

CHURCH OF THE NAZARENE BRITISH ISLES SOUTH DISTRICT

England & Wales · Charity number 1133336

Details

Other names	CHURCH OF THE NAZARENE BISD
Status	Registered
Legal form	Previously excepted
Company number	07028764
Registered	2009-12-17
Register	View on the Charity Commission register

Contact

Address	112 Cranbourne Road Ashton-Under-Lyne OL7 9BW
Phone	07979904044
Website	www.nazarenebisd.org.uk

Activities

Objects: 1. THE ADVANCEMENT OF THE CHRISTIAN FAITH AS PART OF THE INTERNATIONAL CHURCH OF THE NAZARENE.2. THE ADVANCEMENT OF EDUCATION AND OTHER CHARITABLE PURPOSES IN THE UNITED KINGDOM AND/OR OTHER PARTS OF THE WORLD.

Activities: The advancement of the Christian faith as part of the International Church of the Nazarene.

Classification

- **How:** Provides Other Finance, Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information, Acts As An Umbrella Or Resource Body
- **What:** Education/training, Religious Activities
- **Who:** Children/young People, Elderly/old People, People With Disabilities, People Of A Particular Ethnic Or Racial Origin, Other Charities Or Voluntary Bodies, The General Public/mankind

Geography

- **Area of benefit:** UNITED KINGDOM AND/OR OTHER PARTS OF THE WORLD
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-09-30	£478,006	£496,868	-	-
2024-09-30	£466,582	£464,944	-	-
2023-09-30	£1,520,653	£634,874	£6,191,986	6
2022-09-30	£912,154	£2,980,690	£5,271,346	6
2021-09-30	£1,329,518	£317,817	£6,943,370	4
2020-09-30	£300,201	£231,474	-	-

Trustees

Name	Role	Appointed
Rev Carl Ryan McCann	Chair	2019-03-23
Dr Svetlana Khobnya		2023-03-11
Grace Ogbeiwi		2023-03-11
Rev Gary Law		2025-03-15
Rev. Dr. Jacob Lett		2026-03-14
VERONICA DAWSON		2025-03-15

Accounts

Company number: 7028764

Charity Number: 1133336

Church of the Nazarene British Isles South District

Report and financial statements
For the year ended 30 September 2025

Church of the Nazarene British Isles South District
Reference and administrative information
for the year ended 30 September 2025

Company number 7028764

Charity number 1133336

Registered office and operational address

Church of the Nazarene British Isles South District
112 Cranbourne Road
Ashton-under-Lyne
OL7 9BW

Trustees Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

Rev Carl McCann	Chair
Revd Deirdre Brower-Latz	Secretary
Clare McMullen	(resigned 28 November 2025)
Grace Ogbewi	
Mr Steven Francis Leach	(resigned 15 March 2025)
Rev Erica Tuxworth	(resigned 15 March 2025)
Rev Gary Law	(appointed 15 March 2025)
Rev Svetlana Khobnya	
Veronica Dawson	(appointed 15 February 2025)

No Trustees held title to property belonging to the charity during the reporting period or at the date of approval.

Bankers Reliance Bank
Faith House
23-24 Lovat Lane
London
EC3R 8EB

Auditors Slade & Cooper Limited
Beehive Mill, Jersey St, Ancoats, Manchester, M4 6JG

Church of the Nazarene British Isles South District

Trustees' annual report

for the year ended 30 September 2025

The trustees present their report and the audited financial statements for the year ended 30 September 2025. Included within the trustees' report is the directors' report as required by company law.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Objectives and activities

The principal object of the charity is the advancement of Christian faith and its practice, especially by the means of and in accordance with the principles of the International church of the Nazarene.

The basis of our Christian faith as portrayed through the Bible is that we can come to know God personally, in Jesus Christ, who is both human and divine, and is the person in whom all that is lost and broken can be redeemed and who inspires his followers to work for a world that is a better place for all.

Within the covenant relationship of the Church of the Nazarene we value the freedom of the local church to discern for itself its practices and policies within the broad scope of Nazarene belief, in making Christ-like disciples. We stress the importance of individual response in faith, and we understand that each Christian is to play their part in advancing Christian faith and witness. Because of our emphasis on personal faith and the freedom of the local church we are committed to religious freedom for people of all Christian traditions and other faiths.

The District's overriding function is to provide encouragement, advice and support to member churches so that they too may maximise their ability to achieve their own charitable objective of making Jesus Christ known to particular individuals and to society in general.

The trustees review the aims, objectives and activities of the charity each year. This report looks at what the charity has achieved and the outcomes of its work in the reporting period. The trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the trustees ensure the charity's aims, objectives and activities remained focused on its stated purposes.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set.

Volunteers

In the wider context, the District is substantially dependent for its work on the contribution of volunteers. At church level, the work of stipendiary and paid staff is supported at all levels by volunteers both in terms of governance and management and in the practical delivery. Such is the magnitude of the contribution made by volunteers that it is impossible to quantify.

This pattern is reflected throughout the District where many people commit significant time to help with the outworking of the District's objectives. In the District itself, volunteers provide valuable support mainly through membership of standing committees, unpaid office holders, and the officers responsible for

Church of the Nazarene British Isles South District

Trustees' annual report

for the year ended 30 September 2025

Nazarene Youth International, Nazarene Missions International, Breakthru holidays, the Ladies weekend, and other conferences for training as and when required.

Achievements and performance

The charity's main activities and who it tries to help are described below. All its charitable activities focus on the support and encouragement of the local Churches of the Nazarene which form the District, and are undertaken to further Church of the Nazarene British Isles South District's charitable purposes for the public benefit.

- The District operates as an umbrella resource body for its member churches, which are all separate charities.
- Throughout 2024-25 the District continued to support its member churches, regional association, and college by providing grants, practical support, guidance, and expertise.
- Appropriate provision and support for Ministers of Religion, and other church leaders within our denomination. Including support for Ministers' families in the form of a yearly Pastoral Household's Retreat.
- Support for local churches in the form of grants for pastoral aid, maintenance of buildings, or missional activities.
- Training for Ministers of Religion in the form of a Pastors summer school and other more localised gatherings of Ministers throughout the year
- Pastoral and church reviews where churches are encouraged to review their work and their relationship with Pastoral leadership.
- Organisation of District holiday, Ladies retreat, and Youth Holiday where the church comes together for encouragement, fellowship, teaching and prayer.
- Financial support to Nazarene Theological College, Nazarene Missions International, Nazarene Youth International, which support youth, mission, education, outreach and fellowship within the church.

Beneficiaries of our services

The District operates as an umbrella resource body for its member churches, which are all separate charities. Consequently, our beneficiaries are largely Pastors, local churches, Nazarene Theological College, Nazarene Missions International, and Nazarene Youth International.

Financial review

The Statement of Financial Activities shows a net decrease in funds for the year ending 30th September 2025 of £18,862 excluding unrealised gains and losses on investments (2024: £1,638). Expenditure has been kept under careful control because of the continuing difficult economic climate.

The consolidated incoming resources of the ordinary activities of the Church of the Nazarene British Isles South District including NMI, Events/SS Ministries, NYI and the work at Salford totalled £478,006 (2024: £466,582) with resources expended of £496,868 (2024: £464,944).

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Trustees' annual report

for the year ended 30 September 2025

Our principal sources of income remain that of rental income from our investment properties and budgets received from our member churches. These properties are rented out at market rates, except for the Fresh Ground manse. It is hoped that the income from this manse will move towards market rent over a period of time.

Decreased tithes and offerings in local churches, resulted in lower budgets received.

Strategy is to invest in developing new churches, strengthening existing churches. The development of a strong property rental income stream is seen as a key factor in sustaining this.

We do not conduct significant fundraising activities from the general public.

Grants

Each Nazarene church is self-financing; the District provides additional investment into local churches to help develop and promote mission innovation and risk taking to achieve our strategic goals. Church grants are assessed annually, and emphasis is placed not just on each church's finances but also its plans and achievements in making Jesus known in its locality.

Going concern

The charity does not rely on donations from the public, and we have sufficient cash reserves to fund our activities for at least a further year, without the need for loans or overdrafts. Our investment portfolio of properties is also strong.

The trustees are fully aware of the movement in value of its investments but consider that the balance sheet will remain strong in the long-term, with positive net current assets.

Reserves policy

The Trustees have reviewed the charity's needs for reserves in line with the guidance issued by the Charity Commission and have a reserves policy which will be reviewed annually. The Trustees believe that, in addition to known commitments, the charity needs to hold at least six months (26 weeks) running costs in free reserves, given the anticipated flow of funding, to ensure that the charity can run efficiently.

The total reserves of the charity at the end of the year were £6,598,265 (2024: £6,331,700) of which some were restricted. The Capital Fund in note 19 relates to fixed assets used to support the ongoing work of the charity and is not a readily liquid asset.

Plans for the future

- The trustees of the charity will continue to hold consultations with local church boards to enable the charity to dialogue more effectively with our main stakeholders.
- The District Treasurer will continue to encourage churches to submit their budgets on a monthly basis to enable us to be less dependent toward the year end for finance.
- The District Advisory Board will encourage more sale of surplus properties and reinvestment in income generating assets.

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for the year ended 30 September 2025

- The trustees will continue to look to support compassionate ministries at home and abroad.

Structure, governance and management

The Church of the Nazarene British Isles South District (the District) is an association, consisting of the Nazarene churches within the majority of England and Wales. As a membership organisation, the District holds an annual Assembly at which member churches are represented through their delegates, alongside ministers and the members of the Assembly.

The District acts through an Advisory Board which meets a minimum of four times a year and is made up of elected members, office holders and persons co-opted for particular skills. The Advisory Board helps to set the broad strategic direction of the District.

Recent years had seen disruption to standard working practises due to Covid 19. However, this past year has seen a return to standard practise, including a normal nomination procedure, followed by an in-person District Assembly, including voting for all leadership positions.

All necessary reports were collated as per normal procedure, and were communicated digitally both in advance, and available at the Assembly.

The District charity is administered and managed by the Advisory Board as Charity Trustees.

The Governing Document of the District is a memorandum of association which may be amended by a Resolution of the Assembly approved by not less than two thirds of the Representative Members, as defined in the memorandum of association, present and voting. The memorandum of association was last revised in June 2017 and a copy is available from the registered office.

Recruitment and Training of Trustees

Trustees are elected by the District Assembly from a list of suitable nominations provided by the Nomination Committee and are usually familiar with many aspects of the District's work prior to appointment. All Trustees receive an induction into the work of the District by meeting the District Superintendent and being advised of the general nature of their work.

They receive financial statements and other relevant documentation including a copy of the Charity Commission's publication CC3, The Essential Trustee. Formal training on financial matters is provided as appropriate. The organisation is a charitable company limited by guarantee, incorporated on 24th September 2009 and registered as a charity on 17th December 2010.

The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees on 30th September 2025 was 129 (2024:129). The members of the charity are entitled to voting rights and have no beneficial interest in the charity.

The Trustees give their time voluntarily and only the District Superintendent receives benefits from the Charity.

Related parties and relationships with other organisations

Any and all related parties are clearly identified in the notes to the Accounts.

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Trustees' annual report

for the year ended 30 September 2025

Remuneration policy for key management personnel

Remuneration for the District Superintendent, Secretary, Assistant Secretary, Treasurer and Assistant Treasurer is guided by the Finance Committee. Other Key management personnel are guided by the Trustee Advisory Board.

Risk management

The Trustees are aware of the recommendations to examine the major strategic, business, operational and reputational risks which the Charity faces and have procedures in place to identify and manage them.

Funds held as custodian trustee on behalf of others

The District acts as property trustees for 44 open and closed churches. Arrangements are made for the safe custody of deeds and documents, with each set stored in a labelled packet, and included in an index system. The names of the churches and other charities for whom the Company acts as a Custodian Trustee are available at: www.nazarenebisd.org.uk. The organisations are all Church of the Nazarene congregations and therefore, have objects that are compatible with the charitable objects of the Company.

Statement of responsibilities of the trustees

The trustees (who are also directors of Church of the Nazarene British Isles South District for the purposes of company law) are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice 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 operation

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

In so far as the trustees are aware:

Church of the Nazarene British Isles South District

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for the year ended 30 September 2025

- There is no relevant audit information of which the charitable company's auditors are unaware
- 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

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Auditors

Slade & Cooper Ltd were re-appointed as the charitable company's auditors during the year and have expressed their willingness to continue in that capacity.

This report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime of the Companies Act 2006.

The trustees' annual report has been approved by the trustees on 13/03/2026 and signed on their behalf by

Rev Carl McCann
District Superintendent

Independent auditors' report
to the members of
Church of the Nazarene British Isles South District

Opinion

We have audited the financial statements of Church of the Nazarene British Isles South District (the 'charitable company') for the year ended 30 September 2025, which comprise the Statement of Financial Activities (including the income and expenditure account), the Balance Sheet, the Statement of Cash Flows and the related notes. 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).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 September 2025, 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; 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report 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

Independent Auditor's Report (continued)

identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our 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 trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the Trustees' Annual Report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 6, 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.

Auditor's 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 an auditor's 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

Independent Auditor's Report (continued)

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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- enquiry of management and those charged with governance around actual and potential litigation and claims.
- enquiry of the charity's staff, management and those charged with governance to identify any instances of non-compliance with laws and regulations.
- reviewing minutes of meetings of those charged with governance.
- reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

Independent Auditor's Report (continued)

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. 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Chinwe Jennifer Daniel FCCA DChA

Senior Statutory Auditor
for and on behalf of
Slade & Cooper Limited
Statutory Auditors
Beehive Mill
Jersey Street
Manchester
M4 6JG

Date: 23/04/2026

Church of the Nazarene British Isles South District

Statement of Financial Activities
(including Income and Expenditure account)
for the year ended 30 September 2025

	Note	Unrestricted funds £	Restricted funds £	Total funds 2025 £	Total funds 2024 £
Income from:					
Donations and legacies	3	67,060	143,141	210,201	200,199
Charitable activities:	4	20,133	51,658	71,791	69,962
Investments	5	196,014	-	196,014	196,421
Total income		283,207	194,799	478,006	466,582
Expenditure on:					
Raising funds	6	65,053	-	65,053	75,584
Charitable activities:	7	242,031	189,784	431,815	389,360
Total expenditure		307,084	189,784	496,868	464,944
Net income / (expenditure) before net gains / (losses) on investments		(23,877)	5,015	(18,862)	1,638
Gains/(losses) on investments		285,427	-	285,427	138,076
Net income / (expenditure) for the year	8	261,550	5,015	266,565	139,714
Transfer between funds		31,721	(31,721)	-	-
Net movement in funds for the year		293,271	(26,706)	266,565	139,714
Reconciliation of funds					
Total funds brought forward as previously reported		6,220,390	111,310	6,331,700	6,191,986
Total funds brought forward		6,220,390	111,310	6,331,700	6,191,986
Total funds carried forward		6,513,661	84,604	6,598,265	6,331,700

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

Church of the Nazarene British Isles South District
Company number 7028764

Balance sheet as at 30 September 2025

	Note	2025	2024
		£	£
Fixed assets			
Tangible assets	12	401,818	414,320
Investments	13	5,603,904	4,803,355
Total fixed assets		6,005,722	5,217,675
Current assets			
Debtors	14	186,614	120,929
Cash at bank and in hand	15	524,106	1,047,395
Total current assets		710,720	1,168,324
Liabilities			
Creditors: amounts falling due in less than one year	16	(118,177)	(54,299)
Net current assets		592,543	1,114,025
Net assets		6,598,265	6,331,700
The funds of the charity:			
Restricted income funds	19	84,604	111,310
Designated income funds	20	4,097,342	4,094,991
Unrestricted income funds	20	2,416,319	2,125,399
Total unrestricted funds	20	6,513,661	6,220,390
Total charity funds		6,598,265	6,331,700

These accounts are prepared in accordance with the special provisions of part 15 of the Companies Act 2006 relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

The notes on pages 15 to 31 form part of these accounts.

Approved by the trustees on 13 / 03 / 2026 and signed on their behalf by:

Rev Carl McCann (Trustee)

Church of the Nazarene British Isles South District

Statement of Cash Flows
for the year ending 30 September 2025

	Note	2025 £	2024 £
Cash provided by/ (used in) operating activities	23	(204,181)	(166,851)
<i>Cash flows from investing activities:</i>			
Dividends, interest, and rents from investments		196,014	196,421
Purchase of tangible fixed assets		-	(33,744)
Proceeds from sale of investments		-	-
Purchase of investment assets		(515,122)	-
Cash provided by/ (used in) investing activities		(319,108)	162,677
Increase/(decrease) in cash and cash equivalents in the year		(523,289)	(4,174)
Cash and cash equivalents at the beginning of the year		1,047,395	1,051,569
Cash and cash equivalents at the end of the year		524,106	1,047,395

Notes to the accounts for the year ended 30 September 2025

1 Accounting policies

The principal accounting policies adopted, judgments and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Corresponding amounts for the preceding year are drawn from unaudited accounts.

a Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), second edition - October 2019 (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006 and UK Generally Accepted Accounting Practice.

Church of the Nazarene British Isles South District meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

b Preparation of the accounts on a going concern basis

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

The trustees have made no key judgments which have a significant effect on the accounts.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next reporting period.

c Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income received in advance of a provision of a specified service is deferred until the criteria for income recognition are met.

Church of the Nazarene British Isles South District

Notes to the accounts for the year ended 30 September 2025 (continued)

d Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised; refer to the trustees' annual report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

e 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 Bank.

f Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of charity.

Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose.

Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

g Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise the costs of renting out property.
- Expenditure on charitable activities includes the costs undertaken to further the purposes of the charity and their associated support costs.
- Other expenditure represents those items not falling into any other heading.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

h Tangible fixed assets

Individual fixed assets costing £1,000 or more are capitalised at cost and are depreciated over their estimated useful economic lives on a straight line basis as follows:

Land and buildings	1%
Office fixtures and equipment	25%
Motor Vehicle	25%

Notes to the accounts for the year ended 30 September 2025 (continued)

i Fixed asset investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The Charity does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

j Investment property

Investment properties are initially recorded at cost, which includes purchase price and any directly attributable expenditure. They are reviewed by the charity trustees on a yearly basis, and this will be supplemented by a 3 yearly evaluation of residential properties using AVM tool, and 5 yearly rolling evaluation of non-residential properties by a Chartered Surveyor. Any material changes in fair value are recognised in profit or loss.

k Debtors

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

l Cash at bank and in hand

Cash at bank and cash 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.

m Creditors and provisions

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

n 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.

Church of the Nazarene British Isles South District

Notes to the accounts for the year ended 30 September 2025 (continued)

o Pensions

Employees of the charity are entitled to join a defined contribution 'money purchase' scheme. The charity's contribution is restricted to the contributions disclosed in note 9. Contributions outstanding at the year end was £8,000 (2024: £6,907).

2 Legal status of the charity

The charity is a company limited by guarantee registered in England and Wales and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The registered office address is disclosed on page 1.

3 Income from donations and legacies

	Unrestricted £	Restricted £	Total 2025 £
District Budget	61,392	-	61,392
Donations	1,231	31,721	32,952
Nazarene Missions International	-	41,262	41,262
Nazarene Youth International	-	5,278	5,278
Other Income	4,437	-	4,437
Salford	-	64,880	64,880
Total	67,060	143,141	210,201

Income from donations and legacies (previous reporting period)

	Unrestricted £	Restricted £	Total 2024 £
<i>District Budget</i>	57,238	-	57,238
<i>Donations</i>	7,906	-	7,906
<i>Nazarene Missions International</i>	-	43,901	43,901
<i>Nazarene Youth International</i>	-	6,421	6,421
<i>Other Income</i>	4,196	-	4,196
<i>Salford</i>	-	80,537	80,537
Total	69,340	130,859	200,199

Church of the Nazarene British Isles South District

Notes to the accounts for the year ended 30 September 2025 (continued)

4 Income from charitable activities

	Unrestricted £	Restricted £	Total 2025 £
Breakthru income	-	51,658	51,658
Conference Fees etc	20,133	-	20,133
Total	20,133	51,658	71,791

Income from charitable activities (previous reporting period)

	Unrestricted £	Restricted £	Total 2024 £
Breakthru income	-	49,679	49,679
Conference Fees etc	20,283	-	20,283
Total	20,283	49,679	69,962

5 Investment income

	Unrestricted £	Restricted £	2025 £	2024 £
Dividends	7,453	-	7,453	12,042
Bank Interest	13,380	-	13,380	19,631
Rent and property income	173,833	-	173,833	161,506
Loan interest	1,348	-	1,348	3,242
Total	196,014	-	196,014	196,421

All investment income is unrestricted.

6 Cost of raising funds

	Unrestricted £	Restricted £	2025 £	2024 £
Property Costs	65,053	-	65,053	75,584
	65,053	-	65,053	75,584

Church of the Nazarene British Isles South District

Notes to the accounts for the year ended 30 September 2025 (continued)

7 Analysis of expenditure on charitable activities

	Staff Costs £	Support Costs £	Other Direct Costs £	Total 2025 £	Total 2024 £
Unrestricted Funds					
Staff costs	62,327	16,797	-	79,124	88,462
Audit Fees	-	6,000	-	6,000	6,000
Buildings Depreciation	-	12,502	-	12,502	12,503
District Assembly	-	18,188	-	18,188	16,358
District Board	-	2,616	-	2,616	4,040
District Office	-	18,734	-	18,734	23,662
Evangelism and Promotion	-	825	-	825	12,195
Gift Aid Scheme costs	-	-	-	-	-
Insurance	-	1,838	-	1,838	647
Legal Fees	-	19,053	-	19,053	9,062
Support Grants: Local Mission	-	65,369	-	65,369	78,754
Unrestricted Total	62,327	161,922	-	224,249	251,683
Designated Funds					
Ladies Retreat Fund	-	17,782	-	17,782	20,538
Designated Total	-	17,782	-	17,782	20,538
Restricted Funds					
Breakthru	-	49,553	-	49,553	49,392
NMI Council Convention	-	59,815	-	59,815	257
NYI Expenses	-	9,573	-	9,573	12,081
Salford	-	70,843	-	70,843	55,409
Restricted Total	-	189,784	-	189,784	117,139
Total	62,327	369,488	-	431,815	389,360

Church of the Nazarene British Isles South District

Notes to the accounts for the year ended 30 September 2025 (continued)

Analysis of expenditure on charitable activities previous reporting period

	Staff Costs £	Support Costs £	Other Direct Costs £	Total 2024 £	Total 2023 £
Unrestricted Funds					
Staff costs	73,558	14,904	-	88,462	76,548
Audit Fees	-	6,000	-	6,000	6,000
Buildings Depreciation	-	12,502	-	12,502	4,066
District Assembly	-	16,358	-	16,358	19,651
District Board	-	4,040	-	4,040	2,826
District Office	-	23,662	-	23,662	17,934
Evangelism and Promotion	-	12,195	-	12,195	13,418
Insurance	-	647	-	647	1,032
Legal Fees	-	9,062	-	9,062	7,653
Support Grants: Local Mission	-	78,754	-	78,754	209,409
Unrestricted Total	73,558	178,124	-	251,682	358,537
Designated Funds					
Support Grants	-	20,538	-	20,538	14,482
Designated Total	-	20,538	-	20,538	14,482
Restricted Funds					
Breakthru	-	49,392	-	49,392	49,263
NMI Council Convention	-	257	-	257	84,422
NYI Expenses	-	12,081	-	12,081	14,203
Salford	-	55,409	-	55,409	61,241
Restricted Total	-	117,139	-	117,139	209,129

Church of the Nazarene British Isles South District

Notes to the accounts for the year ended 30 September 2025 (continued)

8 Net income / (expenditure) for the year

This is stated after charging/(crediting):	2025 £	2024 £
Depreciation	12,502	12,503
Loss/(profit) on disposal of fixed assets	-	-
Auditor's remuneration - audit fees	5,513	5,250

9 Staff costs

Staff costs during the year were as follows:

	2025 £	2024 £
Wages and salaries	55,550	68,225
Social security costs	3,962	2,259
Pension costs	2,815	3,074
Total	62,327	73,558

No employees has employee benefits in excess of £60,000 (2024: Nil).

The average number of staff employed during the period was 9 (2024: 9).

The average full time equivalent number of staff employed during the period was 5.5 (2024: 5.4).

10 Trustee remuneration and expenses, and related party transactions

One (one) trustee, Revd. C. McCann, was paid remuneration of £41,619 (2024: £37,210), rent of £11,400 (2024: £9,600) and utility costs of £4,245 (2024: £4,340) for use of their home as the District Manse and pension contributions of £1,920 (2024: £1,787) during the year. Rev C McCann had the use of a car owned by the District from his appointment; the net book value of this car was £7,125 at the year end. P11D for NI paid on benefits to Rev McCann amounted to £408 (2024: £1,294). Four trustees (2023: three) were reimbursed expenses of £12,459 (2024: £8,258) during the year. The remuneration and expenses are paid to trustees in accordance with the authority given by the Articles of Association. Carl McCann is both a trustee of BISD Church of the Nazarene and Sanctuary Trust.

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

Revd. Dr Deirdre Bower, a trustee, is also the Principal of Nazarene Theological College. The College received £1,180 as support from BISD Church of the Nazarene during the year.

No trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity, including guarantees, during the year (2024: nil).

