

REGISTERED COMPANY NUMBER: 06550075 (England and Wales)

**REGISTERED CHARITY NUMBER: 1123975 (England and Wales)
SC041252 (Scotland)**

REPORT OF THE TRUSTEES AND
CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2020
FOR
THE CHURCH OF PENTECOST - UK

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FOR THE YEAR ENDED 31ST DECEMBER 2020

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THE CHURCH OF PENTECOST-UK

REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31ST DECEMBER 2020

TRUSTEES	Reverend O O Afriyie (Chairman) Reverend K Frempong-Boadu (Secretary) Reverend J K Sam Reverend G K Korankye Reverend E. Y Appiah Reverend E Danso Elder Alex Apenteng-Boateng Elder K J Adomako
COMPANY SECRETARY	Reverend K Frempong-Boadu
REGISTERED OFFICE	746 Green Lane Dagenham Romford Essex RM8 1YX
REGISTERED COMPANY NUMBER	06550075 (England and Wales)
REGISTERED CHARITY NUMBER	1123975 (England & Wales) SC041252 (Scotland)
AUDITORS	Leroy Reid & Co Chartered Certified Accountants and Statutory Auditors 299 Northborough Road Norbury London SW16 4TR
SOLICITORS	Anthony Collins Solicitors LLP 134 Edmund Street Birmingham B3 2ES

THE CHURCH OF PENTECOST-UK

REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31ST DECEMBER 2020

Bankers

NatWest Group plc
36 St Andrew Square
Edinburgh
EH2 2YB

Lloyds Bank
25 Gresham Street
London
EC2V 7HN

Barclays Bank plc
1 Churchill Place
London
E14 5HP

The Charity Bank Ltd
Fosse House
182 High Street
Tonbridge
TN9 1BE

THE CHURCH OF PENTECOST - UK

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31ST DECEMBER 2020**

The Trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity and its subsidiary for the year ended 31st December 2020. The Trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), (effective 1 January 2020).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The main aim of the Church is to bring the world to the saving knowledge of Jesus Christ. The church seeks to achieve its aim by pursuing the following objectives:

- To advance the Christian faith, the Word of God and the full gospel of our Lord Jesus Christ in accordance with the Tenets of Faith in such ways and in such parts of the United Kingdom or the world as the trustees may, from time to time, deem fit.
- To relieve sickness and financial hardship and to promote and preserve good health by the provision of funds, goods and services of any kind, including the provision of pastoral support and counselling in such parts of the United Kingdom or the world as the trustees deem fit; and
- To advance education in such ways and in such parts of the United Kingdom or the world as the Trustees deem fit. The Trustees continue to pay due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Public benefit

The Trustees of The Church of Pentecost-UK had due regard to the public benefit guidance published by the Charity Commission in compliance with their duties under section 17 of the Charities Act 2011 and The Charities Accounts (Scotland) Regulation 2006 (As Amended). These guidance sets out two key principles:

- The organisation must have an identifiable benefit.
- The benefit must be to the public or a section of the public.

The operations of the church during the period under review increased awareness of God's presence in various towns and cities in the United Kingdom, helped people to learn and grow as Christians through sermons and Bible Study sessions, alleviated poverty and supported the provision of religious education.

In addition, the Church organised Youth and Kids' Clubs during school breaks to help children and young people in various communities with their academic work and equipped them with life skills and general knowledge. The Church also demonstrated the love of God by visiting the sick and made donations to homes for the elderly.

Finally, the Ministers of the Church run counselling sessions that were accessible to any member of the local community.

The Trustees have read the Charity Commission guidance on public benefit and are satisfied that the activities outlined above clearly demonstrate that the charity is providing a benefit to the public.

Volunteers

The Church makes extensive use of volunteers including Elders, Deacons, Deaconesses and other lay members in the performance of its activities. Their sacrificial giving and selfless devotion to the work of the Church is greatly appreciated by the Trustees.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2020

STRATEGIC REPORT

Achievement and performance

Charitable activities

The Church's main theme for the year was: "A glorious church to possess the nations" (Eph. 3:21; 5:27). This provided a focal point for the activities of all the ministries of the church. In addition, due regard was paid to the 5-year strategy of the church, christened "Vision 2023". The central thrust of Vision 2023 is to make the presence of the church felt in every sphere of society. Initial assessment of the impact of the implementation of Vision 2023 has been largely positive. Members have become more aware of the need for the church to be actively engaged in the community. The Gospel Sunday Services, an integral part of Vision 2023, have encouraged active evangelism by the members of the church.

During the year under review, Ministers, Presbyters, and the entire membership endeavoured to partner with the Holy Spirit to pursue God's ultimate goal for the church-becoming a beautiful bride prepared for her Bridegroom, which is Christ.

In common with other churches, the lockdown prevented our local churches (Assemblies) from having physical meetings for a significant part of the year. However, the challenges presented by the lockdown could not prevent the church from pursuing its God-given agenda of influencing every sphere of society with values and principles of the kingdom of God.

During the year under review, in-person services were held in our churches across the nation from January 2020 to March 2020. The church resorted to the use of virtual services in April 2020 and continued to do so until the Covid-19 restrictions were relaxed. Indeed, some of the local Churches continued with virtual services for most part of the year because restrictions imposed by the Church's landlords and the need to ensure that our services were conducted in a safe environment.

The Church carried out its activities in 25 Pastoral Districts, 4 Administrative Areas and 162 local churches. A list of addresses and contacts for local churches is available from the Registered Office of the Charity or from the Charity's website at: www.copuk.org.

On 4 August 2020, the Church of Pentecost-UK became the sole member of Birmingham Christian College (BCC), a college that specialises in the provision of religious education and training. Birmingham Christian College offers Lay Leadership courses to the Lay Leaders of the Church. The courses are aimed at equipping the lay leaders with leadership skills and sound biblical knowledge. During the year under review, eighty-four Lay Leaders of the church benefited from various training activities run by the BCC. In addition to the Lay Leadership Training Courses, BCC offered pastoral training to new Ministers of the Church.

Membership statistics

The overall membership of the Church increased from 20,730 in December 2019 to 21,248 in December 2020. This represents an increase of 2.5% over the previous year's membership figure. The breakdown of the current membership is as follows:

- 5,887 (i.e., 27.7%) are children below 13 years.
- 6,296 (i.e., 29.6%) are between 13 and 35 years and
- 9,065 (i.e., 42.7%) are above 35 years.

Church planting and District creation

Three assemblies were opened in the Manchester Area (one each in Birmingham, Nottingham and Leeds Districts) and one assembly was opened in the London South Area (in Southampton District) during the year under review. In addition, Nottingham District was created and inaugurated in August 2020. This district was carved out of Leicester District.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2020

Activities undertaken by the church during the year under review

Teaching Sessions

Teaching sessions were organised in our local churches on the theme for the year, "A glorious church to possess the nations" - Eph. 3:21; 5:27. All ministers, ministry leaders Presiding Elders regularly taught on the theme through a variety of programmes.

