

Trinity Christian Centre

England & Wales · Charity number 1133824

Details

Other names	CONNECT CHURCH UK, KCC BIRMINGHAM, KING'S CHRISTIAN CENTRE, Trinity @ Birmingham
Status	Registered
Legal form	Charitable company
Company number	07003576
Registered	2010-01-27
Register	View on the Charity Commission register

Contact

Address	150 Coventry Road Small Heath Birmingham B10 0SE
Phone	01217667600
Email	connect@trinityunitedkingdom.org
Website	www.trinityunitedkingdom.org

Activities

Objects: THE OBJECTS OF THE CHURCH ARE FOR THE BENEFIT OF THE PUBLIC: A) TO ADVANCE THE CHRISTIAN FAITH IN ACCORDANCE WITH THE STATEMENT IN SUCH WAYS AND IN SUCH PARTS OF THE UNITED KINGDOM OR THE WORLD AS THE DIRECTORS FROM TIME TO TIME MAY THINK FIT; B) TO RELIEVE SICKNESS AND FINANCIAL HARDSHIP AND TO PROMOTE AND PRESERVE GOOD HEALTH BY THE PROVISION OF FUNDS, GOODS OR SERVICES OF ANY KIND INCLUDING THROUGH THE PROVISION OF COUNSELLING AND SUPPORT IN SUCH PARTS OF THE UNITED KINGDOM OR THE WORLD AS THE DIRECTORS FROM TIME TO TIME THINK FIT; AND C) TO ADVANCE EDUCATION IN SUCH WAYS AND IN SUCH PARTS OF THE UNITED KINGDOM OR THE WORLD AS THE DIRECTORS FROM TIME TO TIME MAY THINK FIT.

Activities: Connect Church is the working name for Connect Church UK. Our Charity's activities include Christian Worship Services, Kids Club, Youth Programs, Assistance for the poor, Debt Counselling, Relationship Counselling, Marriage preparation, Personal Development, Marriage preparations and Funerals.

Classification

- **How:** Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information, Other Charitable Activities
- **What:** General Charitable Purposes, Education/training, The Prevention Or Relief Of Poverty, Religious Activities
- **Who:** Children/young People, Elderly/old People, Other Charities Or Voluntary Bodies, The General Public/mankind

Geography

- **Area of benefit:** UNITED KINGDOM OR THE WORLD
- Birmingham City

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£481,902	£497,818	-	-
2024-03-31	£1,243,093	£429,653	£1,550,442	5
2023-03-31	£510,350	£342,867	£1,525,505	5
2022-03-31	£537,981	£305,773	£1,358,020	4
2021-03-31	£368,580	£293,452	-	-

Trustees

Name	Role	Appointed
Rev KIRK MCATEAR	Chair	
BRADFORD HUGH RICKETTS		
Joycelyn Sylvia Edwards		2022-06-05
Louison Louella Ricketts		2019-04-18
Pastor Allen Loh Kia Lim		2024-02-04
Rev Gerald TAN		2023-06-25
Rev TRACEE ANNE MCATEAR		
SIMON PETER LAKIN		
Valerie Danelczyk		2022-06-05

Accounts

TRINITY
@BIRMINGHAM

ANNUAL REPORT

AND FINANCIAL
STATEMENTS

YEAR ENDED 31ST MARCH 2024



Connect Church UK
Trinity@Birmingham
150 Coventry Road,
Small Heath, B10 0SE
0121 766 7600

Registered Charity no. 1133824
Company No. 07003576

CONNECT CHURCH UK

Year Ended 31st March 2024

Contents Page

	Page
Legal and Administrative Information	1
Trustees' Annual Report	3
Statutory Auditors Report	14
Statement of Financial Activities	17
Statement of Financial Position	18
Statement of Cash Flows	19
Notes to the Financial Statements	20

CONNECT CHURCH UK

Year Ended 31st March 2024

Legal and Administrative Information

Reference

Connect Church UK (CCUK) was founded by a small group of 'Brummies' during the 2nd World War in Sparkhill, Birmingham and is a part of the Assemblies of God denomination. CCUK became registered as an incorporated charitable company in 2009 within England and Wales as a limited company by guarantee with charitable status.

The other working names associated with CCUK are Trinity@Birmingham.

CCUK is a welcoming, multiethnic church that spans the generations and is passionate in its worship and care for people. Our mission is to connect people into a world-transforming relationship with Jesus Christ. While the immediate focus is to minister to the community of Small Heath and the Eastside of Birmingham, the church also has a wider reach across the city and internationally.