Church of the Nazarene British Isles South District

Notes to the accounts for the year ended 30 September 2025 (continued)

11 Corporation tax

The charity is exempt from tax on income and gains falling within Chapter 3 of Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

12 Fixed assets: tangible assets

Cost	Land & Buildings £	Motor Vehicles £	Fixtures, fittings and equipment £	Total £
At 1 October 2024	406,645	14,250	19,494	440,389
Additions	-	-	-	-
Disposal	-	-	-	-
At 30 September 2025	406,645	14,250	19,494	440,389
Depreciation				
At 1 October 2024	17,632	3,563	4,874	26,069
Charge for the year	4,067	3,562	4,873	12,502
Disposal	-	-	-	-
At 30 September 2025	21,699	7,125	9,747	38,571
Net book value				
At 30 September 2025	384,946	7,125	9,747	401,818
At 30 September 2024	389,013	10,687	14,620	414,320

The land and buildings are churches or manses owned (or partly owned) by the District, but used by the following churches: Salford and Portsmouth.

Church of the Nazarene British Isles South District

Notes to the accounts for the year ended 30 September 2025 (continued)

13 Investments

	Listed investments £	Investment properties £	Total
Market value at the start of the year	268,675	4,534,680	4,803,355
Add: additions to investments at cost	-	515,122	515,122
Add net gain/(loss) on revaluation	(11,893)	297,320	285,427
Carrying amount at 30 September 2025	256,782	5,347,122	5,603,904
Investments at fair value comprised:			
	2025 £	2024 £	
Investment Properties	5,347,122	4,534,680	
COIF Income Units	256,782	268,675	
	5,603,904	4,803,355	

All investments shown above are held at fair value.

The investment properties are reviewed on a rolling basis and the trustees are satisfied that there is no material change from previous year.

Most of properties are rented out at market rates to provide income, with exception at Fresh Ground, which remains at nominal rent to give the Fresh Ground Church time to move to financial stability.

Investments with COIF are stated at Market Value at balance sheet date.

Church of the Nazarene British Isles South District

Notes to the accounts for the year ended 30 September 2025 (continued)

14 Debtors

	2025 £	2024 £
Church Loans	143,319	88,282
Other debtors	30,861	24,291
Prepayments and accrued income	12,434	8,356
	<u>186,614</u>	<u>120,929</u>

Church loan recoverable after more than one year is £107,100 (2024: 75,982).

Church Loans

Cost	Ashton £	Bristol £	Brooklands £	Clapham £	Total £
At 1 October 2024	36,321	1,961	-	50,000	88,282
Advances	-	-	48,000	24,000	72,000
Interest	1,295	54	-	-	1,349
Repaid	(16,500)	(1,812)	-	-	(18,312)
	<u>21,116</u>	<u>203</u>	<u>48,000</u>	<u>74,000</u>	<u>143,319</u>
At 30 September 2025	21,116	203	48,000	74,000	143,319

Church of the Nazarene British Isles South District
Notes to the accounts for the year ended 30 September 2025 (continued)

15 Cash at bank and in hand

	2025 £	2024 £
Cash at bank and on hand	524,106	1,047,395
	<u>524,106</u>	<u>1,047,395</u>

16 Creditors: amounts falling due within one year

	2025 £	2024 £
Funds held as an intermediary agent	45,483	21,353
Other creditors and accruals	72,694	28,044
Deferred income	-	4,902
	<u>118,177</u>	<u>54,299</u>

17 Analysis of funds received as agent

	Balance held at 1 October 2024	Funds received	Funds paid out £	Balance held at 30 September 2025 £
Nazarene Missions International	12,057	63,279	(47,164)	28,172
NMBF	3,004	13,209	(11,000)	5,213
NTC	6,365	22,910	(20,000)	9,275
Salford	(3,011)	24,727	(21,716)	-
Sundry	1,888	-	(1,888)	-
Youth Ministry	1,050	3,273	(1,500)	2,823
	<u>21,353</u>	<u>127,398</u>	<u>(103,268)</u>	<u>45,483</u>

18 Deferred income

	2025 £	2024 £
Deferred grant brought forward	4,902	-
Grant received	-	4,902
Released to income from charitable activities	(4,902)	-
	<u>-</u>	<u>4,902</u>

Church of the Nazarene British Isles South District

Notes to the accounts for the year ended 30 September 2025 (continued)

19 Analysis of movements in restricted funds

	Balance at 1 October 2024 £	Income £	Expenditure £	Transfers £	Balance at 30 September 2025 £
Breakthru	9,981	51,658	(49,553)	-	12,086
BISD NMI Fund	47,080	41,262	(59,815)	-	28,527
BISD NYI Fund	11,602	5,278	(9,573)	-	7,307
Salford Church	42,647	64,880	(70,843)	-	36,684
Restricted donation	-	31,721	-	(31,721)	-
Total	111,310	194,799	(189,784)	(31,721)	84,604
Previous reporting period	Balance at 1 October 2023 £	Income £	Expenditure £	Transfers £	Balance at 30 September 2024 £
Breakthru	9,694	49,679	(49,392)	-	9,981
BISD NMI Fund	3,436	43,901	(257)	-	47,080
BISD NYI Fund	17,262	6,421	(12,081)	-	11,602
Salford Church	17,519	80,537	(55,409)	-	42,647
	47,911	180,538	(117,139)	-	111,310

Name of

Description, nature and purposes of the fund

Breakthru	Consolidated account funds of British Isles South District Ministries/Events.
BISD NMI Fund	Consolidated account funds of British Isles South District Nazarene Missions International.
BISD NYI Fund	Consolidated account funds of British Isles South District Nazarene Youth International.
Salford Church	Consolidated account funds of British Isles South District, held to record the financial records of the charitable activities of The Naz in Salford.
Restricted donation	Donation towards the property bought at Colwyn bay.

Church of the Nazarene British Isles South District

Notes to the accounts for the year ended 30 September 2025 (continued)

20 Analysis of movement in unrestricted funds

	Balance at 1 October 2024 £	Income £	Expenditure £	Gains / (Losses) £	Transfers £	As at 30 September 2025 £
Unrestricted Funds						
General Fund	2,125,399	263,074	(289,302)	285,427	31,721	2,416,319
Designated Funds						
Capital Fund	2,850,699	-	-	-	-	2,850,699
Ladies Retreat Fund	4,073	20,133	(17,782)	-	-	6,424
Oldham Church Fund	57,816	-	-	-	-	57,816
Revaluation reserve	1,182,403	-	-	-	-	1,182,403
Total Designated Funds	4,094,991	20,133	(17,782)	-	-	4,097,342
Total Unrestricted Funds	6,220,390	283,207	(307,084)	285,427	31,721	6,513,661
Previous reporting period						
	Balance at 1 October 2023 £	Income £	Expenditure £	Gains / (Losses) £	Transfers £	As at 30 September 2024 £
Unrestricted Funds						
General Fund	2,048,829	265,761	(327,267)	138,076	-	2,125,399
Designated Funds						
Capital Fund	2,850,699	-	-	-	-	2,850,699
Ladies Retreat Fund	4,328	20,283	(20,538)	-	-	4,073
Oldham Church Fund	57,816	-	-	-	-	57,816
Revaluation reserve	1,182,403	-	-	-	-	1,182,403
Total Designated Funds	4,095,246	20,283	(20,538)	-	-	4,094,991
Total Unrestricted Funds	6,144,075	286,044	(347,805)	138,076	-	6,220,390

Church of the Nazarene British Isles South District

Notes to the accounts for the year ended 30 September 2025 (continued)

20 Analysis of movement in unrestricted funds (continued)

Name of unrestricted fund	Description, nature and purposes of the fund
General fund	The free reserves after allowing for all designated funds
Capital Fund	Property fund linked to fixed assets. Funds become liquid assets on sale of property
Ladies Retreat Fund	Designated funds belonging to the annual Ladies retreat – a weekend away for ladies.
Revaluation reserve	The increase in values of the investment properties.

Church of the Nazarene British Isles South District

Notes to the accounts for the year ended 30 September 2025 (continued)

21 Analysis of net assets between funds

	General funds £	Designated funds £	Restricted funds £	Total £
Tangible fixed assets	401,818	-	-	401,818
Fixed asset investments	5,603,904	-	-	5,603,904
Net current assets/(liabilities)	(3,589,403)	4,097,342	84,604	592,543
Total	2,416,319	4,097,342	84,604	6,598,265

22 Operating lease commitments

The charity's total future minimum lease payments under non-cancellable operating leases is as

	Equipment	
	2025 £	2024 £
Less than one year	555	555
One to five years	1,805	2,360
	2,360	2,915

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

	2025 £	2024 £
Net income / (expenditure) for the year	266,565	139,714
Adjustments for:		
Depreciation charge	12,502	12,503
Loss/(profit) on sale of fixed assets	-	-
(Gains)/losses on investments	(285,427)	(138,076)
Dividends, interest and rents from investments	(196,014)	(196,421)
Decrease/(increase) in debtors	(65,685)	21,185
Increase/(decrease) in creditors	63,878	(5,756)
Net cash provided by / (used in) operating	(204,181)	(166,851)

Church of the Nazarene British Isles South District

Notes to the accounts for the year ended 30 September 2025 (continued)

24 Prior year Statement of Financial Activities (including Income and Expenditure account)

	Unrestricted funds £	Restricted funds £	Total funds 2024 £	Total funds 2023 £
Income from:				
Donations and legacies	69,340	130,859	200,199	1,293,972
Charitable activities:	20,283	49,679	69,962	66,899
Investments	196,421	-	196,421	159,782
Total income	286,044	180,538	466,582	1,520,653
Expenditure on:				
Raising funds	75,584	-	75,584	52,726
Charitable activities:	272,221	117,139	389,360	582,148
Total expenditure	347,805	117,139	464,944	634,874
Net income / (expenditure) before net gains / (losses) on investments	(61,761)	63,399	1,638	885,779
Gains/(losses) on investments	138,076	-	138,076	34,861
Net income / (expenditure) for the year	76,315	63,399	139,714	920,640
Transfer between funds	-	-	-	-
Other recognised gains / (losses):				
Gains/(losses) on revaluation of fixed	-	-	-	-
Net movement in funds for the year	76,315	63,399	139,714	920,640
Reconciliation of funds				
Total funds brought forward as previously reported	6,144,075	47,911	6,191,986	5,271,346
Total funds brought forward	6,144,075	47,911	6,191,986	5,271,346
Total funds carried forward	6,220,390	111,310	6,331,700	6,191,986

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

Accounts

Company number: 7028764

Charity Number: 1133336

Church of the Nazarene British Isles South District

Report and financial statements
For the year ended 30 September 2024

Church of the Nazarene British Isles South District
Reference and administrative information
for the year ended 30 September 2024

Company number 7028764

Charity number 1133336

Registered office and operational address

Church of the Nazarene British Isles South District
112 Cranbourne Road
Ashton-under-Lyne
OL7 9BW

Trustees Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

Rev Carl McCann	Chair
Mr Steven Francis Leach	Secretary
Clare McMullen	
Grace Ogbewi	
Rev Erica Tuxworth	
Rev Svetlana Khobnya	
Revd Deirdre Brower-Latz	

No Trustees held title to property belonging to the charity during the reporting period or at the date of approval.

Bankers Reliance Bank
Faith House
23-24 Lovat Lane
London
EC3R 8EB

Auditors Slade & Cooper Limited
Beehive Mill, Jersey St, Ancoats, Manchester, M4 6JG

Church of the Nazarene British Isles South District

Trustees' annual report

for the year ended 30 September 2024

The trustees present their report and the audited financial statements for the year ended 30 September 2024. Included within the trustees' report is the directors' report as required by company law.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Objectives and activities

The principal object of the charity is the advancement of Christian faith and its practice, especially by the means of and in accordance with the principles of the International church of the Nazarene.

The basis of our Christian faith as portrayed through the Bible is that we can come to know God personally, in Jesus Christ, who is both human and divine, and is the person in whom all that is lost and broken can be redeemed and who inspires his followers to work for a world that is a better place for all.

Within the covenant relationship of the Church of the Nazarene we value the freedom of the local church to discern for itself its practices and policies within the broad scope of Nazarene belief, in making Christ-like disciples. We stress the importance of individual response in faith, and we understand that each Christian is to play their part in advancing Christian faith and witness. Because of our emphasis on personal faith and the freedom of the local church we are committed to religious freedom for people of all Christian traditions and other faiths.

The District's overriding function is to provide encouragement, advice and support to member churches so that they too may maximise their ability to achieve their own charitable objective of making Jesus Christ known to particular individuals and to society in general.

The trustees review the aims, objectives and activities of the charity each year. This report looks at what the charity has achieved and the outcomes of its work in the reporting period. The trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the trustees ensure the charity's aims, objectives and activities remained focused on its stated purposes.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set.

Volunteers

In the wider context, the District is substantially dependent for its work on the contribution of volunteers. At church level, the work of stipendiary and paid staff is supported at all levels by volunteers both in terms of governance and management and in the practical delivery. Such is the magnitude of the contribution made by volunteers that it is impossible to quantify.

This pattern is reflected throughout the District where many people commit significant time to help with the outworking of the District's objectives. In the District itself, volunteers provide valuable support mainly through membership of standing committees, unpaid office holders, and the officers responsible for

Church of the Nazarene British Isles South District

Trustees' annual report

for the year ended 30 September 2024

Nazarene Youth International, Nazarene Missions International, Breakthru holidays, the Ladies weekend, and other conferences for training as and when required.

Achievements and performance

The charity's main activities and who it tries to help are described below. All its charitable activities focus on the support and encouragement of the local Churches of the Nazarene which form the District, and are undertaken to further Church of the Nazarene British Isles South District's charitable purposes for the public benefit.

- The District operates as an umbrella resource body for its member churches, which are all separate charities.
- Throughout 2023-24 the District continued to support its member churches, regional association, and college by providing grants, practical support, guidance, and expertise.
- Appropriate provision and support for Ministers of Religion, and other church leaders within our denomination. Including support for Ministers' families in the form of a yearly Pastoral Household's Retreat.
- Support for local churches in the form of grants for pastoral aid, maintenance of buildings, or missional activities.
- Training for Ministers of Religion in the form of a Pastors summer school and other more localised gatherings of Ministers throughout the year
- Pastoral and church reviews where churches are encouraged to review their work and their relationship with Pastoral leadership.
- Organisation of District holiday, Ladies retreat, and Youth Holiday where the church comes together for encouragement, fellowship, teaching and prayer.
- Financial support to Nazarene Theological College, Nazarene Missions International, Nazarene Youth International, which support youth, mission, education, outreach and fellowship within the church.

Beneficiaries of our services

The District operates as an umbrella resource body for its member churches, which are all separate charities. Consequently, our beneficiaries are largely Pastors, local churches, Nazarene Theological College, Nazarene Missions International, and Nazarene Youth International.

Financial review

The Statement of Financial Activities shows a net increase in funds for the year ending 30th September 2024 of £1,638 excluding unrealised gains and losses on investments (2023: Increase £885,779). Expenditure has been kept under careful control because of the continuing difficult economic climate.

The consolidated incoming resources of the ordinary activities of the Church of the Nazarene British Isles South District including NMI, Events/SS Ministries, NYI and the work at Salford totalled £466,582 (2023: £1,520,653) with resources expended of £464,944 (2023: £634,874).

Church of the Nazarene British Isles South District

Trustees' annual report

for the year ended 30 September 2024

Our principal sources of income remain that of rental income from our investment properties and budgets received from our member churches. These properties are rented out at market rates, except for the Fresh Ground manse. It is hoped that the income from this manse will move towards market rent over a period of time.

Decreased tithes and offerings in local churches, resulted in lower budgets received.

Strategy is to invest in developing new churches, strengthening existing churches. The development of a strong property rental income stream is seen as a key factor in sustaining this.

We do not conduct significant fundraising activities from the general public.

Grants

Each Nazarene church is self-financing; the District provides additional investment into local churches to help develop and promote mission innovation and risk taking to achieve our strategic goals. Church grants are assessed annually, and emphasis is placed not just on each church's finances but also its plans and achievements in making Jesus known in its locality.

Going concern

The charity does not rely on donations from the public, and we have sufficient cash reserves to fund our activities for at least a further year, without the need for loans or overdrafts. Our investment portfolio of properties is also strong.

The trustees are fully aware of the movement in value of its investments but consider that the balance sheet will remain strong in the long-term, with positive net current assets.

Reserves policy

The Trustees have reviewed the charity's needs for reserves in line with the guidance issued by the Charity Commission and have a reserves policy which will be reviewed annually. The Trustees believe that, in addition to known commitments, the charity needs to hold at least six months (26 weeks) running costs in free reserves, given the anticipated flow of funding, to ensure that the charity can run efficiently.

The total reserves of the charity at the end of the year were £6,331,700 (2023: £6,191,986) of which some were restricted. The Capital Fund in note 19 relates to fixed assets used to support the ongoing work of the charity and is not a readily liquid asset.

Plans for the future

- The trustees of the charity will continue to hold consultations with local church boards to enable the charity to dialogue more effectively with our main stakeholders.
- The District Treasurer will continue to encourage churches to submit their budgets on a monthly basis to enable us to be less dependent toward the year end for finance.

Church of the Nazarene British Isles South District

Trustees' annual report

for the year ended 30 September 2024

- The District Advisory Board will encourage more sale of surplus properties and reinvestment in income generating assets.
- The trustees will continue to look to support compassionate ministries at home and abroad.

Structure, governance and management

The Church of the Nazarene British Isles South District (the District) is an association, consisting of the Nazarene churches within the majority of England and Wales. As a membership organisation, the District holds an annual Assembly at which member churches are represented through their delegates, alongside ministers and the members of the Assembly.

The District acts through an Advisory Board which meets a minimum of four times a year and is made up of elected members, office holders and persons co-opted for particular skills. The Advisory Board helps to set the broad strategic direction of the District.

Recent years had seen disruption to standard working practises due to Covid 19. However, this past year has seen a return to standard practise, including a normal nomination procedure, followed by an in-person District Assembly, including voting for all leadership positions.

All necessary reports were collated as per normal procedure, and were communicated digitally both in advance, and available at the Assembly.

The District charity is administered and managed by the Advisory Board as Charity Trustees.

The Governing Document of the District is a memorandum of association which may be amended by a Resolution of the Assembly approved by not less than two thirds of the Representative Members, as defined in the memorandum of association, present and voting. The memorandum of association was last revised in June 2017 and a copy is available from the registered office.

Recruitment and Training of Trustees

Trustees are elected by the District Assembly from a list of suitable nominations provided by the Nomination Committee and are usually familiar with many aspects of the District's work prior to appointment. All Trustees receive an induction into the work of the District by meeting the District Superintendent and being advised of the general nature of their work.

They receive financial statements and other relevant documentation including a copy of the Charity Commission's publication CC3, The Essential Trustee. Formal training on financial matters is provided as appropriate. The organisation is a charitable company limited by guarantee, incorporated on 24th September 2009 and registered as a charity on 17th December 2010.

The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees on 30th September 2024 was 129 (2023:129). The members of the charity are entitled to voting rights and have no beneficial interest in the charity.

The Trustees give their time voluntarily and only the District Superintendent receives benefits from the Charity.

Church of the Nazarene British Isles South District

Trustees' annual report

for the year ended 30 September 2024

Related parties and relationships with other organisations

Any and all related parties are clearly identified in the notes to the Accounts.

Remuneration policy for key management personnel

Remuneration for the District Superintendent, Secretary, Treasurer and Assistant Treasurer is guided by the Finance Committee. Other Key management personnel are guided by the Trustee Advisory Board.

Risk management

The Trustees are aware of the recommendations to examine the major strategic, business, operational and reputational risks which the Charity faces and have procedures in place to identify and manage them.

Funds held as custodian trustee on behalf of others

The District acts as property trustees for 44 open and closed churches. Arrangements are made for the safe custody of deeds and documents, with each set stored in a labelled packet, and included in an index system. The names of the churches and other charities for whom the Company acts as a Custodian Trustee are available at: www.nazarene.org.uk The organisations are all Church of the Nazarene congregations and therefore, have objects that are compatible with the charitable objects of the Company.

Statement of responsibilities of the trustees

The trustees (who are also directors of Church of the Nazarene British Isles South District for the purposes of company law) are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice 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 operation

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets

Church of the Nazarene British Isles South District

Trustees' annual report

for the year ended 30 September 2024

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
- 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

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Auditors

Slade & Cooper Ltd were re-appointed as the charitable company's auditors during the year and have expressed their willingness to continue in that capacity.

This report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime of the Companies Act 2006.

The trustees' annual report has been approved by the trustees on 26/ 02/ 2025 and signed on their behalf by

Rev Carl McCann
District Superintendent

Independent auditors' report
to the members of
Church of the Nazarene British Isles South District

Opinion

We have audited the financial statements of Church of the Nazarene British Isles South District (the 'charitable company') for the year ended 30 September 2024, which comprise the Statement of Financial Activities (including the income and expenditure account), the Balance Sheet, the Statement of Cash Flows and the related notes. 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).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 September 2024, 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; 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report 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

Independent Auditor's Report (continued)

identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our 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 trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the Trustees' Annual Report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 6, 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.

Auditor's 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 an auditor's 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

Independent Auditor's Report (continued)

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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- enquiry of management and those charged with governance around actual and potential litigation and claims.
- enquiry of the charity's staff, management and those charged with governance to identify any instances of non-compliance with laws and regulations.
- reviewing minutes of meetings of those charged with governance.
- reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

Independent Auditor's Report (continued)

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. 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Chinwe Jennifer Daniel FCCA DChA

Senior Statutory Auditor
for and on behalf of
Slade & Cooper Limited
Statutory Auditors
Beehive Mill
Jersey Street
Manchester
M4 6JG

Date: 28/05/2025

Church of the Nazarene British Isles South District

Statement of Financial Activities
(including Income and Expenditure account)
for the year ended 30 September 2024

	Note	Unrestricted funds £	Restricted funds £	Total funds 2024 £	Total funds 2023 £
Income from:					
Donations and legacies	3	69,340	130,859	200,199	1,293,972
Charitable activities:	4	20,283	49,679	69,962	66,899
Investments	5	196,421	-	196,421	159,782
Total income		286,044	180,538	466,582	1,520,653
Expenditure on:					
Raising funds	6	75,584	-	75,584	52,726
Charitable activities:	7	272,221	117,139	389,360	582,148
Total expenditure		347,805	117,139	464,944	634,874
Net income/(expenditure) before net gains/(losses) on investments		(61,761)	63,399	1,638	885,779
Gains/(losses) on investments		138,076	-	138,076	34,861
Net income/(expenditure) for the year	8	76,315	63,399	139,714	920,640
Transfer between funds		-	-	-	-
Net movement in funds for the year		76,315	63,399	139,714	920,640
Reconciliation of funds					
Total funds brought forward as previously reported		6,144,075	47,911	6,191,986	5,271,346
Total funds brought forward		6,144,075	47,911	6,191,986	5,271,346
Total funds carried forward		6,220,390	111,310	6,331,700	6,191,986

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

Church of the Nazarene British Isles South District
Company number 7028764

Balance sheet as at 30 September 2024

	Note	2024	2023
		£	£
Fixed assets			
Tangible assets	12	414,320	393,079
Investments	13	4,803,355	4,665,279
Total fixed assets		5,217,675	5,058,358
Current assets			
Debtors	14	120,929	142,114
Cash at bank and in hand	15	1,047,395	1,051,569
Total current assets		1,168,324	1,193,683
Liabilities			
Creditors: amounts falling due in less than one year	16	(54,299)	(60,055)
Net current assets		1,114,025	1,133,628
Net assets		6,331,700	6,191,986
The funds of the charity:			
Restricted income funds	18	111,310	47,911
Designated income funds	19	4,094,991	4,095,246
Unrestricted income funds	19	2,125,399	2,048,829
Total unrestricted funds	19	6,220,390	6,144,075
Total charity funds		6,331,700	6,191,986

These accounts are prepared in accordance with the special provisions of part 15 of the Companies Act 2006 relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

The notes on pages 15 to 30 form part of these accounts.

Approved by the trustees on 26/ 02/ 2025 and signed on their behalf by:

Rev Carl McCann (Trustee)

Church of the Nazarene British Isles South District

Statement of Cash Flows
for the year ending 30 September 2024

	Note	2024 £	2023 £
Cash provided by/(used in) operating activities	21	(166,851)	665,816
<i>Cash flows from investing activities:</i>			
Dividends, interest, and rents from investments		196,421	159,782
Purchase of tangible fixed assets		(33,744)	-
Proceeds from sale of investments		-	163,809
Donation of investment assets		-	(890,000)
Cash provided by/(used in) investing activities		162,677	(566,409)
Increase/(decrease) in cash and cash equivalents in the year		(4,174)	99,407
Cash and cash equivalents at the beginning of the year		1,051,569	952,162
Cash and cash equivalents at the end of the year		1,047,395	1,051,569

Church of the Nazarene British Isles South District

Notes to the accounts for the year ended 30 September 2024

1 Accounting policies

The principal accounting policies adopted, judgments and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Corresponding amounts for the preceding year are drawn from unaudited accounts.

a Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), second edition - October 2019 (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006 and UK Generally Accepted Accounting Practice.

Church of the Nazarene British Isles South District meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

b Preparation of the accounts on a going concern basis

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

The trustees have made no key judgments which have a significant effect on the accounts.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next reporting period.

c Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income received in advance of a provision of a specified service is deferred until the criteria for income recognition are met.

