

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 2021
FOR
THE CHURCH OF PENTECOST - UK

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FOR THE YEAR ENDED 31ST DECEMBER 2021

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THE CHURCH OF PENTECOST - UK

REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31ST DECEMBER 2021

TRUSTEES	Reverend O Afriyie Chairman (retired on 18/9/2022) Reverend K J Frempong-Boadu (Secretary) Reverend G K Korankye Reverend E Danso Elder Alex Apenteng-Boateng Elder K J Adomako Reverend E Y Appiah (appointed 31.7.21) Reverend J K Sam (retired on 20/8/2022)
COMPANY SECRETARY	Reverend K J Frempong-Boadu
REGISTERED OFFICE	746 Green Lane Dagenham Essex RM8 1YX
REGISTERED COMPANY NUMBER	06550075 (England and Wales)
REGISTERED CHARITY NUMBER	1123975 (England and Wales) SC041252
INDEPENDENT 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
BANKERS	Royal Bank of Scotland 36 St Andrew Square Edinburgh EH2 2YB Lloyds Bank 25 Gresham Street London EC2V 7HN

THE CHURCH OF PENTECOST - UK
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2021

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 for the year ended 31st December 2021. 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 Standards applicable in the UK and Republic of Ireland (FRS 102), (effective 1 January 2021).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The main aim of the Church is to bring the world to the saving knowledge of 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). This guidance sets out two key principles:

1. The organisation must have an identifiable benefit.
2. 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 demonstrated the love of God by visiting the sick and making donations to homes for the elderly. The Church's place of worship in Manchester was used by a Nursery School to provide nursery education for children in the local community. The Ministers of the Church run counselling sessions that are 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 of the Church.

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FOR THE YEAR ENDED 31ST DECEMBER 2021

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.

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.

Charity structure and hierarchy

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 27 Pastoral Districts.

During the year under review, 166 (2020: 162) local churches operated under the supervision of the 27 Pastoral Districts (2020: 25).

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.

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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.

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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.

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

Name	Position	Salary £	Employer Pension £	2021 £	2020 £
	National				
Rev O Afriyie	Head	46,212	5,379	51,591	50,094
Rev J Sam	Area Head	36,120	5,146	41,266	39,510
Rev G Korankye	Area Head	42,366	5,055	47,421	46,050
Rev K Appiah	Area Head	Nil	Nil	Nil	34,232
	District				
Rev E Danso	Pastor	36,228	4,891	41,119	39,630
	Nat.				
Rev K Frempong	Secretary	33,066	4,980	38,046	37,200
Rev F Kwaah	Area Head	Nil	4,980	4,980	37,350
Rev E Donkor	Rector BCC	27,799	9,870	37,669	39,384
Elder J Adomako	Deacon	Nil	Nil	Nil	Nil
Rev E Y Appiah	Trustee	<u>£33,966</u>	<u>£4,980</u>	<u>£38,946</u>	<u>Nil</u>
		£255,757	£45,281	£301,038	£323,450

Trustees were reimbursed expenses for the year as shown below:

Name	2021 £	2020 £
Rev O Afriyie	5,660	294
Rev J Sam	100	100
Rev G Korankye	Nil	Nil
Rev E Danso	65	65
Elder J Adomako	Nil	Nil
Rev E Donkor	<u>54</u>	<u>54</u>
	£5,660	£513

Trustees and Related parties

Six trustees, by virtue of their positions as Pastors of the Church receive a salary as stated in their conditions of service. Those individuals are shown under the heading "Key Management Personnel and Remuneration" above. There were no related party transactions with any connected person other than those disclosed in the related party.

THE CHURCH OF PENTECOST - UK
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2021

STRATEGIC REPORT

Achievement and performance

Charitable activities

The Church's main theme for the year was: "A glorious church revived 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 have encouraged active evangelism by the members as they consciously invite friends and family to church. In addition, the structured approach to the Bible Study Sessions has attracted a high level of interest and motivated members to practice personal devotions.

The lay leaders and members of the church have benefited from the Lay Leadership Programmes offered on behalf of the church by Birmingham Christian College.

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, Jesus Christ.

In common with other churches, the lockdown prevented our churches from having physical meetings for a significant part of the year. However, the challenges presented by the lockdown did not prevent us from pursuing our God-given mandate to influence every sphere of society with values and principles of the kingdom of God.

During the year under review, the Church carried out its activities in 27 Pastoral Districts, 4 Administrative Areas and 166 local churches. A list of addresses and contacts for local churches is available from the Charity's website at: www.copuk.org.

Membership statistics

The overall membership of the church increased by 0.3% during the year under review. Our membership figure rose from 21,248 in December 2020 to 21,302 in December 2021. The composition of membership at 31 December 2021 is as follows:

5,663 (i.e., 26.6%) are children below 13 years.

6,385 (i.e., 30%) are between 13 and 35 years and

9,254 (i.e., 43.4%) are above 35 years.

351 souls were won, which is an increase of 34.5% compared to the previous year. Out of this, 83 were won through the Gospel Sunday initiative and one soul was won through the Ministry to Persons With Disabilities (MPWD). 357 converts were baptized in water (an increase of 138%) and a total of 205 members received Holy Spirit baptism. The church had 110 active Home Cells in operation at 31 December 2021.

Church planting and District creation

Two districts, namely, Piccadilly PIWC (comprising of Manchester Piccadilly PIWC and Liverpool PIWC) in the Manchester Area and Olympic City PIWC in the London North Area, were created during the reporting period.

Activities undertaken by the church during the year under review

Training of leaders

Training sessions were organized at various administrative levels of the church to equip leaders as well as members to transform every sphere of their society with Christian values and principles of the kingdom of God in possessing the nations. Members were empowered through teachings to have consistent family devotions to reflect in their daily lifestyles, bring change to their communities and win more souls into the kingdom of God.

Teaching Sessions

The Ministers of the church, Presiding Elders, Officers, Ministries and Committee leaders preached and taught on the theme for the year, "A Glorious Church Revived to Possess the Nations" Ephesians 3:21, 5:27 Furthermore, retreats, conferences, ministry activities, Bible studies, mid-week and Sunday ministrations focused on the annual theme at the district and local levels to enable all officers and members to become living embodiments of the theme.

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The dual purpose of the church - adoring God and serving the community was continuously emphasized throughout the teaching sessions. The teaching sessions have contributed immensely to the Spiritual growth of the members because they have embraced the concept of revival into their Christian lives.

Gospel Sundays

Gospel Sundays were held on the second Sunday of every month in all the local churches. Members were encouraged to invite friends and neighbours to join social media outlets (Facebook and Zoom) during services. Visitors identified on virtual platforms were followed-up appropriately without breaching social distance guidelines. When churches returned to face-to-face meetings, some local churches adopted strategies such as breakfast meetings on Gospel Sundays to evangelise to friends and family members. Child Naming and Dedications services were also used to minister to visitors attending the occasion. Evangelistic centred sermons and testimonies of how members encountered Christ were given prominence during these services.

Holy Spirit Baptism Sessions

Holy Spirit baptism sessions and teachings were held virtually and in-person during the period under review. During the Easter, Holy Ghost and Christmas Conventions, Holy Spirit baptism sessions were held. These sessions refreshed the spiritual lives of members. There were 646 Holy Spirit Baptism Sessions during the period under review and a total of 205 members were baptized in the Holy Spirit and many others receiving an outpouring of spiritual gifts.