Gospel Sundays

Gospel Sunday services were held in most Assemblies (Local Churches) during the year under review. Members invited friends, loved ones and acquaintances to church on those days. During the lockdown period, the Gospel Sunday services were held online, and to the glory of God, more invitees were able to join our virtual services. To God's glory, 74 souls were won in the nation through the Gospel Sunday services during the reporting period.

Holy Spirit Baptism Sessions

Holy Spirit Baptism services were held regularly during the year. A total of 158 members (93 new members and 65 existing members) received Holy Spirit baptism during the year under review.

Retreats and Training programmes for Presiding Elders, all other Officers and members

A National Presbytery prayer meeting was held at Fountain Gate Tabernacle on 11th January 2020. Officers received a profound exposition based on the theme for the year. In addition, districts across the nation and the 4 Administrative Areas organised virtual retreats for the edification of officers and members throughout the year.

Discipleship

Discipleship activities were carried out after worship on Sundays. Although the lockdown affected the continuity of studies to some extent, many districts and assemblies were able to reorganise themselves for online Bible study sessions. In some Districts, Bible Study groups were converted into Discipleship groups and the leaders were encouraged to follow up on members of their respective groups.

Pastoral Care and Shepherding

District Ministers, Presiding Elders and Officers visited and called members who were sick. However, due to lockdown restrictions which kicked in from the middle of March, physical visits were curtailed. Ministers and leaders frequently relied on video phone calls to offer the needed pastoral care to needy members. Members were also encouraged to care for one another by praying/visiting and calling each other as often as possible.

The Counselling Ministry

Districts and Areas in the nation continually deployed their respective counselling teams to offer counselling to members and others in the community throughout the year. In addition to counselling members and others in the community who faced depression because of prolonged lockdown, counsellors assisted members in areas such as careers & education, financial planning, marital issues, health and wellbeing. The Counselling Ministry sensitised the church populace to psycho-social issues and the importance of counselling.

Evangelistic and outreach activities

Through the efforts of the various evangelism coordinating teams, 456 evangelistic outreach events were carried out across the nation. Most of these events were done online due to the lockdown. Some of the evangelistic activities undertaken during the year under review were radio broadcasts, street evangelism and a virtual evangelistic rally (Crusade) on Zoom. This programme was broadcasted live via Facebook from Thursday 25th June to 27th June 2020.

The evangelism coordinating committees in the nation were involved in the distribution of foodstuffs and other essential commodities to church and non-church members during the lockdown. The church distributed food items and other essential commodities to groups and individuals that were severely affected by the Covid 19 Pandemic. In London North Area, the church's Evangelism Ministry in conjunction with other ministries donated various items to Stamford Care Home in Edmonton and Priscilla Wakefield Care Home in Tottenham.

THE CHURCH OF PENTECOST - UK

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31ST DECEMBER 2020**

Conventions

Our planned Easter Convention was cancelled. In its place, districts and local churches organised virtual Easter services successfully from 18th to 21st April 2020.

The church held a virtual Holy Ghost Prayer Conference from 20th July through to 1st August. The theme for the programme was 'Stirring up the Holy Ghost in you to possess the nations' (2 Tim. 1:6; 1 Tim. 4:14). Some of the topics covered during the conference were: 'The role of the Holy Spirit in the proclamation of Scriptures', 'Living by the power of the Holy Spirit', Signs of a dead Church – 'Church without the leading of the Holy Spirit', 'How to exercise the gifts in you' and 'The Holy Spirit and holiness' (and 'Testing the spirits'). Christmas Conventions were held virtually in most districts in every pastoral district of the church.

Activities of Ministries

Children's Ministry:

The Children's Ministry organised in-person children's services in all local Churches during the first three months of 2020. All meetings went virtual from April 2020 due to the Covid-19 pandemic. Services were held via Zoom, telephone conferencing, Facebook and YouTube. The Children's Ministry organised a virtual training session on the topic "Spotting and Assisting emotionally disturbed children". This training session was organised in response to reports of increased domestic abuse which was attributed the lockdown.

Youth Ministry:

The Youth Ministry and Pensa (Pentecost Students Association) responded to the challenges presented by COVID-19 by engaging in virtual discussions, public prayer, bible studies and a strong social media presence. The COPUK Youth YouTube page attracted over 300 more subscribers during the year under review. In addition, The COPUK Youth Instagram page surpassed 2,000 followers with Pensa UK closely following with just under 1,700 followers.

Women's Ministry

The National Women's Week and its planned activities were halted due to the Covid-19 lockdown. Instead, a call for three days of intensive prayer was quickly organised and held across the nation under the theme "Be an Esther, Be an Intercessor" (Esther 4:12-17). The ministry stood solidly behind the church through fasting and prayers.

Men's Ministry:

The Men's Ministry Week was celebrated throughout UK under the theme; "A Glorious man to possess the nations in season and out of season". The climax of the week was the Father's Day celebration in all COP-UK local churches throughout the nation, via zoom.

Risk Management

The Church relies heavily on the efforts of volunteers at all levels of its operations. This exposes the church to failure by volunteers to comply with laid down and established policies and internal controls. To ameliorate this risk, a National Internal Audit Committee and the Safeguarding Team check the books and operating procedures of the local Churches on periodic basis.

During the year under review, risk assessments documents were produced for all the premises used for Church services. The reports were vetted and approved by the National Health and Safety Committee before the resumption of face-to-face meetings. In addition, personal protection equipment (PPE) was procured for all districts. An orientation session was organized at the national level for all Ministers, Presiding Elders and local Covid champions on 11th July. The National Media committee produced videos and flyers to sensitise members to the Covid-19 protocols.

Safeguarding:

Safeguarding employees, volunteers and vulnerable members of the church is an issue that the Trustees take seriously. The church has established a National Safeguarding Committee to monitor and report issues that could potentially impair the Charity's ability to protect its worshippers, employees and children.

THE CHURCH OF PENTECOST - UK

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST DECEMBER 2020

ACHIEVEMENT OF PROJECTIONS

- Ministers and Wives Retreat successfully held.
- All ministers and presbytery prayer meeting successfully held in January.
- Easter Convention successfully held at Districts level.
- Online Holy Ghost Prayer Conference successfully held in July.
- The Men's Ministry (PEMEM) organised a weeklong activity for the men.
- Children's Ministry Week successfully held in September.
- 'PENTFEST 2020' successfully held online in October.
- Christmas Convention successfully held at District level.

Financial review

This was first year of reporting as a group and the results shows a surplus for the year of £2,287,699. This includes an operating surplus of £1,041,241 from the operations of the parent charity (2019: £909,201) and an exceptional gain of £1,221,464 on the acquisition of a subsidiary, BCC during the year.

Incoming Resources - the total group income for the year under review was £6,009,411. This includes the Parent Charity's income of £5,959,117 (2019: £6,922,026). There is no doubt that the Covid -19 Pandemic, which hampered the operations of the church contributed to the fall in the overall income of the Church (Parent Charity).

