash at bank and in hand		1,924		14,334
		<u>18,946</u>		<u>31,711</u>
CREDITORS: amounts falling due within one year	11	<u>10,639</u>		<u>5,801</u>
NET CURRENT ASSETS/(LIABILITIES)			<u>8,307</u>	<u>25,910</u>
NET ASSETS			<u>9,370</u>	<u>27,327</u>
CHARITY FUNDS				
Restricted funds			-	-
Unrestricted funds			9,370	27,327
TOTAL FUNDS	12		<u>9,370</u>	<u>27,327</u>

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

The Trustees consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Act.

The Trustees acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements were approved by the Trustees on 17 May 2024 and signed on their behalf, by:

.....
Richard George
Trustee

The notes on pages 9 to 16 form part of these financial statements

THE WAY OF THE SPIRIT

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023

1. ACCOUNTING POLICIES

Company status

The company is a company limited by guarantee. The members of the company are the Trustees named on page 2. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

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)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Basis of preparation

The Way Of The Spirit 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.

Income

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

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.

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 company; this is normally upon notification of the interest paid or payable by the Bank.

THE WAY OF THE SPIRIT

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023 (continued)

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.

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.

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.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Plant & Equipment, Furniture & Fittings 20% on cost

Stock

Stocks held for sale as part of non-charitable trade are measured at the lower of cost or net realisable value.

Goods or services provided as part of a charitable activity are measured at net realisable value based on the service potential provided by items of stock.

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.

Creditors and provisions

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

THE WAY OF THE SPIRIT

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023 (continued)

Pensions

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.

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 company 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 company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

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.

2. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted £	Restricted £	2023 £	2022 £
Offerings and Other gifts	120,224	29,434	149,658	139,818
Gift aid	22,414	-	22,414	14,654
Legacies	-	-	-	-
	<u>142,638</u>	<u>29,434</u>	<u>172,072</u>	<u>154,472</u>

THE WAY OF THE SPIRIT

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023 (continued)

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted £	Restricted £	2023 £	2022 £
Part-time school	330	-	330	25
Conferences	43,351	-	43,351	20,133
Other income	235	-	235	1,865
	<u>43,916</u>	<u>-</u>	<u>43,916</u>	<u>22,023</u>

4. TRADING ACTIVITIES

	Unrestricted £	Restricted £	2023 £	2022 £
Charity trading income				
Sales of books and CDs	10,083	-	10,083	6,997
Charity trading expenses				
Cost of sales	5,815	-	5,815	2,488
Net income from trading activities	<u>4,268</u>	<u>-</u>	<u>4,268</u>	<u>4,509</u>

5. INVESTMENT INCOME

	Unrestricted £	Restricted £	2023 £	2022 £
Bank interest	62	-	62	24
	<u>62</u>	<u>-</u>	<u>62</u>	<u>24</u>

THE WAY OF THE SPIRIT

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023 (continued)

6. EXPENDITURE ON CHARITABLE ACTIVITIES

	Note	Unrestricted £	Restricted £	2023 £	2022 £
Teaching Days		7,875	-	7,875	6,246
Conference Expenses		51,013	-	51,013	16,703
Grants to individuals		-	12,275	12,275	4,455
Grants to organisations		-	61,355	61,355	93,012
Ministry Staff	7	82,726	-	82,726	70,430
Property Rent		12,214	-	12,214	11,963
Licences & insurance		2,271	-	2,271	2,034
Legal & Professional Fees		333	-	333	435
Other Administration		5,270	-	5,270	9,586
Bank Charges		2,139	-	2,139	1,919
Depreciation		354	-	354	354
Independent examination		450	-	450	400
		164,645	73,630	238,275	217,537

7. STAFF COSTS

	Unrestricted £	Restricted £	2023 £	2022 £
Wages and salaries	79,886	-	79,886	68,062
Social security costs	256	-	256	188
Pension	2,584	-	2,584	2,180
	82,726	-	82,726	70,430

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

	2023	2022
Ministry	5	4

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

8. TRUSTEE REMUNERATION AND EXPENSES

During the year, one Trustee received remuneration amounting to £20,004 (2022 - £21,575).

During the year, one Trustee received pension contributions amounting to £880 (2022 - £827).

The only other payments made to the Trustees, or any person connected with them, consisted of reimbursements of expenditure incurred on behalf of the charity in furthering the charity's objects.

THE WAY OF THE SPIRIT

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023 (continued)

9. FIXED ASSETS

	Office Equipment	Furniture & Fittings	Sound Equipment	Total
	£	£	£	£
Cost				
At 1 September 2022	4,475	2,842	1,601	8,918
Additions	-	-	-	-
Disposals	-	-	-	-
At 31 August 2023	4,475	2,842	1,601	8,918
Accumulated Depreciation				
At 1 September 2022	3,058	2,842	1,601	7,501
Charged in the period	354	-	-	354
Disposals	-	-	-	-
At 31 August 2023	3,412	2,842	1,601	7,855
Net Book Value:				
At 31st August 2023	1,063	-	-	1,063
At 1 September 2022	1,417	-	-	1,417

10. DEBTORS

	2023	2022
	£	£
Trade debtors	2,084	2,297
Gift aid receivable	903	348
	2,987	2,645

11. CREDITORS

	2023	2022
	£	£
Accruals and deferred income	3,450	4,055
Other taxation and social security	1,016	902
Other creditors	6,173	844
	10,639	5,801

THE WAY OF THE SPIRIT

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023 (continued)

12. STATEMENT OF FUNDS

Current year	Brought forward 2023 £	Incoming resources 2023 £	Resources expended 2023 £	Transfers in/out 2023 £	Carried forward 2023 £
General funds	27,327	196,699	(170,460)	(44,196)	9,370
Restricted funds:					
Mission Fund	-	29,434	(73,630)	44,196	-
	-	29,434	(73,630)	44,196	-
	27,327	226,133	(244,090)	-	9,370

The Mission fund supports The Way of the Spirit work in Kampala, Uganda and other mission work.