Registered Charity Numbers	1133824
Registered Company Number	07003576
Registered Office	150 Coventry Road Small Heath Birmingham West Midlands England B10 0SE

Website	www.trinityunitedkingdom.org
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Trustees	Pastor Kirk Mcatear Pastor Allen Loh Pastor Gerald Tan Joycelyn Edwards Valerie Danelczyk Louison Ricketts Bradford Ricketts Pastor Simon Lakin Pastor Tracee Mcatear Pastor Dominic Yeo	<i>Chair of trustees Appointed 04/02/2024 Appointed 25/06/2023</i>
		<i>Company Secretary Resigned 08/12/2023</i>

Key Management Personnel	Pastor Kirk Mcatear Pastor Tracee Mcatear	<i>Senior Minister Executive Minister</i>
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CONNECT CHURCH UK

Year Ended 31st March 2024

Legal and Administrative Information

Committee Members

Management Team

Tracee McAtear
Valerie Danelczyk
Matthew Hopley
Yvette John

Trustee
Trustee
Staff member
Congregation

Bankers

Lloyds Bank, 9-11 Poplar Rd, Solihull B91 3AN.
The Charity Bank Ltd, Fosse House, 182 High St, Tonbridge, Kent, TN9 1BE.
Big Issue Invest, 113-115 Fonthill Road, Finsbury Park, London N4 3HH.

Statutory Auditor

Stephen Lewis
LMH Accountants Limited
Old Bank Chambers
582 - 586 Kingsbury Road
Erdington
Birmingham
B24 9ND

Solicitor

Anthony Collins
134 Edmund Street
Birmingham B3 2ES

CONNECT CHURCH UK

Trustees' Annual Report (Including Directors' Report) for the year ended 31 March 2024

Objectives, Achievements and Performance

Connect Church UK's (CCUK) purposes as set out in the objects contained in the company's memorandum of association are:

- (a) to advance the Christian faith in accordance with the Statement in such ways and in such parts of the United Kingdom or the world as the directors from time to time may think fit;
- (b) to relieve sickness and financial hardship and to promote and preserve good health by the provision of funds, goods or services of any kind including through the provision of counselling and support in such parts of the United Kingdom or the world as the directors from time to time think fit; and
- (c) to advance education in such ways and in such parts of the United Kingdom or the world as the directors from time to time may think fit.



CONNECT CHURCH UK

Trustees' Annual Report (Including Directors' Report) for the year ended 31 March 2024

WHAT WE DO – OVERVIEW

All the activities and organisational structure of CCUK fit into the pattern:

- that we would connect with God in personal **worship**;
- that we would connect to a community of people in relationship and **love**;
- that we would connect to our purpose through **serving**;
- which is all facilitated by effective, efficient, and ethical **management**.

This pattern will be accomplished through providing the following public benefits:

Worship

- Regular public worship open to all. Each week we host a Sunday Celebration service, which is recorded and the message later posted on YouTube.

Love

- People are encouraged to build relationships and biblical community through a variety of connect groups offered in locations across the city.
- Pastoral work including supporting the sick and bereaved facilitated by clergy, staff and lay members.

Serve

- to support other charities in Birmingham in practical ways.
- to engage with our local community to encourage better relationships amongst our neighbours.
- to partner with similar churches/charities abroad to learn from and support their works.

The **five goals** that Connect Church UK set out to achieve in 2023/2024 were:

1. MORPH into a new season of WORSHIP
2. MORPH into a new season of LOVE
3. MORPH into a new season of SERVING
4. MORPH from friends into family as we become TRINITY@BIRMINGHAM
5. MORPH from mobile church into the NEW BUILDING

CONNECT CHURCH UK

Trustees' Annual Report (Including Directors' Report) for the year ended 31 March 2024

2023/2024: A YEAR IN REVIEW

2023/24 was a significant year of transformation and change for Connect Church UK as it became an Overseas Centre of Trinity Christian Centre Singapore and adopted the working name of Trinity@Birmingham. The theme for the year was METAMORPHOSIS that was outworked in 5 ways:

1. **MORPH into a new season of WORSHIP**

This was the last year that the church held the weekly Celebration services in rented premises every Sunday. Each week, the setup and pack down, was made possible by a devoted team of staff and volunteers. We are incredibly grateful for their energy and dedication, week in and week out. On Sunday 24 September the church held the first service in the newly completed church building at 150 Coventry Road, Small Heath.