Expenditure - the total group expenditure for the year under review was £4,943,176. This includes the Parent Charity's expenditure of £4,917,876 (2019: £6,012,825). The overall expenditure of the Parent Charity is lower than the previous year's figure because of the considerable savings that were made from rental payments for local churches and mileage expenses for ministers and volunteers.

The Trustees consider that the charity's position at the year-end is satisfactory. The Charity's cash at bank remains at a level that will allow it to pay its expenses as and when they fall due for payment. The Trustees also believe that the charity is well resourced to pursue its objectives.

Principal funding sources

The Church raised the funds which it needs to carry out activities from within its own membership and congregation. No wider public appeal was made for funds during the year. The Trustees are satisfied that the charity's assets attributable to each of its individual funds are available and adequate to fulfil its obligations in relation to those funds.

Reserves policy

The Trustees have established a Reserves Policy to enable the charity to function effectively and meet its obligations in the event of a decline in its income or a major cost increase. Having considered the relevant risks of changes in income and expenditure, the Trustees have determined that the appropriate level of free reserves is in the range £500,000 to £700,000. We currently hold more than this amount and the trustees will be reviewing the policy in the near future.

The group's total funds at 31 December 2020 were £16,011,315. The Church (Parent Charity's) total funds were £14,764,857 (2019 - £13,723,616).

THE CHURCH OF PENTECOST - UK

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31ST DECEMBER 2020**

STRATEGIC REPORT

Future plans

Projections for the year ending 31 December 2021

- To hold Ministers & Wives Retreat in January and August
- To hold a National We Care Week in January
- To facilitate 9 National Ministries' Weeks
- To hold 7 Lay Leadership Training Sessions at Area level
- To hold McKeown Missions Week in March
- To observe National Women's Ministry Week in March
- To facilitate the official launching of the Women's Ministry Virtuous Ladies Wing
- To organise a 4-day Easter Convention at District level in April
- To organise a National Children's Ministry Quiz in June
- To observe National Men's Ministry Week in June
- To hold a National Holy Ghost Prayer Conference in June
- To hold a virtual National Youth Conference in July
- To facilitate a National Messengers & Youth Workers Academy in August
- To hold a National Presbytery Prayer & Fasting Retreat in August
- To observe a National Children's Ministry Week in September
- To facilitate PENTFEST in October
- To facilitate a National Officers' Appreciation Day in November
- To hold Christmas Conventions

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Charity is governed by its memorandum and Articles of Association. In addition, as it operates as a company limited by guarantee, it is subject to the provisions of Companies Act 2006.

Legal structure of the charity

The Church of Pentecost-UK was incorporated as a company limited by guarantee on 31 March 2008 and registered as a UK Charity on 7 May 2008. Prior to its incorporation, the church operated in the UK as an affiliate of Elim Foursquare Gospel Alliance.

On 5 August 2020, the Church of Pentecost-UK became the sole member of Birmingham Christian College, a registered charity incorporated in England and Wales. The charity and company registration numbers are 1002205 and 2320164 respectively. Birmingham Christian College's registered address is:

Hamilton Drive
Selly Oak
Birmingham
B29 6AJ

Recruitment and appointment of new trustees

The trustees are drawn from a pool of experienced ministers and officers who are well versed in the operations of the church. However, every effort is made by the church to brief the trustees of their legal responsibilities on a regular basis.

Organisational structure

The Charity is decentralised into four administrative areas - London North Area, London South Area, Milton Keynes Area and Manchester Area. The four administrative areas oversee the operations of 25 Pastoral Districts. During the year under review, 162 (2019: 158) local churches operated under the supervision of the 25 Pastoral Districts (2019: 24).

THE CHURCH OF PENTECOST -

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31ST DECEMBER 2020**

STRUCTURE, GOVERNANCE AND MANAGEMENT - continued

To ensure active participation of members in the operations of the church, the charity has established four levels of governance to reflect the decentralised nature of its operations. These are the National Council, Area Council, District Presbytery and the Local Presbytery. The role and composition of the various bodies are explained below:

The National Council

The National Council is the highest decision-making body of the church. It normally meets once a year in February. In accordance with the governing document of the church, the trustees report to the National Presbytery Council on the progress and operations of the church. Issues of major importance are submitted to the National Council meeting by the Trustees for guidance. The National Council consists of the Trustees, Ministers of the Church, Ministers' Wives, Area and District Executives, Area Ministries' Leaders, Presiding Elders, National Ministries' Leaders and their Deputies, two Deacons and three deaconesses from each District, Chairmen of National Boards and Committees, and all the members of the National Finance Board.

Trustee Board/National Executive Council (NEC)

The Trustee Board is responsible for the day to day running of the church. The Board is made up of 8 members six ministers and 2 lay officers (Elders) of the church elected by the National Council. The ministerial group of the Trustee Board is made up of the heads of the Administrative Areas (the four Area Heads), the National Head and one Minister's representative, who is elected by the members of the National Council. Elected trustees serve the Charity for four (4) years but are eligible for re-election.

The Trustee Board / National Executive Council reports to the National Council and are subject to decisions made by the National Council, the highest decision-making body. The Church of Pentecost-UK is part of the Church of Pentecost International. While decisions relating to the operations of the church are made by the trustees in the UK, the Chairman of the Board of Trustees (National Head) is appointed by the International Executive Council of the Church of Pentecost International.

The Area Council

The Area Council is the highest policy implementation body in the Area. It receives and ratifies reports submitted to it by the various parts of the church operating in the Area. The Area Council elects the members of the Area Executive Committee, a body responsible for the running of the church in the Area. The Area Council consists of the Area Head, Ministers of the Church in the Administrative Area, Ministers' Wives in the Area, Area and District Executives, Area Ministries' Leaders, Presiding Elders, two Deacons and three Deaconesses from each District. The Area Council meets at least twice a year.

District Presbytery

The District Presbytery is the highest policy implementation body in the District. It consists of the District Minister, the District Minister's Wife, Elders, Deacons and Deaconesses in the District. The District Presbytery elects the members of the District Executive Committee, a body responsible for the running of the church in the District. The District Presbytery elects the non-pastoral members of the District Executive Committee.

The Local Presbytery

The Local Presbytery decides on matters concerning the local church, which are delegated to it by the Trustees (National Executive Council). It consists of the District Minister, the District Minister's Wife, Elders, Deacons and Deaconesses in the local church.

Participation of Members

Members participate in the running of the charity through their representatives at National Council Meetings. In addition, circulars are sent from the National, Area and District Offices to members to inform them of activities of the church on a regular basis. All members are encouraged to participate in the spiritual and practical tasks involved in the furtherance of the charitable objectives of the Church.