Prior year	Brought forward 2022 £	Incoming resources 2022 £	Resources expended 2022 £	Transfers in/out 2022 £	Carried forward 2022 £
General funds	63,836	154,082	(122,558)	(68,033)	27,327
Restricted funds:					
Mission Fund	-	29,434	(97,467)	68,033	-
	-	29,434	(97,467)	68,033	-
	63,836	183,516	(220,025)	-	27,327

THE WAY OF THE SPIRIT

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023 (continued)

13. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Current year	Unrestricted	Restricted	Total
	funds	funds	funds
	2023	2023	2023
	£	£	£
Fixed assets	1,063	-	1,063
Current assets	18,946	-	18,946
Creditors due within one year	(10,639)	-	(10,639)
	<u>9,370</u>	<u>-</u>	<u>9,370</u>

Prior year	Unrestricted	Restricted	Total
	funds	funds	funds
	2022	2022	2022
	£	£	£
Fixed assets	1,417	-	1,417
Current assets	31,711	-	31,711
Creditors due within one year	(5,801)	-	(5,801)
	<u>27,327</u>	<u>-</u>	<u>27,327</u>

14. OPERATING LEASE COMMITMENTS

At 31 August 2023 the charity had annual commitments under non-cancellable operating leases as follows:

	2023	2022
	£	£
Expiry date:		
Within 1 year	7,167	10,750
Between 2 to 5 years	<u>-</u>	<u>7,167</u>

15. PENSION COMMITMENTS

The charity operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund and amounted to £2,584 (2022 - £2,180). Contributions totalling £901 were payable to the fund at the balance sheet date and are included in creditors (2022 - £689).

THE WAY OF THE SPIRIT

England & Wales - Charity number 1110648

Accounts

THE WAY OF THE SPIRIT

(A company limited by guarantee)

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

Charity Registered Number 1110648

Company Registered Number 05471349

THE WAY OF THE SPIRIT

(A company limited by guarantee)

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THE WAY OF THE SPIRIT

(A company limited by guarantee)

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees: Iain McKay
 Richard George
 Stephen Moore

Company registered number: 05471349

Charity registered number: 1110648

Registered Office: Laundry Corner
 The Street
 Framingham Pigot
 Norwich
 NR14 7QJ

Accountant: G Schulz & Company Ltd
 Chartered Management Accountants
 G Schulz ACMA
 3 Lane Close
 Broadbridge Heath
 Horsham
 RH12 3UF

Bankers: Barclays Bank
 School Road
 Drayton
 Norwich
 NR8 6DN

THE WAY OF THE SPIRIT

(A company limited by guarantee)

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2022

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 August 2022.

Structure, governance and management

Nature of governing document

The company is registered as a charitable company limited by guarantee (registered charity number 1110648) and was set up under a Memorandum of Association on 3 June 2005.

Methods of appointment or election of Trustees

The management of the charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association.

Organisational structure

The management of the company is the responsibility of the Trustees who are appointed in accordance with the Articles of Association. The day to day operation is managed by Richard George, one of the Trustees.

Risk management

The Trustees actively review the major risks which the charity faces on a regular basis and believe that maintaining the free reserves stated, combined with the annual review of the controls over key financial systems will provide sufficient resources in the event of adverse conditions. The Trustees have also examined other operational and business risks which they face and confirm that they have established systems to mitigate the significant risks.

Objectives and activities

Objects and aims

The object is the advancement of the Christian faith by means of:

1. Providing inspirational teaching through study groups and conferences
2. Advancing education and providing training in the study of the Bible
3. Providing Christian resources by way of printed and digital media
4. Promoting the outworking of the Christian ministry through worship, prayer and fellowship.

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.

THE WAY OF THE SPIRIT

(A company limited by guarantee)

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

Financial review

Reserves policy

The Trustees have considered the level of reserves they wish to retain, appropriate to the charity's needs. This is based on the charity's size and the level of financial commitments. The Trustees aim to ensure the charity will be able to continue to fulfil its charitable objectives even if there is a temporary shortfall in income or unexpected expenditure. The Trustees will endeavour not to set aside funds unnecessarily.

Going concern

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

Achievements and performance

Review of Activities

During the period the ministry flourished in the UK and abroad, especially in East Africa. The newly revised Senior Leadership Team and Pioneering Team were active in helping to lead development of the ministry, and the central Norfolk team continued to strengthen. Finances were sufficient to cover all planned activities and projects.

Whereas the Covid pandemic had previously restricted overseas travel and face-to-face UK meetings, the ministry was increasingly able to operate a full programme of face-to-face activities as well as through on-line media.

In the UK, national conferences, teaching schools and teaching centre days were held on-line and in person, the teaching coursebook on Mark's Gospel was published and a series of teaching podcasts continued to be well received by international audiences.

Work in East Africa also continued, with on-line teaching schools being run for delegates in Kenya and the Democratic Republic of the Congo, and many East African delegates joined the teaching podcasts on-line.

Development of the Bible College continued in Uganda, funded from generous donations. Site plans were developed for the new Bible College and planning permission was received. The previously purchased 5 acre site north of Kampala was then prepared for development. The land is legally held in trust by local partners for The Way of The Spirit Bible College Ltd. (the NGO's local operating company) pending transfer to that company once local formalities have been completed. The planned first phase of development then commenced, including a teaching hall, dining and kitchen block, dormitory, and office block.

In parallel, the Ugandan NGO application continued to progress slowly, having been delayed by the Covid outbreak. We now expect the application to progress and conclude.

The long-term aim is to develop the Ugandan Bible College with mostly African Bible teachers, to train local Bible teachers, provide teaching support to local and regional churches, and to send African teaching teams on mission throughout East Africa.

THE WAY OF THE SPIRIT

(A company limited by guarantee)

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

Trustees' responsibilities statement

The Trustees (who are directors of The Way Of The Spirit for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

In preparing this report, the Trustees have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the Trustees on 17 May 2023 and signed on their behalf by:

.....
Richard George
Trustee

THE WAY OF THE SPIRIT

(A company limited by guarantee)

INDEPENDENT EXAMINER'S REPORT FOR THE YEAR ENDED 31 AUGUST 2022

Independent examiner's report to the Trustees of The Way of the Spirit

I report to the charity Trustees on my examination of the accounts of the company for the year 31 August 2022.