Training programmes for lay leaders and members of the church

As part of the strategies to achieve the objectives of Vision 2023, many lay leaders of the church have been enrolled on the leadership and counselling courses provided by the Birmingham Christian College (BCC). In addition, leadership training programmes were organized at National, Area and District levels of the church.

Monthly Local Presbytery Meetings

To meet the requirements of Vision 2023, monthly local presbytery meetings were held by local assemblies. The period was used to review the implementation of Vision 2023, assess the local church and address issues of concern to members. This has resulted in a remarkable increase in visitation and calling of members and intensified teachings for new converts and new members in various districts.

Discipleship Activities

a) Bible Study Sessions

Weekly bible studies were held across the Nation to ensure that members are well grounded in the doctrines of the church and sound biblical teachings. These in-depth teachings have enriched the spiritual knowledge and understanding of members greatly. The resources used during bible studies included the Church of Pentecost Bible Study Guide 2021. Topics discussed were pertinent to the spiritual growth of the members and included teachings about the Holy Spirit and righteousness, among others.

b) Home Cell

The church operated 110 home cells during the period under review. Home cell meetings were temporarily halted due to the COVID 19 Pandemic, but they have resumed with most engaging in Zoom home cell meetings.

c) New Converts Classes

New convert classes aimed at discipling new members and integrating them into the local church were held in several local churches. During the year under review, the new converts classes were held virtually during the lockdown period. However, in-person classes commenced in almost all districts before the end of the reporting period. In most districts, the new convert classes run parallel to the Bible study Sessions on Sundays. The classes helped new converts to grow their faith in the Lord.

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d). New Members Classes

This is run alongside the new converts' classes in most Assemblies in the Nation. New members are put through discipleship lessons and their various needs assessed. Lessons on the basic tenets of the church, water baptism, Holy Ghost baptism, Sacraments etc. are also run for them.

e). Pastoral Care and Shepherding

District

Ministers, Presiding Elders and Bible Study Leaders engaged in pastoral care and shepherding during the year under review. The sick, bereaved, new mothers were visited and assisted with essential supplies and financial support.

Operations of the Various Ministries of the Church

Women's Ministry:

The Women's Ministry held an online prayer and fasting programme under the theme: 'Are you burdened in any way in possessing the nations?'. In addition, the Women's Ministry held seminars on topics such as: 'Spicing up your marriage at home during the lockdown' and 'Myths and realities of marriage'. The Ministry also held a week-long conference under the theme 'Women/Ladies Arise & Possess' (Judges 5:7).

Evangelism Ministry

Districts, locals and individuals used social media (i.e. YouTube, WhatsApp, Facebook, Twitter, and Instagram to evangelise during the period under review. 369 rallies were held during the period under review. Members were encouraged to participate in the one member one disciple project. Various Evangelism Seminars and training programmes were held in the Nation. Districts organized teachings on evangelism and soul winning, and other training to increase the zeal for evangelism among members.

Men's Ministry (PEMEM)

During the year under review, The Men's Ministry organised Facebook meetings to enhance the spiritual, social and mental development of the men in the church. The ministry held a nationwide retreat from 17th to the 20th June 2021, under the theme, "The revived man to possess the nations".

Youth Ministry

During the period under review, the Youth Ministry held conferences were in three pastoral districts of the church. The conferences energised the Youth and educated them on issues relating to academia, career choices and personal purpose identification. The Northern Sector of the Youth Ministry held two revival programmes on 23rd April 2021 and 31 July 2021. The Southern Sector of the Youth Ministry carried out a series of programmes christened 'Back to Basics'. These programmes have resulted in a positive shift in the focus of our young people. The programmes also educated the Youth on the essence of prayer and equipped them with techniques to enhance their prayer lives.

Children's Ministry

The Children's Ministry operated under the theme: "Glorious Children Revived to Possess the Nations" (Ephesians 3:21, 5:27, Psalm 85:6, Habakkuk 3:2). The Ministry's programmes and activities were reflective of the above theme. Several programmes aimed at equipping the children to become responsible, God-fearing and law-abiding citizens were undertaken by the Children's Ministry.

Media Ministry

The National Media Team, known as PENTMEDIAUK, refocused its operations to ensure that the name of Jesus is projected in a manner that glorifies His name. The Ministry focused most of its work on training and equipping media personnel, technical teams, choir members and key personnel across all levels of the church. Before COVID-19, the ministry's activities were limited and in-house focused. As a result of the changes introduced by the Media Ministry, the church has increased its media presence on various social media platforms.

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Counselling Ministry

Counselling teams were established by districts and Locals to address the needs of members. The districts have counsellors in areas such as marriage, education and career, health and social care and general issues that individuals may be able to access whenever the need arises. Some officers and members of the district and local counselling teams have either completed or are currently attending the counselling course offered by the Birmingham Christian College (BCC).

Pentecost Social Services and Community Transformation

a. Schools:

As part of the Church's social responsibility to the community, lay leaders and members who work in the educational sector provided free tuition for members and non-members preparing for GCSE exams.

b. Health:

The Christian Healthcare Professional Network (CHPNet) of COPUK was inaugurated during the year under review. The network's vision is 'Connecting, Serving and Transforming Lives'. The main aim of the Network is to positively influence the healthcare profession with the values and principles of the kingdom of God.

Ministry to Persons with Disabilities (PWDs)

The Church in Milton Keynes organized a training session for families with disabled children and relatives. Participants were sign-posted to relevant Government agencies that could support them. Members were also educated on how to minister to Persons with Disability.

OTHER ACTIVITIES/ACHIEVEMENTS

Conventions

a). The 2021 Easter Convention was held at the District level from Wednesday 31st of March to Sunday 4th April under the theme: "The Cross of Christ" (1 Corinthians 1:18). However, due to the Covid-19 Pandemic and UK Government shut down of face-to-face meetings, all activities were done on line through Zoom conference platform. Notwithstanding the challenging times, member's participation was very encouraging.

b). National Holy Ghost Prayer Conference

The Holy Ghost Prayer Conference was held at the National level from Monday 21st to Sunday 27th June 2021 under the theme 'REVIVAL'. The attendance during the conference was very encouraging. There was huge outpouring of the Spirit at the services and members reported healing and deliverance from emotional and physical healings. Sunday, 27th June 2021 was declared as Holy Spirit baptism session across all locals in the Area.

c). Christmas Convention

Christmas Conventions were held successfully in all districts across the nation in December.

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Risk Assessment

Risk assessments documents were produced for all premises and approved by the National Health and Safety Committee before resumption of face-to-face meetings. Personal protection equipment was procured for all districts. An orientation session was organized at the national level for all Ministers, Presiding elders, the presbytery and local Covid champions on 11th July. The National Media committee produced videos and flyers to sensitise members to the Covid protocols.

ACHIEVEMENT OF PROJECTIONS

- Gross Tithes increased by 14.4%
- Missions Offering increased by 86%
- McKeown Missions Week Offering increased by 58.4%
- Ministers & Wives Retreats held
- National We Care Week held
- Ministry Weeks held
- McKeown Missions Week held
- Virtuous Ladies launched
- Held one PEMEM Week

THE CHURCH OF PENTECOST - UK
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STRATEGIC REPORT

Financial review

Financial position

The group results for the year under review reports a surplus of £1,672,159 (2020 - £2,287,699). This includes an operating surplus of £1,452,059 from the operations of the parent charity (2020 - £1,041,241). The subsidiary also reported a surplus of £220,102 (2020 - £52,807). The Trustees have implemented robust budgetary controls and continue to monitor costs to ensure that the church remains on a sound financial footing.

