
**MOUNT ZION CHRISTIAN MINISTRIES INTERNATIONAL (FREEDOM
ARENA)**

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2022

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MOUNT ZION CHRISTIAN MINISTRIES INTERNATIONAL (FREEDOM ARENA)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 30 APRIL 2022**

Trustees	Mr Lukuman Kolawole Olaniyan, Chair (resigned 20 December 2022) Pastor Emmanuel Oluwaleke Oni, Secretary (resigned 20 December 2022) Pastor Olanrewaju Joda Pastor Rotimi William Awopeju Mr Abiodun Oyinlola (appointed 20 September 2022)
Charity registered number	1126300
Principal office	North Road (Ex-Woolwich Timber Yard) Off White Hart Road London SE18 1BS
Minister In Charge	Pastor Debo Adegoke
Independent auditors	Stephen Michael Associates Chartered Certified Accountants 201 Borough High Street London SE1 1JA
Bankers	Barclays Bank PLC 1 Churchill Place London E14 5HP Lloyds Bank PLC 3rd Floor 125 London Wall London EC2Y 5AS HSBC Bank UK 8 Canada Square London E14 5HQ
Solicitors	James Solicitors Ground Floor 18-36 Wellington Street London SE18 6PF

**TRUSTEES' REPORT
FOR THE YEAR ENDED 30 APRIL 2022**

The Trustees present their annual report together with the audited financial statements of Mount Zion Christian Ministries International (Freedom Arena) [the charity] for the year from 1 May 2021 to 30 April 2022.

The Trustees confirm that the report and financial statements of the Charity have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charity's Trust Deed, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

The Charity also trades under the names Freedom Arena.

Objectives and activities

a. Policies and objectives

The objects of the church are:

Each year our trustees review our objectives and activities to ensure they continue to reflect our aims. In carrying out this review the trustees have considered the Charity Commission's general guidance on public benefit and in particular its supplementary public guidance on the advancement of religion for the public benefit.

b. Strategies for achieving objectives

The church has adopted the following strategies for achieving the above objectives:

- i Organisation of seminars in the church with proven speakers and ministers of the faith to guide members in the various aspects of the Christian faith; and
- ii Support for other charities and Christian events.

c. Activities undertaken to achieve objectives

- a. Various missionary activities
- b. Community Outreach Events
- c. Provision of welfare support to members
- d. Conferences & Events

Public Benefits:

The charity was involved in the following public benefit efforts: –

- i Distribution of Easter Eggs within the local community / neighbours during the Easter period;
- ii Various youth programmes and initiatives – as mentioned under the youth church programmes;
- iii Visit to Old Peoples' home during the Christmas; this year there will be a distribution of gifts during the Christmas visit; and
- iv Active cooperation with the local Police efforts in greater security of the immediate neighbourhood and the community.

d. Volunteers

The church is grateful for the unstinting efforts of its volunteers who are involved in service provision. It is estimated that over 5,000 volunteer hours were provided during the year. If this is conservatively valued at £10.00 per hour, the volunteer efforts amount to over £50,000.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 APRIL 2022**

Achievements and performance

a. Key performance indicators

Ensuring our work delivers our aims.

We review our aims, objectives and activities each year. This review looks at what we achieved and the outcomes of our work in the previous 12 months. The review looks at the success of each key activity and the benefits they have brought to those groups of people we are set up to help.

The review also helps us ensure our aim, objectives and activities remained focused on our stated purposes. We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aim and objectives and in planning our future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

b. Review of activities

We had growth in the physical and spiritual life of the church despite being a challenging year and in the advancement of the Christian Faith in accordance with the doctrines set out in the Statement of Faith as contained in our Trust Deed.

During the year, the following activities were undertaken: –

- Streamed services across 27 nations via social media platforms;
- Visit to old peoples' homes and delivery of provision to these homes; and
- Organisation of various online youth programmes and initiatives.

c. Factors relevant to achieve objectives

The foremost factor for the achievement of these objectives is finance as we have to balance our income with our expenditure noting that the church cannot finance all these activities and depends on contributions from the members. However we do make exceptions for the very needy ones.

d. Investment policy and performance

The trustees have decided that at present, funds should be retained in Banks and Building Societies. Any change in such banking arrangements should be agreed by the trustees. As far as possible, funds will be retained in interest bearing accounts.