Respective responsibilities of trustees and examiner

As the Trustees of the company (and 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 the company 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 the company's accounts 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

I have completed my examination. I can 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 the company 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

G Schulz & Company Ltd
Chartered Management Accountants
G Schulz ACMA
3 Lane Close
Broadbridge Heath
Horsham
RH12 3UF

17 May 2023

THE WAY OF THE SPIRIT

(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2022

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
INCOMING RESOURCES					
Donations and legacies	2	125,038	29,434	154,472	159,073
Charitable activities	3	22,023	-	22,023	1,297
Other trading activities	4	6,997	-	6,997	5,798
Investments	5	24	-	24	23
TOTAL INCOMING RESOURCES		154,082	29,434	183,516	166,191
RESOURCES EXPENDED					
Raising funds	4	2,488	-	2,488	1,685
Charitable activities	6	120,070	97,467	217,537	141,050
TOTAL RESOURCES EXPENDED		122,558	97,467	220,025	142,735
NET INCOMING RESOURCES/(RESOURCES EXPENDED) BEFORE TRANSFERS		31,524	(68,033)	(36,509)	23,456
Transfers between funds		(68,033)	68,033	-	-
NET MOVEMENT IN FUNDS FOR THE YEAR		(36,509)	-	(36,509)	23,456
<i>Total funds at 1 September 2021</i>		63,836	-	63,836	40,380
TOTAL FUNDS AT 31 AUGUST 2022	12	27,327	-	27,327	63,836

The notes on pages 9 to 16 form part of these financial statements

THE WAY OF THE SPIRIT

(A company limited by guarantee)

Registered number: 05471349

BALANCE SHEET AS AT 31 AUGUST 2022

	Note	£	2022 £	2021 £
FIXED ASSETS				
Tangible assets	9		1,417	-
CURRENT ASSETS				
Stock		14,732	14,996	
Debtors	10	2,645	2,487	
Cash at bank and in hand		14,334	53,733	
		<u>31,711</u>	<u>71,216</u>	
CREDITORS: amounts falling due within one year	11	<u>5,801</u>	<u>7,380</u>	
NET CURRENT ASSETS/(LIABILITIES)			<u>25,910</u>	<u>63,836</u>
NET ASSETS			<u>27,327</u>	<u>63,836</u>
CHARITY FUNDS				
Restricted funds			-	-
Unrestricted funds			27,327	63,836
			<u>27,327</u>	<u>63,836</u>
TOTAL FUNDS	12		<u>27,327</u>	<u>63,836</u>

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

The Trustees consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Act.

The Trustees acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements were approved by the Trustees on 17 May 2023 and signed on their behalf, by:

.....
Richard George
Trustee

The notes on pages 9 to 16 form part of these financial statements

THE WAY OF THE SPIRIT

(A company limited by guarantee)

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

1. ACCOUNTING POLICIES

Company status

The company is a company limited by guarantee. The members of the company are the Trustees named on page 2. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

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

The Way Of The Spirit 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.

Income

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

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.

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 company; this is normally upon notification of the interest paid or payable by the Bank.

THE WAY OF THE SPIRIT

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022 (continued)

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.

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.

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.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees' meetings and reimbursed expenses.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Plant & Equipment, Motor vehicles	20% on cost
-----------------------------------	-------------

Stock

Stocks held for sale as part of non-charitable trade are measured at the lower of cost or net realisable value.

Goods or services provided as part of a charitable activity are measured at net realisable value based on the service potential provided by items of stock.

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.

Creditors and provisions

Creditors and provisions are recognised where the company 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

THE WAY OF THE SPIRIT

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022 (continued)

provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Pensions

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.

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 company 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 company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

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.

2. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted £	Restricted £	2022 £	2021 £
Offerings and Other gifts	110,384	29,434	139,818	143,409
Gift aid	14,654	-	14,654	15,664
Legacies	-	-	-	-
	125,038	29,434	154,472	159,073

THE WAY OF THE SPIRIT

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022 (continued)

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted £	Restricted £	2022 £	2021 £
Part-time school	25	-	25	202
Conferences	20,133	-	20,133	985
Other income	1,865	-	1,865	110
	22,023	-	22,023	1,297

4. TRADING ACTIVITIES

	Unrestricted £	Restricted £	2022 £	2021 £
Charity trading income				
Sales of books and CDs	6,997	-	6,997	5,798
Charity trading expenses				
Cost of sales	2,488	-	2,488	1,685
Net income from trading activities	4,509	-	4,509	4,113

5. INVESTMENT INCOME

	Unrestricted £	Restricted £	2022 £	2021 £
Bank interest	24	-	24	23
	24	-	24	23

THE WAY OF THE SPIRIT

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022 (continued)

6. EXPENDITURE ON CHARITABLE ACTIVITIES

	Note	Unrestricted £	Restricted £	2022 £	2021 £
Teaching Days		6,246	-	6,246	142
Conference Expenses		16,703	-	16,703	342
Grants to individuals		-	4,455	4,455	9,912
Grants to organisations		-	93,012	93,012	39,170
Mission expenses		-	-	-	-
Ministry Staff	7	70,430	-	70,430	67,635
Property Rent		11,963	-	11,963	12,345
Licences & insurance		2,034	-	2,034	1,940
Legal & Professional Fees		435	-	435	252
Other Administration		9,586	-	9,586	6,963
Bank Charges		1,919	-	1,919	1,949
Depreciation		354	-	354	-
Independent examination		400	-	400	400
		120,070	97,467	217,537	141,050

7. STAFF COSTS

	Unrestricted £	Restricted £	2022 £	2021 £
Wages and salaries	68,062	-	68,062	65,345
Social security costs	188	-	188	113
Pension	2,180	-	2,180	2,177
	70,430	-	70,430	67,635

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

	2022	2021
Ministry	4	4

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

8. TRUSTEE REMUNERATION AND EXPENSES

During the year, one Trustee received remuneration amounting to £21,575 (2021 - £22,368).

During the year, one Trustee received pension contributions amounting to £827 (2021 - £860).

The only other payments made to the Trustees, or any person connected with them, consisted of reimbursements of expenditure incurred on behalf of the charity in furthering the charity's objects.