Church of the Nazarene British Isles South District

Notes to the accounts for the year ended 30 September 2024 (continued)

d Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised; refer to the trustees' annual report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

e 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 Bank.

f Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of charity.

Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose.

Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

g Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise the costs of renting out property.
- Expenditure on charitable activities includes the costs undertaken to further the purposes of the charity and their associated support costs.
- Other expenditure represents those items not falling into any other heading.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

h Tangible fixed assets

Individual fixed assets costing £1,000 or more are capitalised at cost and are depreciated over their estimated useful economic lives on a straight line basis as follows:

Land and buildings	1%
Office fixtures and equipment	25%
Motor Vehicle	25%

Church of the Nazarene British Isles South District

Notes to the accounts for the year ended 30 September 2024 (continued)

i Fixed asset investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The Charity does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

j Investment property

Investment properties are initially recorded at cost, which includes purchase price and any directly attributable expenditure. They are reviewed by the charity trustees on a yearly basis, and this will be supplemented by a 3 yearly evaluation of residential properties using AVM tool, and 5 yearly rolling evaluation of non-residential properties by a Chartered Surveyor. Any material changes in fair value are recognised in profit or loss.

k Debtors

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

l Cash at bank and in hand

Cash at bank and cash 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.

m Creditors and provisions

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

n 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.

Church of the Nazarene British Isles South District

Notes to the accounts for the year ended 30 September 2024 (continued)

o Pensions

Employees of the charity are entitled to join a defined contribution 'money purchase' scheme. The charity's contribution is restricted to the contributions disclosed in note 9. Contributions outstanding at the year end was £nil (2022: £nil)

2 Legal status of the charity

The charity is a company limited by guarantee registered in England and Wales and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The registered office address is disclosed on page 1.

3 Income from donations and legacies

	Unrestricted £	Restricted £	Total 2024 £
District Budget	57,238	-	57,238
Donations	7,906	-	7,906
Nazarene Missions International	-	43,901	43,901
Nazarene Youth International	-	6,421	6,421
Other Income	4,196	-	4,196
Salford	-	80,537	80,537
Total	69,340	130,859	200,199

Income from donations and legacies (previous reporting period)

	<i>Unrestricted £</i>	<i>Restricted £</i>	<i>Total 2023 £</i>
<i>District Budget</i>	<i>54,751</i>	<i>-</i>	<i>54,751</i>
<i>Donated investment properties</i>	<i>890,000</i>	<i>-</i>	<i>890,000</i>
<i>Donations</i>	<i>228,873</i>	<i>-</i>	<i>228,873</i>
<i>Nazarene Missions International</i>	<i>-</i>	<i>54,953</i>	<i>54,953</i>
<i>Nazarene Youth International</i>	<i>-</i>	<i>5,469</i>	<i>5,469</i>
<i>Other Income</i>	<i>8,050</i>	<i>-</i>	<i>8,050</i>
<i>Salford</i>	<i>-</i>	<i>51,876</i>	<i>51,876</i>
Total	1,181,674	112,298	1,293,972

Church of the Nazarene British Isles South District

Notes to the accounts for the year ended 30 September 2024 (continued)

4 Income from charitable activities

	Unrestricted £	Restricted £	Total 2024 £
Breakthru income	-	49,679	49,679
Conference Fees etc	20,283	-	20,283
Total	20,283	49,679	69,962

Income from charitable activities (previous reporting period)

	Unrestricted £	Restricted £	Total 2023 £
Conference Fees etc	15,241	-	15,241
Events Committee income	-	51,658	51,658
Total	15,241	51,658	66,899

5 Investment income

	Unrestricted £	Restricted £	2024 £	2023 £
Dividends	12,042	-	12,042	11,407
Bank Interest	19,631	-	19,631	9,575
Rent and property income	161,506	-	161,506	133,800
Loan interest	3,242	-	3,242	5,000
Total	196,421	-	196,421	159,782

All investment income is unrestricted.

6 Cost of raising funds

	Unrestricted £	Restricted £	2024 £	2023 £
Property Costs	75,584	-	75,584	52,726
	75,584	-	75,584	52,726

Church of the Nazarene British Isles South District

Notes to the accounts for the year ended 30 September 2024 (continued)

7 Analysis of expenditure on charitable activities

	Staff Costs £	Support Costs £	Other Direct Costs £	Total 2024 £	Total 2023 £
Unrestricted Funds					
Staff costs	73,558	14,904	-	88,462	76,548
Audit Fees	-	6,000	-	6,000	6,000
Buildings Depreciation	-	12,503	-	12,503	4,066
District Assembly	-	16,358	-	16,358	19,651
District Board	-	4,040	-	4,040	2,826
District Office	-	23,662	-	23,662	17,934
Evangelism and Promotion	-	12,195	-	12,195	13,418
Gift Aid Scheme costs	-	-	-	-	-
Insurance	-	647	-	647	1,032
Legal Fees	-	9,062	-	9,062	7,653
Support Grants: Local Mission	-	78,754	-	78,754	209,409
Unrestricted Total	73,558	178,125	-	251,683	358,537
Designated Funds					
	-	-	-	-	-
Ladies Retreat Fund	-	20,538	-	20,538	14,482
Designated Total	-	20,538	-	20,538	14,482
Restricted Funds					
Breakthru	-	49,392	-	49,392	49,263
NMI Council & NYI Expenses	-	257	-	257	84,422
Salford	-	12,081	-	12,081	14,203
	-	55,409	-	55,409	61,241
Restricted Total	-	117,139	-	117,139	209,129
Total	73,558	315,802	-	389,360	582,148

Church of the Nazarene British Isles South District

Notes to the accounts for the year ended 30 September 2024 (continued)

Analysis of expenditure on charitable activities previous reporting period

	Staff Costs £	Support Costs £	Other Direct Costs £	Total 2023 £	Total 2021 £
Unrestricted Funds					
Staff costs	60,985	15,563	-	76,548	68,928
Audit Fees	-	6,000	-	6,000	5,400
Buildings Depreciation	-	4,066	-	4,066	5,135
District Assembly	-	19,651	-	19,651	13,272
District Board	-	2,826	-	2,826	2,262
District Office	-	17,934	-	17,934	9,375
Evangelism and Promotion	-	13,418	-	13,418	12,275
Insurance	-	1,032	-	1,032	557
Legal Fees	-	7,653	-	7,653	8,858
Support Grants:					
Local Mission	-	209,409	-	209,409	32,898
Donated Assets	-	-	-	-	2,560,672
Unrestricted Total	60,985	297,552	-	358,537	2,719,632
Designated Funds					
Ladies Retreat Fund	-	14,482	-	14,482	13,532
Designated Total	-	14,482	-	14,482	13,532
Restricted Funds					
Events Committee Expenses	-	49,263	-	49,263	48,247
NMI Council & Convention	-	84,422	-	84,422	65,500
NYI Expenses	-	14,203	-	14,203	1,188
Salford	-	61,241	-	61,241	46,730
Worldwide Missions	-	-	-	-	30,740
Restricted Total	-	209,129	-	209,129	192,405

Church of the Nazarene British Isles South District

Notes to the accounts for the year ended 30 September 2024 (continued)

8 Net income/(expenditure) for the year

This is stated after charging/(crediting):	2024 £	2023 £
Depreciation	12,503	4,066
Loss/(profit) on disposal of fixed assets	-	25,025
Auditor's remuneration - audit fees	6,000	6,000

9 Staff costs

Staff costs during the year were as follows:

	2024 £	2023 £
Wages and salaries	68,225	55,665
Social security costs	2,259	2,495
Pension costs	3,074	2,372
Total	73,558	60,532

No employees has employee benefits in excess of £60,000 (2023: Nil).

The average number of staff employed during the period was 9 (2023: 6).

The average full time equivalent number of staff employed during the period was 5.4 (2023: 3).

10 Trustee remuneration and expenses, and related party transactions

One (one) trustee, Revd. C. McCann, was paid remuneration of £37,210 (2023: £33,518), rent of £9,600 (2023: £9,600) and utility costs of £4,340 (2023: £5,048) for use of their home as the District Manse and pension contributions of £1,787 (2023: £1,623) during the year. Rev C McCann had the use of a car owned by the District from his appointment; the net book value of this car was £10,688 at the year end. P11D for NI paid on benefits to Rev McCann amounted to £1,294 (2023: £1,231). Three trustees (2023: two) were reimbursed expenses of £8,258 (2023: £9,572) during the year. The remuneration and expenses are paid to trustees in accordance with the authority given by the Articles of Association.

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

No trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity, including guarantees, during the year (2023: nil).

Church of the Nazarene British Isles South District

Notes to the accounts for the year ended 30 September 2024 (continued)

11 Corporation tax

The charity is exempt from tax on income and gains falling within Chapter 3 of Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

12 Fixed assets: tangible assets

	Land & Buildings £	Motor Vehicles £	Fixtures, fittings and equipment £	Total £
Cost				
At 1 October 2023	406,645	10,995	-	417,640
Additions	-	14,250	19,494	33,744
Disposal	-	(10,995)	-	(10,995)
At 30 September 2024	406,645	14,250	19,494	440,389
Depreciation				
At 1 October 2023	13,566	10,995	-	24,561
Charge for the year	4,066	3,563	4,874	12,503
Disposal	-	(10,995)	-	(10,995)
At 30 September 2024	17,632	3,563	4,874	26,069
Net book value				
At 30 September 2024	389,013	10,687	14,620	414,320
At 30 September 2023	393,079	-	-	393,079

The land and buildings are churches or manses owned (or partly owned) by the District, but used by the following churches: Salford and Portsmouth.

Church of the Nazarene British Isles South District

Notes to the accounts for the year ended 30 September 2024 (continued)

13 Investments

	Listed investments £	Investment properties £	Total
Market value at the start of the year	244,999	4,420,280	4,665,279
Add net gain/(loss) on revaluation	23,676	114,400	138,076
Carrying amount at 30 September 2024	268,675	4,534,680	4,803,355
Investments at fair value comprised:			
	2024 £	2023 £	
Investment Properties	4,534,680	4,420,280	
COIF Income Units	268,675	244,999	
	4,803,355	4,665,279	

All investments shown above are held at fair value.

The investment properties are reviewed on a rolling basis and the trustees are satisfied that there is no material change from previous year.

Most of properties are rented out at market rates to provide income, with exception at Fresh Ground, which remains at nominal rent to give the Fresh Ground Church time to move to financial stability.

Investments with COIF are stated at Market Value at balance sheet date.

Church of the Nazarene British Isles South District

Notes to the accounts for the year ended 30 September 2024 (continued)

14 Debtors

	2024 £	2023 £
Church Loans	88,282	115,470
Other debtors	24,291	17,848
Prepayments and accrued income	8,356	8,796
	120,929	142,114

Church loan recoverable after more than one year is £75,982 (2023: 4,070).

Church Loans

	Ashton	Bristol	Clapham £	Total £
Cost				
At 1 October 2023	61,860	3,611	50,000	115,471
Interest	3,091	150	-	3,241
Repaid	(28,630)	(1,800)	-	(30,430)
At 30 September 2024	36,321	1,961	50,000	88,282

15 Cash at bank and in hand

	2024 £	2023 £
Cash at bank and on hand	1,047,395	1,051,569
	1,047,395	1,051,569

Church of the Nazarene British Isles South District

Notes to the accounts for the year ended 30 September 2024 (continued)

16 Creditors: amounts falling due within one year

	2024 £	2023 £
Funds held as an intermediary agent	28,260	30,087
Other creditors and accruals	21,137	29,968
Deferred income	4,902	-
	54,299	60,055

17 Analysis of funds received as agent

	Balance held at 1 October 2023	Funds received	Funds paid out £	Balance held at 30 September 2024 £
Nazarene Missions International	10,979	25,971	(24,893)	12,057
NMBF	2,069	11,114	(10,179)	3,004
NTC	6,605	19,453	(19,693)	6,365
Salford	(2,490)	5,488	(6,009)	(3,011)
Standard Life	8,561	55,279	(56,933)	6,907
Sundry	3,066	1,284	(2,462)	1,888
Youth Ministry	1,297	2,781	(3,028)	1,050
	30,087	121,370	(123,197)	28,260

Deferred income

	2024 £	2023 £
Deferred grant brought forward	-	598
Grant received	4,902	-
Released to income from charitable activities	-	(598)
Deferred grant carried forward	4,902	-

Church of the Nazarene British Isles South District

Notes to the accounts for the year ended 30 September 2024 (continued)

18 Analysis of movements in restricted funds

	Balance at 1 October 2023 £	Income £	Expenditure £	Transfers £	Balance at 30 September 2024 £
Breakthrou	9,694	49,679	(49,392)	-	9,981
BISD NMI Fund	3,436	43,901	(257)	-	47,080
BISD NYI Fund	17,262	6,421	(12,081)	-	11,602
Salford Church	17,519	80,537	(55,409)	-	42,647
Total	47,911	180,538	(117,139)	-	111,310

Previous reporting period	Balance at 1 October 2022 £	Income £	Expenditure £	Transfers £	Balance at 30 September 2023 £
<i>BISD Events/ Sunday School Ministries Fund</i>	7,299	51,658	(49,263)	-	9,694
<i>BISD NMI Fund</i>	32,905	54,953	(84,422)	-	3,436
<i>BISD NYI Fund</i>	25,996	5,469	(14,203)	-	17,262
<i>Salford Church</i>	26,884	51,876	(61,241)	-	17,519
	93,084	163,956	(209,129)	-	47,911

Name of	Description, nature and purposes of the fund
Breakthrou	Consolidated account funds of British Isles South District Sunday School Ministries/Events.
BISD NMI Fund	Consolidated account funds of British Isles South District Nazarene Missions International.
BISD NYI Fund	Consolidated account funds of British Isles South District Nazarene Youth International.
Salford Church	Consolidated account funds of British Isles South District, held to record the financial records of the charitable activities of The Naz in Salford.

Church of the Nazarene British Isles South District

Notes to the accounts for the year ended 30 September 2024 (continued)

19 Analysis of movement in unrestricted funds

	Balance at 1 October 2023 £	Income £	Expenditure £	Gains / (Losses) £	Transfers £	As at 30 September 2024 £
Unrestricted Funds						
General Fund	2,048,829	265,761	(327,267)	138,076	-	2,125,399
Designated Funds						
Capital Fund	2,850,699	-	-	-	-	2,850,699
Ladies Retreat Fund	4,328	20,283	(20,538)	-	-	4,073
Oldham Church Fund	57,816	-	-	-	-	57,816
Revaluation reserve	1,182,403	-	-	-	-	1,182,403
Total Designated Funds	<u>4,095,246</u>	<u>20,283</u>	<u>(20,538)</u>	<u>-</u>	<u>-</u>	<u>4,094,991</u>
Total Unrestricted Funds	<u>6,144,075</u>	<u>286,044</u>	<u>(347,805)</u>	<u>138,076</u>	<u>-</u>	<u>6,220,390</u>

Previous reporting period

	Balance at 1 October 2022 £	Income £	Expenditure £	Gains / (Losses) £	Transfers £	As at 30 September 2023 £
Unrestricted Funds						
General Fund	1,141,591	1,283,640	(411,263)	34,861	-	2,048,829
Designated Funds						
Capital Fund	2,850,699	-	-	-	-	2,850,699
Ladies Retreat Fund	3,569	15,241	(14,482)	-	-	4,328
Oldham Church Fund	-	57,816	-	-	-	57,816
Revaluation reserve	1,182,403	-	-	-	-	1,182,403
Total Designated Funds	<u>4,036,671</u>	<u>73,057</u>	<u>(14,482)</u>	<u>-</u>	<u>-</u>	<u>4,095,246</u>
Total Unrestricted Funds	<u>5,178,262</u>	<u>1,356,697</u>	<u>(425,745)</u>	<u>34,861</u>	<u>-</u>	<u>6,144,075</u>

Name of unrestricted fund	Description, nature and purposes of the fund
General fund	The free reserves after allowing for all designated funds
Capital Fund	Property fund linked to fixed assets. Funds become liquid assets on sale of property
Ladies Retreat Fund	Designated funds belonging to the annual Ladies retreat – a weekend away for ladies.
Revaluation reserve	The increase in values of the investment properties.

Church of the Nazarene British Isles South District

Notes to the accounts for the year ended 30 September 2024 (continued)

20 Analysis of net assets between funds

	General funds £	Designated funds £	Restricted funds £	Total £
Tangible fixed assets	414,320	-	-	414,320
Fixed asset investments	4,803,355	-	-	4,803,355
Net current assets/(liabilities)	(3,092,276)	4,094,991	111,310	1,114,025
Total	2,125,399	4,094,991	111,310	6,331,700

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

	2024 £	2023 £
Net income/(expenditure) for the year	139,714	920,640
Adjustments for:		
Depreciation charge	12,503	4,066
Loss/(profit) on sale of fixed assets	-	25,025
(Gains)/losses on investments	(138,076)	(34,861)
Dividends, interest and rents from investments	(196,421)	(159,782)
Decrease/(increase) in debtors	21,185	(118,667)
Increase/(decrease) in creditors	(5,756)	29,395
Net cash provided by/(used in) operating	(166,851)	665,816

Church of the Nazarene British Isles South District

Notes to the accounts for the year ended 30 September 2024 (continued)

22 Prior year Statement of Financial Activities (including Income and Expenditure account)

	Unrestricted funds £	Restricted funds £	Total funds 2023 £	Total funds 2022 £
Income from:				
Donations and legacies	1,181,674	112,298	1,293,972	733,894
Charitable activities:	15,241	51,658	66,899	62,916
Investments	159,782	-	159,782	115,344
Total income	1,356,697	163,956	1,520,653	912,154
Expenditure on:				
Raising funds	52,726	-	52,726	55,121
Charitable activities:	373,019	209,129	582,148	2,925,569
Total expenditure	425,745	209,129	634,874	2,980,690
Net income/(expenditure) before net gains/(losses) on investments	930,952	(45,173)	885,779	(2,068,536)
Gains/(losses) on investments	34,861	-	34,861	(25,388)
Net income/(expenditure) for the year	965,813	(45,173)	920,640	(2,093,924)
Transfer between funds	-	-	-	-
Other recognised gains/(losses):				
Gains/(losses) on revaluation of fixed	-	-	-	421,900
Net movement in funds for the year	965,813	(45,173)	920,640	(1,672,024)
Reconciliation of funds				
Total funds brought forward as previously reported	5,178,262	93,084	5,271,346	6,943,370
Total funds brought forward	5,178,262	93,084	5,271,346	6,943,370
Total funds carried forward	6,144,075	47,911	6,191,986	5,271,346

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

Accounts

Company number: 7028764

Charity Number: 1133336

Church of the Nazarene British Isles South District

Report and financial statements
For the year ended 30 September 2023

Church of the Nazarene British Isles South District
Reference and administrative information
for the year ended 30 September 2023

Company number 7028764

Charity number 1133336

Registered office and operational address

Church of the Nazarene British Isles South District
112 Cranbourne Road
Ashton-under-Lyne
OL7 9BW

Trustees Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

Rev Carl McCann Chair

Mr Steven Francis Leach Secretary

Rev Erica Tuxworth

Sophie Peel Yates (Resigned 11 March 2023)

Revd Deirdre Brower-Latz (appointed 12 March 2022)

Rev Svetlana Khobnya (appointed 11 March 2023)

Grace Ogbewi (appointed 11 March 2023)

Clare McMullen (appointed 11 March 2023)

No Trustees held title to property belonging to the charity during the reporting period or at the date of approval.

Bankers Reliance Bank
Faith House
23-24 Lovat Lane
London
EC3R 8EB

Auditors Slade & Cooper Limited
Beehive Mill, Jersey St, Ancoats, Manchester, M4 6JG

Church of the Nazarene British Isles South District

Trustees' annual report

for the year ended 30 September 2023

The trustees present their report and the audited financial statements for the year ended 30 September 2023. Included within the trustees' report is the directors' report as required by company law.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Objectives and activities

The principal object of the charity is the advancement of Christian faith and its practice, especially by the means of and in accordance with the principles of the International church of the Nazarene.

The basis of our Christian faith as portrayed through the Bible is that we can come to know God personally, in Jesus Christ, who is both human and divine, and is the person in whom all that is lost and broken can be redeemed and who inspires his followers to work for a world that is a better place for all.

Within the covenant relationship of the Church of the Nazarene we value the freedom of the local church to discern for itself its practices and policies within the broad scope of Nazarene belief, in making Christ-like disciples. We stress the importance of individual response in faith, and we understand that each Christian is to play their part in advancing Christian faith and witness. Because of our emphasis on personal faith and the freedom of the local church we are committed to religious freedom for people of all Christian traditions and other faiths.

The District's overriding function is to provide encouragement, advice and support to member churches so that they too may maximise their ability to achieve their own charitable objective of making Jesus Christ known to particular individuals and to society in general

The trustees review the aims, objectives and activities of the charity each year. This report looks at what the charity has achieved and the outcomes of its work in the reporting period. The trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the trustees ensure the charity's aims, objectives and activities remained focused on its stated purposes.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set.

Volunteers

In the wider context, the District is substantially dependent for its work on the contribution of volunteers. At church level, the work of stipendiary and paid staff is supported at all levels by volunteers both in terms of governance and management and in the practical delivery. Such is the magnitude of the contribution made by volunteers that it is impossible to quantify.

Church of the Nazarene British Isles South District

Trustees' annual report

for the year ended 30 September 2023

This pattern is reflected throughout the District where many people commit significant time to help with the outworking of the District's objectives. In the District itself, volunteers provide valuable support mainly through membership of standing committees, unpaid office holders, and the officers responsible for Nazarene Youth International, Nazarene Missions International, Breakthru holidays, the Ladies weekend, and other conferences for training as and when required.

Achievements and performance

The charity's main activities and who it tries to help are described below. All its charitable activities focus on the support and encouragement of the local Churches of the Nazarene which form the District, and are undertaken to further Church of the Nazarene British Isles South District's charitable purposes for the public benefit.

- The District operates as an umbrella resource body for its member churches, which are all separate charities.
- Throughout 2022-23 the District continued to support its member churches, regional association, and college by providing grants, practical support, guidance, and expertise.
- Appropriate provision and support for Ministers of Religion, and other church leaders within our denomination.
- Support for local churches in the form of grants for pastoral aid, maintenance of buildings, or missional activities.
- Training for Ministers of Religion in the form of a Pastors summer school and Minister's Fellowship
- Pastoral and church reviews where churches are encouraged to review their work and their relationship with Pastoral leadership.
- Organisation of District holiday, Ladies retreat, and Youth Holiday where the church comes together for encouragement, fellowship, teaching and prayer.
- Financial support to Nazarene Theological College, Nazarene Missions International, Nazarene Youth International, which support youth, mission, education, outreach and fellowship within the church.

Beneficiaries of our services

The District operates as an umbrella resource body for its member churches, which are all separate charities. Consequently, our beneficiaries are largely Pastors, local churches, Nazarene Theological College, Nazarene Missions International, and Nazarene Youth International.

Church of the Nazarene British Isles South District

Trustees' annual report

for the year ended 30 September 2023

Financial review

The Statement of Financial Activities shows a net increase in funds for the year ending 30th September 2023 of £885,779 excluding unrealised gains and losses on investments (2022: Decrease £2,068,536). Expenditure has been kept under careful control because of the continuing difficult economic climate.

The consolidated incoming resources of the ordinary activities of the Church of the Nazarene British Isles South District including NMI, Events/SS Ministries, NYI and the work at Salford totalled £1,520,653 (2022: £912,154) with resources expended of £634,874 (2022: £2,980,690).

Our principal sources of income remain that of rental income from our investment properties and budgets received from our member churches. These properties are rented out at market rates, except for the Fresh Ground manse. It is hoped that the income from this manse will move towards market rent over a period of time.

Decreased tithes and offerings in local churches, resulted in lower budgets received.

Strategy is to invest in developing new churches, strengthening existing churches, and to develop a strong property rental income stream.

During the year the charity were donated property at Weston Super Mare, Ilkeston and Oldham following closure of those Churches. In addition, 1 property at Sheffield, was donated to the local Church (see note 3). Land at Queensbury was sold in the year.

We do not conduct significant fundraising activities from the general public.

Grants

Each Nazarene church is self-financing; the District provides additional investment into local churches to help develop and promote mission innovation and risk taking to achieve our strategic goals. Church grants are assessed annually, and emphasis is placed not just on each church's finances but also its plans and achievements in making Jesus known in its locality.

Going concern

The charity does not rely on donations from the public, and we have sufficient cash reserves to fund our activities for at least a further year, without the need for loans or overdrafts. Our investment portfolio of properties is also strong.

The trustees are fully aware of the movement in value of its investments but consider that the balance sheet will remain strong in the long-term, with positive net current assets.

Reserves policy

The Trustees have reviewed the charity's needs for reserves in line with the guidance issued by the Charity Commission and have a reserves policy which will be reviewed annually. The Trustees believe that, in addition to known commitments, the charity needs to hold at least six months (26 weeks) running costs in free reserves, given the anticipated flow of funding, to ensure that the charity can run efficiently.

The total reserves of the charity at the end of the year were £6,191,986 (2022 £5,271,346) of which some were restricted. The Capital Fund in note 19 relates to fixed assets used to support the ongoing

Church of the Nazarene British Isles South District

Trustees' annual report

for the year ended 30 September 2023

work of the charity and is not a readily liquid asset.