Incoming Resources - the total income for the year under review was £6,978,074 (2020 - £6,009,411). This represents a 16% increase on the previous year's total incoming resources

Expenditure - the total expenditure for the year is £5,305,915 (2020 - £4,943,176). This represents an increase of 7% on the previous year's expenditure.

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 is enough to pay its expenses as they fall due and pursue its objectives.

Principal funding sources

The Church raised the funds which it needs to carry on its 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 church to function effectively and meet its obligation in the event of a decline in our 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 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 2021 were £17,683,474 (2020 - £16,011,315).

Principal funding sources

The Church raised the funds which it needs to carry on its 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.

Principal risks and uncertainties

Risk Management

The trustees recognise that the scope of our operations generate considerable responsibility and take seriously the need to ensure that the reputation of the church is maintained. The Church relies heavily on the efforts of volunteers at the local level. This exposes the church to failure by volunteers to comply with laid established policies and internal controls. To ameliorate its risk, a National Internal Audit Committee checks the books and operating procedures of the districts at regular intervals.

Safeguarding

Safeguarding employees, volunteers and the vulnerable members of the church is an issue that we take seriously. The church has established a National Safeguarding committee to monitor and report issues that could potentially impair to protect our worshippers, employees and children.

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STRATEGIC REPORT

Future plans

PROJECTIONS FOR THE YEAR 2022

1. To hold a Ministers & Wives Retreat in January
2. To hold a National We Care Week in January
3. To hold a two-day National Officers Prayer Meeting in February
4. To hold McKeown Missions Week in March
5. To observe National Women's Ministry Week in March
6. To organise a 4-day Easter Convention at District level in April
7. To organise a National Children's Ministry Week in June
8. To observe National Men's Ministry Week in June
9. To hold a National Holy Ghost Prayer Conference in June
10. To hold a Youth Conference at ICC Wales in July
11. To organise a retirement service for Apostle James Sam in August
12. To hold one Children's Ministry week-long programme in September.
13. To organise a retirement service for Apostle Osei Owusu Afriyie in September
14. To organise PENTFEST in October
15. To facilitate a national Officers Appreciation Day in November
16. To hold Christmas Conventions at District level for PIWCs and Akan churches in December
17. To commence construction of 97 Peckham Road Church building in the London South Area in the third quarter of the year
18. To increase gross tithes by 5%

THE CHURCH OF PENTECOST - UK
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2021

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of The Church of Pentecost - UK 1 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"

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 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 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;
- 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 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 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 08-10-2022, 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 - UK**

Opinion

We have audited the financial statements of The Church of Pentecost - UK (the parent charitable company) for the year ended 31st December 2021 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 charitable company's affairs as at 31st December 2021 and of its incoming resources and application of resources, including its 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 regulation 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31st December 2021 and of its incoming resources and application of resources, including its 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.

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.

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

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.

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 (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 charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to 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's 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 solely to the charitable company's 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 charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members 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: 12 - 10 - 2022

THE CHURCH OF PENTECOST - UK

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST DECEMBER 2021

	Notes	Unrestricted fund £	Restricted fund £	2021 Total funds £	2020 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2a	6,336,145	283,698	6,619,843	5,861,771
Charitable activities					
Church	4a	70,167	-	70,167	103,093
BCC College	4a	287,835	-	287,835	43,296
Investment income	3	229	-	229	1,251
Total		<u>6,694,376</u>	<u>283,698</u>	<u>6,978,074</u>	<u>6,009,411</u>
EXPENDITURE ON					
Charitable activities					
Church	5	4,666,306	10,400	4,676,706	4,504,480
Support cost		144,725	-	144,725	113,156
Governance		90,298	-	90,298	58,385
BCC College		<u>394,186</u>	<u>-</u>	<u>394,186</u>	<u>267,155</u>
Total		<u>5,295,515</u>	<u>10,400</u>	<u>5,305,915</u>	<u>4,943,176</u>
Gain on acquisition of subsidiary	21	-	-	-	1,221,464
NET INCOME		1,398,861	273,298	1,672,159	2,287,699
RECONCILIATION OF FUNDS					
Total funds brought forward		13,776,011	2,235,304	16,011,315	13,723,616
TOTAL FUNDS CARRIED FORWARD		<u>15,174,872</u>	<u>2,508,602</u>	<u>17,683,474</u>	<u>16,011,315</u>

THE CHURCH OF PENTECOST - UK

PARENT CHARITY STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST DECEMBER 2021

	Notes	Unrestricted funds £	Restricted fund £	2021 Total funds £	2020 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2c	6,335,964	283,698	6,619,662	5,857,522
Charitable activities	4				
Church	4b	70,167	-	70,167	100,344
Investment income	3	229	-	229	1,251
Total		<u>6,406,360</u>	<u>283,698</u>	<u>6,690,058</u>	<u>5,959,117</u>
EXPENDITURE ON					
Charitable activities	8				
Church		4,943,793	10,400	4,954,193	4,756,428
Support Cost		193,508	-	193,508	111,627
Governance		90,298	-	90,298	49,821
Total		<u>5,227,599</u>	<u>10,400</u>	<u>5,237,999</u>	<u>4,917,876</u>
NET INCOME		1,178,761	273,298	1,452,059	1,041,241
RECONCILIATION OF FUNDS					
Total funds brought forward		13,394,182	1,370,675	14,764,857	13,723,616
TOTAL FUNDS CARRIED FORWARD		<u>14,572,943</u>	<u>1,643,973</u>	<u>16,216,916</u>	<u>14,764,857</u>

THE CHURCH OF PENTECOST - UK

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
31ST DECEMBER 2021

	Notes	2021 £	2020 £
FIXED ASSETS			
Tangible assets	11a	17,140,526	16,419,709
CURRENT ASSETS			
Debtors	12a	606,595	185,730
Cash at bank		<u>3,699,470</u>	<u>3,742,908</u>
		4,306,065	3,928,638
CREDITORS			
Amounts falling due within one year	13	(576,703)	(706,464)
NET CURRENT ASSETS		<u>3,729,362</u>	<u>3,222,174</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		20,869,888	19,641,883
CREDITORS			
Amounts falling due after more than one year	15	(3,186,414)	(3,630,568)
NET ASSETS		<u>17,683,474</u>	<u>16,011,315</u>
FUNDS	17		
Unrestricted funds		15,174,872	13,776,011
Restricted funds		<u>2,508,602</u>	<u>2,235,304</u>
TOTAL FUNDS		<u>17,683,474</u>	<u>16,011,315</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 08-10-2022 and were signed on its behalf by:


Reverend K J Frempong-Boadu
Trustee


K J Adomako
Trustee

THE CHURCH OF PENTECOST - UK

PARENT ENTITY STATEMENT OF FINANCIAL POSITION
31ST DECEMBER 2021

	Notes	2021 £	2020 £
FIXED ASSETS			
Tangible assets	11(b)	15,760,823	15,196,690
CURRENT ASSETS			
Debtors	12(b)	518,739	177,234
Cash at bank		<u>3,668,102</u>	<u>3,710,087</u>
		4,186,841	3,887,321
CREDITORS			
Amounts falling due within one year	13(b)	(544,334)	(688,586)
NET CURRENT ASSETS		<u>3,642,507</u>	<u>3,198,735</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		19,403,330	18,395,425
CREDITORS			
Amounts falling due after more than one year	14	(3,186,414)	(3,630,568)
NET ASSETS		<u>16,216,916</u>	<u>14,764,857</u>
FUNDS	17		
Unrestricted funds:			
General fund		14,572,943	13,394,182
Restricted funds:			
Charitable activities		<u>1,643,973</u>	<u>1,370,675</u>
TOTAL FUNDS		<u>16,216,916</u>	<u>14,764,857</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 08-10-2022 and were signed on its behalf by:



Rev Kwaku Frempong-Boadu
 Trustee



K J Adomako
 Trustee

THE CHURCH OF PENTECOST - UK

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31ST DECEMBER 2021

	Notes	2021 £	2020 £
Cash flows from operating activities			
Cash generated from operations	1	2,161,463	1,920,012
Interest paid		<u>(112,705)</u>	<u>(115,491)</u>
Net cash provided by operating activities		<u>2,048,758</u>	<u>1,804,521</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(1,508,521)	(934,807)
Sale of tangible fixed assets		4,502	-
Cash from acquisition of subsidiary			26,636
Sale of fixed asset investments		-	2,749
Interest received		<u>229</u>	<u>1,251</u>
Net cash used in investing activities		<u>(1,503,790)</u>	<u>(904,171)</u>
Cash flows from financing activities			
New loans in year		-	500,000
Loan repayments in year		<u>(588,406)</u>	<u>(347,060)</u>
Net cash (used in)/provided by financing activities		<u>(588,406)</u>	<u>152,940</u>
Change in cash and cash equivalents in the reporting period		(43,438)	1,053,290
Cash and cash equivalents at the beginning of the reporting period		<u>3,742,908</u>	<u>2,689,618</u>
Cash and cash equivalents at the end of the reporting period		<u>3,699,470</u>	<u>3,742,908</u>

THE CHURCH OF PENTECOST - UK

NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31ST DECEMBER 2021

RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021	2020
	£	£
Net income for the reporting period (as per the Statement of financial activities)	1,672,159	2,287,699
Adjustments for:		
Depreciation charges	794,450	761,856
Gain on acquisition of subsidiary	-	(1,221,464)
Profit on disposal of fixed assets	(11,248)	(2,749)
Interest received	(229)	(1,251)
Interest paid	112,705	115,491
Increase in debtors	(420,865)	(27,599)
Increase in creditors	<u>14,491</u>	<u>8,029</u>
Net cash provided by operations	<u><u>2,161,463</u></u>	<u><u>1,920,012</u></u>

2. ANALYSIS OF CHANGES IN NET (DEBT)/FUNDS

	At 1.1.21	Cash flow	At 31.12.21
	£	£	£
Net cash			
Cash at bank and in hand	<u>3,742,908</u>	<u>(43,438)</u>	<u>3,699,470</u>
	<u>3,742,908</u>	<u>(43,438)</u>	<u>3,699,470</u>
Debt			
Debts falling due within 1 year	(475,253)	144,252	(331,001)
Debts falling due after 1 year	<u>(3,630,568)</u>	<u>444,154</u>	<u>(3,186,414)</u>
	<u>(4,105,821)</u>	<u>588,406</u>	<u>(3,517,415)</u>
Total	<u><u>(362,913)</u></u>	<u><u>544,968</u></u>	<u><u>182,055</u></u>

THE CHURCH OF PENTECOST - UK

PARENT CHARITY'S STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31ST DECEMBER 2021

Notes	2021 £	2020 £
Cash flows from operating activities		
Cash generated from operations (1b)	1,941,590	1,904,109
Interest paid	<u>(112,705)</u>	<u>(115,491)</u>
Net cash provided by operating activities	<u>1,828,885</u>	<u>1,788,618</u>
 Cash flows from investing activities		
Purchase of tangible fixed assets	(1,313,053)	(922,340)
Sale of tangible fixed assets	4,502	-
Interest received	<u>229</u>	<u>1,251</u>
Net cash used in investing activities	<u>(1,308,322)</u>	<u>(921,089)</u>
 Cash flows from financing activities		
New loans in year	-	500,000
Loan repayments in year	<u>(562,548)</u>	<u>(340,931)</u>
Net cash (used in)/provided by financing activities	<u>(563,254)</u>	<u>152,940</u>
 Change in cash and cash equivalents in the reporting period	 (41,985)	 1,020,469
Cash and cash equivalents at the beginning of the reporting period	<u>3,710,087</u>	<u>2,689,618</u>
 Cash and cash equivalents at the end of the reporting period	 <u>3,668,102</u>	 <u>3,710,087</u>

THE CHURCH OF PENTECOST

NOTES TO PARENT ENTITY'S STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31ST DECEMBER 2021

1b RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021	2020
	£	£
Net income for the reporting period (as per the Statement of financial activities)	1,452,059	1,041,241
Adjustments for:		
Depreciation charges	755,666	761,856
Profit on disposal of fixed assets	(11,248)	-
Interest received	(229)	(1,251)
Interest paid	112,705	115,491
Increase in debtors	(341,505)	(19,103)
(Decrease)/increase in creditors	<u>(25,858)</u>	<u>5,875</u>
Net cash provided by operations	<u><u>1,941,590</u></u>	<u><u>1,904,109</u></u>

2b. ANALYSIS OF CHANGES IN NET (DEBT)/FUNDS

	At 1.1.21	Cash flow	At 31.12.21
	£	£	£
Net cash			
Cash at bank and in hand	<u>3,710,087</u>	<u>(41,985)</u>	<u>3,668,102</u>
	<u>3,710,087</u>	<u>(41,985)</u>	<u>3,668,102</u>
Debt			
Debts falling due within 1 year	(475,253)	118,394	(356,859)
Debts falling due after 1 year	<u>(3,630,568)</u>	<u>444,154</u>	<u>(3,186,414)</u>
	<u>(4,105,821)</u>	<u>562,548</u>	<u>(3,543,273)</u>
Total	<u><u>(395,734)</u></u>	<u><u>520,563</u></u>	<u><u>124,829</u></u>

THE CHURCH OF PENTECOST -UK

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS **FOR THE YEAR ENDED 31ST DECEMBER 2021**

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.

BASIS OF CONSOLIDATION

The Group financial statements of the Charity (COP-UK) and its subsidiary (Birmingham Christian College (BCC)). This is the first full year results for the subsidiary. 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 in alignment to those used by the Group. All intra-group transactions, balances, income and expenses are eliminated on consolidation.

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.

THE CHURCH OF PENTECOST - UK

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2021

1. ACCOUNTING POLICIES - continued

PENSION COSTS AND OTHER POST-RETIREMENT BENEFITS

The charity operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the charity pays fixed contributions into a separate entity. Once the contributions have been paid the charity has no further payments obligations. The contributions are recognised as an expense when they are due. Amounts not paid are shown in accruals in the balance sheet. The assets of the plan are held separately from the charity in an independently administered fund.