Financial review

a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 APRIL 2022**

b. Reserves policy

The trustees have established a policy whereby the unrestricted funds not committed or invested in tangible fixed assets ('the free reserves') held by the church should be 3 months of annual expenditure. At this level, the trustees feel that they would be able to continue the current activities of the church in the event of a significant drop in funding.

The trustees are fully aware that the current level of free reserves £128,342 (2021 - £107,559) is below our target of £177,340. The trustees have plans in hand to address this situation and restore the reserves to the level required. This will be achieved, amongst other initiatives, by cutting cost wherever possible.

FINANCIAL REVIEW

The current financial position of the church is good and the long term position appear stable.

The average number of our staff (who are all full-time employed) reduced to an annual average of from 5 to 3 at the end of the year which resulted in the reduction in staff costs. All staff are engaged in activities in furtherance of our objects and their cost has been allocated accordingly.

c. Principal funding

This is provided mainly through voluntary tithe and offering by church members and through gift aid scheme. Pledges are also taken for specific projects.

d. Risk Management

The Trustees have assessed the major risks to which the church is exposed, in particular those related to the operations and finances of the church, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

Structure, governance and management

a. Constitution

Mount Zion Christian Ministries International (Freedom Arena) is a registered charity, number 1126300, and is constituted under a Trust deed.

b. Methods of appointment or election of Trustees

The management of the Charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Trust deed.

c. Organisational structure and decision-making policies

The church is organised so that the trustees meet regularly (at least four times a year) to manage its affairs. The Minister In Charge manages the day to day administration of the church with the assistance of an administrator and other members of staff.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 APRIL 2022**

Structure, governance and management (continued)

d. Policies adopted for the induction and training of Trustees

The induction process for any newly appointed member of the Trustees comprises an initial meeting with the Chair and other Trustees, followed by a series of short meetings with the Minister in Charge on the powers and responsibilities of the Trustees.

e. Pay policy for key management personnel

Our goal is to offer fair pay to attract and keep appropriately qualified staff to lead, manage, support and deliver the charity's aims. It is consistent with our aims and we recognise that we are able to attract senior executives with lower pay than public or private sector market rates.

1. The Trustees are responsible for setting remuneration levels for the church's pastors and most senior staff.
2. Pay and rewards are set making informed judgments and following the charity's governance and constitutional arrangements.
3. In deciding top levels of pay and rewards, trustees consider some or all of the following:
 - a. the purposes, aims and values of the charity, and its beneficiaries' needs;
 - b. including whether a lower rate of pay compared to similar roles in other sectors is appropriate;
 - c. The charity's current business plan and how implementing it may affect the number of senior staff the charity needs to employ or recruit, and the nature of these roles.
4. The charity's ability to pay, including:
 - the benefit to the charity that such positions will bring;
 - the cost to the charity of increasing remuneration levels;
 - how increasing pay, particularly at senior levels, would be perceived by employees, donors and beneficiaries;
 - whether it's affordable;
 - the appropriateness of the pay in the context of the charity and its beneficiaries' needs.
5. Our assessment of the charity's and senior staff's performance against expectations, both short and long term.
6. The wider 'employment offer' they can make to potential employees.
7. The charity's track record in attracting and retaining committed and motivated employees.
8. The likely impact on, and views of, beneficiaries, donors, funders, and current and potential volunteers.
9. The relationship between policy and practice for pay of senior staff and that of the charity's whole workforce.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 APRIL 2022**

Plans for future periods

The church continues to explore various ways of spreading the gospel of Christ in an effective manner. The church is also looking to grow in membership and continue to develop its members to make life changing impact in society. The church proposes to have branches in other parts of the UK next year.

Other proposed activities in the future are as follows: –

- A. Youth centre
The development of a multipurpose youth games facility is being proposed and the church plans to raise funds to complete it by 2023.
- B. Training Centre
A skills and crafts training centre is also being planned by the church to re-equip and re tool people for life's challenges; the proposed cost of this centre is projected at £85,000.
- C. The Ireland branch will be launched, commencing first with quarterly night vigil, Oru Atunse.
- D. To continue major charity works in the U.K, EU and Africa starting from January 2023.
- E. To continue Live Streaming majority of the Church programmes and services.
- F To continue the Operation Feed the Needy every fortnight.

Impact of COVID-19 on the Ministry

During the lock down periods from March 23rd, 2020, all the arms of the Ministry could not hold services. Such as the Adult, Youth, Young Adult and Children's Ministries. However, the church was broadcasting services and programmes Online through social media platforms.