Plans for the future

- The trustees of the charity will continue to hold consultations with local church boards to enable the charity to dialogue more effectively with our main stakeholders.
- The District Treasurer will continue to encourage churches to submit their budgets on a monthly basis to enable us to be less dependent toward the year end for finance.
- The District Advisory Board will encourage more sale of surplus properties and reinvestment in income generating assets.
- The trustees will continue to look to support compassionate ministries at home and abroad.

Structure, governance and management

The Church of the Nazarene British Isles South District (the District) is an association, consisting of the Nazarene churches within the majority of England and Wales. As a membership organisation, the District holds an annual Assembly at which member churches are represented through their delegates, alongside ministers and the members of the Assembly.

The District acts through an Advisory Board which meets a minimum of four times a year and is made up of elected members, office holders and persons co-opted for particular skills. The Advisory Board helps to set the broad strategic direction of the District.

Recent years had seen disruption to standard working practises due to Covid 19. However, this past year has seen a return to standard practise, including a normal nomination procedure, followed by an in-person District Assembly, including voting for all leadership positions.

All necessary reports were collated as per normal procedure, and were communicated digitally both in advance, and available at the Assembly.

The District charity is administered and managed by the Advisory Board as Charity Trustees.

The Governing Document of the District is a memorandum of association which may be amended by a Resolution of the Assembly approved by not less than two thirds of the Representative Members, as defined in the memorandum of association, present and voting. The memorandum of association was last revised in June 2017 and a copy is available from the registered office.

Recruitment and Training of Trustees

Trustees are elected by the District Assembly from a list of suitable nominations provided by the Nomination Committee and are usually familiar with many aspects of the District's work prior to appointment. All Trustees receive an induction into the work of the District by meeting the District Superintendent and being advised of the general nature of their work.

They receive financial statements and other relevant documentation including a copy of the Charity Commission's publication CC3, The Essential Trustee. Formal training on financial matters is provided as

Church of the Nazarene British Isles South District

Trustees' annual report

for the year ended 30 September 2023

appropriate. The organisation is a charitable company limited by guarantee, incorporated on 24th September 2009 and registered as a charity on 17th December 2010.

The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 30th September 2023 was 129 (2022:129). The members of the charity are entitled to voting rights and have no beneficial interest in the charity.

The Trustees give their time voluntarily and only the District Superintendent receives benefits from the Charity

Related parties and relationships with other organisations

Any and all related parties are clearly identified in the notes to the Accounts.

Remuneration policy for key management personnel

Remuneration for the District Superintendent, Secretary, Treasurer and Assistant Treasurer is guided by the Finance Committee. Other Key management personnel are guided by the Trustee Advisory Board.

Risk management

The Trustees are aware of the recommendations to examine the major strategic, business, operational and reputational risks which the Charity faces and have procedures in place to identify and manage them.

Funds held as custodian trustee on behalf of others

The District acts as property trustees for 39 churches. Arrangements are made for the safe custody of deeds and documents, with each set stored in a labelled packet, and included in an index system. The names of the churches and other charities for whom the Company acts as a Custodian Trustee are available at: www.nazarene.org.uk The organisations are all Church of the Nazarene congregations and therefore, have objects that are compatible with the charitable objects of the Company

Statement of responsibilities of the trustees

The trustees (who are also directors of Church of the Nazarene British Isles South District for the purposes of company law) are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 these financial statements, the trustees are required to:

Church of the Nazarene British Isles South District

Trustees' annual report

for the year ended 30 September 2023

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice 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 operation

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

In so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditors are unaware
- 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

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Auditors

Slade & Cooper Ltd were re-appointed as the charitable company's auditors during the year and have expressed their willingness to continue in that capacity.

This report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime of the Companies Act 2006.

The trustees' annual report has been approved by the trustees on 08/03/2024 and signed on their behalf by

Rev Carl McCann
District Superintendent

Independent auditors' report
to the members of
Church of the Nazarene British Isles South District

Opinion

We have audited the financial statements of Church of the Nazarene British Isles South District (the 'charitable company') for the year ended 30 September 2023, which comprise the Statement of Financial Activities (including the income and expenditure account), the Balance Sheet, the Statement of Cash Flows and the related notes. 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).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 September 2023, 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; 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report 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

Independent Auditor's Report (continued)

identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our 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 trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the Trustees' Annual Report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 6, 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.

Auditor's 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 an auditor's 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

Independent Auditor's Report (continued)

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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- enquiry of management and those charged with governance around actual and potential litigation and claims.
- enquiry of the charity's staff, management and those charged with governance to identify any instances of non-compliance with laws and regulations.
- reviewing minutes of meetings of those charged with governance.
- reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

Independent Auditor's Report (continued)

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. 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Chinwe Jennifer Daniel FCCA DChA

Senior Statutory Auditor
for and on behalf of
Slade & Cooper Limited
Statutory Auditors
Beehive Mill
Jersey Street
Manchester
M4 6JG

Date: 31st March 2024

Church of the Nazarene British Isles South District

Statement of Financial Activities
(including Income and Expenditure account)
for the year ended 30 September 2023

	Note	Unrestricted funds £	Restricted funds £	Total funds 2023 £	Total funds 2022 £
Income from:					
Donations and legacies	3	1,181,674	112,298	1,293,972	733,894
Charitable activities:	4	15,241	51,658	66,899	62,916
Investments	5	159,782	-	159,782	115,344
Total income		1,356,697	163,956	1,520,653	912,154
Expenditure on:					
Raising funds	6	52,726	-	52,726	55,121
Charitable activities:	7	373,019	209,129	582,148	2,925,569
Total expenditure		425,745	209,129	634,874	2,980,690
Net income / (expenditure) before net gains / (losses) on investments		930,952	(45,173)	885,779	(2,068,536)
Gains/(losses) on investments		34,861	-	34,861	(25,388)
Net income / (expenditure) for the year	8	965,813	(45,173)	920,640	(2,093,924)
Transfer between funds		-	-	-	-
Other recognised gains / (losses):					
Gains/(losses) on revaluation of fixed assets		-	-	-	421,900
Net movement in funds for the year		965,813	(45,173)	920,640	(1,672,024)
Reconciliation of funds					
Total funds brought forward as previously reported		5,178,262	93,084	5,271,346	6,943,370
Total funds brought forward		5,178,262	93,084	5,271,346	6,943,370
Total funds carried forward		6,144,075	47,911	6,191,986	5,271,346

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

Church of the Nazarene British Isles South District
Company number 7028764

Balance sheet as at 30 September 2023

	Note	£	2023	£	£	2022	£
Fixed assets							
Tangible assets	12			393,079			422,170
Investments	13			4,665,279			3,904,227
Total fixed assets				5,058,358			4,326,397
Current assets							
Debtors	14	142,114			23,447		
Cash at bank and in hand	15	1,051,569			952,162		
Total current assets		1,193,683			975,609		
Liabilities							
Creditors: amounts falling due in less than one year	16	(60,055)			(30,660)		
Net current assets				1,133,628			944,949
Net assets				6,191,986			5,271,346
The funds of the charity:							
Restricted income funds	18			47,911			93,084
Designated income funds	19	4,095,246			4,036,671		
Unrestricted income funds	19	2,048,829			1,141,591		
Total unrestricted funds	19			6,144,075			5,178,262
Total charity funds				6,191,986			5,271,346

These accounts are prepared in accordance with the special provisions of part 15 of the Companies Act 2006 relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

The notes on pages 15 to 29 form part of these accounts.

Approved by the trustees on 08/03/2024 and signed on their behalf by:

Rev Carl McCann (Trustee)

Church of the Nazarene British Isles South District

Statement of Cash Flows
for the year ending 30 September 2023

	Note	2023 £	2022 £
Cash provided by / (used in) operating activities	21	665,816	389,562
<i>Cash flows from investing activities:</i>			
Dividends, interest, and rents from investments		159,782	115,344
Purchase of tangible fixed assets		-	(311,645)
Proceeds from sale of investments		163,809	136,343
Donation of investment assets		(890,000)	(300,000)
Cash provided by / (used in) investing activities		(566,409)	(359,958)
Increase/(decrease) in cash and cash equivalents in the year		99,407	29,604
Cash and cash equivalents at the beginning of the year		952,162	922,554
Cash and cash equivalents at the end of the year		1,051,569	952,158

Church of the Nazarene British Isles South District

Notes to the accounts for the year ended 30 September 2023

1 Accounting policies

The principal accounting policies adopted, judgments and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Corresponding amounts for the preceding year are drawn from unaudited accounts.

a Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), second edition - October 2019 (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006 and UK Generally Accepted Accounting Practice.

Church of the Nazarene British Isles South District meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

b Preparation of the accounts on a going concern basis

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

The trustees have made no key judgments which have a significant effect on the accounts.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next reporting period.

c Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income received in advance of a provision of a specified service is deferred until the criteria for income recognition are met.

Church of the Nazarene British Isles South District

Notes to the accounts for the year ended 30 September 2023 (continued)

d Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised; refer to the trustees' annual report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

e 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 Bank.

f Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of charity.

Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose.

Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

g Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise the costs of renting out property.
- Expenditure on charitable activities includes the costs undertaken to further the purposes of the charity and their associated support costs.
- Other expenditure represents those items not falling into any other heading.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

h Tangible fixed assets

Individual fixed assets costing £1,000 or more are capitalised at cost and are depreciated over their estimated useful economic lives on a straight line basis as follows:

Land and buildings	1%
Office fixtures and equipment	25%
Motor Vehicle	25%

Church of the Nazarene British Isles South District

Notes to the accounts for the year ended 30 September 2023 (continued)

i Fixed asset investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The Charity does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

j Investment property

Investment properties are initially recorded at cost, which includes purchase price and any directly attributable expenditure. They are reviewed by the charity trustees on a yearly basis, and this will be supplemented by a 3 yearly evaluation of residential properties using AVM tool, and 5 yearly rolling evaluation of non-residential properties by a Chartered Surveyor. Any material changes in fair value are recognised in profit or loss.

k Debtors

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

l Cash at bank and in hand

Cash at bank and cash 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.

m Creditors and provisions

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

n 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.

Church of the Nazarene British Isles South District

Notes to the accounts for the year ended 30 September 2023 (continued)

o Pensions

Employees of the charity are entitled to join a defined contribution 'money purchase' scheme. The charity's contribution is restricted to the contributions disclosed in note 9. Contributions outstanding at the year end was £nil (2022: £nil)

2 Legal status of the charity

The charity is a company limited by guarantee registered in England and Wales and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The registered office address is disclosed on page 1.

3 Income from donations and legacies

	Unrestricted £	Restricted £	Total 2023 £
District Budget	54,751	-	54,751
Nazarene Youth International	-	5,469	5,469
Other Income	8,050	-	8,050
Nazarene Missions International	-	54,953	54,953
Salford	-	51,876	51,876
Donated investment properties	890,000	-	890,000
Donations	228,873	-	228,873
Total	1,181,674	112,298	1,293,972

Income from donations and legacies (previous reporting period)

	Unrestricted £	Restricted £	Total 2022 £
<i>District Budget</i>	<i>53,545</i>	<i>-</i>	<i>53,545</i>
<i>Nazarene Youth International</i>	<i>-</i>	<i>5,658</i>	<i>5,658</i>
<i>Other Income</i>	<i>8,652</i>	<i>-</i>	<i>8,652</i>
<i>Nazarene Missions International</i>	<i>-</i>	<i>89,311</i>	<i>89,311</i>
<i>Salford</i>	<i>-</i>	<i>45,988</i>	<i>45,988</i>
<i>Funds transferred from sale of Gillingham</i>	<i>200,000</i>	<i>-</i>	<i>200,000</i>
<i>Donations</i>	<i>-</i>	<i>30,740</i>	<i>30,740</i>
<i>Donated investment properties</i>	<i>300,000</i>	<i>-</i>	<i>300,000</i>
Total	562,197	171,697	733,894

Church of the Nazarene British Isles South District

Notes to the accounts for the year ended 30 September 2023 (continued)

4 Income from charitable activities

	Unrestricted £	Restricted £	Total 2023 £
Conference Fees etc	15,241	-	15,241
Events Committee income	-	51,658	51,658
Total	15,241	51,658	66,899

Income from charitable activities (previous reporting period)

	Unrestricted £	Restricted £	Total 2022 £
Conference Fees etc	15,274	-	15,274
Events Committee income	-	47,642	47,642
Total	15,274	47,642	62,916

5 Investment income

	Unrestricted £	Restricted £	2023 £	2022 £
Dividends	11,407	-	11,407	7,167
Bank Interest	9,575	-	9,575	715
Rent and property income	133,800	-	133,800	107,449
Loan interest	5,000	-	5,000	13
Total	159,782	-	159,782	115,344

All investment income is unrestricted.

6 Cost of raising funds

	Unrestricted £	Restricted £	2023 £	2022 £
Property Costs	52,726	-	52,726	55,121
	52,726	-	52,726	55,121

Church of the Nazarene British Isles South District

Notes to the accounts for the year ended 30 September 2023 (continued)

7 Analysis of expenditure on charitable activities

	Staff Costs £	Support Costs £	Other Direct Costs £	Total 2023 £	Total 2022 £
Unrestricted Funds					
Staff costs	60,985	15,563	-	76,548	68,928
District Office	-	17,934	-	17,934	9,375
District Board	-	2,826	-	2,826	2,262
District Assembly	-	19,651	-	19,651	13,272
Evangelism and Promotion	-	13,418	-	13,418	12,275
Support Grants:					
Local Mission		209,409		209,409	32,898
Donated Assets		-		-	2,560,672
Insurance	-	1,032	-	1,032	557
Legal Fees	-	7,653	-	7,653	8,858
Buildings Depreciation	-	4,066	-	4,066	5,135
Audit Fees	-	6,000	-	6,000	5,400
Unrestricted Total	60,985	297,552	-	358,537	2,719,632
Designated Funds					
Ladies Retreat Fund	-	14,482	-	14,482	13,532
Designated Total	-	14,482	-	14,482	13,532
Restricted Funds					
NYI Expenses	-	14,203	-	14,203	1,188
NMI Council & Convention	-	84,422	-	84,422	65,500
Events Committee Expenses	-	49,263	-	49,263	48,247
Salford	-	61,241	-	61,241	46,730
Worldwide Missions	-	-	-	-	30,740
Restricted Total	-	209,129	-	209,129	192,405
Total	60,985	521,163	-	582,148	2,925,569

Church of the Nazarene British Isles South District

Notes to the accounts for the year ended 30 September 2023 (continued)

Analysis of expenditure on charitable activities previous reporting period

	Staff Costs £	Support Costs £	Other Direct Costs £	Total 2022 £	Total 2021 £
Unrestricted Funds					
Staff costs	54,858	14,070	-	68,928	71,759
District Office	-	9,375	-	9,375	5,950
District Board	-	2,262	-	2,262	546
District Assembly	-	13,272	-	13,272	5,369
Evangelism and Promotion	-	12,275	-	12,275	1,514
Support Grants:					
Local Mission		32,898		32,898	57,375
Donated Assets		2,560,672		2,560,672	-
Insurance	-	557	-	557	564
Legal Fees	-	8,858	-	8,858	843
Buildings Depreciation	-	5,135	-	5,135	13,116
Audit Fees	-	5,400	-	5,400	5,400
Bad debt	-	-	-	-	2,267
Unrestricted Total	54,858	2,664,774	-	2,719,632	164,703
Designated Funds					
Depreciation	-	-	-	-	2,752
Ladies Retreat Fund	-	13,532	-	13,532	871
Designated Total	-	13,532	-	13,532	3,623
Restricted Funds					
NYI Expenses	-	1,188	-	1,188	4,842
NMI Council & Convention	-	65,500	-	65,500	46,605
Events Committee Expenses	-	48,247	-	48,247	35,146
Salford	-	46,730	-	46,730	26,887
Worldwide Missions	-	30,740	-	30,740	-
Restricted Total	-	192,405	-	192,405	113,480

Church of the Nazarene British Isles South District

Notes to the accounts for the year ended 30 September 2023 (continued)

8 Net income / (expenditure) for the year

This is stated after charging/(crediting):	2023 £	2022 £
Depreciation	4,066	5,135
Loss/(profit) on disposal of fixed assets	25,025	50,600
Auditor's remuneration - audit fees	6,000	5,400
	<u> </u>	<u> </u>

9 Staff costs

Staff costs during the year were as follows:

	2023 £	2022 £
Wages and salaries	55,665	49,991
Social security costs	2,495	718
Pension costs	2,372	2,209
	<u> </u>	<u> </u>
Total	60,532	52,918
	<u> </u>	<u> </u>

No employees has employee benefits in excess of £60,000 (2022: Nil).

The average number of staff employed during the period was 6 (2022: 6).

The average full time equivalent number of staff employed during the period was 3 (2022: 2.6).

10 Trustee remuneration and expenses, and related party transactions

One (one) trustee, Revd. C. McCann, was paid remuneration of £33,518 (2022: £30,275), rent of £9,600 (2022: £9,600) and utility costs of £5,048 (2022: £3,556) for use of their home as the District Manse and pension contributions of £1,623 (2022: £1,514) during the year. Rev C McCann had the use of a car owned by the District from his appointment; the net book value of this car was £nil at the year end. P11D for NI paid on benefits to Rev McCann amounted to £1,231 (2022: £1,870). Two trustees (2022: four) were reimbursed expenses of £9,572 (2022: £25,527) during the year. The remuneration and expenses are paid to trustees in accordance with the authority given by the Articles of Association.

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

No trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity, including guarantees, during the year (2022: nil).

Church of the Nazarene British Isles South District

Notes to the accounts for the year ended 30 September 2023 (continued)

11 Corporation tax

The charity is exempt from tax on income and gains falling within Chapter 3 of Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

12 Fixed assets: tangible assets

Cost	Land & Buildings £	Motor Vehicles £	Total £
At 1 October 2022	435,409	10,995	446,404
Additions	-	-	-
Disposal	(28,764)	-	(28,764)
At 30 September 2023	406,645	10,995	417,640
Depreciation			
At 1 October 2022	13,239	10,995	24,234
Charge for the year	4,066	-	4,066
Disposal	(3,739)	-	(3,739)
At 30 September 2023	13,566	10,995	24,561
Net book value			
At 30 September 2023	393,079	-	393,079
At 30 September 2022	422,170	-	422,170

The land and buildings are churches or manses owned (or partly owned) by the District, but used by the following churches: Salford and Portsmouth.

Church of the Nazarene British Isles South District

Notes to the accounts for the year ended 30 September 2023 (continued)

13 Investments

	Listed investments £	Investment properties £	Total
Market value at the start of the year	303,947	3,600,280	3,904,227
Add: additions to investments at cost	-	890,000	890,000
Less: disposal of investments at carrying value	(65,525)	(98,284)	(163,809)
Transfer of property from fixed asset to investment	-	-	-
Add net gain/(loss) on revaluation	6,577	28,284	34,861
Carrying amount at 30 September 2023	244,999	4,420,280	4,665,279
Investments at fair value comprised:			
	2023 £	2022 £	
Investment Properties	4,420,280	3,600,280	
CAF UK Equity Growth Fund	-	62,183	
COIF Income Units	244,999	241,764	
	4,665,279	3,904,227	

All investments shown above are held at fair value.

The Investment properties are reviewed on a rolling basis and the trustees are satisfied that there is no material change in the market value of these properties from that of the previous accounting year.

One investment property was sold during the year, land at Queensbury at a surplus as disclosed in the Statement of Financial Activities.

Four additions to Investment properties during the year, Oldham House, Ilkeston Church and House and flat at Weston Super Mare, and all brought in at market value totalling £567,000.

Most of the investment properties are rented out at market rates to provide income, with the exception of the property at Fresh Ground, which remains at nominal rate to give the Fresh Ground Church time to move to financial stability.

Investment COIF is stated at their market value at the balance sheet date.

Church of the Nazarene British Isles South District

Notes to the accounts for the year ended 30 September 2023 (continued)

14 Debtors

	2023 £	2022 £
Church Loans	115,470	5,100
Other debtors	17,848	10,771
Prepayments and accrued income	8,796	7,576
	<u>142,114</u>	<u>23,447</u>

Church loan recoverable after more than one year is £104,070 (2022: 4,070).

Church Loans

	Ashton	Bristol	Clapham £	Total £
Cost				
At 1 October 2022	-	5,100	-	5,100
Advances	135,000	-	50,000	185,000
Interest	7,573	-	-	7,573
Repaid	(80,713)	(1,489)	-	(82,202)
	<u>61,860</u>	<u>3,611</u>	<u>50,000</u>	<u>115,471</u>
At 30 September 2023	61,860	3,611	50,000	115,471

15 Cash at bank and in hand

	2023 £	2022 £
Cash at bank and on hand	1,051,569	952,162
	<u>1,051,569</u>	<u>952,162</u>

Church of the Nazarene British Isles South District

Notes to the accounts for the year ended 30 September 2023 (continued)

16 Creditors: amounts falling due within one year

	2023 £	2022 £
Funds held as an intermediary agent	30,087	9,080
Other creditors and accruals	29,968	20,982
Deferred income	-	598
	60,055	30,660

17 Analysis of funds received as agent

	Balance held at 1 October 2022	Funds received	Funds paid out £	Balance held at 30 September 2023 £
Nazarene Missions International	12,182	102,600	(103,803)	10,979
NMBF	(1,933)	12,002	(8,000)	2,069
NTC	3,099	21,006	(17,500)	6,605
Salford	(10,778)	25,204	(16,916)	(2,490)
Standard Life	4,500	38,365	(34,304)	8,561
Sundry	1,514	2,225	(673)	3,066
Youth Ministry	496	3,001	(2,200)	1,297
	9,080	204,403	(183,396)	30,087

Deferred income

	2023 £	2022 £
Deferred grant brought forward	598	-
Grant received	-	598
Released to income from charitable activities	(598)	-
Deferred grant carried forward	-	598

Church of the Nazarene British Isles South District

Notes to the accounts for the year ended 30 September 2023 (continued)

18 Analysis of movements in restricted funds

	Balance at 1 October 2022 £	Income £	Expenditure £	Transfers £	Balance at 30 September 2023 £
BISD Events/ Sunday School Ministries Fund	7,299	51,658	(49,263)	-	9,694
BISD NMI Fund	32,905	54,953	(84,422)	-	3,436
BISD NYI Fund	25,996	5,469	(14,203)	-	17,262
Salford Church	26,884	51,876	(61,241)	-	17,519
Total	93,084	163,956	(209,129)	-	47,911
Previous reporting period	Balance at 1 October 2021 £	Income £	Expenditure £	Transfers £	Balance at 30 September 2022 £
BISD Events/ Sunday School Ministries Fund	7,904	47,642	(48,247)	-	7,299
BISD NMI Fund	9,094	89,311	(65,500)	-	32,905
BISD NYI Fund	21,526	5,658	(1,188)	-	25,996
Salford Church	27,626	45,988	(46,730)	-	26,884
Donations	-	30,740	(30,740)	-	-
	66,150	219,339	(192,405)	-	93,084

Name of

Description, nature and purposes of the fund

BISD Events/ Sunday School Ministries Fund	Consolidated account funds of British Isles South District Sunday School Ministries/Events.
BISD NMI Fund	Consolidated account funds of British Isles South District Nazarene Missions International.
BISD NYI Fund	Consolidated account funds of British Isles South District Nazarene Youth International.
Salford Church	Consolidated account funds of British Isles South District, held to record the financial records of the charitable activities of The Naz in Salford.

Church of the Nazarene British Isles South District

Notes to the accounts for the year ended 30 September 2023 (continued)

19 Analysis of movement in unrestricted funds

	Balance at 1 October 2022 £	Income £	Expenditure £	Gains / (Losses) £	Transfers £	As at 30 September 2023 £
Unrestricted Funds						
General Fund	1,141,591	1,283,640	(411,263)	34,861	-	2,048,829
Designated Funds						
Capital Fund	2,850,699	-	-	-	-	2,850,699
Ladies Retreat Fund	3,569	15,241	(14,482)	-	-	4,328
Oldham Church Fund	-	57,816	-	-	-	57,816
Revaluation reserve	1,182,403	-	-	-	-	1,182,403
Total Designated Funds	4,036,671	73,057	(14,482)	-	-	4,095,246
Total Unrestricted Funds	5,178,262	1,356,697	(425,745)	34,861	-	6,144,075

Previous reporting period

	Balance at 1 October 2021 £	Income £	Expenditure £	Gains / (Losses) £	Transfers £	As at 30 September 2022 £
Unrestricted Funds						
General Fund	3,264,191	677,541	(2,774,753)	(25,388)	-	1,141,591
Designated Funds						
Capital Fund	2,850,699	-	-	-	-	2,850,699
Ladies Retreat Fund	1,827	15,274	(13,532)	-	-	3,569
Revaluation reserve	760,503	-	-	421,900	-	1,182,403
Total Designated Funds	3,613,029	15,274	(13,532)	421,900	-	4,036,671
Total Unrestricted Funds	6,877,220	692,815	(2,788,285)	396,512	-	5,178,262

Name of unrestricted fund	Description, nature and purposes of the fund
General fund	The free reserves after allowing for all designated funds
Capital Fund	Property fund linked to fixed assets. Funds become liquid assets on sale of property
Ladies Retreat Fund	Designated funds belonging to the annual Ladies retreat – a weekend away for ladies.
Revaluation reserve	The increase in values of the investment properties.