2a DONATIONS AND LEGACIES

	2021	2020
	£	£
Tithes and offerings	5,927,236	5,227,966
Joint services offering	58,653	17,309
Gift aid receivable	300,000	311,817
Blankson Foundation donations	7,093	13,928
Joint Ministries offering	50,076	17,357
Welfare and disaster offering	-	1,500
Pension offering	15,118	197
Building Fund offering	246,493	256,069
Van offering	-	11,380
BCC Offerings	14,994	-
Donations received by BCC	180	4,249
	<u>6,619,843</u>	<u>5,861,772</u>

CLASSIFICATION OF GROUP DONATIONS AND LEGACIES

	Unrestricted	Restricted	2021	2020
	funds	funds	Total	Total
	£	£	funds	funds
Tithes and offerings	5,927,236	-	5,927,236	5,227,965
Joint services offering	58,653	-	58,653	17,309
Gift aid receivable	300,000	-	300,000	311,817
Blankson Foundation donations	-	7,093	7,093	13,928
Joint Ministries offering	50,076	-	50,076	17,357
Welfare and disaster offerings	-	-	-	1,500
BCC offerings	-	14,994	14,994	-
Donations received by BCC	-	-	180	4,249
Pension offering	-	15,118	15,118	197
Building Fund offering	-	246,493	246,493	256,069
Van offering	-	-	-	11,380
	<u>6,335,965</u>	<u>283,878</u>	<u>6,619,843</u>	<u>5,861,772</u>

THE CHURCH OF PENTECOST - UK

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2021

2b. DONATIONS AND LEGACIES OF PARENT CHARITY

	Unrestricted funds	Restricted funds	2021 Total funds	2020 Total funds
	£	£	£	£
Tithes and offerings	5,927,236	-	5,927,236	5,227,965
Joint services offering	58,653	-	58,653	17,309
Gift aid receivable	300,000	-	300,000	311,817
Blankson Foundation donations	-	7,093	7,093	13,928
Youth Ministry and conference offerings	296	-	296	352
Joint Ministries offering	49,780	-	49,780	17,005
Welfare and disaster offerings	-	-	-	1,500
BCC offerings	-	14,994	14,994	-
Pension offering	-	15,118	15,118	197
Building Fund offering	-	246,493	246,493	256,069
Van offering	-	-	-	11,380
	<u>6,335,965</u>	<u>283,698</u>	<u>6,619,663</u>	<u>5,857,522</u>

3. INVESTMENT INCOME

	Unrestricted funds	Restricted funds	2021 Total funds	2020 Total funds
	£	£	£	£
Deposit account interest	<u>229</u>	<u>-</u>	<u>229</u>	<u>1,251</u>

4a GROUP INCOME FROM CHARITABLE ACTIVITIES

	Activity	2021 £	2020 £
Other income	Church	9,855	34,786
Rental income	Church	60,312	68,306
Other income	BCC College	5,005	3,894
Rental income	BCC College	95,296	17,675
Academic income	BCC College	<u>187,534</u>	<u>21,727</u>
		<u>358,002</u>	<u>146,388</u>

4b PARENT CHARITY INCOME FROM CHARITABLE ACTIVITIES

	Church £	Total activities £
Other income	6,758	32,038
Rent received	60,312	68,306
Audio visual income	<u>3,097</u>	<u>-</u>
	<u>70,167</u>	<u>100,344</u>

THE CHURCH OF PENTECOST - UK

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2021

5. GROUP CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 6) £	Support costs (see note 7) £	Totals £
Church	4,676,706	-	4,676,706
Support cost	-	144,725	144,725
Governance	-	90,298	90,298
BCC College	<u>376,197</u>	<u>17,989</u>	<u>394,186</u>
	<u>5,052,903</u>	<u>253,012</u>	<u>5,305,915</u>

6. GROUP DIRECT COSTS OF CHARITABLE ACTIVITIES

	2021 £	2020 £
Staff costs	1,539,954	1,565,297
Church plant & evangelism	175,563	133,325
Women's Ministry expenses	16,660	13,577
Children's Ministry expenses	8,599	1,251
Retreats and conferences	31,282	37,271
Gifts, welfare & donations	166,462	248,635
Premises expenses	586,598	498,904
Rent - churches & manses	934,294	797,597
Motor, travel, subsistence and accommodation	353,852	255,800
Presiding Elders expenses	11,433	6,700
Volunteer expenses	25,083	13,840
Equipment maintenance	72,445	69,040
PEMEM expenses	1,458	500
Donations to Birmingham Christian College	-	97,842
Insurance	77,406	63,502
Bank charges	18,924	18,307
Youth Ministry expenses	11,637	8,342
Audio visual expenses	17,778	532
Souvenirs & calendars expenses	10,749	10,400
Blankson Foundation expenses	10,400	5,650
General charitable expenses	202	2,954
Gain/(loss) on disposal	(11,248)	(2,749)
Communication cost	23,551	16,012
Freelance consultants	18,575	7,851
Validation & accreditation fee	22,765	4,680
Course development & research	-	5,992
Other professional fees	-	4,038
Library expenses	8,593	-
Advertising and marketing	9,232	-
Student bursaries	3,500	-
BCC Depreciation charge	-	15,626
Depreciation	794,450	761,856
Interest payable and similar charges	<u>112,705</u>	<u>115,491</u>
	<u>5,052,903</u>	<u>4,778,063</u>

THE CHURCH OF PENTECOST - UK

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2021

7. ANALYSIS OF GROUP SUPPORT COSTS

	Other £	Governance costs £	Totals £
Support cost	144,725	-	144,725
Governance	-	90,298	90,298
BCC College	<u>10,105</u>	<u>7,884</u>	<u>17,989</u>
	<u>154,830</u>	<u>98,182</u>	<u>253,012</u>

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

	Support cost £	Governance £	BCC College £	2021 Total activities £	2020 Total activities £
Training expenses	13,094	-	2,975	16,069	18,056
General administration expense	1,573	-	1,352	2,925	609
Travel and subsistence	1,199	-	1,054	2,253	1,837
Printing, postage & telephone	28,133	-	4,724	32,857	25,537
Telephone and internet	37,154	-	-	37,154	37,586
Software and website	63,572	-	-	63,572	29,531
Audit fees	-	31,500	5,500	37,000	31,819
Trustees meeting expenses	-	6,316	-	6,316	219
Compliance expenses	-	843	-	843	13
Legal and professional fees	<u>-</u>	<u>51,639</u>	<u>2,384</u>	<u>54,023</u>	<u>19,906</u>
	<u>144,725</u>	<u>90,298</u>	<u>17,989</u>	<u>253,012</u>	<u>165,113</u>

8 PARENT CHARITY'S CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 6) £	Support costs (see note 7) £	Totals £
Church	4,954,899	-	4,954,899
Support Cost	-	193,508	193,508
Governance	<u>-</u>	<u>90,298</u>	<u>90,298</u>
	<u>4,954,899</u>	<u>283,806</u>	<u>5,238,705</u>