THE CHURCH OF PENTECOST - UK

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2020

STRUCTURE, GOVERNANCE AND MANAGEMENT

Key management remuneration

Key Management Personnel and Remuneration All issues relating to the working conditions of Ministers of the Church are decided by the Salaries Committee, a sub-committee of the Finance Board. The Salaries Committee is made up of the non-paid officers of the church on the National Finance Board. To ensure transparency and independence in the setting of Ministers' stipend, the Salaries Committee has over the years adopted the Salaries Scale recommended by Elim Foursquare Gospel Alliance for its Ministers. Day to day management of the church's business is delegated to a group of employees and appointed ministers who operate within the framework set by the church's constitution.

The aggregate amount paid to key management personnel during the year is detailed below;

<u>Name</u>	<u>Position</u>	<u>Salary</u>	<u>Pension</u>	<u>2020</u>	<u>2019</u>
Rev O. Afriyie	National Head	£44,910	£5,184	£50,094	£49,074
Rev J. Sam	Area Head	£34,554	£4,956	£39,510	£38,562
Rev G. Korankye	Area Head	£41,250	£4,800	£46,050	£45,192
Rev K. Appiah	Area Head	£34,232	£Nil	£39,630	£38,592
Rev E. Danso	District Pastor	£34,914	£4,716	£34,914	£38,796
Rev K. Frimpong-Boadu	Secretary	£32,400	£4,800	£37,200	£Nil
Elder J. Adomako	Trustee	£Nil	£Nil	£Nil	£Nil
Elder A. Boateng	Trustee	£Nil	£Nil	£Nil	£Nil
Rev F O Kwaah	Area Head	£32,550	£4,800	£37,350	£37,950
Rev E Donkor	Rector BCC	£29,514	£9,870	£39,384	£27,984
		<u>£284,324</u>	<u>£39,126</u>	<u>£323,132</u>	<u>£277,950</u>

Trustees were reimbursed expenses for the year as shown below;

<u>Name</u>	<u>Position</u>	<u>2020</u>	<u>2019</u>
Rev O. Afriyie	National Head	£294	£1,832
Rev J. Sam	Area Head	£100	£540
Rev G. Korankye	Area Head	£Nil	£70
Rev E. Danso	District Pastor	£65	£116
Elder J. Adomako	National Deacon	£Nil	£50
Rev E. Donkor	Rector BCC	£54	£207
		<u>£513</u>	<u>£2,815</u>

THE CHURCH OF PENTECOST - UK

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31ST DECEMBER 2020**

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of The Church of Pentecost - UK for the purposes of company law) are responsible for preparing the Report of the trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and Charities Accounts (Scotland) Regulations 2006 (as amended).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the group and charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006 and The Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended). 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 so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, Leroy Reid & Co, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a Strategic report, approved by order of the board of trustees, as the company directors, on 18 OCTOBER 2021 and signed on the board's behalf by:


.....
Reverend Kwaku Frempong-Boadu
Trustee

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
THE CHURCH OF PENTECOST -**

Opinion

We have audited the financial statements of The Church of Pentecost -UK (the parent charitable company) for the year ended 31st December 2020 which comprise the Consolidated Statement of Financial Activities, the Consolidated Statement of Financial Position, the Consolidated Statement of Cash Flows and Notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the group and the parent charitable company's affairs as at 31st December 2020 and of its incoming resources and application of resources, including their income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts(Scotland) Regulations 2006 (as amended).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Report of the independent auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the trustees has been prepared in accordance with applicable legal requirements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
THE CHURCH OF PENTECOST -**

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of trustees' responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group and the charitable parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
THE CHURCH OF PENTECOST - UK**

Our responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Report of the independent auditors to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Report of the independent auditors. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
THE CHURCH OF PENTECOST - UK

Use of our report

This report is made exclusively to the members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken so that we might state to the members and the charitable company's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company, its members as a body, and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

E Okai

.....
Mr Ebenezer Okai, (BSc), FCCA (Senior Statutory Auditor)
for and on behalf of Leroy Reid & Co
Chartered Certified Accountants
and Statutory Auditors
299 Northborough Road
Norbury
London
SW16 4TR

Date: 20/10/2021

THE CHURCH OF PENTECOST - UK

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST DECEMBER 2020

		2020		
	Notes	Unrestricted fund £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM				
Donations and legacies	2	5,580,197	281,574	5,861,771
Charitable activities	4			
Church and BCC		146,389	-	146,389
Investment income	3	<u>1,251</u>	<u>-</u>	<u>1,251</u>
Total		5,727,837	281,574	6,009,411
EXPENDITURE ON				
Charitable activities				
Church	6&7	4,778,063	-	4,778,063
Support cost	6&7	113,156	-	113,156
Governance	6&7	51,957	-	51,957
		<u>-</u>	<u>-</u>	<u>-</u>
Total		4,943,176	-	4,943,176
NET OPERATING INCOME		784,661	281,574	1,066,235
Gain arising on acquisition of BCC	5	<u>356,835</u>	<u>864,629</u>	<u>1,221,464</u>
Net income		1,141,496	1,146,203	2,287,699
RECONCILIATION OF FUNDS				
Total funds brought forward		12,634,515	1,089,101	13,723,616
		<u>-</u>	<u>-</u>	<u>-</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>13,776,011</u></u>	<u><u>2,235,304</u></u>	<u><u>16,011,315</u></u>

THE CHURCH OF PENTECOST - UK

PARENT CHARITY STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST DECEMBER 2020

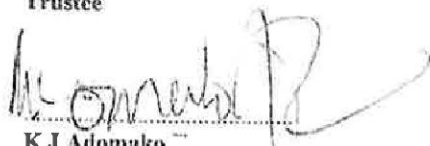
	Notes	Unrestricted funds £	Restricted fund £	2020 Total funds £	2019 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2b	5,575,948	281,574	5,857,522	6,851,186
Charitable activities	4				
Church	4b	100,344	-	100,344	68,721
Investment income	3	1,251	-	1,251	2,119
Total		5,677,543	281,574	5,959,117	6,922,026
EXPENDITURE ON					
Charitable activities	8				
Church		4,756,428	-	4,756,428	5,799,757
Support Cost		111,627	-	111,627	169,593
Governance		49,821	-	49,821	43,475
		-	-	-	-
Total		4,917,876	-	4,917,876	6,012,825
NET INCOME		759,667	281,574	1,041,241	909,201
RECONCILIATION OF FUNDS					
Total funds brought forward		12,634,515	1,089,101	13,723,616	12,814,415
TOTAL FUNDS CARRIED FORWARD		<u>13,394,182</u>	<u>1,370,675</u>	<u>14,764,857</u>	<u>13,723,616</u>

THE CHURCH OF PENTECOST - UK
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
31ST DECEMBER 2020

	Notes	2020 £
FIXED ASSETS		
Tangible assets	12(a)	16,419,709
CURRENT ASSETS		
Debtors	13(a)	185,730
Cash at bank and in hand		<u>3,742,908</u>
		3,928,638
CREDITORS		
Amounts falling due within one year	14	<u>(706,464)</u>
NET CURRENT ASSETS		<u>3,222,174</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		19,641,883
CREDITORS		
Amounts falling due after more than one year	15	<u>(3,630,568)</u>
NET ASSETS		<u>16,011,315</u>
FUNDS		
Unrestricted funds		13,776,011
Restricted funds		<u>2,235,304</u>
TOTAL FUNDS	17	<u>16,011,315</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 18 October 2021 and were signed on its behalf by:


 Rev. E.Y Appiah
 Trustee



 K J Adomako
 Trustee

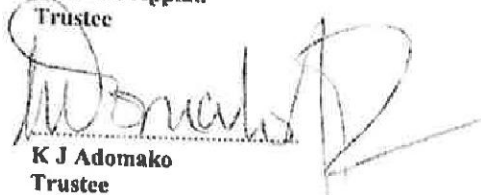
The notes on pages 23 to 40 form part of these financial statements.