As a charity organisation, the church could not do any charity works during the lockdown. However, palliatives were still distributed door to door to old age people in the neighbourhood.

The lockdown has affected the church attendance and resulted in significant reduction in donations. To address this situation, the church has reviewed its expenses by stopping and cutting down some services, renegotiated terms of payment with some of our creditors, reduced the operations of our fleet buses by putting 3 out of 5 for sale and reduced the staff members from 5 to 3.

The church has introduced and encouraging Online donations.

The attendance has improved, and the church believe that donations and reserves will increase.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 APRIL 2022**

Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales 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 Charity and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Auditors

The auditors, Stephen Michael Associates, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:

Pastor Olanrewaju Joda

Date: 12 February 2023

**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF MOUNT ZION CHRISTIAN MINISTRIES
INTERNATIONAL (FREEDOM ARENA)**

Opinion

We have audited the financial statements of Mount Zion Christian Ministries International (Freedom Arena) (the 'charity') for the year ended 30 April 2022 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, 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, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 30 April 2022 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 charity'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.

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF MOUNT ZION CHRISTIAN MINISTRIES INTERNATIONAL (FREEDOM ARENA) (CONTINUED)

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees are responsible for the preparation of the financial statements which 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF MOUNT ZION CHRISTIAN MINISTRIES INTERNATIONAL (FREEDOM ARENA) (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience through discussion with the Trustees and other management (as required by auditing standards).
- We had regard to laws and regulations in areas that directly affect the financial statements including financial reporting and taxation legislation.
- We considered the extent of compliance with those laws and regulations as part of our procedure on the related financial statement items.
- With the exception of any known or possible non-compliance, and as required by auditing standards, our work in respect of these was limited to enquiry of the Trustees.
- We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.
- We obtained a legal letter from the charity's solicitors and enquire of those charged with governance and management around actual and potential litigation and claims.
- We reviewed a sample of collection/count sheets to ensure they are signed by at least two people.
- We addressed the risk of fraud through management override of controls, by testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of operation.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF MOUNT ZION CHRISTIAN MINISTRIES
INTERNATIONAL (FREEDOM ARENA) (CONTINUED)**

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

Stephen Michael Associates

Chartered Certified Accountants
Statutory Auditors

201 Borough High Street

London

SE1 1JA

18 February 2023

Stephen Michael Associates are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

MOUNT ZION CHRISTIAN MINISTRIES INTERNATIONAL (FREEDOM ARENA)

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 30 APRIL 2022**

	Note	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:					
Donations and legacies	3	49,067	554,606	603,673	648,626
Investments	4	-	127,187	127,187	51,980
Total income		49,067	681,793	730,860	700,606
Expenditure on:					
Charitable activities	6	49,067	660,291	709,358	705,073
Total expenditure		49,067	660,291	709,358	705,073
Net movement in funds		-	21,502	21,502	(4,467)
Reconciliation of funds:					
Total funds brought forward		-	2,278,787	2,278,787	2,283,254
Net movement in funds		-	21,502	21,502	(4,467)
Total funds carried forward		-	2,300,289	2,300,289	2,278,787

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 15 to 32 form part of these financial statements.

MOUNT ZION CHRISTIAN MINISTRIES INTERNATIONAL (FREEDOM ARENA)

**BALANCE SHEET
AS AT 30 APRIL 2022**

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	11	3,232,051	3,300,613
		<u>3,232,051</u>	<u>3,300,613</u>
Current assets			
Debtors	12	166,721	128,351
Cash at bank and in hand		136,832	142,456
		<u>303,553</u>	<u>270,807</u>
Creditors: amounts falling due within one year	13	(175,211)	(163,248)
Net current assets		<u>128,342</u>	<u>107,559</u>
Total assets less current liabilities		<u>3,360,393</u>	<u>3,408,172</u>
Creditors: amounts falling due after more than one year	14	(1,060,104)	(1,129,385)
Net assets excluding pension asset		<u>2,300,289</u>	<u>2,278,787</u>
Total net assets		<u><u>2,300,289</u></u>	<u><u>2,278,787</u></u>
Charity funds			
Restricted funds	16	-	-
Unrestricted funds	16	2,300,289	2,278,787
Total funds		<u><u>2,300,289</u></u>	<u><u>2,278,787</u></u>

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Pastor Olanrewaju Joda

Date: 12 February 2023

The notes on pages 15 to 32 form part of these financial statements.