THE CHURCH OF PENTECOST - UK

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2021

Note 8 continued

ANALYSIS OF PARENT CHARITY'S DIRECT COSTS OF CHARITABLE ACTIVITIES

	2021	2020
	£	£
Staff costs	1,454,273	1,536,980
Church planting & evangelism	175,563	133,325
Women's Ministry expenses	16,660	13,577
Children's Ministry expenses	8,599	1,251
Retreats, conferences and seminars	31,282	37,242
Gifts, welfare and charitable donations	166,462	210,462
Premises expenses	436,082	498,904
Rent for churches & manses	934,294	797,597
Motor, travel, accommodation & subsistence	353,852	253,051
Presiding Elders expenses	11,433	6,700
Volunteer expenses	25,083	13,840
Equipment maintenance	72,445	69,040
PEMEM expenses	1,458	500
Birmingham College donation	277,489	204,432
Congregational insurance	63,168	58,874
Bank charges	18,163	18,177
Youth Ministry expenses	11,637	8,342
Audio visual expenses	17,778	532
Souvenirs & calendars expenses	10,749	10,400
Blankson Foundation expense	10,400	5,650
General charitable expenses	200	2,954
Gain on disposal	(11,248)	(2,749)
Depreciation	756,372	761,856
Interest payable and similar charges	<u>112,705</u>	<u>115,491</u>
	<u>4,954,899</u>	<u>4,756,428</u>

8b. PARENT CHARITY'S SUPPORT COSTS

	Other	Governance	Totals
	£	costs	£
Support Cost	193,508	-	193,508
Governance	<u>-</u>	<u>90,298</u>	<u>90,298</u>
	<u>193,508</u>	<u>90,298</u>	<u>283,806</u>

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

OTHER

	2021	2020
	Support	Total
	Cost	activities
	£	£
Training expenses	62,594	18,056
General administration expenses	1,573	234
Travel and subsistence expenses	1,199	730
Printing, postage & stationery expenses	28,133	25,490
Telephone & internet expenses	37,154	37,586
Software and website expenses	<u>62,855</u>	<u>29,531</u>
	<u>193,508</u>	<u>111,627</u>

THE CHURCH OF PENTECOST - UK

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2021

Note 8 continued

GOVERNANCE COSTS

	2021	2020
	Governance	Total
	£	activities
	£	£
Audit fees	31,500	31,819
Trustees meeting expenses	6,316	219
Compliance expenses	843	13
Legal and professional fees	<u>51,639</u>	<u>17,770</u>
	<u>90,298</u>	<u>49,821</u>

9. NET INCOME/(EXPENDITURE)

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

	2021	2020
	£	£
Depreciation - owned assets	<u>794,450</u>	<u>761,855</u>

10. STAFF COSTS

	2021	2020
	£	£
Wages and salaries	1,337,744	1,378,243
Social security costs	18,569	11,755
Other pension costs	<u>183,641</u>	<u>175,299</u>
	<u>1,539,954</u>	<u>1,565,297</u>

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

	2021	2020
Pastors	38	38
Finance	4	3
Administrative	16	15
Academic	<u>3</u>	<u>1</u>
	<u>61</u>	<u>57</u>

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

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.

TRUSTEES' EXPENSES

During the year under review £5,730 (2020 - £5,455) in relation to expenses incurred were reimbursed.

THE CHURCH OF PENTECOST - UK

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2021

11. GROUP TANGIBLE FIXED ASSETS

	Freehold property £	Long leasehold £	Plant and machinery £
COST			
At 1st January 2021	15,582,422	3,050,439	1,308,659
Additions	1,068,867	195,469	105,621
Disposals	<u>-</u>	<u>-</u>	<u>(33,364)</u>
At 31st December 2021	<u>16,651,289</u>	<u>3,245,908</u>	<u>1,380,916</u>
DEPRECIATION			
At 1st January 2021	2,540,125	438,955	1,031,951
Charge for year	283,787	67,718	170,779
Eliminated on disposal	<u>-</u>	<u>-</u>	<u>(33,364)</u>
At 31st December 2021	<u>2,823,912</u>	<u>506,673</u>	<u>1,169,366</u>
NET BOOK VALUE			
At 31st December 2021	<u>13,827,377</u>	<u>2,739,235</u>	<u>211,550</u>
At 31st December 2020	<u>13,042,297</u>	<u>2,611,484</u>	<u>276,708</u>

11. TANGIBLE FIXED ASSETS - continued

	Fixtures and fittings £	Motor vehicles £	Totals £
COST			
At 1st January 2021	1,401,948	832,573	22,176,041
Additions	39,258	108,306	1,517,521
Disposals	<u>(575,491)</u>	<u>(308,930)</u>	<u>(917,785)</u>
At 31st December 2021	<u>865,715</u>	<u>631,949</u>	<u>22,775,777</u>
DEPRECIATION			
At 1st January 2021	1,062,498	682,803	5,756,332
Charge for year	179,483	92,683	794,450
Eliminated on disposal	<u>(575,491)</u>	<u>(306,676)</u>	<u>(915,531)</u>
At 31st December 2021	<u>666,490</u>	<u>468,810</u>	<u>5,635,251</u>
NET BOOK VALUE			
At 31st December 2021	<u>199,225</u>	<u>163,139</u>	<u>17,140,526</u>
At 31st December 2020	<u>339,450</u>	<u>149,770</u>	<u>16,419,709</u>

THE CHURCH OF PENTECOST - UK

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2021

11. PARENT CHARITY TANGIBLE FIXED ASSETS

	Freehold property £	Long leasehold £	Plant and machinery £
COST			
At 1st January 2021	15,582,422	1,873,217	1,271,607
Additions	1,068,867	-	105,621
Disposals	-	-	(33,364)
	<u>16,651,289</u>	<u>1,873,217</u>	<u>1,343,864</u>
At 31st December 2021			
DEPRECIATION			
At 1st January 2021	2,540,125	438,955	1,031,951
Charge for year	283,787	37,464	162,249
Eliminated on disposal	-	-	(33,364)
	<u>2,823,912</u>	<u>476,419</u>	<u>1,160,836</u>
At 31st December 2021			
NET BOOK VALUE			
At 31st December 2021	<u>13,827,377</u>	<u>1,396,798</u>	<u>183,028</u>
At 31st December 2020	<u>13,042,297</u>	<u>1,434,262</u>	<u>239,656</u>

PARENT CHARITY TANGIBLE FIXED ASSETS - continued

	Fixtures and fittings £	Motor vehicles £	Totals £
COST			
At 1st January 2021	1,393,203	832,573	20,953,022
Additions	39,258	108,307	1,322,053
Disposals	(575,491)	(308,930)	(917,785)
	<u>856,970</u>	<u>631,950</u>	<u>21,357,290</u>
At 31st December 2021			
DEPRECIATION			
At 1st January 2021	1,062,498	682,803	5,756,332
Charge for year	179,483	92,683	755,666
Eliminated on disposal	(575,491)	(306,676)	(915,531)
	<u>666,490</u>	<u>468,810</u>	<u>5,596,467</u>
At 31st December 2021			
NET BOOK VALUE			
At 31st December 2021	<u>190,480</u>	<u>163,140</u>	<u>15,760,823</u>
At 31st December 2020	330,705	149,770	15,196,690

THE CHURCH OF PENTECOST-UK

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2021

12a. GROUP DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Gift aid	361,705	120,000
Staff loan	18,161	10,111
Debtors and prepayments	<u>226,729</u>	<u>55,619</u>
	<u>606,595</u>	<u>185,730</u>

12b PARENT CHARITY DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Gift aid	361,705	120,000
Staff loan	18,161	10,111
Debtors & prepayments	<u>138,873</u>	<u>47,123</u>
	<u>518,739</u>	<u>177,234</u>