THE CHURCH OF PENTECOST - UK
STATEMENT OF FINANCIAL POSITION OF PARENT CHURCH (CHURCH)
31ST DECEMBER 2020

	Notes	2020 £	2019 £
FIXED ASSETS			
Tangible assets	12(b)	15,196,690	15,036,205
CURRENT ASSETS			
Debtors	13(b)	177,234	158,131
Cash at bank and in hand		<u>3,710,087</u>	<u>2,689,618</u>
		3,887,321	2,847,749
CREDITORS			
Amounts falling due within one year	14(b)	(688,586)	(655,681)
NET CURRENT ASSETS		<u>3,198,735</u>	<u>2,192,068</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		18,395,425	17,228,273
CREDITORS			
Amounts falling due after more than one year	15	(3,630,568)	(3,504,657)
NET ASSETS		<u>14,764,857</u>	<u>13,723,616</u>
FUNDS	18		
Unrestricted funds:			
General fund		13,394,182	12,634,515
Restricted funds:			
Charitable activities		<u>1,370,675</u>	<u>1,089,101</u>
TOTAL FUNDS		<u>14,764,857</u>	<u>13,723,616</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 18 October 2021 and were signed on its behalf by:


 Rev. E.Y Appiah
 Trustee


 K J Adomako
 Trustee

The notes on pages 23 to 40 form part of these financial statements.

THE CHURCH OF PENTECOST - UK

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31ST DECEMBER 2020

	Notes	2020 £
Cash flows from operating activities		
Cash generated from operations	1	1,920,012
Interest paid		<u>(115,491)</u>
Net cash provided by operating activities		<u>1,804,521</u>
 Cash flows from investing activities		
Purchase of tangible fixed assets		(934,807)
Cash from acquisition of subsidiary		26,636
Sale of tangible fixed assets		2,749
Interest received		<u>1,251</u>
Net cash used in investing activities		<u>(904,171)</u>
 Cash flows from financing activities		
New loans in year		500,000
Loan repayments in year		<u>(347,060)</u>
Net cash provided by financing activities		<u>152,940</u>
 Change in cash and cash equivalents in the reporting period		1,053,290
Cash and cash equivalents at the beginning of the reporting period		<u>2,689,618</u>
 Cash and cash equivalents at the end of the reporting period		<u><u>3,742,908</u></u>

THE CHURCH OF PENTECOST - UK

NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31ST DECEMBER 2020

RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2020 £
1 Net income for the reporting period (as per the Statement of financial activities)	2,287,699
Adjustments for:	
Gain on the acquisition of subsidiary	(1,221,464)
Depreciation charges	761,856
Profit on disposal of fixed assets	(2,749)
Interest received	(1,251)
Interest paid	115,491
(Increase)/decrease in debtors	(27,599)
Increase/(decrease) in creditors	8,029
Net cash provided by operations	<u><u>1,920,012</u></u>

2 **ANALYSIS OF CHANGES IN NET DEBT**

	At 1.1.20 £	Cash flow £	At 31.12.20 £
Net cash			
Cash at bank and in hand	<u>2,689,618</u>	<u>1,053,290</u>	<u>3,742,908</u>
	<u>2,689,618</u>	<u>1,053,290</u>	<u>3,742,908</u>
Debt			
Debts falling due within 1 year	(448,223)	(27,030)	(475,253)
Debts falling due after 1 year	<u>(3,504,657)</u>	<u>(125,911)</u>	<u>(3,630,568)</u>
	<u>(3,952,880)</u>	<u>(152,941)</u>	<u>(4,105,821)</u>
Total net debt	<u><u>(1,263,262)</u></u>	<u><u>900,349</u></u>	<u><u>(362,913)</u></u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2020

1. ACCOUNTING POLICIES

BASIS OF PREPARING THE FINANCIAL STATEMENTS

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

INCOME

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

EXPENDITURE

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with the use of resources.

TANGIBLE FIXED ASSETS

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property – in accordance with the property
Long leasehold - in accordance with the property
Plant and machinery-25% on cost
Fixtures and fittings -25% on cost
Motor vehicles-25% on cost

TAXATION

The charity is exempt from tax on income and gains within the section 5.5 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable activities.

FUND ACCOUNTING

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

PENSION COSTS AND OTHER POST-RETIREMENT BENEFITS

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

BASIS OF CONSOLIDATION

The Group financial statements consolidate the financial statements of the Charity (COP-UK) and its subsidiary. The results of subsidiary acquired are consolidated for the periods from the date on which control was obtained to the end of the financial year. Business combinations are accounted by using the acquisition method. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by the Group. All intra-group transactions, balances, income and expenses are eliminated on consolidation

THE CHURCH OF PENTECOST - UK

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2020

2a. GROUP DONATIONS AND LEGACIES

	2020
	£
Tithes and offerings	5,227,965
Joint services offering	17,309
Gift aid receivable	311,817
Conferences & retreats	-
Blankson Foundation donations	13,928
Youth Ministry	352
Joint Ministries offering	17,005
Welfare disaster offering	1,500
BCC offerings	-
Pension offering	197
Building Fund offering	256,069
Van offering	11,380
Donations received by Birmingham Christian College	4,249
	<hr/>
	<u>5,861,771</u>

CLASSIFICATION OF GROUP DONATIONS AND LEGACIES

	Unrestricted	Restricted	2020
	funds	funds	Total
	£	£	funds
			£
Tithes and offerings	5,227,965	-	5,227,965
Joint services offering	17,309	-	17,309
Gift aid receivable	311,817	-	311,817
Conference, retreats & seminar income	-	-	-
Blankson Foundation donations	-	13,928	13,928
Youth Ministry and conference offerings	352	-	352
Joint Ministries offering	17,005	-	17,005
Welfare and disaster offerings	1,500	-	1,500
BCC offerings	-	-	-
Pension offering	-	197	197
Donations received by BCC	4,249	-	4,249
Building Fund offering	-	256,069	256,069
Van offering	-	11,380	11,380
	<hr/>	<hr/>	<hr/>
	<u>5,580,197</u>	<u>281,574</u>	<u>5,861,771</u>