THE WAY OF THE SPIRIT

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022 (continued)

9. FIXED ASSETS

	Office Equipment	Furniture & Fittings	Sound Equipment	Total
	£	£	£	£
Cost				
At 1 September 2021	2,704	2,842	1,601	7,147
Additions	1,771	-	-	1,771
Disposals	-	-	-	-
At 31 August 2022	4,475	2,842	1,601	8,918
Accumulated Depreciation				
At 1 September 2021	2,704	2,842	1,601	7,147
Charged in the period	354	-	-	354
Disposals	-	-	-	-
At 31 August 2022	3,058	2,842	1,601	7,501
Net Book Value:				
At 31st August 2022	1,417	-	-	1,417
At 1 September 2021	-	-	-	-

10. DEBTORS

	2022 £	2021 £
Trade debtors	2,297	2,124
Gift aid receivable	348	363
	2,645	2,487

11. CREDITORS

	2022 £	2021 £
Accruals and deferred income	4,055	4,575
Other taxation and social security	902	1,290
Other creditors	844	1,515
	5,801	7,380

THE WAY OF THE SPIRIT

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022 (continued)

12. STATEMENT OF FUNDS

Current year	Brought forward 2022 £	Incoming resources 2022 £	Resources expended 2022 £	Transfers in/out 2022 £	Carried forward 2022 £
General funds	63,836	154,082	(122,558)	(68,033)	27,327
Restricted funds:					
Mission Fund	-	29,434	(97,467)	68,033	-
	-	29,434	(97,467)	68,033	-
	63,836	183,516	(220,025)	-	27,327

The Mission fund supports The Way of the Spirit work in Kampala, Uganda and other mission work.

Prior year	Brought forward 2021 £	Incoming resources 2021 £	Resources expended 2021 £	Transfers in/out 2021 £	Carried forward 2021 £
General funds	40,380	151,467	(93,653)	(34,358)	63,836
Restricted funds:					
Mission Fund	-	14,724	(49,082)	34,358	-
	-	14,724	(49,082)	34,358	-
	40,380	166,191	(142,735)	-	63,836

THE WAY OF THE SPIRIT

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022 (continued)

13. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Current year	Unrestricted	Restricted	Total
	funds	funds	funds
	2022	2022	2022
	£	£	£
Fixed assets	1,417	-	1,417
Current assets	31,711	-	31,711
Creditors due within one year	(5,801)	-	(5,801)
	<u>27,327</u>	<u>-</u>	<u>27,327</u>

Prior year	Unrestricted	Restricted	Total
	funds	funds	funds
	2021	2021	2021
	£	£	£
Fixed assets	-	-	-
Current assets	71,216	-	71,216
Creditors due within one year	(7,380)	-	(7,380)
	<u>63,836</u>	<u>-</u>	<u>63,836</u>

14. OPERATING LEASE COMMITMENTS

At 31 August 2022 the charity had annual commitments under non-cancellable operating leases as follows:

	2022	2021
	£	£
Expiry date:		
Within 1 year	10,750	10,750
Between 2 to 5 years	<u>7,167</u>	<u>17,917</u>

15. PENSION COMMITMENTS

The charity operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund and amounted to £2,180 (2021 - £2,177). Contributions totalling £689 were payable to the fund at the balance sheet date and are included in creditors (2021 - £Nil).

THE WAY OF THE SPIRIT

England & Wales - Charity number 1110648

Accounts

THE WAY OF THE SPIRIT

(A company limited by guarantee)

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

Charity Registered Number 1110648

Company Registered Number 05471349

THE WAY OF THE SPIRIT

(A company limited by guarantee)

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THE WAY OF THE SPIRIT

(A company limited by guarantee)

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees: Iain McKay
 Richard George
 Stephen Moore

Company registered number: 05471349

Charity registered number: 1110648

Registered Office: Laundry Corner
 The Street
 Framingham Pigot
 Norwich
 NR14 7QJ

Accountant: G Schulz & Company Ltd
 Chartered Management Accountants
 G Schulz ACMA
 3 Lane Close
 Broadbridge Heath
 Horsham
 RH12 3UF

Bankers: Barclays Bank
 School Road
 Drayton
 Norwich
 NR8 6DN

THE WAY OF THE SPIRIT

(A company limited by guarantee)

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2021

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 August 2021.

Structure, governance and management

Nature of governing document

The company is registered as a charitable company limited by guarantee (registered charity number 1110648) and was set up under a Memorandum of Association on 3 June 2005.

Methods of appointment or election of Trustees

The management of the charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association.

Organisational structure

The management of the company is the responsibility of the Trustees who are appointed in accordance with the Articles of Association. The day to day operation is managed by Richard George, one of the Trustees.

Risk management

The Trustees actively review the major risks which the charity faces on a regular basis and believe that maintaining the free reserves stated, combined with the annual review of the controls over key financial systems will provide sufficient resources in the event of adverse conditions. The Trustees have also examined other operational and business risks which they face and confirm that they have established systems to mitigate the significant risks.

Objectives and activities

Objects and aims

The object is the advancement of the Christian faith by means of:

1. Providing inspirational teaching through study groups and conferences
2. Advancing education and providing training in the study of the Bible
3. Providing Christian resources by way of printed and digital media
4. Promoting the outworking of the Christian ministry through worship, prayer and fellowship.

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.

THE WAY OF THE SPIRIT

(A company limited by guarantee)

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

Financial review

Reserves policy

The Trustees have considered the level of reserves they wish to retain, appropriate to the charity's needs. This is based on the charity's size and the level of financial commitments. The Trustees aim to ensure the charity will be able to continue to fulfil its charitable objectives even if there is a temporary shortfall in income or unexpected expenditure. The Trustees will endeavour not to set aside funds unnecessarily.

Going concern

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

Achievements and performance

Review of Activities

During the period the ministry flourished in the UK and abroad, especially in East Africa. A revised Senior Leadership Team and new Pioneering Team were established to help lead development of the ministry, and the central Norfolk team continued to strengthen. Finances were sufficient to cover all planned activities and projects.

While the continuing Covid pandemic restricted overseas travel and face to face UK meetings, the ministry was able to operate a full programme of activities through on-line media.

In the UK, national conferences, teaching schools and teaching centre days were held on-line, and a new series of teaching podcasts on Mark's Gospel, John's Gospel and Revelation were well received by international audiences.