Church of the Nazarene British Isles South District

Notes to the accounts for the year ended 30 September 2023 (continued)

20 Analysis of net assets between funds

	General funds £	Designated funds £	Restricted funds £	Total £
Tangible fixed assets	393,079	-	-	393,079
Fixed asset investments	4,665,279	-	-	4,665,279
Net current assets/(liabilities)	(3,009,529)	4,095,246	47,911	1,133,628
Total	2,048,829	4,095,246	47,911	6,191,986

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

	2023 £	2022 £
Net income / (expenditure) for the year	920,640	(2,093,924)
Adjustments for:		
Depreciation charge	4,066	5,135
Loss/(profit) on sale of fixed assets	25,025	162,422
(Gains)/losses on investments	(34,861)	2,423,638
Dividends, interest and rents from investments	(159,782)	(115,344)
Decrease/(increase) in debtors	(118,667)	31,006
Increase/(decrease) in creditors	29,395	(23,371)
Net cash provided by / (used in) operating	665,816	389,562

Accounts

Company number: 7028764

Charity Number: 1133336

Church of the Nazarene British Isles South District

Report and financial statements
For the year ended 30 September 2022

Church of the Nazarene British Isles South District
Reference and administrative information
for the year ended 30 September 2022

Company number 7028764

Charity number 1133336

Registered office and operational address

Church of the Nazarene British Isles South District
112 Cranbourne Road
Ashton-under-Lyne
OL7 9BW

Trustees Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

Rev Carl McCann Chair

Mr Steven Francis Leach Secretary

Rev Erica Tuxworth

Sophie Peel Yates

Rev Jason Nike

Rev Augustine Baah

Revd Deirdre Brower-Latz (appointed 12 March 2022)

No Trustees held title to property belonging to the charity during the reporting period or at the date of approval.

Bankers Reliance Bank
Faith House
23-24 Lovat Lane
London
EC3R 8EB

Auditors Slade & Cooper Limited
Beehive Mill, Jersey St, Ancoats, Manchester, M4 6JG

Church of the Nazarene British Isles South District
Trustees' annual report
for the year ended 30 September 2022

The trustees present their report and the audited financial statements for the year ended 30 September 2022. Included within the trustees' report is the directors' report as required by company law.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Objectives and activities

The principal object of the charity is the advancement of Christian faith and its practice, especially by the means of and in accordance with the principles of the International church of the Nazarene.

The basis of our Christian faith as portrayed through the Bible is that we can come to know God personally, in Jesus Christ, who is both human and divine, and is the person in whom all that is lost and broken can be redeemed and who inspires his followers to work for a world that is a better place for all.

Within the covenant relationship of the Church of the Nazarene we value the freedom of the local church to discern for itself its practices and policies within the broad scope of Nazarene belief, in making Christ-like disciples. We stress the importance of individual response in faith, and we understand that each Christian is to play their part in advancing Christian faith and witness. Because of our emphasis on personal faith and the freedom of the local church we are committed to religious freedom for people of all Christian traditions and other faiths.

The District's overriding function is to provide encouragement, advice and support to member churches so that they too may maximise their ability to achieve their own charitable objective of making Jesus Christ known to particular individuals and to society in general

The trustees review the aims, objectives and activities of the charity each year. This report looks at what the charity has achieved and the outcomes of its work in the reporting period. The trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the trustees ensure the charity's aims, objectives and activities remained focused on its stated purposes.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set.

Volunteers

In the wider context, the District is substantially dependent for its work on the contribution of volunteers. At church level, the work of stipendiary and paid staff is supported at all levels by volunteers both in terms of governance and management and in the practical delivery. Such is the magnitude of the contribution made by volunteers that it is impossible to quantify.

Church of the Nazarene British Isles South District

Trustees' annual report

for the year ended 30 September 2022

This pattern is reflected throughout the District where many people commit significant time to help with the outworking of the District's objectives. In the District itself, volunteers provide valuable support mainly through membership of standing committees, unpaid office holders, and the officers responsible for Nazarene Youth International, Nazarene Missions International, Breakthru holidays, the Ladies weekend, and other conferences for training as and when required.

Achievements and performance

The charity's main activities and who it tries to help are described below. All its charitable activities focus on the support and encouragement of the local Churches of the Nazarene which form the District, and are undertaken to further Church of the Nazarene British Isles South District's charitable purposes for the public benefit.

- The District operates as an umbrella resource body for its member churches, which are all separate charities.
- Throughout 2021-22 the District continued to support its member churches, regional association, and college by providing grants, practical support, guidance, and expertise.
- Appropriate provision and support for Ministers of Religion, and other church leaders within our denomination.
- Support for local churches in the form of grants for pastoral aid, maintenance of buildings, or missional activities.
- Training for Ministers of Religion in the form of a Pastors summer school and Minister's Fellowship
- Pastoral and church reviews where churches are encouraged to review their work and their relationship with Pastoral leadership.
- Organisation of District holiday, Ladies retreat, and Youth Holiday where the church comes together for encouragement, fellowship, teaching and prayer.
- Financial support to Nazarene Theological College, Nazarene Missions International, Nazarene Youth International, which support youth, mission, education, outreach and fellowship within the church.

Beneficiaries of our services

The District operates as an umbrella resource body for its member churches, which are all separate charities. Consequently, our beneficiaries are largely Pastors, local churches, Nazarene Theological College, Nazarene Missions International, and Nazarene Youth International.

Church of the Nazarene British Isles South District

Trustees' annual report

for the year ended 30 September 2022

Financial review

The Statement of Financial Activities shows a net decrease in funds for the year ending 30th September 2022 of £2,068,536 excluding unrealised gains and losses on investments (2021: Increase £1,011,701). Expenditure has been kept under careful control because of the continuing difficult economic climate.

The consolidated incoming resources of the ordinary activities of the Church of the Nazarene British Isles South District including NMI, Events/SS Ministries, NYI and the work at Salford totalled £912,154. (2021: £1,329,518) with resources expended of £2,980,690 (2021: £317,817).

Our principal sources of income remain that of budgets received from our member churches, and rental income from our investment properties. These properties are rented out at market rates, except for the Fresh Ground manse. It is hoped that the income from this manse will move towards market rent over a period of time.

Decreased tithes and offerings in local churches, resulted in lower budgets received.

Strategy is to invest in developing new churches, strengthening existing churches, and to develop a strong property rental income stream.

During the year the charity were donated property at Bournemouth, following closure of the Church. In addition, 4 properties at Penycae, Thornton, Dewsbury and London Fresh Ground (Church) were donated to the local Churches (see note 3). Property at Smallheath Birmingham was sold in the year and a new Manse was purchased at Portsmouth. Fresh Ground manse along with Skegness Manse are now also noted as investment properties at the year-end as they are both producing income. (See note 13).

We do not conduct significant fundraising activities from the general public.

Grants

Each Nazarene church is self-financing; the District provides additional investment into local churches to help develop and promote mission innovation and risk taking to achieve our strategic goals. Church grants are assessed annually, and emphasis is placed not just on each church's finances but also its plans and achievements in making Jesus known in its locality.

Going concern

The charity does not rely on donations from the public, and we have sufficient cash reserves to fund our activities for at least a further year, without the need for loans or overdrafts. Our investment portfolio of properties is also strong.

The trustees are fully aware of the movement in value of its investments but consider that the balance sheet will remain strong in the long-term, with positive net current assets.

Reserves policy

The Trustees have reviewed the charity's needs for reserves in line with the guidance issued by the Charity Commission and have a reserves policy which will be reviewed annually. The Trustees believe that, in addition to known commitments, the charity needs to hold at least six months (26 weeks) running costs in free reserves, given the anticipated flow of funding, to ensure that the charity can run efficiently.

Church of the Nazarene British Isles South District

Trustees' annual report

for the year ended 30 September 2022

The total reserves of the charity at the end of the year were £5,271,346 (2021 £6,943,370) of which some were restricted. The Capital Fund in note 19 relates to fixed assets used to support the ongoing work of the charity and is not a readily liquid asset.

Plans for the future

- The trustees of the charity will continue to hold consultations with local church boards to enable the charity to dialogue more effectively with our main stakeholders.
- The District Treasurer will continue to encourage churches to submit their budgets on a monthly basis to enable us to be less dependent toward the year end for finance.
- The District Advisory Board will encourage more sale of surplus properties and reinvestment in income generating assets.
- The trustees will continue to look to support compassionate ministries at home and abroad.

Structure, governance and management

The Church of the Nazarene British Isles South District (the District) is an association, consisting of the Nazarene churches within the majority of England and Wales. As a membership organisation, the District holds an annual Assembly at which member churches are represented through their delegates, alongside ministers and the members of the Assembly.

The District acts through an Advisory Board which meets a minimum of four times a year and is made up of elected members, office holders and persons co-opted for particular skills. The Advisory Board helps to set the broad strategic direction of the District.

Recent years had seen disruption to standard working practises due to Covid 19. However, this past year has seen a return to standard practise, including a normal nomination procedure, followed by an in-person District Assembly, including voting for all leadership positions.

All necessary reports were collated as per normal procedure, and were communicated digitally both in advance, and available at the Assembly.

The District charity is administered and managed by the Advisory Board as Charity Trustees.

The Governing Document of the District is a memorandum of association which may be amended by a Resolution of the Assembly approved by not less than two thirds of the Representative Members, as defined in the memorandum of association, present and voting. The memorandum of association was last revised in June 2017 and a copy is available from the registered office.

Recruitment and Training of Trustees

Trustees are elected by the District Assembly from a list of suitable nominations provided by the Nomination Committee and are usually familiar with many aspects of the District's work prior to appointment. All Trustees receive an induction into the work of the District by meeting the District Superintendent and being advised of the general nature of their work.

Church of the Nazarene British Isles South District
Trustees' annual report
for the year ended 30 September 2022

They receive financial statements and other relevant documentation including a copy of the Charity Commission's publication CC3, The Essential Trustee. Formal training on financial matters is provided as appropriate. The organisation is a charitable company limited by guarantee, incorporated on 24th September 2009 and registered as a charity on 17th December 2010.

The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 30th September 2022 was 129 (2021:129). The members of the charity are entitled to voting rights and have no beneficial interest in the charity.

The Trustees give their time voluntarily and only the District Superintendent receives benefits from the Charity

Related parties and relationships with other organisations

Any and all related parties are clearly identified in the notes to the Accounts.

Remuneration policy for key management personnel

Remuneration for the District Superintendent, Secretary and Treasurer is guided by the Finance Committee. Other Key management personnel are guided by the Trustee Advisory Board.

Risk management

The Trustees are aware of the recommendations to examine the major strategic, business, operational and reputational risks which the Charity faces and have procedures in place to identify and manage them.

Funds held as custodian trustee on behalf of others

The District acts as property trustees for 39 churches. Arrangements are made for the safe custody of deeds and documents, with each set stored in a labelled packet, and included in an index system. The names of the churches and other charities for whom the Company acts as a Custodian Trustee are available at: www.nazarene.org.uk The organisations are all Church of the Nazarene congregations and therefore, have objects that are compatible with the charitable objects of the Company

Statement of responsibilities of the trustees

The trustees (who are also directors of Church of the Nazarene British Isles South District for the purposes of company law) are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

Church of the Nazarene British Isles South District
Trustees' annual report
for the year ended 30 September 2022

application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice 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 operation

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

In so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditors are unaware
- 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

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Auditors

Slade & Cooper Ltd were re-appointed as the charitable company's auditors during the year and have expressed their willingness to continue in that capacity.

This report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime of the Companies Act 2006.

The trustees' annual report has been approved by the trustees on 10/03/2023 and signed on their behalf by

Rev Carl McCann
District Superintendent

Independent auditors' report
to the members of
Church of the Nazarene British Isles South District

Opinion

We have audited the financial statements of Church of the Nazarene British Isles South District (the 'charitable company') for the year ended 30 September 2022, which comprise the Statement of Financial Activities (including the income and expenditure account), the Balance Sheet, the Statement of Cash Flows and the related notes. 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).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 September 2022, 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; 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report 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

Independent Auditor's Report (continued)

identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our 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 trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the Trustees' Annual Report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 6, 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.

Auditor's 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 an auditor's 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

Independent Auditor's Report (continued)

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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- enquiry of management and those charged with governance around actual and potential litigation and claims.
- enquiry of the charity's staff, management and those charged with governance to identify any instances of non-compliance with laws and regulations.
- reviewing minutes of meetings of those charged with governance.
- reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

Independent Auditor's Report (continued)

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. 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Chinwe Jennifer Daniel FCCA DChA

Senior Statutory Auditor
for and on behalf of
Slade & Cooper Limited
Statutory Auditors
Beehive Mill
Jersey Street
Manchester
M4 6JG

Date: 31 March 2023

Church of the Nazarene British Isles South District

Statement of Financial Activities
(including Income and Expenditure account)
for the year ended 30 September 2022

	Note	Unrestricted funds £	Restricted funds £	Total funds 2022 £	Total funds 2021 £
Income from:					
Donations and legacies	3	562,197	171,697	733,894	1,216,969
Charitable activities:	4	15,274	47,642	62,916	37,965
Investments	5	115,344	-	115,344	74,584
Total income		692,815	219,339	912,154	1,329,518
Expenditure on:					
Raising funds	6	55,121	-	55,121	36,011
Charitable activities:	7	2,733,164	192,405	2,925,569	281,806
Total expenditure		2,788,285	192,405	2,980,690	317,817
Net income/(expenditure) before net gains/(losses) on investments		(2,095,470)	26,934	(2,068,536)	1,011,701
Gains/(losses) on investments		(25,388)	-	(25,388)	44,838
Net income/(expenditure) for the year	8	(2,120,858)	26,934	(2,093,924)	1,056,539
Transfer between funds		-	-	-	-
Other recognised gains/(losses):					
Gains/(losses) on revaluation of fixed assets		421,900	-	421,900	8,650
Net movement in funds for the year		(1,698,958)	26,934	(1,672,024)	1,065,189
Reconciliation of funds					
Total funds brought forward		6,877,220	66,150	6,943,370	5,878,181
Total funds carried forward		5,178,262	93,084	5,271,346	6,943,370

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

Church of the Nazarene British Isles South District
Company number 7028764

Balance sheet as at 30 September 2022

	Note	£	2022	£	£	2021	£
Fixed assets							
Tangible assets	12			422,170			1,195,686
Investments	13			3,904,227			4,824,708
Total fixed assets				4,326,397			6,020,394
Current assets							
Debtors	14	23,447			54,453		
Cash at bank and in hand	15	952,162			922,554		
Total current assets		975,609			977,007		
Liabilities							
Creditors: amounts falling due in less than one year	16	(30,660)			(54,031)		
Net current assets				944,949			922,976
Net assets				5,271,346			6,943,370
The funds of the charity:							
Restricted income funds	18			93,084			66,150
Designated income funds	19	4,036,671			3,613,029		
Unrestricted income funds	19	1,141,591			3,264,191		
Total unrestricted funds	19			5,178,262			6,877,220
Total charity funds				5,271,346			6,943,370

These accounts are prepared in accordance with the special provisions of part 15 of the Companies Act 2006 relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

The notes on pages 15 to 29 form part of these accounts.

Approved by the trustees on 11/03/2023 and signed on their behalf by:

Rev Carl McCann (Trustee)

Church of the Nazarene British Isles South District

Statement of Cash Flows
for the year ending 30 September 2022

	Note	2022 £	2021 £
Cash provided by/(used in) operating activities	#	389,566	996,053
<i>Cash flows from investing activities:</i>			
Dividends, interest, and rents from investments		115,344	(57,111)
Proceeds from sale of tangible fixed assets		-	-
Purchase of tangible fixed assets		(311,645)	-
Proceeds from sale of investments		136,343	-
Purchase of investments		(300,000)	(522,180)
Cash provided by/(used in) investing activities		(359,958)	(579,291)
Increase/(decrease) in cash and cash equivalents in the year		29,608	416,762
Cash and cash equivalents at the beginning of the year		922,554	374,097
Cash and cash equivalents at the end of the year		952,162	790,859

Church of the Nazarene British Isles South District

Notes to the accounts for the year ended 30 September 2022

1 Accounting policies

The principal accounting policies adopted, judgments and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Corresponding amounts for the preceding year are drawn from unaudited accounts.

a Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), second edition - October 2019 (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006 and UK Generally Accepted Accounting Practice.

Church of the Nazarene British Isles South District meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

b Preparation of the accounts on a going concern basis

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

The trustees have made no key judgments which have a significant effect on the accounts.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next reporting period.

c Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income received in advance of a provision of a specified service is deferred until the criteria for income recognition are met.

Church of the Nazarene British Isles South District

Notes to the accounts for the year ended 30 September 2022 (continued)

d Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised; refer to the trustees' annual report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

e 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 Bank.

f Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of charity.

Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose.

Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

g Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise the costs of renting out property.
- Expenditure on charitable activities includes the costs undertaken to further the purposes of the charity and their associated support costs.
- Other expenditure represents those items not falling into any other heading.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

h Tangible fixed assets

Individual fixed assets costing £1,000 or more are capitalised at cost and are depreciated over their estimated useful economic lives on a straight line basis as follows:

Land and buildings	1%
Office fixtures and equipment	25%
Motor Vehicle	25%

Church of the Nazarene British Isles South District

Notes to the accounts for the year ended 30 September 2022 (continued)

i Fixed asset investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The Charity does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

j Investment property

Investment properties are initially recorded at cost, which includes purchase price and any directly attributable expenditure. They are reviewed by the charity trustees on a yearly basis, and this will be supplemented by a 3 yearly evaluation of residential properties using AVM tool, and 5 yearly rolling evaluation of non-residential properties by a Chartered Surveyor. Any material changes in fair value are recognised in profit or loss.

k Debtors

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

l Cash at bank and in hand

Cash at bank and cash 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.

m Creditors and provisions

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

n 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.

Church of the Nazarene British Isles South District

Notes to the accounts for the year ended 30 September 2022 (continued)

o Pensions

Employees of the charity are entitled to join a defined contribution 'money purchase' scheme. The charity's contribution is restricted to the contributions disclosed in note 9. Contributions outstanding at the year end was £3,402 (2020:£10,131)

2 Legal status of the charity

The charity is a company limited by guarantee registered in England and Wales and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The registered office address is disclosed on page 1.

3 Income from donations and legacies

	Unrestricted £	Restricted £	Total 2022 £
District Budget	53,545	-	53,545
Nazarene Youth International	-	5,658	5,658
Other Income	8,652	-	8,652
Nazarene Missions International	-	89,311	89,311
Salford	-	45,988	45,988
Funds transferred from sale of Gillingham	200,000	-	200,000
Donations	-	30,740	30,740
Donated investment properties	300,000	-	300,000
Total	562,197	171,697	733,894

Income from donations and legacies (previous reporting period)

	Unrestricted £	Restricted £	Total 2021 £
<i>District Budget</i>	<i>51,886</i>	<i>-</i>	<i>51,886</i>
<i>Nazarene Youth International</i>	<i>-</i>	<i>7,622</i>	<i>7,622</i>
<i>Other Income</i>	<i>10,981</i>	<i>-</i>	<i>10,981</i>
<i>Gift Aid</i>	<i>268</i>	<i>-</i>	<i>268</i>
<i>Nazarene Missions International</i>	<i>-</i>	<i>48,517</i>	<i>48,517</i>
<i>Salford</i>	<i>-</i>	<i>31,336</i>	<i>31,336</i>
<i>Funds transferred from closure of Thetford and Gillingham</i>	<i>546,359</i>	<i>-</i>	<i>546,359</i>
<i>Donated investment properties</i>	<i>520,000</i>	<i>-</i>	<i>520,000</i>
Total	1,129,494	87,475	1,216,969

Church of the Nazarene British Isles South District

Notes to the accounts for the year ended 30 September 2022 (continued)

4 Income from charitable activities

	Unrestricted £	Restricted £	Total 2022 £
Conference Fees etc	15,274	-	15,274
Events Committee income	-	47,642	47,642
Total	15,274	47,642	62,916

Income from charitable activities (previous reporting period)

	Unrestricted £	Restricted £	Total 2021 £
Conference Fees etc	1,845	-	1,845
Events Committee income	-	36,120	36,120
Total	1,845	36,120	37,965

5 Investment income

	Unrestricted £	Restricted £	2022 £	2021 £
Dividends	7,167	-	7,167	6,940
Bank Interest	715	-	715	257
Rent and property income	107,449	-	107,449	66,992
Loan interest	13	-	13	395
Total	115,344	-	115,344	74,584

All investment income is unrestricted.

6 Cost of raising funds

	Unrestricted £	Restricted £	2022 £	2021 £
Property Costs	55,121	-	55,121	36,011
	55,121	-	55,121	36,011

Church of the Nazarene British Isles South District

Notes to the accounts for the year ended 30 September 2022 (continued)

7 Analysis of expenditure on charitable activities

	Staff Costs £	Support Costs £	Other Direct Costs £	Total 2022 £	Total 2021 £
Unrestricted Funds					
Staff costs	54,858	14,070	-	68,928	71,759
District Office	-	9,375	-	9,375	5,950
District Board	-	2,262	-	2,262	546
District Assembly	-	13,272	-	13,272	5,369
Evangelism and Promotion	-	12,275	-	12,275	1,514
Support Grants:					
Local Mission		32,898		32,898	57,375
Donated Assets		2,560,672		2,560,672	-
Insurance	-	557	-	557	564
Legal Fees	-	8,858	-	8,858	843
Buildings Depreciation	-	5,135	-	5,135	13,116
Audit Fees	-	5,400	-	5,400	5,400
Bad debt	-	-	-	-	2,267
Unrestricted Total	54,858	2,664,774	-	2,719,632	164,703
Designated Funds					
Depreciation	-	-	-	-	2,752
Ladies Retreat Fund	-	13,532	-	13,532	871
Designated Total	-	13,532	-	13,532	3,623
Restricted Funds					
NYI Expenses	-	1,188	-	1,188	4,842
NMI Council & Convention	-	65,500	-	65,500	46,605
Events Committee Expenses	-	48,247	-	48,247	35,146
Salford	-	46,730	-	46,730	26,887
Worldwide Missions	-	30,740	-	30,740	-
Restricted Total	-	192,405	-	192,405	113,480
Total	54,858	2,870,711	-	2,925,569	281,806

Church of the Nazarene British Isles South District

Notes to the accounts for the year ended 30 September 2022 (continued)

Analysis of expenditure on charitable activities previous reporting period

	Staff Costs £	Support Costs £	Other Direct Costs £	Total 2021 £	Total 2020 £
Unrestricted Funds					
Staff costs	55,687	16,072	-	71,759	63,570
District Office	-	5,950	-	5,950	4,810
District Board	-	546	-	546	2,977
District Assembly	-	5,369	-	5,369	8,990
Evangelism and Promotion	-	1,514	-	1,514	6,471
Support Grants	-	57,375	-	57,375	40,848
Insurance	-	564	-	564	665
Legal Fees	-	843	-	843	-
Buildings Depreciation	-	13,116	-	13,116	13,120
Companies House Fees	-	-	-	-	13
Audit Fees	-	5,400	-	5,400	4,800
Bad debt	-	2,267	-	2,267	-
Loss on disposal of building	-	-	-	-	4,793
Unrestricted Total	55,687	109,016	-	164,703	151,057
Designated Funds					
Depreciation	-	2,752	-	2,752	2,748
Ladies Retreat Fund	-	871	-	871	10,223
Designated Total	-	3,623	-	3,623	12,971
Restricted Funds					
NYI Expenses	-	4,842	-	4,842	5,120
NMI Council & Convention	-	46,605	-	46,605	1,446
Events Committee Expenses	-	35,146	-	35,146	3,126
Salford	-	26,887	-	26,887	36,856
Salford	-	-	-	-	-
Restricted Total	-	113,480	-	113,480	46,548

Church of the Nazarene British Isles South District

Notes to the accounts for the year ended 30 September 2022 (continued)

8 Net income/(expenditure) for the year

This is stated after charging/(crediting):	2022 £	2021 £
Depreciation	5,135	15,868
Loss/(profit) on disposal of fixed assets	50,600	-
Auditor's remuneration - audit fees	5,400	5,400
	<u> </u>	<u> </u>

9 Staff costs

Staff costs during the year were as follows:

	2022 £	2021 £
Wages and salaries	49,991	45,349
Social security costs	718	499
Pension costs	2,209	2,248
	<u> </u>	<u> </u>
Total	52,918	48,096
	<u> </u>	<u> </u>

No employees has employee benefits in excess of £60,000 (2021: Nil).

The average number of staff employed during the period was 6 (2021: 4).

The average full time equivalent number of staff employed during the period was 2.6 (2021: 2.2).

10 Trustee remuneration and expenses, and related party transactions

One (one) trustee, Revd. C. McCann, was paid remuneration of £30,275 (2021: £29,807), rent of £9,600 (2021: £9,600) and utility costs of £3,556 (2021: £4,305) for use of their home as the District Manse and pension contributions of £1,514 (2020: £1,490) during the year. Rev C McCann had the use of a car owned by the District from his appointment; the net book value of this car was £nil at the year end. P11D for NI paid on benefits to Rev McCann amounted to £1,870 (2021: £499.14). Four trustees (2021: two) were reimbursed expenses of £25,527 (2021: £16,377) during the year. The remuneration and expenses are paid to trustees in accordance with the authority given by the Articles of Association.

No trustee has an interest free loan outstanding at the year end.

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

No trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity, including guarantees, during the year (2021: nil).