THE CHURCH OF PENTECOST - UK

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2020

2b PARENT CHARITY DONATIONS AND LEGACIES

	Unrestricted funds £	Restricted funds £	2020 Total funds £	2019 Total funds £
Tithes and offerings	5,227,965	-	5,227,965	5,722,832
Joint services offering	17,309	-	17,309	102,027
Gift aid receivable	311,817	-	311,817	323,767
Conference, retreats & seminar income	-	-	-	1,550
Blankson Foundation donations	-	13,928	13,928	17,152
Youth Ministry and conference offerings	352	-	352	230,169
Joint Ministries offering	17,005	-	17,005	96,022
Welfare and disaster offerings	1,500	-	1,500	6,821
BCC offerings	-	-	-	17,825
Pension offering	-	197	197	22,709
Building Fund offering	-	256,069	256,069	308,012
Van offering	-	11,380	11,380	-
Offering - Masai for church	-	-	-	2,300
	<u>5,575,948</u>	<u>281,574</u>	<u>5,857,522</u>	<u>6,851,186</u>

3. INVESTMENT INCOME

	2020 £	2019 £
Deposit account interest	1,251	2,119
	<u>1,251</u>	<u>2,119</u>

4a. GROUP INCOME FROM CHARITABLE ACTIVITIES

	2020 £
Other income	38,679
COPUK Rental income	68,306
BCC Academic income	21,729
BCC rental income	17,675
	<u>146,389</u>

4b PARENT CHARITY CHARITABLE ACTIVITIES

	2020 £	2019 £
Other income	32,038	12,261
Rental income	68,306	56,460
	<u>100,344</u>	<u>68,721</u>

THE CHURCH OF PENTECOST - UK

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2020

5. Gain arising on acquisition of subsidiary (BCC)	£ <u>1,221,464</u>
---	-------------------------------------

On 5 August 2020, the Church of Pentecost-UK became the sole member of Birmingham Christian College, a UK Registered Charity. There was no transfer of funds to acquire control of the college. Birmingham Christian College's main objectives are the promotion and advancement of the Christian faith in the UK and elsewhere by spreading the Gospel of the Lord Jesus Christ and the provision of education and training in the knowledge, understanding and practice of the Christian faith. In recent years, the college has been the main provider of lay leadership training and ministerial training for the lay leaders and ministers of the Church of Pentecost-UK.

The gain of £1,221,464 arising from the acquisition of Birmingham Christian College was calculated as follows:

	£
Leasehold properties	1,1170,433
Plant and machinery	40,119
Cash & bank	26,636
Creditors due within one year	<u>(15,724)</u>
	1,221,464
Consideration transferred	<u>nil</u>
Gain on acquisition of subsidiary (BCC)	<u>1,221,464</u>

The fair value of leasehold property at acquisition date was estimated by the Trustees on the basis of a previous valuation done in 2011 plus the cost of improvements done in recent years less amortisation. The trustees were of the view that the cost of employing a professional valuer to value the leasehold property at acquisition date would have exceeded the benefit derived from the valuation.

The gain is made up of:

	£
Restricted reserves of the subsidiary	864,629
Unrestricted reserves-designated	23,453
Unrestricted reserves-not designated	<u>333,382</u>
	<u>1,221,464</u>

THE CHURCH OF PENTECOST - UK

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2020

6. GROUP CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 7) £	Support costs £	Totals £
Church	4,778,063		4,778,063
Support cost	-	113,156	113,156
Governance	-	51,957	51,957
	<u>4,778,063</u>	<u>165,113</u>	<u>4,943,176</u>

7. GROUP DIRECT COSTS OF CHARITABLE ACTIVITIES

	2020 £
Staff costs	1,565,297
Church plant & evangelism	133,325
Women's Ministry expenses	13,577
Children's Ministry expenses	1,251
Retreats and conferences	37,271
Gifts, welfare & donations	248,635
Premises expenses	498,904
Rent – churches & manses	797,597
Motor, travel, subsistence and accommodation	255,800
Presiding Elders expenses	6,700
Volunteer expenses	13,840
Equipment maintenance	69,040
PEMEM expenses	500
Education and sponsorship	-
Donations to Birmingham Christian College	97,842
Congregational and general insurance	63,502
Bank charges	18,307
Youth Ministry expenses	8,342
Audio visual expenses	532
Souvenirs & calendars expenses	10,400
Blankson Foundation expenses	5,650
National Youth conference	-
General charitable expenses	2,954
Depreciation and amortisation	777,482
Profit/(Loss) on disposal	(2,749)
Interest payable and similar charges	115,491
Communication costs	16,012
Freelance consultants	7,851
Validation and accreditation fees	4,680
Course development and research	5,992
Other professional fees	4,038
	<u>4,778,063</u>

THE CHURCH OF PENTECOST – UK
NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2020

GROUP SUPPORT COSTS

	Other £	Governance costs £	Totals £
Support cost	113,156	-	113,156
Governance	<u>-</u>	<u>51,957</u>	<u>51,957</u>
	<u>111,627</u>	<u>51,957</u>	<u>165,113</u>

Support costs, included in the above, are as follows:

	Support cost £	Governance £	2020 Total activities £
Training expenses	18,056	-	18,056
General administration expense	609	-	609
Travel and subsistence	1,837	-	1,837
Telephone and internet	37,586	-	37,586
Software and website	29,531	-	29,531
Printing, postage and stationery	25,537	-	25,537
Audit fees	-	31,819	31,819
Trustees meeting expenses	-	219	219
Compliance expenses	-	13	13
Legal and professional fees	<u>-</u>	<u>19,906</u>	<u>19,906</u>
	<u>113,156</u>	<u>51,957</u>	<u>165,113</u>

THE CHURCH OF PENTECOST - UK
NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2020

8. CHARITABLE ACTIVITIES COSTS (PARENT CHARITY)

	Direct Costs (see note 6) £	Support costs (see note 7) £	Totals £
Church	4,759,177		4,759,177
Support Cost	-	111,627	111,627
Governance	-	49,821	49,821
	<u>4,759,177</u>	<u>161,448</u>	<u>4,920,625</u>

DIRECT COSTS OF CHARITABLE ACTIVITIES (PARENT CHARITY)

	2020 £	2019 £
Staff costs	1,536,980	1,325,094
Church planting & evangelism	133,325	208,662
Women's Ministry expenses	13,577	65,954
Children's Ministry expenses	1,251	15,571
Retreats, conferences and seminars	37,242	133,670
Gifts, welfare and charitable donations	210,462	87,818
Premises expenses	498,904	368,196
Rent for churches & manses	797,597	1,266,331
Motor, travel, accommodation & subsistence	253,051	498,347
Presiding Elders expenses	6,700	8,400
Volunteer expenses	13,840	9,826
Equipment maintenance	69,040	77,471
PEMEM expenses	500	23,186
Education and sponsorship	-	1,850
Birmingham College donation	204,432	141,562
Congregational insurance	58,874	54,596
Bank charges	18,177	21,435
Youth Ministry expenses	8,342	24,856
Audio visual expenses	532	3,942
Souvenirs & calendars expenses	10,400	10,221
Blankson Foundation expense	5,650	1,200
Gain on disposal of fixed assets	(2,749)	(5,152)
National Youth conference	-	521,483
General charitable expenses	2,954	-
Depreciation	761,856	783,524
Interest payable and similar charges	115,491	146,312
	<u>4,756,428</u>	<u>5,799,757</u>