Work in East Africa also continued in earnest, with on-line teaching schools being run for delegates in Kenya and the Democratic Republic of the Congo, and many East African delegates joined the new teaching podcasts on-line.

Development of the Bible College continued in Uganda funded from generous donations. Suitable land was identified and purchased for a 5 acre teaching campus north of Kampala. The land is legally held in trust by local partners for The Way of The Spirit Bible College Ltd. (the NGO's local operating company) pending transfer to that company once local formalities have been completed. Site plans were developed and submitted for planning permission, which was received after the period end, and the site was prepared for development. Looking ahead, the planned first phase of development includes a teaching hall, dining and kitchen block, dormitory, and office block.

In parallel, the Ugandan NGO application continued to progress slowly, delayed by the Covid outbreak. Post Covid, we expect the application to continue to progress and conclude.

The long-term aim is to develop the Ugandan Bible College with mostly African Bible teachers, to train local Bible teachers, provide teaching support to local and regional churches, and to send African teaching teams on mission throughout East Africa.

THE WAY OF THE SPIRIT

(A company limited by guarantee)

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

Trustees' responsibilities statement

The Trustees (who are directors of The Way Of The Spirit for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

In preparing this report, the Trustees have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the Trustees on 13 May 2022 and signed on their behalf by:

.....
Richard George

THE WAY OF THE SPIRIT

(A company limited by guarantee)

INDEPENDENT EXAMINER'S REPORT FOR THE YEAR ENDED 31 AUGUST 2021

Independent examiner's report to the Trustees of The Way of the Spirit

I report to the charity Trustees on my examination of the accounts of the company for the year 31 August 2021.

Respective responsibilities of trustees and examiner

As the Trustees of the company (and 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 the company 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 the company's accounts 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

I have completed my examination. I can 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 the company 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

G Schulz & Company Ltd
Chartered Management Accountants
G Schulz ACMA
3 Lane Close
Broadbridge Heath
Horsham
RH12 3UF

13 May 2022

THE WAY OF THE SPIRIT

(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2021

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
INCOMING RESOURCES					
Donations and legacies	2	144,349	14,724	159,073	121,449
Charitable activities	3	1,297	-	1,297	26,373
Other trading activities	4	5,798	-	5,798	5,123
Investments	5	23	-	23	61
TOTAL INCOMING RESOURCES		151,467	14,724	166,191	153,006
RESOURCES EXPENDED					
Raising funds	4	1,685	-	1,685	2,657
Charitable activities	6	91,968	49,082	141,050	131,172
TOTAL RESOURCES EXPENDED		93,653	49,082	142,735	133,829
NET INCOMING RESOURCES/(RESOURCES EXPENDED) BEFORE TRANSFERS		57,814	(34,358)	23,456	19,177
Transfers between funds		(34,358)	34,358	-	-
NET MOVEMENT IN FUNDS FOR THE YEAR		23,456	-	23,456	19,177
<i>Total funds at 1 September 2020</i>		40,380	-	40,380	21,203
TOTAL FUNDS AT 31 AUGUST 2021	12	63,836	-	63,836	40,380

The notes on pages 9 to 16 form part of these financial statements

THE WAY OF THE SPIRIT

(A company limited by guarantee)

Registered number: 05471349

BALANCE SHEET AS AT 31 AUGUST 2021

	Note	£	2021 £	2020 £
FIXED ASSETS				
Tangible assets	9		-	-
CURRENT ASSETS				
Stock		14,996	15,108	
Debtors	10	2,487	2,996	
Cash at bank and in hand		53,733	27,741	
		<u>71,216</u>	<u>45,845</u>	
CREDITORS: amounts falling due within one year	11	<u>7,380</u>	<u>5,465</u>	
NET CURRENT ASSETS/(LIABILITIES)			<u>63,836</u>	<u>40,380</u>
NET ASSETS			<u>63,836</u>	<u>40,380</u>
CHARITY FUNDS				
Restricted funds			-	-
Unrestricted funds		63,836	40,380	
TOTAL FUNDS	12		<u>63,836</u>	<u>40,380</u>

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

The Trustees consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Act.

The Trustees acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements were approved by the Trustees on 13 May 2022 and signed on their behalf, by:

.....
Richard George

The notes on pages 9 to 16 form part of these financial statements

THE WAY OF THE SPIRIT

(A company limited by guarantee)

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

1. ACCOUNTING POLICIES

Company status

The company is a company limited by guarantee. The members of the company are the Trustees named on page 2. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

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

The Way Of The Spirit 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.

Income

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

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.

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 company; this is normally upon notification of the interest paid or payable by the Bank.

THE WAY OF THE SPIRIT

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021 (continued)

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.

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.

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.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees' meetings and reimbursed expenses.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Plant & Equipment, Motor vehicles	20% on cost
-----------------------------------	-------------

Stock

Stocks held for sale as part of non-charitable trade are measured at the lower of cost or net realisable value.

Goods or services provided as part of a charitable activity are measured at net realisable value based on the service potential provided by items of stock.

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.

Creditors and provisions

Creditors and provisions are recognised where the company 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

THE WAY OF THE SPIRIT

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021 (continued)

provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Pensions

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.

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 company 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 company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

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.

2. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted £	Restricted £	2021 £	2020 £
Offerings and Other gifts	128,685	14,724	143,409	106,708
Gift aid	15,664	-	15,664	14,741
Legacies	-	-	-	-
	144,349	14,724	159,073	121,449

THE WAY OF THE SPIRIT

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021 (continued)

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted £	Restricted £	2021 £	2020 £
College fees	202	-	202	3,794
Conferences	985	-	985	21,257
Other income	110	-	110	1,322
	1,297	-	1,297	26,373

4. TRADING ACTIVITIES

	Unrestricted £	Restricted £	2021 £	2020 £
Charity trading income				
Sales of books and CDs	5,798	-	5,798	5,123
Charity trading expenses				
Cost of sales	1,685	-	1,685	2,657
Net income from trading activities	4,113	-	4,113	2,466

5. INVESTMENT INCOME

	Unrestricted £	Restricted £	2021 £	2020 £
Bank interest	23	-	23	61
	23	-	23	61

THE WAY OF THE SPIRIT

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021 (continued)