MOUNT ZION CHRISTIAN MINISTRIES INTERNATIONAL (FREEDOM ARENA)

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 APRIL 2022**

	2022 £	2021 £
Cash flows from operating activities		
Net cash used in operating activities	(339)	184,274
Cash flows from investing activities		
Dividends, interests and rents from investments	127,187	80
Proceeds from the sale of tangible fixed assets	24,752	-
Purchase of tangible fixed assets	(84,599)	(13,081)
Net cash provided by/(used in) investing activities	67,340	(13,001)
Cash flows from financing activities		
Cash inflows from new borrowing	62,956	1,166,987
Repayments of borrowing	(82,177)	(1,216,520)
Repayments of finance leases	(46,166)	(23,867)
Net cash used in financing activities	(65,387)	(73,400)
Change in cash and cash equivalents in the year	1,614	97,873
Cash and cash equivalents at the beginning of the year	135,218	37,345
Cash and cash equivalents at the end of the year	136,832	135,218

The notes on pages 15 to 32 form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2022**

1. General information

Mount Zion Christian Ministries International (Freedom Arena) is a charitable organisation registered with the Charity Commission in England and Wales. The office address is North Road (Ex-Woolwich Timber Yard), Off White Hart Road, London SE18 1BS.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Mount Zion Christian Ministries International (Freedom Arena) meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Income

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

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

2.3 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2022

2. Accounting policies (continued)

2.3 Expenditure (continued)

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.4 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the Statement of financial activities over the expected useful lives of the assets concerned. Other grants are credited to the Statement of financial activities as the related expenditure is incurred.

2.5 Interest receivable

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

2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £NIL or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, .

Depreciation is provided on the following basis:

Freehold property	-	2% straight line
Music and church equipments	-	20% straight line
Motor vehicles	-	25% reducing balance
Fixtures and fittings	-	20% straight line
Office equipment	-	20% straight line

2.7 Debtors

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

2.8 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2022**

2. Accounting policies (continued)

2.9 Liabilities and provisions

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

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

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

2.10 Financial instruments

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

2.11 Finance leases and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the Charity. Obligations under such agreements are included in creditors, net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Statement of financial activities so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

2.12 Pensions

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

2.13 Fund accounting

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

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

Investment income, gains and losses are allocated to the appropriate fund.

MOUNT ZION CHRISTIAN MINISTRIES INTERNATIONAL (FREEDOM ARENA)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2022**

3. Income from donations and legacies

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £
Donations	20,742	554,606	575,348
Government grants	28,325	-	28,325
	<u>49,067</u>	<u>554,606</u>	<u>603,673</u>

The Government grant is money received under the Coronavirus Job Retention Scheme.

	<i>Restricted funds 2021 £</i>	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Donations	12,174	529,886	542,060
Government grants	106,566	-	106,566
	<u>118,740</u>	<u>529,886</u>	<u>648,626</u>

4. Investment income

	Unrestricted funds 2022 £	Total funds 2022 £
Investment income - local investment properties	127,100	127,100
Investment income - local cash	87	87
	<u>127,187</u>	<u>127,187</u>

MOUNT ZION CHRISTIAN MINISTRIES INTERNATIONAL (FREEDOM ARENA)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2022**

4. Investment income (continued)

	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Investment income - local investment properties	51,900	51,900
Investment income - local cash	80	80
	<u>51,980</u>	<u>51,980</u>

5. Analysis of donations to institutions

	Donation to Institutions 2022 £	Total funds 2022 £
Donations	<u>3,000</u>	<u>3,000</u>

	<i>Donations to Institutions 2021 £</i>	<i>Total funds 2021 £</i>
Donations	<u>1,075</u>	<u>1,075</u>

6. Analysis of expenditure on charitable activities

Summary by fund type

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total 2022 £
Advancement of the Christian faith	<u>49,067</u>	<u>660,291</u>	<u>709,358</u>

MOUNT ZION CHRISTIAN MINISTRIES INTERNATIONAL (FREEDOM ARENA)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2022**

6. Analysis of expenditure on charitable activities (continued)

Summary by fund type (continued)

	<i>Restricted funds 2021 £</i>	<i>Unrestricted funds 2021 £</i>	<i>Total 2021 £</i>
Advancement of the Christian faith	118,740	586,333	705,073