Church of the Nazarene British Isles South District

Notes to the accounts for the year ended 30 September 2022 (continued)

11 Corporation tax

The charity is exempt from tax on income and gains falling within Chapter 3 of Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

12 Fixed assets: tangible assets

Cost	Land & Buildings £	Motor Vehicles £	Total £
At 1 October 2021	1,266,544	10,995	1,277,539
Additions	311,645	-	311,645
Disposal	(172,780)	-	(172,780)
Transfer to investment assets	(970,000)	-	(970,000)
At 30 September 2022	435,409	10,995	446,404
Depreciation			
At 1 October 2021	73,607	8,246	81,853
Charge for the year	2,390	2,749	5,139
Disposal	(10,358)	-	(10,358)
Depreciation on transferred asset	(52,400)	-	(52,400)
At 30 September 2022	13,239	10,995	24,234
Net book value			
At 30 September 2022	422,170	-	422,170
<i>At 30 September 2021</i>	<i>1,192,937</i>	<i>2,749</i>	<i>1,195,686</i>

The land and buildings are churches or manses owned (or partly owned) by the District, but used by the following churches: Sheffield, Salford and Portsmouth.

Church of the Nazarene British Isles South District

Notes to the accounts for the year ended 30 September 2022 (continued)

13 Investments

	Listed investments £	Investment properties £	Total
Market value at the start of the year	326,378	4,498,330	4,824,708
Add: additions to investments at cost	-	300,000	300,000
Less: disposal of investments at carrying value	-	(2,534,593)	(2,534,593)
Transfer of property from fixed asset to investment	-	1,339,500	1,339,500
Add net gain/(loss) on revaluation	(22,431)	(2,957)	(25,388)
Carrying amount at 30 September 2022	303,947	3,600,280	3,904,227
Investments at fair value comprised:			
	2022 £	2021 £	
Investment Properties	3,600,280	4,498,330	
CAF UK Equity Growth Fund	62,183	69,184	
COIF Income Units	241,764	257,194	
	3,904,227	4,824,708	

All investments shown above are held at fair value.

The Investment properties are reviewed on a rolling basis and the trustees are satisfied that there is no material change in the market value of these properties from that of the previous accounting year.

One investment property was sold during the year- Small Heath, Birmingham was sold for an amount not materially different from the carrying value.

Two investment properties were gifted to local Churches, Thornton and Fresh Ground Church, London, totalling £2,398,250.

Two Fixed Asset properties were move to Investment properties as rental income is now being received. These were Skegness and Fresh Ground Manse. These were transferred in at Market Value which gave rise to a total revaluation of £421,900 which is added to revaluation reserves.

One addition to Investment properties was Bournemouth Church, which was brought in at market Value of £300,000.

Most of the investment properties are rented out at market rates to provide income, with the exception of the property at Fresh Ground, which remains at nominal rate to give the Fresh Ground Church time to move to financial stability.

Investments in CAF and COIF are stated at their market value at the balance sheet date.

Church of the Nazarene British Isles South District

Notes to the accounts for the year ended 30 September 2022 (continued)

14 Debtors

	2022 £	2021 £
Church Loans	5,100	-
Other Loans	-	450
Other debtors	10,771	48,143
Prepayments and accrued income	7,576	5,860
	23,447	54,453

Church loan recoverable after more than one year is 4,070 (2021: Nil).

Church Loans

Cost	Bristol £	Total £
At 1 October 2021	-	-
Advances	6,000	6,000
Interest	-	-
Repaid	(900)	(900)
At 30 September 2022	5,100	5,100

15 Cash at bank and in hand

	2022 £	2021 £
Cash at bank and on hand	952,162	922,554
	952,162	922,554

Church of the Nazarene British Isles South District

Notes to the accounts for the year ended 30 September 2022 (continued)

16 Creditors: amounts falling due within one year

	2022 £	2021 £
Funds held as an intermediary agent	9,080	44,565
Other creditors and accruals	20,982	9,466
Deferred income	598	-
	30,660	54,031

17 Analysis of funds received as agent

	Balance held at 1 October 2021	Funds received	Funds paid out £	Balance held at 30 September 2022 £
Nazarene Missions International	11,083	143,568	(142,469)	12,182
NMBF	5,798	11,590	(19,321)	(1,933)
NTC	22,401	19,176	(38,478)	3,099
Salford	(2,875)	24,469	(32,372)	(10,778)
Standard Life	3,402	56,195	(55,097)	4,500
Sundry	-	2,432	(918)	1,514
Youth Ministry	3,107	2,708	(5,319)	496
NCM Fundraising	1,650	7,582	(9,232)	-
	44,566	267,720	(303,206)	9,080

Church of the Nazarene British Isles South District

Notes to the accounts for the year ended 30 September 2022 (continued)

18 Analysis of movements in restricted funds

	Balance at 1 October 2021 £	Income £	Expenditure £	Transfers £	Balance at 30 September 2022 £
BISD Events/ Sunday School Ministries Fund	7,904	47,642	(48,247)	-	7,299
BISD NMI Fund	9,094	89,311	(65,500)	-	32,905
BISD NYI Fund	21,526	5,658	(1,188)	-	25,996
Salford Church	27,626	45,988	(46,730)	-	26,884
Donations	-	30,740	(30,740)	-	-
Total	66,150	219,339	(192,405)	-	93,084
Previous reporting period	Balance at 1 October 2020 £	Income £	Expenditure £	Transfers £	Balance at 30 September 2021 £
BISD Events/ Sunday School Ministries Fund	6,930	36,120	(35,146)	-	7,904
BISD NMI Fund	7,182	48,517	(46,605)	-	9,094
BISD NYI Fund	18,746	7,622	(4,842)	-	21,526
Salford Church	23,177	31,336	(26,887)	-	27,626
	56,035	123,595	(113,480)	-	66,150

Name of

Description, nature and purposes of the fund

BISD Events/ Sunday School Ministries Fund	Consolidated account funds of British Isles South District Sunday School Ministries/Events.
BISD NMI Fund	Consolidated account funds of British Isles South District Nazarene Missions International.
BISD NYI Fund	Consolidated account funds of British Isles South District Nazarene Youth International.
Salford Church	Consolidated account funds of British Isles South District, held to record the financial records of the charitable activities of The Naz in Salford.

Church of the Nazarene British Isles South District

Notes to the accounts for the year ended 30 September 2022 (continued)

19 Analysis of movement in unrestricted funds

	Balance at 1 October 2021 £	Income £	Expenditure £	Gains / (Losses) £	Transfers £	As at 30 September 2022 £
Unrestricted Funds						
General Fund	3,264,191	677,541	(2,774,753)	(25,388)	-	1,141,591
Designated Funds						
Capital Fund	2,850,699	-	-	-	-	2,850,699
Ladies Retreat Fund	1,827	15,274	(13,532)	-	-	3,569
Revaluation reserve	760,503	-	-	421,900	-	1,182,403
Total Designated Funds	3,613,029	15,274	(13,532)	421,900	-	4,036,671
Total Unrestricted Funds	6,877,220	692,815	(2,788,285)	396,512	-	5,178,262

Previous reporting period

	Balance at 1 October 2020 £	Income £	Expenditure £	Gains / (Losses) £	Transfers £	As at 30 September 2021 £
Unrestricted Funds						
General Fund	3,282,347	137,720	(200,714)	44,838	-	3,264,191
Designated Funds						
Capital Fund	1,787,093	1,066,358	(2,752)	-	-	2,850,699
Ladies Retreat Fund	853	1,845	(871)	-	-	1,827
Revaluation reserve	751,853	-	-	8,650	-	760,503
Total Designated Funds	2,539,799	1,068,203	(3,623)	8,650	-	3,613,029
Total Unrestricted Funds	5,822,146	1,205,923	(204,337)	53,488	-	6,877,220

Name of unrestricted fund	Description, nature and purposes of the fund
General fund	The free reserves after allowing for all designated funds
Capital Fund	Property fund linked to fixed assets. Funds become liquid assets on sale of property
Ladies Retreat Fund	Designated funds belonging to the annual Ladies retreat – a weekend away for ladies.
Revaluation reserve	The increase in values of the investment properties.

Church of the Nazarene British Isles South District

Notes to the accounts for the year ended 30 September 2022 (continued)

20 Analysis of net assets between funds

	General funds £	Designated funds £	Restricted funds £	Total £
Tangible fixed assets	422,170	-	-	422,170
Fixed asset investments	3,904,227	-	-	3,904,227
Net current assets/(liabilities)	(3,184,806)	4,036,671	93,084	944,949
Total	1,141,591	4,036,671	93,084	5,271,346

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

	2022 £	2021 £
Net income/(expenditure) for the year	(2,093,924)	1,056,539
Adjustments for:		
Depreciation charge	5,139	15,868
Loss/(profit) on sale of fixed assets	162,422	-
(Gains)/losses on investments	2,423,638	(44,838)
Dividends, interest and rents from investments	(115,344)	(74,584)
Decrease/(increase) in debtors	31,006	26,102
Increase/(decrease) in creditors	(23,371)	16,966
Net cash provided by/(used in) operating	389,566	996,053

Accounts

Company number: 7028764

Charity Number: 1133336

Church of the Nazarene British Isles South District

Report and financial statements
For the year ended 30 September 2021

Church of the Nazarene British Isles South District
Reference and administrative information
for the year ended 30 September 2021

Company number 7028764

Charity number 1133336

Registered office and operational address

Church of the Nazarene British Isles South District
112 Cranbourne Road
Ashton-under-Lyne
OL7 9BW

Trustees Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

Rev Carl McCann Chair

Mr Steven Francis Leach Secretary

Mrs Francine Brower (Ended Term 16 April 2021)

Rev Erica Tuxworth

Sophie Peel Yates

Jason Nike

Augustine Baah

No Trustees held title to property belonging to the charity during the reporting period or at the date of approval.

Bankers Reliance Bank
Faith House
23-24 Lovat Lane
London
EC3R 8EB

Auditors Slade & Cooper Limited
Beehive Mill, Jersey St, Ancoats, Manchester, M4 6JG

Church of the Nazarene British Isles South District

Trustees' annual report

for the year ended 30 September 2021

The trustees present their report and the audited financial statements for the year ended 30 September 2021. Included within the trustees' report is the directors' report as required by company law.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Objectives and activities

The principal object of the charity is the advancement of Christian faith and its practice, especially by the means of and in accordance with the principles of the International church of the Nazarene.

The basis of our Christian faith as portrayed through the Bible is that we can come to know God personally, in Jesus Christ, who is both human and divine, and is the person in whom all that is lost and broken can be redeemed and who inspires his followers to work for a world that is a better place for all.

Within the covenant relationship of the Church of the Nazarene we value the freedom of the local church to discern for itself its practices and policies within the broad scope of Nazarene belief, in making Christ-like disciples. We stress the importance of individual response in faith, and we understand that each Christian is to play their part in advancing Christian faith and witness. Because of our emphasis on personal faith and the freedom of the local church we are committed to religious freedom for people of all Christian traditions and other faiths.

The District's overriding function is to provide encouragement, advice and support to member churches so that they too may maximise their ability to achieve their own charitable objective of making Jesus Christ known to particular individuals and to society in general

The trustees review the aims, objectives and activities of the charity each year. This report looks at what the charity has achieved and the outcomes of its work in the reporting period. The trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the trustees ensure the charity's aims, objectives and activities remained focused on its stated purposes.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set.

Volunteers

In the wider context, the District is substantially dependent for its work on the contribution of volunteers. At church level, the work of stipendiary and paid staff is supported at all levels by volunteers both in terms of governance and management and in the practical delivery. Such is the magnitude of the contribution made by volunteers that it is impossible to quantify.

This pattern is reflected throughout the District where many people commit significant time to help with the outworking of the District's objectives. In the District itself, volunteers provide valuable support

Church of the Nazarene British Isles South District

Trustees' annual report

for the year ended 30 September 2021

mainly through membership of standing committees, unpaid office holders, and the officers responsible for Nazarene Youth International, Nazarene Missions International, Breakthru holidays, the Ladies weekend, and other conferences for training as and when required.

Achievements and performance

The charity's main activities and who it tries to help are described below. All its charitable activities focus on the support and encouragement of the local Churches of the Nazarene which form the District, and are undertaken to further Church of the Nazarene British Isles South District's charitable purposes for the public benefit.

- The District operates as an umbrella resource body for its member churches, which are all separate charities.
- Throughout 2020-21 the District continued to support its member churches, regional association, and college by providing grants, practical support, guidance, and expertise.
- Appropriate provision and support for Ministers of Religion, and other church leaders within our denomination.
- Support for local churches in the form of grants for pastoral aid, maintenance of buildings, or missional activities.
- Training for Ministers of Religion in the form of a Pastors summer school and Minister's Fellowship
- Pastoral and church reviews where churches are encouraged to review their work and their relationship with Pastoral leadership.
- Provision of a Pastors prayer conference where Pastors come together to pray and seek God.
- Organisation of District holiday, Ladies retreat, and Youth Holiday where the church comes together for encouragement, fellowship, teaching and prayer.
- Financial support to Nazarene Theological College, Nazarene Missions International, Nazarene Youth UK, which support youth, mission, education, outreach and fellowship within the church.

It must be noted that for a significant portion of the year for which this report covers, many of these activities were significantly reduced, or moved to an online platform, due to the Covid 19 pandemic and responsive government restrictions on freedom of movement. Consequently, the District sought to provide advice and updates to local churches on how to navigate these unprecedented circumstances.

Beneficiaries of our services

The District operates as an umbrella resource body for its member churches, which are all separate charities. Consequently, our beneficiaries are largely Pastors, local churches, Nazarene Theological College, Nazarene Missions International, and Nazarene Youth International.

Church of the Nazarene British Isles South District

Trustees' annual report

for the year ended 30 September 2021

Financial review

The Statement of Financial Activities shows a net increase in funds for the year ending 30th September 2021 of £1,011,701 excluding unrealised gains and losses on investments (2020: £68,727). Expenditure has been kept under careful control because of the continuing difficult economic climate.

The consolidated incoming resources the ordinary activities of the Church of the Nazarene British Isles South District including NMI, Events/SS Ministries, NYI and the work at Salford totalled £1,205,923 (2020: £300,201) with resources expended of £203,145 (2020: £231,474).

Our principal sources of income remain that of budgets received from our member churches, supplemented by rental income from our investment properties. These properties are rented out at market rates, except for the Fresh Ground church. It is hoped that the income from this church will move towards market rent over a period of time.

Decreased tithes and offerings in local churches, resulted in lower budgets received.

Strategy is to invest in developing new churches, strengthening existing churches, and also to develop a strong property rental income stream.

During the year the charity were donated properties at Gillingham and Thetford (Church), following closure of those Churches and subsequently disposed of these properties and that income is disclosed as donation income (Note3). In addition, 2 properties at Thetford (Manse) and Bournemouth (Manse) were donated (see note 3) and are also noted as investment properties at the year-end as they are producing income. (See note 13).

We do not conduct significant fundraising activities from the general public.

Grants

Each Nazarene church is self-financing; the District provides additional investment into local churches to help develop and promote mission innovation and risk taking to achieve our strategic goals. Church grants are assessed annually, and emphasis is placed not just on each church's finances but also its plans and achievements in making Jesus known in its locality.

Throughout part of this financial year, the provision of these grants became more focussed on responsiveness to need in relation to the financial impact, and ministry opportunities in relation to Covid 19.

Going concern

The trustees have met on a number of occasions to review the effects of the Covid19 pandemic restrictions on the charity. Our activities have been restricted, as face to face contact with our churches was prevented by the lockdown measures. These and other meetings are currently held through a range of online technologies to maintain the support of member churches. One part time employee has been furloughed through the government scheme; this will be reviewed when travel becomes permitted.

The charity does not rely on donations from the public, and its finances for the current financial year are considered to be minimally affected by the effects of the pandemic restrictions. The effect on future income is less certain; the trustees have the position under constant review. We have sufficient cash

Church of the Nazarene British Isles South District

Trustees' annual report

for the year ended 30 September 2021

reserves to fund our activities for at least a further year, without the need for loans or overdrafts. The trustees are fully aware of the movement in value of its investments but consider that the balance sheet will remain strong in the long-term, with positive net current assets.

Reserves policy

The Trustees have reviewed the charity's needs for reserves in line with the guidance issued by the Charity Commission and have a reserves policy which will be reviewed annually. The Trustees believe that, in addition to known commitments, the charity needs to hold at least six months (26 weeks) running costs in free reserves, given the anticipated flow of funding, to ensure that the charity can run efficiently.

The total reserves of the charity at the end of the year were £6,943,370 (2020 £5,878,181) of which some were restricted. The Capital Fund in note 19 relates to fixed assets used to support the ongoing work of the charity and is not a readily liquid asset.

Plans for the future

- The trustees of the charity will continue to hold consultations with local church boards to enable the charity to dialogue more effectively with our main stakeholders.
- The District Treasurer will continue to encourage churches to submit their budgets on a monthly basis to enable us to be less dependent toward the year end for finance.
- The District Advisory Board will encourage more sale of surplus properties and reinvestment in income generating assets.
- The trustees will continue to look to support compassionate ministries at home and abroad.

Structure, governance and management

The Church of the Nazarene British Isles South District (the District) is an association, consisting of the Nazarene churches within the majority of England and Wales. As a membership organisation, the District holds an annual Assembly at which member churches are represented through their delegates, alongside ministers and the members of the Assembly.

The District acts through an Advisory Board which meets a minimum of four times a year and is made up of elected members, office holders and persons co-opted for particular skills. The Advisory Board helps to set the broad strategic direction of the District.

As with 2020, due to Covid 19, both the UK Charity Commission and Global Headquarters of the Church of the Nazarene provided scope for variations regarding reporting, elections and appointments. BISD gave due consideration to this, and decided that the increased exposure to various online platforms meant that online elections were a viable option for the 2021 District Assembly. Consequently, a normal nomination procedure took place, followed by an online Assembly via Zoom, including digital voting for all elected positions.

All necessary reports were collated as per normal procedure, but were communicated via online platforms.

The District charity is administered and managed by the Advisory Board as Charity Trustees.

Church of the Nazarene British Isles South District

Trustees' annual report

for the year ended 30 September 2021

The Governing Document of the District is a memorandum of association which may be amended by a Resolution of the Assembly approved by not less than two thirds of the Representative Members, as defined in the memorandum of association, present and voting. The memorandum of association was last revised in June 2017 and a copy is available from the registered office.

Recruitment and Training of Trustees

Trustees are elected by the District Assembly from a list of suitable nominations provided by the Nomination Committee and are usually familiar with many aspects of the District's work prior to appointment. All Trustees receive an induction into the work of the District by meeting the District Superintendent and being advised of the general nature of their work.

They receive financial statements and other relevant documentation including a copy of the Charity Commission's publication CC3, The Essential Trustee. Formal training on financial matters is provided as appropriate. The organisation is a charitable company limited by guarantee, incorporated on 24th September 2009 and registered as a charity on 17th December 2010.

The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 30th September 2021 was 129 (2020:129). The members of the charity are entitled to voting rights and have no beneficial interest in the charity.

The Trustees give their time voluntarily and only the District Superintendent receives benefits from the Charity

Related parties and relationships with other organisations

Any and all related parties are clearly identified in the notes to the Accounts.

Remuneration policy for key management personnel

Remuneration for the District Superintendent and other workers is guided by the Finance Committee.

Risk management

The Trustees are aware of the recommendations to examine the major strategic, business, operational and reputational risks which the Charity faces and have procedures in place to identify and manage them.

Funds held as custodian trustee on behalf of others

The District acts as property trustees for 39 churches. Arrangements are made for the safe custody of deeds and documents, with each set stored in a labelled packet, and included in an index system. The names of the churches and other charities for whom the Company acts as a Custodian Trustee are available at: www.nazarene.org.uk The organisations are all Church of the Nazarene congregations and therefore, have objects that are compatible with the charitable objects of the Company

Church of the Nazarene British Isles South District

Trustees' annual report

for the year ended 30 September 2021

Statement of responsibilities of the trustees

The trustees (who are also directors of Church of the Nazarene British Isles South District for the purposes of company law) are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice 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 operation

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

In so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditors are unaware
- 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

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Church of the Nazarene British Isles South District
Trustees' annual report
for the year ended 30 September 2021

Auditors

Slade & Cooper Ltd were re-appointed as the charitable company's auditors during the year and have expressed their willingness to continue in that capacity.

This report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime of the Companies Act 2006.

The trustees' annual report has been approved by the trustees on 11 / 03 / 2022 and signed on their behalf by

Rev Carl McCann
District Superintendent

Independent auditors' report

to the members of

Church of the Nazarene British Isles South District

Opinion

We have audited the financial statements of Church of the Nazarene British Isles South District (the 'charitable company') for the year ended 30 September 2021, which comprise the Statement of Financial Activities (including the income and expenditure account), the Balance Sheet, the Statement of Cash Flows and the related notes. 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).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 September 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; 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report 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

Independent Auditor's Report (continued)

whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our 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 trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the Trustees' Annual Report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 7, 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.

Auditor's 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 an auditor's 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

Independent Auditor's Report (continued)

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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- enquiry of management and those charged with governance around actual and potential litigation and claims.
- enquiry of the charity's staff, management and those charged with governance to identify any instances of non-compliance with laws and regulations.
- reviewing minutes of meetings of those charged with governance.
- reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

Independent Auditor's Report (continued)

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. 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Chinwe Jennifer Daniel FCCA DChA

Senior Statutory Auditor
for and on behalf of
Slade & Cooper Limited
Statutory Auditors
Beehive Mill
Jersey Street
Manchester
M4 6JG

Date: 25/05/2022

Church of the Nazarene British Isles South District

Statement of Financial Activities
(including Income and Expenditure account)
for the year ended 30 September 2021

	Note	Unrestricted funds £	Restricted funds £	Total funds 2021 £	Total funds 2020 £
Income from:					
Donations and legacies	3	1,129,494	87,475	1,216,969	98,863
Charitable activities:	4	1,845	36,120	37,965	7,059
Investments	5	74,584	-	74,584	194,279
Total income		1,205,923	123,595	1,329,518	300,201
Expenditure on:					
Raising funds	6	36,011	-	36,011	20,898
Charitable activities:	7	168,326	113,480	281,806	210,576
Total expenditure		204,337	113,480	317,817	231,474
Net income / (expenditure) before net gains / (losses) on investments		1,001,586	10,115	1,011,701	68,727
Gains/(losses) on investments		44,838	-	44,838	56,934
Net income / (expenditure) for the year	8	1,046,424	10,115	1,056,539	125,661
Transfer between funds		-	-	-	-
Other recognised gains / (losses):					
Gains/(losses) on revaluation of fixed assets		8,650	-	8,650	-
Net movement in funds for the year		1,055,074	10,115	1,065,189	125,661
Reconciliation of funds					
Total funds brought forward		5,822,146	56,035	5,878,181	5,752,520
Total funds carried forward		6,877,220	66,150	6,943,370	5,878,181

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

Church of the Nazarene British Isles South District
Company number 7028764

Balance sheet as at 30 September 2021

	Note	2021		2020	
		£	£	£	£
Fixed assets					
Tangible assets	12		1,195,686		1,251,154
Investments	13		4,824,708		4,209,440
Total fixed assets			6,020,394		5,460,594
Current assets					
Debtors	14	54,453		80,555	
Cash at bank and in hand	15	922,554		374,097	
Total current assets		977,007		454,652	
Liabilities					
Creditors: amounts falling due in less than one year	16	(54,031)		(37,065)	
Net current assets			922,976		417,587
Net assets			6,943,370		5,878,181
The funds of the charity:					
Restricted income funds	18		66,150		56,035
Designated income funds	19	3,613,029		2,539,799	
Unrestricted income funds	19	3,264,191		3,282,347	
Total unrestricted funds	19		6,877,220		5,822,146
Total charity funds			6,943,370		5,878,181

These accounts are prepared in accordance with the special provisions of part 15 of the Companies Act 2006 relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

The notes on pages 16 to 30 form part of these accounts.

Approved by the trustees on 11 / 03 / 2022 and signed on their behalf by:

Rev Carl McCann (Trustee)

Church of the Nazarene British Isles South District

Statement of Cash Flows
for the year ending 30 September 2021

	Note	2021 £	2020 £
Cash provided by / (used in) operating activities	21	996,053	(13,721)
<i>Cash flows from investing activities:</i>			
Dividends, interest, and rents from investments		74,584	62,584
Proceeds from sale of tangible fixed assets		-	111,893
Purchase of tangible fixed assets		-	(116,091)
Proceeds from sale of investments		-	257,129
Purchase of investments		(522,180)	(8,400)
Cash provided by / (used in) investing activities		(447,596)	307,115
Increase/(decrease) in cash and cash equivalents in the year		548,457	293,394
Cash and cash equivalents at the beginning of the year		374,097	80,703
Cash and cash equivalents at the end of the year		922,554	374,097

Church of the Nazarene British Isles South District

Notes to the accounts for the year ended 30 September 2021

1 Accounting policies

The principal accounting policies adopted, judgments and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Corresponding amounts for the preceding year are drawn from unaudited accounts.

a Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), second edition - October 2019 (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006 and UK Generally Accepted Accounting Practice.

Church of the Nazarene British Isles South District meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

b Preparation of the accounts on a going concern basis

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

The trustees have made no key judgments which have a significant effect on the accounts.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next reporting period.

c Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income received in advance of a provision of a specified service is deferred until the criteria for income recognition are met.