6. EXPENDITURE ON CHARITABLE ACTIVITIES

	Note	Unrestricted £	Restricted £	2021 £	2020 £
Teaching Days		142	-	142	4,791
Conference Expenses		342	-	342	21,933
Grants to individuals		-	9,912	9,912	6,227
Grants to organisations		-	39,170	39,170	589
Mission expenses		-	-	-	12,025
Ministry Staff	7	67,635	-	67,635	61,628
Property Rent		12,345	-	12,345	14,476
Licences & insurance		1,940	-	1,940	1,688
Legal & Professional Fees		252	-	252	287
Other Administration		6,963	-	6,963	5,066
Bank Charges		1,949	-	1,949	1,591
Depreciation		-	-	-	471
Independent examination		400	-	400	400
		91,968	49,082	141,050	131,172

7. STAFF COSTS

	Unrestricted £	Restricted £	2021 £	2020 £
Wages and salaries	65,345	-	65,345	58,374
Social security costs	113	-	113	1,203
Pension	2,177	-	2,177	2,051
	67,635	-	67,635	61,628

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

	2021	2020
Ministry	4	3

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

8. TRUSTEE REMUNERATION AND EXPENSES

During the year, one Trustee received remuneration amounting to £22,368 (2020 - £20,630).

During the year, one Trustee received pension contributions amounting to £860 (2020 - £791).

The only other payments made to the Trustees, or any person connected with them, consisted of reimbursements of expenditure incurred on behalf of the charity in furthering the charity's objects.

THE WAY OF THE SPIRIT

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021 (continued)

9. FIXED ASSETS

Tangible fixed assets comprise:-

	Office Equipment	Furniture & Fittings	Sound Equipment	Total
	£	£	£	£
Cost				
At 1 September 2020	2,704	2,842	1,601	7,147
Additions	-	-	-	-
Disposals	-	-	-	-
At 31 August 2021	2,704	2,842	1,601	7,147
Accumulated Depreciation				
At 1 September 2020	2,704	2,842	1,601	7,147
Charged in the period	-	-	-	-
Disposals	-	-	-	-
At 31 August 2021	2,704	2,842	1,601	7,147
Net Book Value:				
At 31st August 2021	-	-	-	-
At 1 September 2020	-	-	-	-

10. DEBTORS

	2021 £	2020 £
Trade debtors	2,124	2,648
Prepayments	-	-
Gift aid receivable	363	348
	2,487	2,996

11. CREDITORS

	2021 £	2020 £
Accruals and deferred income	4,575	4,055
Other taxation and social security	1,290	808
Other creditors	1,515	602
	7,380	5,465

THE WAY OF THE SPIRIT

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021 (continued)

12. STATEMENT OF FUNDS

Current year	Brought forward 2021 £	Incoming resources 2021 £	Resources expended 2021 £	Transfers in/out 2021 £	Carried forward 2021 £
General funds	40,380	151,467	(93,653)	(34,358)	63,836
Restricted funds:					
Mission Fund	-	14,724	(49,082)	34,358	-
	-	14,724	(49,082)	34,358	-
	40,380	166,191	(142,735)	-	63,836

The Mission fund supports The Way of the Spirit work in Kampala, Uganda and other mission work.

Prior year	Brought forward 2020 £	Incoming resources 2020 £	Resources expended 2020 £	Transfers in/out 2020 £	Carried forward 2020 £
General funds	21,203	142,343	(117,313)	(5,853)	40,380
Restricted funds:					
Mission Fund	-	10,663	(16,516)	5,853	-
	-	10,663	(16,516)	5,853	-
	21,203	153,006	(133,829)	-	40,380

THE WAY OF THE SPIRIT

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021 (continued)

13. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Current year	Unrestricted	Restricted	Total
	funds	funds	funds
	2021	2021	2021
	£	£	£
Fixed assets	-	-	-
Current assets	71,216	-	71,216
Creditors due within one year	(7,380)	-	(7,380)
	63,836	-	63,836

Prior year	Unrestricted	Restricted	Total
	funds	funds	funds
	2020	2020	2020
	£	£	£
Fixed assets	-	-	-
Current assets	45,845	-	45,845
Creditors due within one year	(5,465)	-	(5,465)
	40,380	-	40,380

14. OPERATING LEASE COMMITMENTS

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

OPERATING LEASE COMMITMENTS

Amounts falling due within one year:

	2021	2020
	£	£
Expiry date:		
Within 1 year	10,750	10,750
Between 2 to 5 years	17,917	28,667

15. PENSION COMMITMENTS

The charity operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund and amounted to £2,177 (2020 - £2,051). Contributions totalling £Nil were payable to the fund at the balance sheet date and are included in creditors (2020 - £311).

THE WAY OF THE SPIRIT

England & Wales - Charity number 1110648

Accounts

THE WAY OF THE SPIRIT

(A company limited by guarantee)

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

Charity Registered Number 1110648

Company Registered Number 05471349

THE WAY OF THE SPIRIT

(A company limited by guarantee)

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Statement of financial activities	7
Balance sheet	8
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THE WAY OF THE SPIRIT

(A company limited by guarantee)

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees: Iain McKay
 Richard George
 Stephen Moore

Company registered number: 05471349

Charity registered number: 1110648

Registered Office: Laundry Corner
 The Street
 Framingham Pigot
 Norwich
 NR14 7QJ

Accountant: G Schulz & Company Ltd
 Chartered Management Accountants
 G Schulz ACMA
 3 Lane Close
 Broadbridge Heath
 Horsham
 RH12 3UF

Bankers: Barclays Bank
 School Road
 Drayton
 Norwich
 NR8 6DN

THE WAY OF THE SPIRIT

(A company limited by guarantee)

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2020

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 August 2020.

Structure, governance and management

Nature of governing document

The company is registered as a charitable company limited by guarantee (registered charity number 1110648) and was set up under a Memorandum of Association on 3 June 2005.

Methods of appointment or election of Trustees

The management of the charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association.

Organisational structure

The management of the company is the responsibility of the Trustees who are appointed in accordance with the Articles of Association. The day to day operation is managed by Richard George, one of the Trustees.