13. GROUP CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Bank loans and overdrafts (see note 15)	331,001	475,253
Other creditors	206,252	200,306
Accruals and deferred income	<u>39,450</u>	<u>30,905</u>
	<u>576,703</u>	<u>706,464</u>

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

	2021	2020
	£	£
Bank loans and overdrafts (see note 15)	356,859	475,253
Other creditors	156,571	182,429
Accruals and deferred income	<u>30,904</u>	<u>30,904</u>
	<u>544,334</u>	<u>688,586</u>

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

	2021	2020
	£	£
Bank loans (see note 15)	<u>3,186,414</u>	<u>3,630,568</u>

16. LOANS

An analysis of the maturity of loans is given below:

	2021	2020
	£	£
Amounts falling due within one year on demand:		
Bank loans	<u>331,001</u>	<u>475,253</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>3,186,414</u>	<u>3,630,568</u>

THE CHURCH OF PENTECOST-UK

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2021

17. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

	Unrestricted fund £	Restricted fund £	2021 Total funds £	2020 Total funds £
Fixed assets	16,275,897	864,629	17,140,526	16,419,709
Current assets	2,662,092	1,643,973	4,306,065	3,928,638
Current liabilities	(576,703)	-	(576,703)	(706,464)
Long term liabilities	(3,186,414)	-	(3,186,414)	(3,630,568)
	<u>15,174,872</u>	<u>2,508,602</u>	<u>17,683,474</u>	<u>16,011,315</u>

GROUP MOVEMENT IN FUNDS

	At 1.1.21 £	Net movement in funds £	At 31.12.21 £
Unrestricted funds			
General fund	13,776,011	1,398,861	15,174,872
Restricted funds			
Restricted Fund	2,235,304	273,298	2,508,602
	<u>16,011,315</u>	<u>1,672,159</u>	<u>17,683,474</u>
TOTAL FUNDS			

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	6,694,376	(5,295,515)	1,398,861
	<u>6,694,376</u>	<u>(5,295,515)</u>	<u>1,398,861</u>
TOTAL FUNDS			

THE CHURCH OF PENTECOST-UK

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2021

GROUP MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.1.20	Net	At
	£	movement	31.12.20
		in funds	£
		£	
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>

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

	Incoming	Resources	Gains and	Movement
	resources	expended	losses	in funds
	£	£	£	£
Unrestricted funds				
General fund	5,727,837	(4,943,176)	356,835	1,141,496
Restricted funds				
Restricted Fund	281,574	-	864,629	1,146,203
TOTAL FUNDS	<u>6,009,411</u>	<u>(4,943,176)</u>	<u>1,221,464</u>	<u>2,287,699</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.1.20	Net	At
	£	movement	31.12.21
		in funds	£
		£	
Unrestricted funds			
General fund	12,634,515	2,540,357	15,174,872
Restricted funds			
Restricted Fund	1,089,101	1,419,501	2,508,602
TOTAL FUNDS	<u>13,723,616</u>	<u>3,959,858</u>	<u>17,683,474</u>

THE CHURCH OF PENTECOST - UK

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2021

MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	12,706,617	(10,249,797)	356,835	2,813,655
Restricted funds				
Restricted Fund	281,574	-	864,629	1,146,203
TOTAL FUNDS	<u>12,988,191</u>	<u>(10,249,797)</u>	<u>1,221,464</u>	<u>3,959,858</u>

18 ANALYSIS OF PARENT CHARITY NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted fund £	2021 Total funds £	2020 Total funds £
Fixed assets	15,760,823	-	15,760,823	15,196,690
Current assets	2,542,868	1,643,973	4,186,841	3,887,321
Current liabilities	(544,334)	-	(544,334)	(688,586)
Long term liabilities	<u>(3,186,414)</u>	<u>-</u>	<u>(3,186,414)</u>	<u>(3,630,568)</u>
	<u>14,572,943</u>	<u>1,643,973</u>	<u>16,216,916</u>	<u>14,764,857</u>

PARENT CHARITY MOVEMENT IN FUNDS

	At 1.1.21 £	Net movement in funds £	At 31.12.21 £
Unrestricted funds			
General fund	13,394,182	1,178,761	14,572,943
Restricted funds			
Charitable activities	1,370,675	273,298	1,643,973
TOTAL FUNDS	<u>14,764,857</u>	<u>1,452,059</u>	<u>16,216,916</u>

THE CHURCH OF PENTECOST - UK

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2021

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	6,407,066	(5,228,305)	1,178,761
Restricted funds			
Charitable activities	283,698	(10,400)	273,298
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u><u>6,690,764</u></u>	<u><u>(5,238,705)</u></u>	<u><u>1,452,059</u></u>

Comparatives for 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			
Charitable activities	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>

HE CHURCH OF PENTECOST - UK

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2021

Comparative 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			
Charitable activities	281,574	-	281,574
TOTAL FUNDS	<u>5,959,117</u>	<u>(4,917,876)</u>	<u>1,041,241</u>

MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.1.20 £	Net movement in funds £	At 31.12.21 £
Unrestricted funds			
General fund	12,634,515	1,938,428	14,572,943
Restricted funds			
Charitable activities	1,089,101	554,872	1,643,973
TOTAL FUNDS	<u>13,723,616</u>	<u>2,493,300</u>	<u>16,216,916</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	12,084,609	(10,146,181)	1,938,428
Restricted funds			
Charitable activities	565,272	(10,400)	554,872
TOTAL FUNDS	<u>12,649,881</u>	<u>(10,156,581)</u>	<u>2,493,300</u>

THE CHURCH OF PENTECOST - UK

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2021

19. GROUP MOVEMENT IN RESTRICTED RESERVES

Fund	As at 1.1.21 £	Incoming £	Expenditure £	As at 31.12.2021 £
BCC		14,994		14,994
Retirement	140,702	15,118		155,820
Motor van	11,380			11,380
Building	2,005,753	246,493		2,252,246
Blankson Foundation	77,469	7,093	(10,400)	74,162
	<u>2,235,304</u>	<u>283,698</u>	<u>(10,400)</u>	<u>2,508,602</u>

19(b) PARENT CHARITY MOVEMENT IN RESTRICTED RESERVES

Fund	As at 1.1.21 £	Incoming £	Expenditure £	As at 31.12.2021 £
BCC		14,994		14,994
Retirement	140,702	15,118		155,820
Motor van	11,380			11,380
Building	1,141,124	246,493		1,387,617
Blankson Foundation	77,469	7,093	(10,400)	74,162
	<u>1,370,675</u>	<u>283,698</u>	<u>(10,400)</u>	<u>1,643,973</u>

20. RELATED PARTY DISCLOSURES

- a. The Parent Charity made donations totalling £277,489 (2020 - £202,039) to Birmingham Christian College (BCC) during the year. The full amount was eliminated on consolidation.
- b. The salary of the Rector of BCC is paid by the Parent Charity and was not recognised in the subsidiary.
- c. The Parent Charity contributes £40,020 to the salary of the Academic Dean at BCC.
- d. The Parent Charity also paid £49,500 (2020 - 7,450) to BCC for research work, training and development. The nature of the current year payments were for training and development.
- e. Staff loans includes an amount for £5,236 in relation to Reverend Afriyie.
- f. A monthly salary paid to the wives of Pastors for secretarial and other services and is included in note 10 of the accounts. Detailed below are the beneficiaries and amounts paid;
 - i. Mrs E Afriyie - £7,200 (2020 - £7,200)
 - ii. Mrs J Donkor - £7,800 (2020 - £7,800)
 - iii. Mrs A Sam - £7,200 (2020 - £7,200)
 - iv. Mrs C Appiah - £8,400 (2020 - £8,400)