Church of the Nazarene British Isles South District

Notes to the accounts for the year ended 30 September 2021 (continued)

d Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised; refer to the trustees' annual report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

e 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 Bank.

f Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of charity.

Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose.

Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

g Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise the costs of renting out property.
- Expenditure on charitable activities includes the costs undertaken to further the purposes of the charity and their associated support costs.
- Other expenditure represents those items not falling into any other heading.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

h Tangible fixed assets

Individual fixed assets costing £1,000 or more are capitalised at cost and are depreciated over their estimated useful economic lives on a straight line basis as follows:

Land and buildings	1%
Office fixtures and equipment	25%
Motor Vehicle	25%

Church of the Nazarene British Isles South District

Notes to the accounts for the year ended 30 September 2021 (continued)

i Fixed asset investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The Charity does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

j Investment property

Investment properties are initially recorded at cost, which includes purchase price and any directly attributable expenditure. They are reviewed by the charity trustees on a yearly basis, and this will be supplemented by a 3 yearly evaluation of residential properties using AVM tool, and 5 yearly rolling evaluation of non-residential properties by a Chartered Surveyor. Any material changes in fair value are recognised in profit or loss.

k Debtors

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

l Cash at bank and in hand

Cash at bank and cash 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.

m Creditors and provisions

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

n 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.

Church of the Nazarene British Isles South District

Notes to the accounts for the year ended 30 September 2021 (continued)

o Pensions

Employees of the charity are entitled to join a defined contribution 'money purchase' scheme. The charity's contribution is restricted to the contributions disclosed in note 9. Contributions outstanding at the year end was £3,402 (2020:£10,131)

2 Legal status of the charity

The charity is a company limited by guarantee registered in England and Wales and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The registered office address is disclosed on page 1.

3 Income from donations and legacies

	Unrestricted £	Restricted £	Total 2021 £
District Budget	51,886	-	51,886
Nazarene Youth International	-	7,622	7,622
Other Income	10,981	-	10,981
Gift Aid	268	-	268
Nazarene Missions International	-	48,517	48,517
Salford	-	31,336	31,336
Funds transferred from closure of Thetford and Gillingham	546,359	-	546,359
Donated investment properties	520,000	-	520,000
Total	1,129,494	87,475	1,216,969

Income from donations and legacies (previous reporting period)

	Unrestricted £	Restricted £	Total 2020 £
District Budget	59,936	-	59,936
Nazarene Youth International	-	8,401	8,401
Other Income	1,588	-	1,588
Donations	304	-	304
Gift Aid	667	-	667
Nazarene Missions International	-	964	964
Salford	-	27,003	27,003
Total	62,495	36,368	98,863

Church of the Nazarene British Isles South District

Notes to the accounts for the year ended 30 September 2021 (continued)

4 Income from charitable activities

	Unrestricted £	Restricted £	Total 2021 £
Conference Fees etc	1,845	-	1,845
Events Committee income	-	36,120	36,120
Total	1,845	36,120	37,965

Income from charitable activities (previous reporting period)

	Unrestricted £	Restricted £	Total 2020 £
Conference Fees etc	6,519	-	6,519
Events Committee income	-	540	540
Total	6,519	540	7,059

5 Investment income

	Unrestricted £	Restricted £	2021 £	2020 £
Dividends	6,940	-	6,940	8,249
Bank Interest	257	-	257	226
Rent and property income	66,992	-	66,992	51,439
Surplus on disposal of Queensbury land	-	-	-	131,695
Loan interest	395	-	395	2,670
Total	74,584	-	74,584	194,279

All investment income is unrestricted.

6 Cost of raising funds

	Unrestricted £	Restricted £	2021 £	2020 £
Property Costs	36,011	-	36,011	20,898
	36,011	-	36,011	20,898

Church of the Nazarene British Isles South District

Notes to the accounts for the year ended 30 September 2021 (continued)

7 Analysis of expenditure on charitable activities

	Staff Costs £	Support Costs £	Other Direct Costs £	Total 2021 £	Total 2020 £
Unrestricted Funds					
Staff costs	55,687	16,072	-	71,759	63,570
District Office	-	5,950	-	5,950	4,810
District Board	-	546	-	546	2,977
District Assembly	-	5,369	-	5,369	8,990
Evangelism and Promotion	-	1,514	-	1,514	6,471
Support Grants	-	57,375	-	57,375	40,848
Insurance	-	564	-	564	665
Legal Fees	-	843	-	843	-
Buildings Depreciation	-	13,116	-	13,116	13,120
Companies House Fees	-	-	-	-	13
Audit Fees	-	5,400	-	5,400	4,800
Bad debt	-	2,267	-	2,267	-
Loss on disposal of building	-	-	-	-	4,793
Unrestricted Total	55,687	109,016	-	164,703	151,057
Designated Funds					
Depreciation	-	2,752	-	2,752	2,748
Ladies Retreat Fund	-	871	-	871	10,223
Designated Total	-	3,623	-	3,623	12,971
Restricted Funds					
NYI Expenses	-	4,842	-	4,842	5,120
NMI Council & Convention Events Committee Expenses	-	46,605	-	46,605	1,446
Salford	-	35,146	-	35,146	3,126
	-	26,887	-	26,887	36,856
Restricted Total	-	113,480	-	113,480	46,548
Total	55,687	226,119	-	281,806	210,576

Church of the Nazarene British Isles South District

Notes to the accounts for the year ended 30 September 2021 (continued)

Analysis of expenditure on charitable activities previous reporting period

	Staff Costs £	Support Costs £	Other Direct Costs £	Total 2020 £	Total 2019 £
Unrestricted Funds					
Staff costs	42,808	20,762	-	63,570	64,291
District Office	-	4,810	-	4,810	6,484
District Board	-	2,977	-	2,977	3,877
District Assembly	-	8,990	-	8,990	12,110
Church Planter	-	-	-	-	7,701
Evangelism and Promotion	-	6,471	-	6,471	22,522
Support Grants	-	40,848	-	40,848	71,042
Insurance	-	665	-	665	903
Legal Fees	-	-	-	-	333
Buildings Depreciation	-	13,120	-	13,120	13,237
Companies House Fees	-	13	-	13	13
Audit Fees	-	4,800	-	4,800	6,600
Loss on disposal of motor vehicle	-	-	-	-	6,048
Loss on disposal of building	-	4,793	-	4,793	-
Unrestricted Total	42,808	108,249	-	151,057	215,161
Designated Funds					
Depreciation	-	2,748	-	2,748	2,745
Designated Total	-	2,748	-	2,748	2,745
Restricted Funds					
NYI Expenses	-	5,120	-	5,120	30,017
NMI Council & Convention	-	1,446	-	1,446	2,871
Events Committee Expenses	-	3,126	-	3,126	45,530
Salford	-	36,856	-	36,856	32,922
Restricted Total	-	46,548	-	46,548	111,340

Church of the Nazarene British Isles South District

Notes to the accounts for the year ended 30 September 2021 (continued)

8 Net income / (expenditure) for the year

This is stated after charging/(crediting):	2021 £	2020 £
Depreciation	15,868	15,865
Loss/(profit) on disposal of fixed assets	-	4,793
Auditor's remuneration - audit fees	5,400	4,800

9 Staff costs

Staff costs during the year were as follows:

	2021 £	2020 £
Wages and salaries	45,349	38,293
Social security costs	499	870
Pension costs	2,248	1,927
Total	48,096	41,090

No employees has employee benefits in excess of £60,000 (2020: Nil).

The average number of staff employed during the period was 4 (2020: 4).

The average full time equivalent number of staff employed during the period was 2.2 (2020: 1.38).

10 Trustee remuneration and expenses, and related party transactions

One (one) trustee, Revd. C. McCann, was paid remuneration of £29,807 (2020:£30,762), rent of £9,600 (2020: £10,100) and utility costs of £4,305 (2020: £3,172) for use of their homes as the District Manse and pension contributions of £1,490 (2020: £1,404) during the year. Rev C McCann had the use of a car owned by the District from his appointment; the net book value of this car was £2,749 at the year end. P11D for NI paid on benefits to Rev McCann amounted to £499.14 (2020: £nil). Two trustees (2020: four) were reimbursed expenses of £16,377 (2020: £3,392) during the year. The remuneration and expenses are paid to trustees in accordance with the authority given by the Articles of Association.

One trustee has an interest free loan outstanding at the year end of £200.

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

No trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity, including guarantees, during the year (2020: nil).

Church of the Nazarene British Isles South District

Notes to the accounts for the year ended 30 September 2021 (continued)

11 Corporation tax

The charity is exempt from tax on income and gains falling within Chapter 3 of Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

12 Fixed assets: tangible assets

Cost	Land & Buildings £	Motor Vehicles £	Total £
At 1 October 2020	1,311,544	10,995	1,322,539
Additions	-	-	-
Disposal	-	-	-
Transfer to investment assets	(45,000)	-	(45,000)
At 30 September 2021	1,266,544	10,995	1,277,539
Depreciation			
At 1 October 2020	65,891	5,494	71,385
Charge for the year	13,116	2,752	15,868
Disposal	-	-	-
Depreciation on transferred asset	(5,400)	-	(5,400)
At 30 September 2021	73,607	8,246	81,853
Net book value			
At 30 September 2021	1,192,937	2,749	1,195,686
At 30 September 2020	1,245,653	5,501	1,251,154

The land and buildings are churches or manse owned (or partly owned) by the District, but used by the following churches: Dewsbury, Fresh Ground Manse, Sheffield, Penycae, Skegness, and Salford.

Church of the Nazarene British Isles South District

Notes to the accounts for the year ended 30 September 2021 (continued)

13 Investments

	Listed investments £	Investment properties £	Total
Market value at the start of the year	281,540	3,927,900	4,209,440
Add: additions to investments at cost	-	522,180	522,180
Transfer of property from fixed asset to investment	-	48,250	48,250
Add net gain/(loss) on revaluation	44,838	-	44,838
Carrying amount at 30 September 2021	326,378	4,498,330	4,824,708
Investments at fair value comprised:			
	2021 £	2020 £	
Investment Properties	4,498,330	3,927,900	
CAF UK Equity Growth Fund	69,184	53,886	
COIF Income Units	257,194	227,654	
	4,824,708	4,209,440	

All investments shown above are held at fair value.

The Investment properties are reviewed on a rolling basis and the trustees are satisfied that there is no material change in the market value of these properties from that of the previous accounting year.

One investment property at Small Heath Birmingham was disposed of after the year end (January 2022) and the sale proceeds were not materially different to the carrying value.

At the year end, the Thornton property was revalued to £48,250 and transferred from Fixed assets to Investment properties, as rental is now being received. A revaluation surplus arising of £8,650 has been added to revaluation reserve.

Most of the investment properties are rented out at market rates to provide income, with the exception of the property at Fresh Ground, which remains at nominal rate to give the Fresh Ground Church time to move to financial stability.

Investments in CAF and COIF are stated at their market value at the balance sheet date.

Church of the Nazarene British Isles South District

Notes to the accounts for the year ended 30 September 2021 (continued)

14 Debtors

	2021 £	2020 £
Church Loans	-	56,365
Other Loans	450	3,500
Other debtors	48,143	14,445
Prepayments and accrued income	5,860	6,245
	54,453	80,555

The other loans relate to interest free loans to two (2020:two) church pastors which are being repaid monthly.

Church loan recoverable after more than one year is £Nil (2020: £56,365)

Church Loans

	CJ London £	Sheffield £	Total £
Cost			
At 1 October 2020	-	56,365	56,365
Advances	-	-	-
Interest	-	94	94
Repaid	-	(56,459)	(56,459)
At 30 September 2021	-	-	-

15 Cash at bank and in hand

	2021 £	2020 £
Cash at bank and on hand	922,554	374,097
	922,554	374,097

Church of the Nazarene British Isles South District

Notes to the accounts for the year ended 30 September 2021 (continued)

16 Creditors: amounts falling due within one year

	2021 £	2020 £
Funds held as an intermediary agent	44,565	30,752
Other creditors and accruals	9,466	6,313
	54,031	37,065

17 Analysis of funds received as agent

	Balance held at 1 October 2020	Funds received	Funds paid out £	Balance held at 30 September 2021 £
Nazarene Missions International	(484)	78,555	(66,988)	11,083
NMBF	5,413	13,950	(13,565)	5,798
NTC	7,609	24,400	(9,608)	22,401
Salford	(1,456)	15,824	(17,243)	(2,875)
Standard Life	10,131	41,148	(47,877)	3,402
Sundry	1,326	350	(1,676)	-
Youth Ministry	3,156	3,469	(3,518)	3,107
NCM Fundraising	5,057	2,360	(5,767)	1,650
	30,752	180,056	(166,242)	44,566

Church of the Nazarene British Isles South District

Notes to the accounts for the year ended 30 September 2021 (continued)

18 Analysis of movements in restricted funds

	Balance at 1 October 2020 £	Income £	Expenditure £	Transfers £	Balance at 30 September 2021 £
BISD Events/ Sunday School Ministries Fund	6,930	36,120	(35,146)	-	7,904
BISD NMI Fund	7,182	48,517	(46,605)	-	9,094
BISD NYI Fund	18,746	7,622	(4,842)	-	21,526
Salford Church	23,177	31,336	(26,887)	-	27,626
Total	56,035	123,595	(113,480)	-	66,150
Previous reporting period	<i>Balance at 1 October 2019 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers £</i>	<i>Balance at 30 September 2020 £</i>
BISD Events/ Sunday School Ministries Fund	9,516	540	(3,126)	-	6,930
BISD NMI Fund	7,664	964	(1,446)	-	7,182
BISD NYI Fund	15,465	8,401	(5,120)	-	18,746
Salford Church	33,030	27,003	(36,856)	-	23,177
	65,675	36,908	(46,548)	-	56,035
Name of	Description, nature and purposes of the fund				
BISD Events/ Sunday School Ministries Fund	Consolidated account funds of British Isles South District Sunday School Ministries/Events.				
BISD NMI Fund	Consolidated account funds of British Isles South District Nazarene Missions International.				
BISD NYI Fund	Consolidated account funds of British Isles South District Nazarene Youth International.				
Salford Church	Consolidated account funds of British Isles South District, held to record the financial records of the charitable activities of The Naz in Salford.				

Church of the Nazarene British Isles South District

Notes to the accounts for the year ended 30 September 2021 (continued)

19 Analysis of movement in unrestricted funds

	Balance at 1 October 2020 £	Income £	Expenditure £	Gains / (Losses) £	Transfers £	As at 30 September 2021 £
Unrestricted Funds						
General Fund	3,282,347	137,720	(200,714)	44,838	-	3,264,191
Designated Funds						
Capital Fund	1,787,093	1,066,358	(2,752)	-	-	2,850,699
Ladies Retreat Fund	853	1,845	(871)	-	-	1,827
Revaluation reserve	751,853	-	-	8,650	-	760,503
Total Designated Funds	2,539,799	1,068,203	(3,623)	8,650	-	3,613,029
Total Unrestricted Funds	5,822,146	1,205,923	(204,337)	53,488	-	6,877,220

Previous reporting period

	Balance at 1 October 2019 £	Income £	Expenditure £	Gains / (Losses) £	Transfers £	As at 30 September 2020 £
Unrestricted Funds						
General Fund	3,331,186	125,079	(171,955)	(1,963)	-	3,282,347
Designated Funds						
Capital Fund	1,658,146	131,695	(2,748)	-	-	1,787,093
Ladies Retreat Fund	4,557	6,519	(10,223)	-	-	853
Revaluation reserve	692,956	-	-	58,897	-	751,853
Total Designated Funds	2,355,659	138,214	(12,971)	58,897	-	2,539,799
Total Unrestricted Funds	5,686,845	263,293	(184,926)	56,934	-	5,822,146

Name of unrestricted fund	Description, nature and purposes of the fund
General fund	The free reserves after allowing for all designated funds
Capital Fund	Property fund linked to fixed assets. Funds become liquid assets on sale of property
Ladies Retreat Fund	Designated funds belonging to the annual Ladies retreat – a weekend away for ladies.
Revaluation reserve	The increase in values of the investment properties.

Church of the Nazarene British Isles South District

Notes to the accounts for the year ended 30 September 2021 (continued)

20 Analysis of net assets between funds

	General funds £	Designated funds £	Restricted funds £	Total £
Tangible fixed assets	1,195,686	-	-	1,195,686
Fixed asset investments	4,824,708	-	-	4,824,708
Net current assets/(liabilities)	(2,756,203)	3,613,029	66,150	922,976
Total	3,264,191	3,613,029	66,150	6,943,370

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

	2021 £	2020 £
Net income / (expenditure) for the year	1,056,539	125,661
Adjustments for:		
Depreciation charge	15,868	15,865
Loss/(profit) on sale of fixed assets	-	4,793
(Gains)/losses on investments	(44,838)	(56,934)
Dividends, interest and rents from investments	(74,584)	(194,279)
Decrease/(increase) in debtors	26,102	65,161
Increase/(decrease) in creditors	16,966	26,012
Net cash provided by / (used in) operating	996,053	(13,721)

Accounts

Company number: 7028764

Charity Number: 1133336

Church of the Nazarene British Isles South District

Report and financial statements
For the year ended 30 September 2020

Church of the Nazarene British Isles South District
Reference and administrative information
for the year ended 30 September 2020

Company number 7028764

Charity number 1133336

Registered office and operational address

Church of the Nazarene British Isles South District
112 Cranbourne Road
Ashton-under-Lyne
OL7 9BW

Trustees

Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

Rev Carl McCann	Chair
Mrs Francine Brower	
Mr Stephen Francis Leach	Secretary
Rev Trevor Christians	ended term 28 March 2020
Rev Erica Tuxworth	
Sophie Peel-Yates	
Jason Nike	appointed 18 April 2020
Augustine Baah	appointed 18 April 2020

No Trustees held title to property belonging to the charity during the reporting period or at the date of approval.

Bankers

Barclays Bank plc
Leicester LE87 2BB

Reliance Bank
Faith House
23-24 Lovat Lane
London
EC3R 8EB

Auditors

Slade & Cooper Limited
Beehive Mill, Jersey St, Ancoats, Manchester, M4 6JG

Church of the Nazarene British Isles South District
Trustees' annual report
for the year ended 30 September 2020

The trustees present their report and the audited financial statements for the year ended 30 September 2020. Included within the trustees' report is the directors' report as required by company law.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Objectives and activities

The principal object of the charity is the advancement of Christian faith and its practice, especially by the means of and in accordance with the principles of the International church of the Nazarene.

The basis of our Christian faith as portrayed through the Bible is that we can come to know God personally, in Jesus Christ, who is both human and divine, and is the person in whom all that is lost and broken can be redeemed and who inspires his followers to work for a world that is a better place for all.

Within the covenant relationship of the Church of the Nazarene we value the freedom of the local church to discern for itself its practices and policies within the broad scope of Nazarene belief, in making Christ-like disciples. We stress the importance of individual response in faith, and we understand that each Christian is to play their part in advancing Christian faith and witness. Because of our emphasis on personal faith and the freedom of the local church we are committed to religious freedom for people of all Christian traditions and other faiths.

The District's overriding function is to provide encouragement, advice and support to member churches so that they too may maximise their ability to achieve their own charitable objective of making Jesus Christ known to particular individuals and to society in general.

The trustees review the aims, objectives and activities of the charity each year. This report looks at what the charity has achieved and the outcomes of its work in the reporting period. The trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the trustees ensure the charity's aims, objectives and activities remained focused on its stated purposes.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set.

Volunteers

In the wider context, the District is substantially dependent for its work on the contribution of volunteers. At church level, the work of stipendiary and paid staff is supported at all levels by volunteers both in terms of governance and management and in the practical delivery. Such is the magnitude of the contribution made by volunteers that it is impossible to quantify.

This pattern is reflected throughout the District where many people commit significant time to help with the outworking of the District's objectives. In the District itself, volunteers provide valuable support mainly through membership of standing committees, unpaid office holders, and the officers responsible

Church of the Nazarene British Isles South District

Trustees' annual report

for the year ended 30 September 2020

for Nazarene Youth International, Nazarene Missions International, Breakthru holidays, the Ladies weekend, and other conferences for training as and when required.

Achievements and performance

The charity's main activities and who it tries to help are described below. All its charitable activities focus on the support and encouragement of the local Churches of the Nazarene which form the District, and are undertaken to further Church of the Nazarene British Isles South District's charitable purposes for the public benefit.

- The District operates as an umbrella resource body for its member churches, which are all separate charities.
- Throughout 2019-20 the District continued to support its member churches, regional association, and college by providing grants, practical support, guidance, and expertise.
- Appropriate provision and support for Ministers of Religion, and other church leaders within our denomination.
- Support for local churches in the form of grants for pastoral aid, maintenance of buildings, or missional activities.
- Training for Ministers of Religion in the form of a Pastors summer school and Minister's fellowship
- Pastoral and church reviews where churches are encouraged to review their work and their relationship with Pastoral leadership.
- Provision of a Pastors prayer conference where Pastors come together to pray and seek God.
- Organisation of District holiday, Ladies retreat, and Youth Holiday where the church comes together for encouragement, fellowship, teaching and prayer.
- Financial support to Nazarene Theological College, Nazarene Missions International, Nazarene Youth UK, which support youth, mission, education, outreach and fellowship within the church.

It must be noted that for a significant portion of the year for which this report covers, many of these activities were significantly reduced, or moved to an online platform, due to the Covid 19 pandemic and responsive government restrictions on freedom of movement. Consequently, the District sought to provide advice and updates to local churches on how to navigate these unprecedented circumstances.

Beneficiaries of our services

The District operates as an umbrella resource body for its member churches, which are all separate charities. Consequently, our beneficiaries are largely Pastors, local churches, Nazarene Theological College, Nazarene Missions International, and Nazarene Youth International.

Church of the Nazarene British Isles South District
Trustees' annual report
for the year ended 30 September 2020

Financial review

The Statement of Financial Activities shows a net increase in funds for the year ending 30th September 2020 of £ 68,727 excluding unrealised gains and losses on investments (2019: £83,637). Expenditure has been kept under careful control because of the continuing difficult economic climate.

The consolidated incoming resources the ordinary activities of the Church of the Nazarene British Isles South District including NMI, Events/SS Ministries, NYI and the work at Salford totalled £ 300,201 (2019: £427,327) with resources expended of £ 231,474 (2019: £343,690).

Our principal sources of income remain that of budgets received from our member churches, supplemented by rental income from our investment properties. These properties are rented out at market rates, with the exception of the Fresh Ground church. It is hoped that the income from this church will move towards market rent over a period of time.

During the year the charity disposed of Land at Queensbury and Buildings at Dewsbury and Skelmersdale and purchased Buildings at Dewsbury. These are all reflected in notes 12 & 13.

Grants

Each Nazarene church is self-financing; the District provides additional investment into local churches to help develop and promote mission innovation and risk taking to achieve our strategic goals. Church grants are assessed annually, and emphasis is placed not just on each church's finances but also its plans and achievements in making Jesus known in its locality. Throughout part of this financial year, the provision of these grants became more focussed on responsibility to need in relation to the financial impact, and ministry opportunities in relation to Covid 19.

Going concern

The trustees have met on a number of occasions to review the effects of the Covid19 pandemic restrictions on the charity. Our activities have been restricted, as face to face contact with our churches was prevented by the lockdown measures. These and other meetings are currently held through a range of online technologies to maintain the support of member churches. One part time employee has been furloughed through the government scheme; this will be reviewed when travel becomes permitted.

The charity does not rely on donations from the public, and its finances for the current financial year are considered to be minimally affected by the effects of the pandemic restrictions. The effect on future income is less certain; the trustees have the position under constant review. We have sufficient cash reserves to fund our activities for at least a further year, without the need for loans or overdrafts.

The trustees are fully aware of the loss in value of its investments but consider that the balance sheet will remain strong in the long-term, with positive net current assets.

Reserves policy

The Trustees have reviewed the charity's needs for reserves in line with the guidance issued by the Charity Commission and have a reserves policy which will be reviewed annually. The Trustees believe that, in addition to known commitments, the charity needs to hold at least six months (26 weeks)

Church of the Nazarene British Isles South District

Trustees' annual report

for the year ended 30 September 2020

running costs in free reserves, given the anticipated flow of funding, to ensure that the charity can run efficiently.

The total reserves of the charity at the end of the year were £5,878,181 (2019 £5,752,520) of which some were restricted. The Capital Fund in note 19 relates to fixed assets used to support the ongoing work of the charity and is not a readily liquid asset.

		2020	2019
Restricted funds		56,035	65,675
Designated Funds		2,539,799	2,355,659
Unrestricted funds	Free Funds	3,282,347	3,331,186
Total		5,878,181	5,752,520

The unrestricted free funds and designated funds at the end of the year amounted to £4,035,053.

Plans for the future

- The trustees of the charity will continue to hold consultations with local church boards to enable the charity to dialogue more effectively with our main stakeholders.
- The District Treasurer will continue to encourage churches to submit their budgets on a monthly basis to enable us to be less dependent toward the year end for finance.

Structure, governance and management

The Church of the Nazarene British Isles South District (the District) is an association, consisting of the Nazarene churches within the majority of England and Wales. As a membership organisation, the District holds an annual Assembly at which member churches are represented through their delegates, alongside ministers and the members of the Assembly.

The District acts through an Advisory Board which meets a minimum of four times a year and is made up of elected members, office holders and persons co-opted for particular skills. The Advisory Board helps to set the broad strategic direction of the District.