7. Analysis of expenditure by activities

	Activities undertaken directly 2022 £	Charitable donations 2022 £	Support costs 2022 £	Total funds 2022 £
Advancement of the Christian faith	554,989	3,000	151,369	709,358

	<i>Activities undertaken directly 2021 £</i>	<i>Charitable donations 2021 £</i>	<i>Support costs 2021 £</i>	<i>Total funds 2021 £</i>
Advancement of the Christian faith	519,922	1,075	184,076	705,073

MOUNT ZION CHRISTIAN MINISTRIES INTERNATIONAL (FREEDOM ARENA)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2022**

7. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Advanceme nt of the Christian faith 2022 £	Total funds 2022 £
Staff costs	144,501	144,501
Depreciation	137,303	137,303
Premise cost	104,687	104,687
Media & communication costs	30,947	30,947
Music and equipments	77,282	77,282
Refreshments	4,499	4,499
Holy Communion	1,768	1,768
Welfare	7,387	7,387
Visiting ministers expenses	10,550	10,550
Mortgage interest payable	36,065	36,065
	<u>554,989</u>	<u>554,989</u>

	<i>Advancemen t of the Christian faith 2021 £</i>	<i>Total funds 2021 £</i>
Staff costs	140,548	140,548
Depreciation	136,379	136,379
Premise cost	93,922	93,922
Media & communication costs	31,863	31,863
Music and equipments	66,831	66,831
Refreshments	7,633	7,633
Holy Communion	1,400	1,400
Welfare	5,645	5,645
Visiting ministers expenses	2,550	2,550
Mortgage interest payable	33,151	33,151
	<u>519,922</u>	<u>519,922</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2022**

7. Analysis of expenditure by activities (continued)

Analysis of support costs

	Advanceme nt of the Christian faith 2022 £	Total funds 2022 £
Premise cost	12,021	12,021
Media & communication costs	3,488	3,488
Music and equipments	4,747	4,747
Refreshments	499	499
Repairs and maintenance	37,975	37,975
Travelling expenses	6,416	6,416
Vehicle running expenses	16,495	16,495
Legal and professional	20,885	20,885
Bookkeeping fees	17,475	17,475
Sundry church expenses	5,047	5,047
Bank charges	4,380	4,380
Computer costs	8,912	8,912
Hire purchase interest	4,101	4,101
Fines and penalties	20	20
(Gain)/Loss on disposal of assets	(8,894)	(8,894)
Governance costs	17,802	17,802
	<u>151,369</u>	<u>151,369</u>

MOUNT ZION CHRISTIAN MINISTRIES INTERNATIONAL (FREEDOM ARENA)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2022**

7. Analysis of expenditure by activities (continued)

Analysis of support costs (continued)

	<i>Advancemen t of the Christian faith 2021 £</i>	<i>Total funds 2021 £</i>
Depreciation	15,153	15,153
Premise cost	9,807	9,807
Media & communication costs	2,105	2,105
Music and equipments	3,295	3,295
Refreshments	763	763
Repairs and maintenance	63,002	63,002
Travelling expenses	571	571
Vehicle running expenses	17,099	17,099
Legal and professional	9,265	9,265
Bookkeeping	11,180	11,180
Sundry church expenses	3,935	3,935
Bank charges	4,107	4,107
Computer costs	13,398	13,398
Hire purchase interest	5,680	5,680
Fines and penalties	1,921	1,921
Redundancy costs	12,000	12,000
Governance costs	10,795	10,795
	<u>184,076</u>	<u>184,076</u>

8. Auditors' remuneration

	2022 £	2021 £
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	4,380	4,380
Fees payable to the Charity's auditor in respect of: All non-audit services not included above	6,720	2,400

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2022**

9. Staff costs

	2022	<i>2021</i>
	£	£
Wages and salaries	133,728	<i>132,550</i>
Social security costs	14,522	<i>11,785</i>
Contribution to defined contribution pension schemes	2,953	<i>228</i>
	151,203	<i>144,563</i>

The average number of persons employed by the Charity during the year was as follows:

	2022	<i>2021</i>
	No.	No.
Pastors	3	<i>3</i>
Staff	-	<i>2</i>
	3	<i>5</i>

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

10. Trustees' remuneration and expenses

During the year, one or more Trustees has been paid remuneration as authorised in the trust deed. The value of Trustees' remuneration was as follows:

		2022	<i>2021</i>
		£	£
Pastor Emmanuel Oluwaleke Oni	Remuneration	34,415	<i>22,950</i>
Pastor Emmanuel Oluwaleke Oni	Pension contributions paid	733	<i>52</i>

During the year ended 30 April 2022, no Trustee expenses have been incurred (*2021 - £NIL*).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2022

11. Tangible fixed assets

	Freehold property £	Other fixed assets £	Total £
Cost or valuation			
At 1 May 2021	3,913,433	811,576	4,725,009
Additions	-	84,599	84,599
Disposals	-	(56,384)	(56,384)
At 30 April 2022	<u>3,913,433</u>	<u>839,791</u>	<u>4,753,224</u>
Depreciation			
At 1 May 2021	774,805	649,591	1,424,396
Charge for the year	78,268	59,035	137,303
On disposals	-	(40,526)	(40,526)
At 30 April 2022	<u>853,073</u>	<u>668,100</u>	<u>1,521,173</u>
Net book value			
At 30 April 2022	<u>3,060,360</u>	<u>171,691</u>	<u>3,232,051</u>
At 30 April 2021	<u>3,138,628</u>	<u>161,985</u>	<u>3,300,613</u>

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

Net book value

	2022 £	2021 £
Motor vehicle	61,645	15,858
Music and church equipments	27,927	43,886
	<u>89,572</u>	<u>59,744</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2022

12. Debtors

	2022 £	2021 £
Due within one year		
Other debtors	40,000	25,500
Prepayments and accrued income	27,164	5,636
Tax recoverable	99,557	97,215
	<u>166,721</u>	<u>128,351</u>

13. Creditors: Amounts falling due within one year

	2022 £	2021 £
Bank overdrafts	-	7,238
Bank loans	83,429	80,763
Other loans	2,500	1,750
Trade creditors	29,049	8,496
Other taxation and social security	16,218	18,269
Obligations under finance lease and hire purchase contracts	24,345	23,867
Pension fund loan payable	230	228
Other creditors	9,000	9,000
Accruals and deferred income	10,440	13,637
	<u>175,211</u>	<u>163,248</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2022

14. Creditors: Amounts falling due after more than one year

	2022 £	2021 £
Bank loans	981,991	1,065,421
Other loans	11,087	13,250
Net obligations under finance lease and hire purchase contracts	67,026	50,714
	<u>1,060,104</u>	<u>1,129,385</u>

The other loan is the coronavirus Bounce Back Loan from the government through HSBC UK bank.

The bank loan is from Lloyds Bank PLC, secured on the church premises - Land buildings situated at Woolwich Timber Site, North Road, Plumstead, London SE18. The loan will mature on 27 February 2026.

15. Financial instruments

	2022 £	2021 £
Financial assets		
Financial assets measured at fair value through income and expenditure	<u>136,832</u>	<u>142,456</u>

Financial assets measured at fair value through income and expenditure comprise bank and cash in hand.

MOUNT ZION CHRISTIAN MINISTRIES INTERNATIONAL (FREEDOM ARENA)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2022**

16. Statement of funds

Statement of funds - current year

	Balance at 1 May 2021 £	Income £	Expenditure £	Balance at 30 April 2022 £
Unrestricted funds				
General Funds - all funds	2,278,787	681,793	(660,291)	2,300,289
	<u>2,278,787</u>	<u>681,793</u>	<u>(660,291)</u>	<u>2,300,289</u>
Restricted funds				
Building fund	-	20,742	(20,742)	-
The Coronavirus Job Retention Scheme	-	28,325	(28,325)	-
	<u>-</u>	<u>49,067</u>	<u>(49,067)</u>	<u>-</u>
	<u>-</u>	<u>49,067</u>	<u>(49,067)</u>	<u>-</u>
Total of funds	<u>2,278,787</u>	<u>730,860</u>	<u>(709,358)</u>	<u>2,300,289</u>