THE CHURCH OF PENTECOST - UK

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2021

19. GROUP MOVEMENT IN RESTRICTED RESERVES

Fund	As at 1.1.21 £	Incoming £	Expenditure £	As at 31.12.2021 £
BCC		14,994		14,994
Retirement	140,702	15,118		155,820
Motor van	11,380			11,380
Building	2,005,753	246,493		2,252,246
Blankson Foundation	<u>77,469</u>	<u>7,093</u>	<u>(10,400)</u>	<u>74,162</u>
	<u>2,235,304</u>	<u>283,698</u>	<u>(10,400)</u>	<u>2,508,602</u>

19(b) PARENT CHARITY MOVEMENT IN RESTRICTED RESERVES

Fund	As at 1.1.21 £	Incoming £	Expenditure £	As at 31.12.2021 £
BCC		14,994		14,994
Retirement	140,702	15,118		155,820
Motor van	11,380			11,380
Building	1,141,124	246,493		1,387,617
Blankson Foundation	<u>77,469</u>	<u>7,093</u>	<u>(10,400)</u>	<u>74,162</u>
	<u>1,370,675</u>	<u>283,698</u>	<u>(10,400)</u>	<u>1,643,973</u>

20. RELATED PARTY DISCLOSURES

- a. The Parent Charity made donations totalling £277,489 (2020 - £202,039) to Birmingham Christian College (BCC) during the year. The full amount was eliminated on consolidation.
- b. The salary of the Rector of BCC is paid by the Parent Charity and was not recognised in the subsidiary.
- c. The Parent Charity contributes £40,020 to the salary of the Academic Dean at BCC.
- d. The Parent Charity also paid £49,500 (2020 - 7,450) to BCC for research work, training and development. The nature of the current year payments were for training and development.
- e. Staff loans includes an amount for £5,236 in relation to Reverend Afriyie.
- f. A monthly salary paid to the wives of Pastors for secretarial and other services and is included in note 10 of the accounts. Detailed below are the beneficiaries and amounts paid;
 - i. Mrs E Afriyie - £7,200 (2020 - £7,200)
 - ii. Mrs J Donkor - £7,800 (2020 - £7,800)
 - iii. Mrs A Sam - £7,200 (2020 - £7,200)
 - iv. Mrs C Appiah - £8,400 (2020 - £8,400)

THEE CHURCH OF PENTECOST - UK

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2021

21. GAIN ARISING ON ACQUISITION OF SUBSIDIARY (BCC)

	2020
	£
Leasehold properties	1,170,433
Plant and machinery	40,119
Cash and 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>

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.

The fair value of leasehold property at acquisition date was estimated by the Trustees on the basis of a previous valuation done in 2011; and the cost of improvements done in recent years less amortisation.

The trustees were of the view that the cost of engaging a professional valuer to value the leasehold property at the acquisition date would have exceeded the benefit derived from the valuation.

The gain was 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>

22. COMMITMENT UNDER OPERATING LEASE

The subsidiary charity, Birmingham Christian College had annual commitments for equipment under non-cancellable leases. Operating lease payments are as follows:

	2021	2020
	£	£
Within one year	9,157	9,157
In one to two years	9,157	9,157
In two to five years	<u>6,361</u>	<u>15,518</u>
	<u>24,675</u>	<u>33,832</u>

THE CHURCH OF PENTECOST - UK

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST DECEMBER 2021

	2021	2020
	£	£
INCOME AND ENDOWMENTS		
Donations and legacies		
Tithes and offerings	5,927,942	5,227,966
Joint services offering	58,653	17,309
Gift aid receivable	300,000	311,817
Blankson Foundation donations	7,093	13,928
Youth Ministry	296	352
Joint Ministries offering	49,780	17,005
Welfare disaster offering	-	1,500
Pension offering	15,118	197
Building Fund offering	246,493	256,069
Van offering	-	11,380
Donations received by BCC	<u>15,174</u>	<u>4,249</u>
	6,620,549	5,861,772
Investment income		
Deposit account interest	229	1,251
Charitable activities		
Other income	14,860	38,680
Rental income	155,608	85,981
Academic income	<u>187,534</u>	<u>21,727</u>
	<u>358,002</u>	<u>146,388</u>
Total incoming resources	6,978,780	6,009,411
EXPENDITURE		
Charitable activities		
Wages	1,337,744	1,378,243
Social security	18,569	11,755
Pensions	183,641	175,299
Church plant & evangelism	175,563	133,325
Women's Ministry expenses	16,660	13,577
Children's Ministry expenses	8,599	1,251
Retreats and conferences	31,282	37,271
Gifts, welfare & donations	166,462	248,635
Premises expenses	586,598	498,904
Rent - churches & manses	934,294	797,597
Motor, travel, subsistence and accommodation	353,852	255,800
Presiding Elders expenses	11,433	6,700
Volunteer expenses	25,083	13,840
Equipment maintenance	72,445	69,040
PEMEM expenses	1,458	500
Donations to Birmingham Christian College	-	97,842
Insurance	77,406	63,502
Carried forward	4,001,089	3,803,081

THE CHURCH OF PENTECOST - UK

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2021

	2021	2020
	£	£
Charitable activities		
Brought forward	4,001,089	3,803,081
Bank charges	18,924	18,307
Youth Ministry expenses	11,637	8,342
Audio visual expenses	17,778	532
Souvenirs & calendars expenses	10,749	10,400
Blankson Foundation expenses	10,400	5,650
General charitable expenses	202	2,954
Gain/(loss) on disposal	(11,248)	(2,749)
Communication cost	23,551	16,012
Freelance consultants	18,575	7,851
Validation & accreditation fee	22,765	4,680
Course development & research	-	5,992
Other professional fees	-	4,038
Library expenses	8,593	-
Advertising and marketing	9,232	-
Student bursaries	3,500	-
BCC Depreciation charge	-	15,626
Depreciation-Freehold property	283,786	263,405
Depreciation-Long leasehold	67,718	37,464
Depreciation-Plant and machinery	170,780	169,653
Depreciation-Fixtures and fittings	179,483	202,945
Depreciation-Motor vehicles	92,684	88,389
Interest payable	<u>112,705</u>	<u>115,491</u>
	5,052,903	4,778,063
Support costs		
Other		
Training expenses	16,069	18,056
General administration expense	2,925	609
Travel and subsistence	2,253	1,837
Printing, postage & telephone	32,857	25,537
Telephone and internet	37,154	37,586
Software and website	<u>63,572</u>	<u>29,531</u>
	154,830	113,156
Governance costs		
Audit fees	37,000	31,819
Trustees meeting expenses	6,316	219
Compliance expenses	843	13
Legal and professional fees	<u>54,023</u>	<u>19,906</u>
	<u>98,182</u>	<u>51,957</u>
Total resources expended	<u>5,306,621</u>	<u>4,943,176</u>
Net income before gains and losses	<u>1,672,159</u>	<u>1,066,235</u>
Realised recognised gains and losses		
Carried forward	1,672,159	1,066,235