After the Celebration services began in the new church building, Sunday attendance rose on average 80 to 125, an increase of 56%. These statistics do not include the 362 who attended the Building Dedication Service on 15 October, or the 240 who attended the Christmas Pantomime with Saltmine Theatre Company on 17 December.

It has been a joy and step-up for the Worship, Technical, Hosting, Carpark, Catering and Facilities teams to discover how to use the building to create a warm, welcoming environment and service where both the congregation and visitors can encounter God in worship, week to week, and in special celebrations including Christmas, Mother's Day and Easter.

'We have felt very comfortable since attending in February, and very often left church discussing and reflecting on the sermon.'



CONNECT CHURCH UK

Trustees' Annual Report (Including Directors' Report) for the year ended 31 March 2024

2. MORPH into a new season of LOVE

Trinity Christian Centre (TCC) has developed and refined a model and process of connecting and discipling believers through Connect Groups, that has been effective in the church in Singapore, as well as many locations around the world where TCC have providing training and consultation to. CCUK began to rebuild the Connect Groups of the church according to this model, with trainers from TCC providing training several times during the year. In February 2024 6 Connect Groups were launched across Birmingham with 9 freshly trained leaders, in homes as well as the church building. In the first two months 46 people has experienced life in a Connect Group.

3. MORPH into a new season of SERVING

CCUK continued to build upon collaborative partnerships and initiatives within the local and global community to provide for practical needs, foster positive relationship and bring spiritual encouragement. These key local partnerships included Safe Families, Wyndcliffe Primary School, Birmingham City Mission, Time4Change Birmingham, Birmingham Churches Together, Interserve, Birmingham City Football Club Chaplaincy and Saint Basils. The congregation regularly provided practical donations for foodbanks, school uniforms and Christmas gifts for vulnerable people.

Key global partnerships for this year included Samaritan's Purse, Open Doors, Compassion, and Assemblies of God Impact 25:40. The congregation made donations to provide emergency relief in response to the Morocco Earthquake and the crisis in the Middle East.

Since moving into the building CCUK have hosted the National Missions Conference for Assemblies of God CG, the Standing Strong Regional Event for Open Doors, the Solid Rock Holiday club for Birmingham City Mission as well as a Networking Event for Birmingham Church, Charity and Community Leaders. There have also been Community events in October, Christmas and Easter for our neighbours of all ages to engage with.

4. MORPH from friends into family as we become TRINITY@BIRMINGHAM

As outlined in the 22/23 Annual report, the Trustees of CCUK had began a conversation with the leadership of Trinity Christian Centre Singapore, a long-standing ally and supporter of CCUK, to explore the possibilities of a closer relationship between the two churches, to move from friends to family. As of May 14, 2023, Connect Church UK became Trinity@Birmingham, one of Trinity Christian Centre's overseas regional centres.

CONNECT CHURCH UK

Trustees' Annual Report (Including Directors' Report) for the year ended 31 March 2024

5. MORPH from mobile church into the NEW BUILDING

In May the staff team moved into the building to deliver non-public facing activities and also to store church equipment and assets. Meanwhile construction work was continued by Mayway, until the building was deemed ready for public use on 24 September 23. Work on outstanding planning conditions continues and are due for completion by July 24.

The building was registered by the General Register Office as a Place of Worship on 3 October 23, and subsequently registered for the Solemnization of Marriages on 4 January 24.

"I feel very close to many of the people who attend Trinity Church. I always feel loved and made to feel welcome. I do better when I am around people that I feel comfortable with and I can attribute that to my relationships at church. I am usually much more settled and calm when I am around my Church Family and feel less alone regarding the world in general. I have struggled with MH issues in the past but this has been greatly improved firstly because of my relationship with my LORD Jesus and secondly because of the good souls that He has connected me with. Church is great and the things that I hear and learn there have helped me to navigate situations on the world in more productive and thoughtful ways. Thank you."

PLANS FOR THE FUTURE

2024/25 will be the first full year for the church operating out of the new building, as Trinity@Birmingham an Overseas Centre of Trinity Christian Centre Singapore. In Trinity, we love God passionately, love church zealously, and love souls relentlessly. As a church we will be a biblical community where people can encounter God, experience life and impact our world.