THE CHURCH OF PENTECOST - UK
NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2020

SUPPORT COSTS -PARENT ONLY

	Other £	Governance costs £	Totals £
Support cost	111,627	-	111,627
Governance	<u>-</u>	<u>49,821</u>	<u>49,821</u>
	<u>111,627</u>	<u>49,821</u>	<u>161,448</u>

Support costs, included in the above, are as follows:

	Support cost £	Governance £	2020 Total activities £	2019 Total activities £
Training expenses	18,056	-	18,056	51,986
General administration expense	234	-	234	27,974
Travel and subsistence	730	-	730	175
Printing, postage & stationery	25,490	-	25,490	45,179
Telephone and internet	37,586	-	37,586	33,532
Software and website	29,531	-	29,531	10,747
Audit fees	-	31,819	31,819	28,500
Trustees meeting expenses	-	219	219	2,929
Compliance expenses	-	13	13	265
Legal and professional fees	-	<u>17,770</u>	<u>17,770</u>	<u>11,781</u>
	<u>111,627</u>	<u>49,821</u>	<u>161,448</u>	<u>213,068</u>

THE CHURCH OF PENTECOST - UK
NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2020

9. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2020	2019
	£	£
Depreciation and amortisation	761,855	783,524
Surplus on disposal of fixed assets	<u>(2,749)</u>	<u>(5,152)</u>

10. TRUSTEES' REMUNERATION AND BENEFITS

Five trustees by virtue of their position as Pastors of the Church received a salary as stated in their conditions of service approved by the National Council for the year under review.

During the year under review £513 (2019 - £2,815) in relation to expenses incurred were reimbursed.

11. GROUP STAFF COSTS

	2020
	£
Wages and salaries	1,349,926
Social security costs	11,755
Other pension costs	175,299
Other staff costs-BCC	<u>28,317</u>
	<u>1,565,297</u>

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

	2020	2019
Pastors	38	38
Finance	3	6
Administrative	15	10
Academic staff	1	
	<u>57</u>	<u>54</u>

No employees received emoluments in excess of £60,000.

THE CHURCH OF PENTECOST - UK

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2020

11. PARENT CHARITY STAFF COSTS

	2020	2019
	£	£
Wages and salaries	1,349,926	1,151,219
Social security costs	11,755	11,168
Other pension costs	175,299	162,707
	<u>1,536,980</u>	<u>1,325,094</u>

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

	2020	2019
Pastors	38	38
Finance	3	6
Administrative	14	10
	<u>55</u>	<u>54</u>

No employees received emoluments in excess of £60,000.

12. GROUP TANGIBLE FIXED ASSETS

	Freehold property £	Long leasehold £	Plant and machinery £
COST			
At 1st January 2020	14,871,774	1,873,217	1,212,699
Acquisitions through Charity Combination	-	1,170,433	40,119
Additions	710,648	6,789	55,841
Disposals	-	-	-
At 31st December 2020	<u>15,582,422</u>	<u>3,050,439</u>	<u>1,308,659</u>
DEPRECIATION			
At 1st January 2020	2,276,721	401,491	862,298
Charge for year	263,404	37,464	169,653
Eliminated on disposal	-	-	-
At 31st December 2020	<u>2,540,125</u>	<u>438,955</u>	<u>1,031,951</u>
NET BOOK VALUE			
At 31st December 2020	<u>13,042,297</u>	<u>2,611,484</u>	<u>276,708</u>
At 31st December 2019	<u>12,595,053</u>	<u>1,471,726</u>	<u>350,401</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2020

12. GROUP TANGIBLE FIXED ASSETS - continued

	Fixtures and fittings £	Motor vehicles £	Totals £
COST			
At 1st January 2020	1,372,258	723,272	20,053,220
Additions	29,690	131,839	2,145,359
Disposals	-	(22,538)	(22,538)
	<u>1,401,948</u>	<u>832,573</u>	<u>22,176,041</u>
At 31st December 2020			
DEPRECIATION			
At 1st January 2020	859,553	616,952	5,017,015
Charge for year	202,945	88,389	761,855
Eliminated on disposal	-	(22,538)	(22,538)
	<u>1,062,498</u>	<u>682,803</u>	<u>5,756,332</u>
At 31st December 2020			
NET BOOK VALUE			
At 31st December 2020	<u>339,450</u>	<u>149,770</u>	<u>16,419,709</u>
At 31st December 2019	<u>512,705</u>	<u>106,320</u>	<u>15,036,205</u>

12b PARENT CHARITY TANGIBLE FIXED ASSETS

	Freehold property £	Long leasehold £	Plant and machinery £
COST			
At 1st January 2020	14,871,774	1,873,217	1,212,699
Additions	710,648	-	58,908
Disposals	-	-	-
	<u>15,582,422</u>	<u>1,873,217</u>	<u>1,271,607</u>
At 31st December 2020			
DEPRECIATION			
At 1st January 2020	2,276,721	401,491	862,298
Charge for year	263,404	37,464	169,653
Eliminated on disposal	-	-	-
	<u>2,540,125</u>	<u>438,955</u>	<u>1,031,951</u>
At 31st December 2020			
NET BOOK VALUE			
At 31st December 2020	<u>13,042,297</u>	<u>1,434,262</u>	<u>239,656</u>
At 31st December 2019	12,595,053	1,471,726	350,401

THE CHURCH OF PENTECOST - UK

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2020

PARENT CHARITY TANGIBLE FIXED ASSETS - continued

	Fixtures and fittings £	Motor vehicles £	Totals £
COST			
At 1st January 2020	1,372,258	723,272	20,053,220
Additions	20,945	131,839	922,340
Disposals	-	(22,538)	(22,538)
At 31st December 2020	<u>1,393,203</u>	<u>832,573</u>	<u>20,953,022</u>
DEPRECIATION			
At 1st January 2020	859,553	616,952	5,017,015
Charge for year	202,945	88,389	761,855
Eliminated on disposal	-	(22,538)	(22,538)
At 31st December 2020	<u>1,062,498</u>	<u>682,803</u>	<u>5,756,332</u>
NET BOOK VALUE			
At 31st December 2020	<u>330,705</u>	<u>149,770</u>	<u>15,196,690</u>
At 31st December 2019	<u>512,705</u>	<u>106,320</u>	<u>15,036,205</u>