Risk management

The Trustees actively review the major risks which the charity faces on a regular basis and believe that maintaining the free reserves stated, combined with the annual review of the controls over key financial systems will provide sufficient resources in the event of adverse conditions. The Trustees have also examined other operational and business risks which they face and confirm that they have established systems to mitigate the significant risks.

Objectives and activities

Objects and aims

The object is the advancement of the Christian faith by means of:

1. Providing inspirational teaching through study groups and conferences
2. Advancing education and providing training in the study of the Bible
3. Providing Christian resources by way of books, CDs, DVDs and other forms of media
4. Promoting the outworking of the Christian ministry through worship, prayer and fellowship.

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.

THE WAY OF THE SPIRIT

(A company limited by guarantee)

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2020 (continued)

Financial review

Reserves policy

The Trustees have considered the level of reserves they wish to retain, appropriate to the charity's needs. This is based on the charity's size and the level of financial commitments. The Trustees aim to ensure the charity will be able to continue to fulfil its charitable objectives even if there is a temporary shortfall in income or unexpected expenditure. The Trustees will endeavour not to set aside funds unnecessarily.

Going concern

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

Achievements and performance

Review of Activities

During the period the ministry developed in the UK and abroad, especially East Africa, whilst continuing to establish the Norfolk team post-Framingham Earl Hall. Finances were steady with all projects finding necessary funding notwithstanding the closure of the UK College.

Work in East Africa has continued in earnest, with increasing numbers of pastors and leaders receiving training in collaboration with our colleagues in the Ugandan churches. Many teams were sent to Africa from the UK during the year, one highlight being the mission to the Democratic Republic of the Congo in March 2020, which was well received, establishing a sound platform for future visits.

Covid then brought many challenges which were largely overcome by reaching out through on-line media with quality bible teaching through the UK, Africa, India and beyond. Conferences and schools continued to be held through 2020, albeit all held on-line.

Another by-product of the pandemic and shift to on-line communication has been a strengthening of the teams around the UK.

The Ugandan NGO application has continued to progress slowly, delayed by the Covid outbreak and its impact. Post Covid lockdown, we expect the application to continue to progress and conclude.

Our long-term aim with the NGO continues to be to develop a bible college with mostly African bible teachers, to provide more effective ongoing support to local and regional churches, and to send African bible teaching teams on mission beyond Uganda's borders.

THE WAY OF THE SPIRIT

(A company limited by guarantee)

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2020 (continued)

Trustees' responsibilities statement

The Trustees (who are directors of The Way Of The Spirit for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

In preparing this report, the Trustees have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the Trustees on 21 May 2021 and signed on their behalf by:

.....
Richard George

THE WAY OF THE SPIRIT

(A company limited by guarantee)

INDEPENDENT EXAMINER'S REPORT FOR THE YEAR ENDED 31 AUGUST 2020

Independent examiner's report to the Trustees of The Way of the Spirit

I report to the charity Trustees on my examination of the accounts of the company for the year 31 August 2020.

Respective responsibilities of trustees and examiner

As the Trustees of the company (and 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 the company 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 the company's accounts 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

I have completed my examination. I can 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 the company 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

G Schulz & Company Ltd
Chartered Management Accountants
G Schulz ACMA
3 Lane Close
Broadbridge Heath
Horsham
RH12 3UF

21 May 2021

THE WAY OF THE SPIRIT

(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2020

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
INCOMING RESOURCES					
Donations and legacies	2	110,786	10,663	121,449	106,106
Charitable activities	3	26,373	-	26,373	36,283
Other trading activities	4	5,123	-	5,123	4,477
Investments	5	61	-	61	133
TOTAL INCOMING RESOURCES		142,343	10,663	153,006	146,999
RESOURCES EXPENDED					
Raising funds	4	2,657	-	2,657	3,299
Charitable activities	6	114,656	16,516	131,172	159,056
TOTAL RESOURCES EXPENDED		117,313	16,516	133,829	162,355
NET INCOMING RESOURCES/(RESOURCES EXPENDED) BEFORE TRANSFERS		25,030	(5,853)	19,177	(15,356)
Transfers between funds		(5,853)	5,853	-	-
NET MOVEMENT IN FUNDS FOR THE YEAR		19,177	-	19,177	(15,356)
<i>Total funds at 1 September 2019</i>		21,203	-	21,203	36,559
TOTAL FUNDS AT 31 AUGUST 2020	13	40,380	-	40,380	21,203

The notes on pages 9 to 16 form part of these financial statements

THE WAY OF THE SPIRIT

(A company limited by guarantee)

Registered number: 05471349

BALANCE SHEET AS AT 31 AUGUST 2020

	Note	£	2020 £	2019 £
FIXED ASSETS				
Tangible assets	10		-	472
CURRENT ASSETS				
Stock		15,108	15,756	
Debtors	11	2,996	7,395	
Cash at bank and in hand		27,741	30,895	
		45,845	54,046	
CREDITORS: amounts falling due within one year	12	5,465	33,315	
NET CURRENT ASSETS/(LIABILITIES)			40,380	20,731
NET ASSETS			40,380	21,203
CHARITY FUNDS				
Restricted funds			-	-
Unrestricted funds		40,380	21,203	
TOTAL FUNDS	13		40,380	21,203

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

The Trustees consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Act.

The Trustees acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements were approved by the Trustees on 21 May 2021 and signed on their behalf, by:

.....
Richard George

The notes on pages 9 to 16 form part of these financial statements

THE WAY OF THE SPIRIT

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

1. ACCOUNTING POLICIES

Company status

The company is a company limited by guarantee. The members of the company are the Trustees named on page 2. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

Summary of significant accounting policies and key accounting estimates

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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.

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

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THE WAY OF THE SPIRIT

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020 (continued)

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.

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Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees' meetings and reimbursed expenses.

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Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Plant & Equipment, Motor vehicles	20% on cost
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Stocks held for sale as part of non-charitable trade are measured at the lower of cost or net realisable value.

Goods or services provided as part of a charitable activity are measured at net realisable value based on the service potential provided by items of stock.

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.

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Creditors and provisions are recognised where the company 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

THE WAY OF THE SPIRIT

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020 (continued)

provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Pensions

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.

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General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the company 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 company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

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.

2. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted £	Restricted £	2020 £	2019 £
Offerings and Other gifts	96,045	10,663	106,708	90,217
Gift aid	14,741	-	14,741	15,889
Legacies	-	-	-	-
	110,786	10,663	121,449	106,106
<i>Total 2019</i>	<i>99,999</i>	<i>6,107</i>	<i>106,106</i>	

THE WAY OF THE SPIRIT

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020 (continued)

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted £	Restricted £	2020 £	2019 £
College fees	3,794		3,794	5,978
Conferences	21,257		21,257	26,425
Other income	1,322	-	1,322	3,880
	26,373	-	26,373	36,283
<i>Total 2019</i>	<i>36,283</i>	<i>-</i>	<i>36,283</i>	

4. TRADING ACTIVITIES

	Unrestricted £	Restricted £	2020 £	2019 £
Charity trading income				
Sales of books and CDs	5,123		5,123	4,477
Charity trading expenses				
Cost of sales	2,657	-	2,657	3,299
Net income from trading activities	2,466	-	2,466	1,178
<i>Total 2019</i>	<i>1,178</i>	<i>-</i>	<i>1,178</i>	

5. INVESTMENT INCOME

	Unrestricted £	Restricted £	2020 £	2019 £
Bank interest	61	-	61	133
	61	-	61	133
<i>Total 2019</i>	<i>133</i>	<i>-</i>	<i>133</i>	

THE WAY OF THE SPIRIT

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020 (continued)

6. EXPENDITURE ON CHARITABLE ACTIVITIES

	Note	Unrestricted £	Restricted £	2020 £	2019 £
Teaching Days		4,791		4,791	5,770
Conference Expenses		21,933		21,933	36,338
Full-time School Expenses		2,325		2,325	6,604
Mission Expenses			16,516	16,516	24,852
Ministry Staff	8	61,628		61,628	62,200
Property Rent		14,476		14,476	11,239
Licences & insurance		1,688		1,688	1,808
Legal & Professional Fees		287		287	1,953
Other Administration		5,066		5,066	4,873
Bank Charges		1,591		1,591	1,967
Depreciation		471		471	1,052
Governance costs	7	400		400	400
		114,656	16,516	131,172	159,056

7. GOVERNANCE COSTS

	Unrestricted £	Restricted £	2020 £	2019 £
Independent examination	400		400	400
	400	-	400	400

8. STAFF COSTS

	Unrestricted £	Restricted £	2020 £	2019 £
Wages and salaries	58,374		58,374	59,178
Social security costs	1,203		1,203	914
Pension	2,051		2,051	2,108
	61,628	-	61,628	62,200

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

	2020	2019
Ministry	3	3

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

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020 (continued)

9. TRUSTEE REMUNERATION AND EXPENSES

During the year, one Trustee received remuneration amounting to £20,630 (2019 - £20,297).

During the year, one Trustee received pension contributions amounting to £791 (2019 - £777).

During the year, one Trustee received reimbursement of expenses amounting to £2,141 (2019 - £3,146).

10. FIXED ASSETS

Tangible fixed assets comprise:-

	Office Equipment	Furniture & Fittings	Sound Equipment	Total
	£	£	£	£
Cost				
At 1 September 2019	2,704	2,842	1,601	7,147
Additions	-	-	-	-
Disposals	-	-	-	-
At 31 August 2020	2,704	2,842	1,601	7,147
Accumulated Depreciation				
At 1 September 2019	2,301	2,773	1,601	6,675
Charged in the period	403	69	-	472
Disposals	-	-	-	-
At 31 August 2020	2,704	2,842	1,601	7,147
Net Book Value:				
At 31st August 2020	-	-	-	-
At 1 September 2019	403	69	-	472

11. DEBTORS

	2020 £	2019 £
Trade debtors	2,648	5,783
Prepayments	-	896
Gift aid receivable	348	716
	2,996	7,395

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(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020 (continued)

12. CREDITORS

	2020	2019
	£	£
Accruals and deferred income	4,055	29,404
Other taxation and social security	808	791
Other creditors	602	3,120
	<u>5,465</u>	<u>33,315</u>

13. STATEMENT OF FUNDS

Current year	Brought forward	Incoming resources	Resources expended	Transfers in/out	Carried forward
	£	£	£	£	£
General funds	21,203	142,343	(117,313)	(5,853)	40,380
Restricted funds:					
Mission Fund	-	10,663	(16,516)	5,853	-
	-	10,663	(16,516)	5,853	-
	<u>21,203</u>	<u>153,006</u>	<u>(133,829)</u>	<u>-</u>	<u>40,380</u>

The Mission fund is specifically to support The Way of the Spirit work in Kampala, Uganda and other mission work.

Prior year	Brought forward	Incoming resources	Resources expended	Transfers in/out	Carried forward
	£	£	£	£	£
General funds	36,559	140,892	(140,029)	(16,219)	21,203
Restricted funds:					
Mission Fund	-	6,107	(22,326)	16,219	-
	-	6,107	(22,326)	16,219	-
	<u>36,559</u>	<u>146,999</u>	<u>(162,355)</u>	<u>-</u>	<u>21,203</u>

THE WAY OF THE SPIRIT

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020 (continued)

14. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Current year	Unrestricted	Restricted	Total
	funds	funds	funds
	2020	2020	2020
	£	£	£
Fixed assets	-	-	-
Current assets	45,845	-	45,845
Creditors due within one year	(5,465)	-	(5,465)
	40,380	-	40,380

Prior year	Unrestricted	Restricted	Total
	funds	funds	funds
	2019	2019	2019
	£	£	£
Fixed assets	472	-	472
Current assets	54,046	-	54,046
Creditors due within one year	(33,315)	-	(33,315)
	21,203	-	21,203

15. OPERATING LEASE COMMITMENTS

At 31 August 2020 the charity had annual commitments under non-cancellable operating leases as follows:

Amounts falling due within one year:

	2020	2019
	£	£
Expiry date:		
Within 1 year	10,750	10,750
Between 2 to 5 years	28,667	39,417

16. PENSION COMMITMENTS

The charity operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund and amounted to £2,051 (2019 - £2,108). Contributions totalling £311 were payable to the fund at the balance sheet date and are included in creditors (2019 - £Nil).