Due to Covid 19, both the UK Charity Commission and Global Headquarters of the Church of the Nazarene provided scope for variations regarding reporting, elections and appointments. BISD gave due consideration to this, and all elected persons were approached with a request for their term of office to be extended for an additional year, negating the need for elections in March 2020. This was communicated to all churches across the District, and many replicated this in terms of local governance. All necessary reports were collated as per normal procedure, but were communicated via online platforms.

The District charity is administered and managed by the Advisory Board as Charity Trustees. The Governing Document of the District is a memorandum of association which may be amended by a Resolution of the Assembly approved by not less than two thirds of the Representative Members, as defined in the memorandum of association, present and voting. The memorandum of association was

Church of the Nazarene British Isles South District

Trustees' annual report

for the year ended 30 September 2020

last revised in June 2017 and a copy is available from the registered office.

Recruitment and Training of Trustees

Trustees are elected by the District Assembly from a list of suitable nominations provided by the Nomination Committee and are usually familiar with many aspects of the District's work prior to appointment. All Trustees receive an induction into the work of the District by meeting the District Superintendent and being advised of the general nature of their work.

They receive financial statements and other relevant documentation including a copy of the Charity Commission's publication CC3, The Essential Trustee. Formal training on financial matters is provided as appropriate. The organisation is a charitable company limited by guarantee, incorporated on 24th September 2009 and registered as a charity on 17th December 2010.

The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 30th September 2020 was 129 (2019:129). The members of the charity are entitled to voting rights and have no beneficial interest in the charity.

The Trustees give their time voluntarily and only the District Superintendent receives benefits from the charity

Related parties and relationships with other organisations

Any and all related parties are clearly identified in the notes to the Accounts.

Remuneration policy for key management personnel

Remuneration for the District Superintendent and other workers is guided by the Finance Committee.

Risk management

The Trustees are aware of the recommendations to examine the major strategic, business, operational and reputational risks which the Charity faces and have procedures in place to identify and manage them.

Funds held as custodian trustee on behalf of others

The District acts as property trustees for 39 churches. Arrangements are made for the safe custody of deeds and documents, with each set stored in a labelled packet, and included in an index system.

The names of the churches and other charities for whom the Company acts as a Custodian Trustee are available at: www.nazarene.org.uk The organisations are all Church of the Nazarene congregations and therefore, have objects that are compatible with the charitable objects of the Company

Church of the Nazarene British Isles South District

Trustees' annual report

for the year ended 30 September 2020

Statement of responsibilities of the trustees

The trustees (who are also directors of Church of the Nazarene British Isles South District for the purposes of company law) are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice 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 operation

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

In so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditors are unaware
- 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

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Auditors

Slade & Cooper Ltd were re-appointed as the charitable company's auditors during the year and have expressed their willingness to continue in that capacity.

This report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime of the Companies Act 2006.

The trustees' annual report has been approved by the trustees on 16th April 2021 and signed on their behalf by

Rev Carl McCann
District Superintendent

Independent auditors' report
to the members of
Church of the Nazarene British Isles South District

Opinion

We have audited the financial statements of Church of the Nazarene British Isles South District (the 'charitable company') for the year ended 30 September 2020, which comprise the Statement of Financial Activities (including the income and expenditure account), the Balance Sheet, the Statement of Cash Flows and the related notes. 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).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 September 2020, 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; 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 Auditor's 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report 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.

Independent Auditor's Report (continued)

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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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 trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our 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 trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the Trustees' Annual Report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 7, 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.

Independent Auditor's Report (continued)

Auditor's 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 an auditor's 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.

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 auditor's report.

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. 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Chinwe Jennifer Daniel FCCA DChA

Senior Statutory Auditor

for and on behalf of

Slade & Cooper Limited
Statutory Auditors
Beehive Mill
Jersey Street
Manchester
M4 6JG

Date: 28th May 2021

Church of the Nazarene British Isles South District

Statement of Financial Activities
(including Income and Expenditure account)
for the year ended 30 September 2020

	Note	Unrestricted funds £	Restricted funds £	Total funds 2020 £	Total funds 2019 £
Income from:					
Donations and legacies	3	62,495	36,368	98,863	297,519
Charitable activities:	4	6,519	540	7,059	54,870
Investments	5	194,279	-	194,279	74,938
Total income		263,293	36,908	300,201	427,327
Expenditure on:					
Raising funds	6	20,898	-	20,898	15,044
Charitable activities:	7	164,028	46,548	210,576	328,646
Total expenditure		184,926	46,548	231,474	343,690
Net income/(expenditure) before net gains/(losses) on investments		78,367	(9,640)	68,727	83,637
Gains/(losses) on investments		56,934	-	56,934	(110,653)
Net income/(expenditure) for the year	8	135,301	(9,640)	125,661	(27,016)
Transfer between funds		-	-	-	-
Net movement in funds for the year		135,301	(9,640)	125,661	(27,016)
Reconciliation of funds					
Total funds brought forward as previously reported		5,686,845	65,675	5,752,520	5,779,536
Total funds brought forward as restated		5,686,845	65,675	5,752,520	5,779,536
Total funds carried forward		5,822,146	56,035	5,878,181	5,752,520

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

Church of the Nazarene British Isles South District
Company number 7028764

Balance sheet as at 30 September 2020

	Note	2020		2019	
		£	£	£	£
Fixed assets					
Tangible assets	12		1,251,154		1,266,393
Investments	13		4,209,440		4,270,761
Total fixed assets			5,460,594		5,537,154
Current assets					
Debtors	14	80,555		145,716	
Cash at bank and in hand	15	374,097		80,703	
Total current assets		454,652		226,419	
Liabilities					
Creditors: amounts falling due in less than one year	16	(37,065)		(11,053)	
Net current assets			417,587		215,366
Net assets			5,878,181		5,752,520
The funds of the charity:					
Restricted income funds	18		56,035		65,675
Designated income funds	19	2,539,799		2,355,659	
Unrestricted income funds	19	3,282,347		3,331,186	
Total unrestricted funds	19		5,822,146		5,686,845
Total charity funds			5,878,181		5,752,520

These accounts are prepared in accordance with the special provisions of part 15 of the Companies Act 2006 relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

The notes on pages 14 to 28 form part of these accounts.

Approved by the trustees on ^{16/4/21} and signed on their behalf by:

Rev Carl McCann (Trustee)

Church of the Nazarene British Isles South District

Statement of Cash Flows
for the year ending 30 September 2020

	Note	2020 £	2019 £
Cash provided by/(used in) operating activities	21	(13,721)	(37,567)
<i>Cash flows from investing activities:</i>			
Dividends, interest, and rents from investments		62,584	74,938
Proceeds from sale of tangible fixed assets		111,893	-
Purchase of tangible fixed assets		(116,091)	(10,995)
Proceeds from sale of investments		257,129	-
Purchase of investments		(8,400)	(153,981)
Cash provided by/(used in) investing activities		307,115	(90,038)
Increase/(decrease) in cash and cash equivalents in the year		293,394	(127,605)
Cash and cash equivalents at the beginning of the year		80,703	208,308
Cash and cash equivalents at the end of the year		374,097	80,703

Notes to the accounts for the year ended 30 September 2020

1 Accounting policies

The principal accounting policies adopted, judgments and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Corresponding amounts for the preceding year are drawn from unaudited accounts.

a Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), second edition - October 2019 (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006 and UK Generally Accepted Accounting Practice.

Church of the Nazarene British Isles South District meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

b Preparation of the accounts on a going concern basis

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

The trustees have made no key judgments which have a significant effect on the accounts.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next reporting period.

c Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income received in advance of a provision of a specified service is deferred until the criteria for income recognition are met.

Church of the Nazarene British Isles South District

Notes to the accounts for the year ended 30 September 2020 (continued)

d Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised; refer to the trustees' annual report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

e 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 Bank.

f Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of charity.

Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose.

Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

g Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise the costs of renting out property.
- Expenditure on charitable activities includes the costs undertaken to further the purposes of the charity and their associated support costs.
- Other expenditure represents those items not falling into any other heading.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

h Tangible fixed assets

Individual fixed assets costing £1,000 or more are capitalised at cost and are depreciated over their estimated useful economic lives on a straight line basis as follows:

Land and buildings	1%
Office fixtures and equipment	25%

Notes to the accounts for the year ended 30 September 2020 (continued)

i Fixed asset investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The Charity does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

j Investment property

Investment properties are initially recorded at cost, which includes purchase price and any directly attributable expenditure. They are reviewed by the charity trustees on a yearly basis, and this will be supplemented by a 3 yearly evaluation of residential properties using AVM tool, and 5 yearly rolling evaluation of non-residential properties by a Chartered Surveyor. Any material changes in fair value are recognised in profit or loss.

k Debtors

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

l Cash at bank and in hand

Cash at bank and cash 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.

m Creditors and provisions

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

n 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.

Church of the Nazarene British Isles South District

Notes to the accounts for the year ended 30 September 2020 (continued)

o Pensions

Employees of the charity are entitled to join a defined contribution 'money purchase' scheme. The charity's contribution is restricted to the contributions disclosed in note 9. Contributions outstanding at the year end was £10,131 (2019:£3,785)

2 Legal status of the charity

The charity is a company limited by guarantee registered in England and Wales and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The registered office address is disclosed on page 1.

3 Income from donations and legacies

	Unrestricted £	Restricted £	Total 2020 £
District Budget	59,936	-	59,936
Nazarene Youth International	-	8,401	8,401
Other Income	1,588	-	1,588
Donations	304	-	304
Gift Aid	667	-	667
Nazarene Missions International	-	964	964
Salford	-	27,003	27,003
Property transferred	-	-	-
Total	62,495	36,368	98,863

Income from donations and legacies (previous reporting period)

	Unrestricted £	Restricted £	Total 2019 £
<i>District Budget</i>	<i>63,721</i>	<i>-</i>	<i>63,721</i>
<i>Nazarene Youth International</i>	<i>-</i>	<i>27,451</i>	<i>27,451</i>
<i>Other Income</i>	<i>8,302</i>	<i>-</i>	<i>8,302</i>
<i>Donations</i>	<i>248</i>	<i>-</i>	<i>248</i>
<i>Gift Aid</i>	<i>439</i>	<i>-</i>	<i>439</i>
<i>Nazarene Missions International</i>	<i>-</i>	<i>116</i>	<i>116</i>
<i>Salford</i>	<i>-</i>	<i>47,242</i>	<i>47,242</i>
<i>Property Transferred</i>	<i>150,000</i>	<i>-</i>	<i>150,000</i>
Total	222,710	74,809	297,519

Church of the Nazarene British Isles South District

Notes to the accounts for the year ended 30 September 2020 (continued)

4 Income from charitable activities

	Unrestricted £	Restricted £	Total 2020 £
Conference Fees etc	6,519	-	6,519
Events Committee income	-	540	540
Total	6,519	540	7,059

Income from charitable activities (previous reporting period)

	Unrestricted £	Restricted £	Total 2019 £
Conference Fees etc	9,439	-	9,439
Events Committee income	-	45,431	45,431
Total	9,439	45,431	54,870

5 Investment income

	Unrestricted £	Restricted £	2020 £	2019 £
Dividends	8,249	-	8,249	8,399
Bank Interest	226	-	226	62
Rent and property income	51,439	-	51,439	63,191
Surplus on disposal of Queensbury land	131,695	-	131,695	-
Loan interest	2,670	-	2,670	3,286
Total	194,279	-	194,279	74,938

All investment income is unrestricted.

6 Cost of raising funds

	Unrestricted £	Restricted £	2020 £	2019 £
Property Costs	20,898	-	20,898	15,044
	20,898	-	20,898	15,044

Church of the Nazarene British Isles South District

Notes to the accounts for the year ended 30 September 2020 (continued)

7 Analysis of expenditure on charitable activities

	Staff Costs £	Support Costs £	Other Direct Costs £	Total 2020 £	Total 2019 £
Unrestricted Funds					
Staff costs	42,808	20,762	-	63,570	64,291
District Office	-	4,810	-	4,810	6,484
District Board	-	2,977	-	2,977	3,877
District Assembly	-	8,990	-	8,990	12,110
Promotion	-	-	-	-	-
Church Planter	-	-	-	-	7,701
Evangelism and					
Promotion	-	6,471	-	6,471	22,522
Support Grants	-	40,848	-	40,848	71,042
Insurance	-	665	-	665	903
Legal Fees	-	-	-	-	333
Buildings					
Depreciation	-	13,120	-	13,120	13,237
Companies House					
Fees	-	13	-	13	13
Audit Fees	-	4,800	-	4,800	6,000
Loss on disposal of motor vehicle	-	-	-	-	6,048
Loss on disposal of building	-	4,793	-	4,793	-
Unrestricted Total	42,808	108,249	-	151,057	214,561
Designated Funds					
Depreciation	-	2,748	-	2,748	2,745
Ladies Retreat Fund	-	10,223	-	10,223	-
Designated Total	-	12,971	-	12,971	2,745
Restricted Funds					
NYI Expenses	-	5,120	-	5,120	30,017
NMI Council & Convention	-	1,446	-	1,446	2,871
Events Committee					
Expenses	-	3,126	-	3,126	45,530
Salford	-	36,856	-	36,856	32,922
Restricted Total	-	46,548	-	46,548	111,340
Total	42,808	167,768	-	210,576	328,646

Church of the Nazarene British Isles South District

Notes to the accounts for the year ended 30 September 2020 (continued)

Analysis of expenditure on charitable activities previous reporting period

	Staff Costs £	Support Costs £	Other Direct Costs £	Total 2019 £	Total 2018 £
Unrestricted Funds					
Staff costs	47,188	17,103	-	64,291	56,240
District Office	35	6,449	-	6,484	7,052
District Board	-	3,877	-	3,877	4,915
District Assembly	-	12,110	-	12,110	15,823
Promotion	-	-	-	-	139
Church Planter	-	7,701	-	7,701	-
Evangelism and					
Promotion	-	22,522	-	22,522	13,368
Support Grants	-	71,042	-	71,042	15,509
Insurance	-	903	-	903	46,441
Legal Fees	-	333	-	333	1,116
Buildings Depreciation	-	13,237	-	13,237	3,723
Companies House Fee	-	13	-	13	13,236
Independent Examiner	-	-	-	-	13
Audit Fees	-	6,000	-	6,000	6,600
Loss on disposal of motor vehicle	-	6,048	-	6,048	-
Unrestricted Total	47,223	167,338	-	214,561	184,175
Designated Funds					
Evangelism and					
Promotion	-	-	-	-	6,389
Depreciation	-	2,745	-	2,745	3,025
Designated Total	-	2,745	-	2,745	9,414
Restricted Funds					
NYI Expenses	-	30,017	-	30,017	20,252
NMI Council & Convention	-	2,871	-	2,871	1,674
Events Committee Expenses	-	45,530	-	45,530	37,471
Salford	-	32,922	-	32,922	27,455
Restricted Total	-	111,340	-	111,340	86,852

Church of the Nazarene British Isles South District

Notes to the accounts for the year ended 30 September 2020 (continued)

8 Net income/(expenditure) for the year

This is stated after charging/(crediting):	2020 £	2019 £
Depreciation	15,868	15,980
Loss/(profit) on disposal of fixed assets	4,793	6,048
Auditor's remuneration - audit fees	4,800	6,000

9 Staff costs

Staff costs during the year were as follows:

	2020 £	2019 £
Wages and salaries	38,293	39,468
Social security costs	870	-
Pension costs	1,927	1,958
Total	41,090	41,426

No employees has employee benefits in excess of £60,000 (2019: Nil).

The average number of staff employed during the period was 4 (2019: 5).

The average full time equivalent number of staff employed during the period was 1.38 (2019: 1.51).

10 Trustee remuneration and expenses, and related party transactions

One(Two) trustee(s), Revd. C. McCann, was paid remuneration of £30,762 (2019: £29,646), rent of £10,100 (2019: £6,600) and utility costs of £3,172 (2019: £4,054) for use of their homes as the District Manse and pension contributions of £1,404 (2019: £2,196) during the year. Rev C McCann had the use of a car owned by the District from his appointment; the net book value of this car was £5,501 at the year end. Four trustees (2019: four) were reimbursed expenses of £3,392 (2019: £1,535) during the year. The remuneration and expenses are paid to trustees in accordance with the authority given by the Articles of Association.

One trustee has an interest free loan outstanding at the year end of £2,600.

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

No trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity, including guarantees, during the year (2019: nil).

Church of the Nazarene British Isles South District

Notes to the accounts for the year ended 30 September 2020 (continued)

11 Corporation tax

The charity is exempt from tax on income and gains falling within Chapter 3 of Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

12 Fixed assets: tangible assets

Cost	Land & Buildings £	Motor Vehicles £	Total £
At 1 October 2019	1,323,657	10,995	1,334,652
Additions	115,281	-	115,281
Disposal	(127,394)	-	(127,394)
At 30 September 2020	1,311,544	10,995	1,322,539
Depreciation			
At 1 October 2019	65,514	2,745	68,259
Charge for the year	13,116	2,749	15,865
Disposal	(12,739)	-	(12,739)
At 30 September 2020	65,891	5,494	71,385
Net book value			
At 30 September 2020	1,245,653	5,501	1,251,154
<i>At 30 September 2019</i>	<i>1,258,143</i>	<i>8,250</i>	<i>1,266,393</i>

The land and buildings are churches or manse owned (or partly owned) by the District, but used by the following churches: Dewsbury, Sheffield, Penycae, Thornton, Skegness, and Salford.

Church of the Nazarene British Isles South District

Notes to the accounts for the year ended 30 September 2020 (continued)

13 Investments

	Listed investments £	Investment properties £	Total
Market value at the start of the year	283,503	3,987,258	4,270,761
Add: additions to investments at cost	-	8,400	8,400
Less: disposal of investments at carrying value	-	(126,655)	(126,655)
Add net gain/(loss) on revaluation	(1,963)	58,897	56,934
Carrying amount at 30 September 2020	281,540	3,927,900	4,209,440
Investments at fair value comprised:			
	2020 £	2019 £	
Investment Properties	3,927,900	3,987,258	
CAF UK Equity Growth Fund	53,886	63,243	
COIF Income Units	227,654	220,260	
	4,209,440	4,270,761	

All investments shown above are held at fair value.

During the year the trustees have reviewed the valuations of the investment properties that were previously valued by Wynn & Walker, Estate Agents of Adlington, Chorley. One property, a piece of land, has been revalued based on the disposal value of part of the plots value. For other properties in the portfolio, a formal valuation has been requested, but due to the restraints imposed to combat the COVID19 pandemic have delayed their production and the trustees are satisfied that there is no material change in the market value of these properties from that of the previous accounting year.

Most of the investment properties are rented out at market rates to provide income, with the exception of the property at Fresh Ground, which remains at nominal rate to the Fresh Ground Church time to move to financial stability.

Investments in CAF and COIF are stated at their market value at the balance sheet date.

Church of the Nazarene British Isles South District

Notes to the accounts for the year ended 30 September 2020 (continued)

14 Debtors

	2020 £	2019 £
Church Loans	56,365	125,186
Other Loans	3,500	10,500
Other debtors	14,445	-
Prepayments and accrued income	6,245	10,030
	80,555	145,716

The other loans relate to interest free loans to two (2019:three) church pastors which are being repaid monthly.

Church loan recoverable after more than one year is £43,989.31 (2019: £54,029)

Church Loans

	CJ London £	Sheffield £	Total £
Cost			
At 1 October 2019	61,389	63,797	125,186
Advances	-	-	-
Interest	-	1,418	1,418
Repaid	(61,389)	(8,850)	(70,239)
At 30 September 2020	-	56,365	56,365

15 Cash at bank and in hand

	2020 £	2019 £
Cash at bank and on hand	374,097	80,703
	374,097	80,703

Church of the Nazarene British Isles South District

Notes to the accounts for the year ended 30 September 2020 (continued)

16 Creditors: amounts falling due within one year

	2020 £	2019 £
Funds held as an intermediary agent	30,752	3,329
Other creditors and accruals	6,313	7,724
	37,065	11,053

17 Analysis of funds received as agent

	Balance held at 1 October 2019	Funds received	Funds paid out £	Balance held at 30 September 2020 £
Nazarene Missions International	(230)	40,941	(41,195)	(484)
NMBF	396	12,809	(7,792)	5,413
NTC	847	22,271	(15,509)	7,609
Salford	(1,822)	25,239	(24,873)	(1,456)
Standard Life	3,785	46,203	(39,857)	10,131
Sundry	326	122,578	(121,578)	1,326
Youth Ministry	27	3,202	(73)	3,156
NCM Fundraising	-	7,255	(2,198)	5,057
	3,329	280,498	(253,075)	30,752

Church of the Nazarene British Isles South District

Notes to the accounts for the year ended 30 September 2020 (continued)

18 Analysis of movements in restricted funds

	Balance at 1 October 2019 £	Income £	Expenditure £	Transfers £	Balance at 30 September 2020 £
BISD Events/ Sunday School Ministries Fund	9,516	540	(3,126)	-	6,930
BISD NMI Fund	7,664	964	(1,446)	-	7,182
BISD NYI Fund	15,465	8,401	(5,120)	-	18,746
Salford Church	33,030	27,003	(36,856)	-	23,177
Total	65,675	36,908	(46,548)	-	56,035
Previous reporting period	<i>Balance at 1 October 2018 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers £</i>	<i>Balance at 30 September 2019 £</i>
<i>BISD Events/ Sunday School Ministries Fund</i>	<i>9,615</i>	<i>45,431</i>	<i>(45,530)</i>	<i>-</i>	<i>9,516</i>
<i>BISD NMI Fund</i>	<i>10,419</i>	<i>116</i>	<i>(2,871)</i>	<i>-</i>	<i>7,664</i>
<i>BISD NYI Fund</i>	<i>18,031</i>	<i>27,451</i>	<i>(30,017)</i>	<i>-</i>	<i>15,465</i>
<i>Salford Church</i>	<i>18,710</i>	<i>47,242</i>	<i>(32,922)</i>	<i>-</i>	<i>33,030</i>
	<i>56,775</i>	<i>120,240</i>	<i>(111,340)</i>	<i>-</i>	<i>65,675</i>
Name of	Description, nature and purposes of the fund				
BISD Events/ Sunday School Ministries Fund	Consolidated account funds of British Isles South District Sunday School Ministries/Events.				
BISD NMI Fund	Consolidated account funds of British Isles South District Nazarene Missions International.				
BISD NYI Fund	Consolidated account funds of British Isles South District Nazarene Youth International.				
Salford Church	Consolidated account funds of British Isles South District, held to record the financial records of the charitable activities of The Naz in Salford.				

Notes to the accounts for the year ended 30 September 2020 (continued)

19 Analysis of movement in unrestricted funds

	Balance at 1 October 2019 £	Income £	Expenditure £	Gains / (Losses) £	Transfers £	As at 30 September 2020 £
Unrestricted Funds						
General Fund	3,331,186	125,079	(171,955)	(1,963)	-	3,282,347
Designated Funds						
Capital Fund	1,658,146	131,695	(2,748)	-	-	1,787,093
Ladies Retreat Fund	4,557	6,519	(10,223)	-	-	853
Revaluation reserve	692,956	-	-	58,897	-	751,853
Total Designated Funds	2,355,659	138,214	(12,971)	58,897	-	2,539,799
Total Unrestricted Funds	5,686,845	263,293	(184,926)	56,934	-	5,822,146

**Previous
reporting
period**

	Balance at 1 October 2018 £	Income £	Expenditure £	Gains / (Losses) £	Transfers £	As at 30 September 2019 £
Unrestricted Funds						
General Fund	3,395,570	147,400	(221,131)	9,347	-	3,331,186
Designated Funds						
Capital Fund	1,510,891	150,000	(2,745)	-	-	1,658,146
Ladies Retreat Fund	3,344	9,687	(8,474)	-	-	4,557
Revaluation reserve	812,956	-	-	(120,000)	-	692,956
Total Designated Funds	2,327,191	159,687	(11,219)	(120,000)	-	2,355,659
Total Unrestricted Funds	5,722,761	307,087	(232,350)	(110,653)	-	5,686,845

Name of unrestricted fund

General fund	The free reserves after allowing for all designated funds
Capital Fund	Property fund linked to fixed assets. Funds become liquid assets on sale of property
Ladies Retreat Fund	Designated funds belonging to the annual Ladies retreat – a weekend away for ladies.
Revaluation reserve	The increase in values of the investment properties.

Church of the Nazarene British Isles South District

Notes to the accounts for the year ended 30 September 2020 (continued)

20 Analysis of net assets between funds

	General funds £	Designated funds £	Restricted funds £	Total £
Tangible fixed assets	1,251,154	-	-	1,251,154
Fixed asset investments	4,209,440	-	-	4,209,440
Net current assets/(liabilities)	(2,178,247)	2,539,799	56,035	417,587
Total	3,282,347	2,539,799	56,035	5,878,181

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

	2020 £	2019 £
Net income/(expenditure) for the year	125,661	(27,016)
Adjustments for:		
Depreciation charge	15,865	15,980
Loss/(profit) on sale of fixed assets	4,793	6,048
(Gains)/losses on investments	(56,934)	110,653
Dividends, interest and rents from investments	(194,279)	(74,938)
Decrease/(increase) in debtors	65,161	(55,275)
Increase/(decrease) in creditors	26,012	(13,019)
Net cash provided by/(used in) operating	(13,721)	(37,567)