Statement of funds - prior year

	Balance at 1 May 2020 £	Income £	Expenditure £	Balance at 30 April 2021 £
Unrestricted funds				
General Funds - all funds	2,283,254	581,866	(586,333)	2,278,787
	<u>2,283,254</u>	<u>581,866</u>	<u>(586,333)</u>	<u>2,278,787</u>
Restricted funds				
Building fund	-	12,174	(12,174)	-
The Coronavirus Job Retention Scheme	-	106,566	(106,566)	-
	<u>-</u>	<u>118,740</u>	<u>(118,740)</u>	<u>-</u>
	<u>-</u>	<u>118,740</u>	<u>(118,740)</u>	<u>-</u>
Total of funds	<u>2,283,254</u>	<u>700,606</u>	<u>(705,073)</u>	<u>2,278,787</u>

MOUNT ZION CHRISTIAN MINISTRIES INTERNATIONAL (FREEDOM ARENA)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2022**

17. Summary of funds

Summary of funds - current year

	Balance at 1 May 2021 £	Income £	Expenditure £	Balance at 30 April 2022 £
General funds	2,278,787	681,793	(660,291)	2,300,289
Restricted funds	-	49,067	(49,067)	-
	<u>2,278,787</u>	<u>730,860</u>	<u>(709,358)</u>	<u>2,300,289</u>

Summary of funds - prior year

	<i>Balance at 1 May 2020 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Balance at 30 April 2021 £</i>
General funds	2,283,254	581,866	(586,333)	2,278,787
Restricted funds	-	118,740	(118,740)	-
	<u>2,283,254</u>	<u>700,606</u>	<u>(705,073)</u>	<u>2,278,787</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2022**

18. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	3,232,051	3,232,051
Current assets	304,353	304,353
Creditors due within one year	(176,011)	(176,011)
Creditors due in more than one year	(1,060,104)	(1,060,104)
Total	<u><u>2,300,289</u></u>	<u><u>2,300,289</u></u>

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Tangible fixed assets	3,300,613	3,300,613
Current assets	270,807	270,807
Creditors due within one year	(163,248)	(163,248)
Creditors due in more than one year	(1,129,385)	(1,129,385)
Total	<u><u>2,278,787</u></u>	<u><u>2,278,787</u></u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2022**

19. Reconciliation of net movement in funds to net cash flow from operating activities

	2022 £	2021 £
Net income/expenditure for the year (as per Statement of Financial Activities)	21,502	(4,467)
Adjustments for:		
Depreciation charges	137,303	151,532
Dividends, interests and rents from investments	(127,187)	(80)
Loss/(profit) on the sale of fixed assets	(8,894)	-
Decrease/(increase) in debtors	(39,170)	45,477
Increase/(decrease) in creditors	16,107	(8,188)
Net cash provided by/(used in) operating activities	(339)	184,274

20. Analysis of cash and cash equivalents

	2022 £	2021 £
Cash in hand	136,832	142,456
Notice deposits (less than 3 months)	-	(7,238)
Total cash and cash equivalents	136,832	135,218

21. Analysis of changes in net debt

	At 1 May 2021 £	Cash flows £	At 30 April 2022 £
Cash at bank and in hand	142,456	(5,624)	136,832
Bank overdrafts repayable on demand	(7,238)	7,238	-
Debt due within 1 year	(88,741)	(3,418)	(92,159)
Debt due after 1 year	(1,078,671)	85,593	(993,078)
Finance leases	(74,581)	(16,790)	(91,371)
	(1,106,775)	66,999	(1,039,776)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2022**

22. Pension commitments

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £2,953 (2021 - £228) were payable to the fund at the balance sheet date and are included in creditors.

23. Related party transactions

Included in other debtors (note 12) is a staff loan of £12,000 due to the charity from Pastor Emmanuel Oluwaleke Oni (trustee), repayable through payroll and included creditors in 2021 is £6,000 due to Pastor Emmanuel Oluwaleke Oni (trustee).

During the year, the charity paid Pastor Debo Adegoke (Senior Pastor and Chief Executive) £18,000 (2021 £18,000) for use of his home as vicarage. In addition, included in other debtors (note 12) is a staff loan of £2,000 due to the charity from Pastor Debo Adegoke (Senior Pastor and Chief Executive) , repayable through payroll.

During the year, the charity earned rental income amounting to £5,850 (2021 - £nil) from Mr David Adegoke the son of Pastor Debo Adegoke (Senior Pastor and Chief Executive).

During the year, the charity paid Hephzibah Moyin Adegoke (the daughter of Pastor Debo Adegoke (Senior Pastor and Chief Executive)) £600 (2021 - £nil) as receptionist and £3,000 (2021 - £nil) for bookkeeping services.