THE CHURCH OF PENTECOST - UK

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2020

13a. GROUP DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	2020
	£
Other debtors	8,496
Gift aid	120,000
Staff loan	10,111
Prepayments and accrued income	47,123
	<u>185,730</u>
	£

13b DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR (PARENT CHARITY ONLY)

	2019	2020
	£	£
Other debtors	-	24,625
Gift aid	120,000	70,000
Staff loan	10,111	15,025
Rent deposits	-	3,250
Prepayments	47,123	45,231
	<u>177,234</u>	<u>158,131</u>

14. GROUP CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020
	£
Bank loans and overdrafts (see note 16)	475,253
Other creditors	200,306
Accruals and deferred income	30,905
	<u>706,464</u>

14b. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR (PARENT CHARITY)

	2020	2019
	£	£
Bank loans and overdrafts (see note 16)	475,253	448,223
Other creditors	182,429	182,232
Accruals and deferred income	30,904	25,226
	<u>688,586</u>	<u>655,681</u>

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

	2020	2019
	£	£
Bank loans (see note 16)	3,630,568	3,504,657

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2020

16. LOANS

An analysis of the maturity of loans is given below:

	2020	2019
	£	£
Amounts falling due within one year on demand:		
Bank loans	<u>475,253</u>	<u>448,223</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>3,630,568</u>	<u>3,504,657</u>

THE CHURCH OF PENTECOST - UK

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2020

17. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

	Unrestricted fund £	Restricted fund £	2020 Total funds £
Fixed assets	14,184,405	1,953,730	16,138,135
Current assets	3,928,638	281,574	4,210,212
Current liabilities	(706,464)	-	(706,464)
Long term liabilities	<u>(3,630,568)</u>	<u>-</u>	<u>(3,630,568)</u>
	<u>13,776,011</u>	<u>2,235,304</u>	<u>16,011,315</u>

Included within unrestricted funds is designated funds of £23,453 in relation to the subsidiary.

17b ANALYSIS OF PARENT CHARITY NET ASSETS BETWEEN FUNDS

	Unrestricted fund £	Restricted fund £	2020 Total funds £	2019 Total funds £
Fixed assets	13,826,015	1,089,101	14,915,116	15,036,205
Current assets	3,887,321	281,574	4,168,895	2,847,749
Current liabilities	(688,686)	-	(688,586)	(655,681)
Long term liabilities	<u>(3,630,568)</u>	<u>-</u>	<u>(3,630,568)</u>	<u>(3,504,657)</u>
	<u>13,394,182</u>	<u>1,370,675</u>	<u>14,764,857</u>	<u>13,723,616</u>

18. GROUP MOVEMENT IN FUNDS

	At 1.1.20 £	Net movement in funds £	At 31.12.20 £
Unrestricted funds			
General fund	12,634,515	1,141,496	13,776,011
Restricted funds			
Restricted Fund	1,089,101	1,146,203	2,235,304
TOTAL FUNDS	<u>13,723,616</u>	<u>2,287,699</u>	<u>16,011,315</u>

NOTES TO THE FINANCIAL STATEMENTS - continued

FOR THE YEAR ENDED 31ST DECEMBER 2020

18. GROUP MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	6,084,672	(4,943,176)	1,141,496
Restricted funds			
Restricted Fund	1,146,203	-	1,146,203
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u><u>7,230,875</u></u>	<u><u>(4,943,176)</u></u>	<u><u>2,287,699</u></u>

18(b) PARENT CHARITY MOVEMENT IN FUNDS

	At 1.1.20 £	Net movement in funds £	At 31.12.20 £
Unrestricted funds			
General fund	12,634,515	759,667	13,394,182
Restricted funds			
Restricted Fund	1,089,101	281,574	1,370,675
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u><u>13,723,616</u></u>	<u><u>1,041,241</u></u>	<u><u>14,764,857</u></u>

THE CHURCH OF PENTECOST - UK

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2020

PARENT CHARITY Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	5,677,543	(4,917,876)	759,667
Restricted funds			
Restricted Fund	281,574	-	281,574
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>5,959,117</u>	<u>(4,917,876)</u>	<u>1,041,241</u>

PARENT CHARITY Comparatives for movement in funds

	At 1.1.19 £	Net movement in funds £	Transfers between funds £	At 31.12.19 £
Unrestricted funds				
General fund	11,730,496	562,529	341,490	12,634,515
Restricted funds				
Restricted Fund	1,083,919	346,672	(341,490)	1,089,101
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>12,814,415</u>	<u>909,201</u>	<u>-</u>	<u>13,723,616</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	6,554,028	(5,991,499)	562,529
Restricted funds			
Restricted Fund	367,998	(21,326)	346,672
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	6,922,026	(6,012,825)	909,201

THE CHURCH OF PENTECOST - UK

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2020

19. GROUP MOVEMENT IN CHARITY RESTRICTED RESERVES

Fund	As at 1.1.20	Incoming	Acquisition	As at 31.12.20
Blankson Foundation	63,541	13,928	-	77,469
Building Fund	885,055	256,069	864,629	2,005,753
Motor Van offering	-	11,380	-	11,380
Retirement	140,505	197	-	140,702
	£1,089,101	£281,574	£864,629	£2,235,304

MOVEMENTS IN PARENT CHARITY RESTRICTED RESERVES

Fund	As at 1.1.20	Incoming	As at 31.12.20
Blankson Foundation	63,541	13,928	77,469
Building Fund	885,055	256,069	1,141,124
Motor Van offering	-	11,380	11,380
Retirement	140,505	197	140,702
	£1,089,101	£281,574	£1,370,675

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2020

20. RELATED PARTY DISCLOSURES

- a. The Parent Charity made donations totalling £204,432 to Birmingham Christian College (BCC) during the year of which pre-acquisition amounts recognised on consolidation were £97,842.
- b. The Parent Charity also paid £7,450 to BCC for research work.
- c. Included in staff loan are amounts for £5,236 and £1,800 owed by Reverend O Afriyie and Reverend K Frempong-Boadu respectively.
- d. A monthly allowance paid to the wives of Pastors for secretarial and other services and is included in note 11 of the accounts. Detailed below are the beneficiaries and amounts paid;
 - i. Mrs E Afriyie - £7,200 (2019 - £7,200)
 - ii. Mrs J Donkor - £7,800 (2019 - £7,800)
 - iii. Mrs A Sam - £7,200 (2019 - £7,200)
 - iv. Mrs C Appiah - £8,400 (2019 - £8,400)

21. COMMITMENT UNDER OPERATING LEASE

The subsidiary charity, Birmingham Christian College had annual commitments under non-cancellable leases:

	2020	2019
	Equipment	Equipment
	£	£
Operating lease payments are as follows:		
Within one year	9,157	9,157
In one to two years	9,157	9,157
In two to five years	<u>15,518</u>	<u>24,641</u>
	<u>33,832</u>	<u>42,855</u>

The service contract payments are for a photocopier, phone system and business level broadband supply.