Our ongoing plans for the future of Trinity@Birmingham are for each person to:

- **Love God Passionately** – in their continual pursuit of God. Actively developing their relationship with God, seeking to know Him more intimately, growing in their love for Him day by day.
- **Love Church Zealously** – committed to sacrificial service unto one another, using their gifts to build Trinity up, and to grow spiritually alongside their biological and spiritual families.
- **Love Souls Relentlessly** – dedicated to sharing the gospel of Jesus Christ, warmly welcoming people into community, discipling new believers and doing life together.
- **Encounter God** – in every platform of church, alone or when they come together with others.
- **Experience Life** – the abundant life in relationship with Jesus Christ both now and in eternity, and also in biblical community with other believers in Trinity@Birmingham.
- **Impact Our World** – as strategic leaders, not just in their position and vocation, but also in their daily interactions with every individual.

CONNECT CHURCH UK

Trustees' Annual Report (Including Directors' Report) for the year ended 31 March 2024

The goals for the 2024/25 year are:

- Love God Passionately – I Pursue Him
- Love Church Zealously – Love One Another
- Love Souls Relentlessly – Every Soul Matters
- Establish Biblical Community – Train Leaders and Relaunch Connect Groups
- Launch a new restricted Building Fund

REVIEWING FINANCES

CCUK reported a net unrestricted deficit of £97,614 on general funds, a larger loss when compared to the previous year (2023: -£28,538). Income from general donations £184,889 (2023: £212,695) did increase but not enough to counteract the rising costs. Restricted funds decreased to £13,515 (2023: £20,191) following the ongoing development of the building project.

Income derived from voluntary donations decreased by 41% to £297,084 in 2024 compared to £504,939 in 2023. Two large donations were included within the prior year. CCUK received £934,018 in grants this year, the majority (£929,018) from Trinity Christian Centre Singapore towards the completion and fit out of the building. There was an decrease in income from Charitable Activities £3,369 (2023: £4,846) as the church became more active in the new building.

Expenditure increased by 23%, totaling £429,653 in 2024, compared with £342,867 in 2023. The ongoing construction, and the commencement of day-to-day running costs of the building contribute significantly to the rise in expenditure.

Restricted funds

Restricted funds comprise donations given for a specific ministry purpose. As at 31 March 2024 the unspent portion of these funds amounted to £13,515 (2023: £20,191).

Fundraising policy

CCUK receives most of its donation income from its congregation. However, occasionally other organisations and grant-makers are approached to assist with special projects. The trustees are committed to maintaining the highest legal and ethical standards in the way the charity undertakes its fundraising activities. CCUK is committed to abiding by the Code of Fundraising Practice and to the Fundraising Promise.

CONNECT CHURCH UK

Trustees' Annual Report (Including Directors' Report) for the year ended 31 March 2024

Reserves Policy

Trustees of CCUK manage a tension between faith in God as the source of provision for the financial resources required to fund the work of the church, as well as the need to wisely steward resources to ensure that the church has sufficient working capital to meet its obligations to its employees and creditors. The Trustees aim to hold sufficient "free" reserves (equivalent to cash and liquid assets) to cover at least three months' expenditure. Free reserves at 31 March 2024 £160,393 (2023: £146,921 against a target based on 2024-25 budgeted costs of £108,648. For 2024 the free reserves have been calculated as net current assets less restricted funds. The Trustees will remain mindful of this target in making financial decisions and allocating resources during the current year.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The church is a charitable company limited by guarantee, incorporated on 28 August 2009 and registered as a charity on 27 January 2010. The company was established under a Memorandum of Association and amended by special resolution(s) dated 05/02/2013 which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

Although Connect Church UK is an autonomous charity, since the church's commencement in 1940 it has had fellowship status with the Assemblies of God Great Britain (AoG GB), and abides by the Constitution of AoG GB, has accepted the AoG GB Statement of Faith, contributes financially to AoG GB and ensures that the Senior Minister has AoG GB Ministerial Status.

RECRUITMENT AND APPOINTMENT OF TRUSTEES

Training and Induction of Trustees

The directors of the company are also charity trustees for the purposes of charity law. Under the requirements of the Memorandum and Articles of Association the trustees are identified by the Senior Minister and, after an application process, are appointed by the Trustees at the Annual General Meeting. The directors are not required to retire by rotation. It is considered that all the Trustees and any others who could be understood to be 'managers' in the activities of the charity are deemed to be 'fit and proper' persons under the terms of the Finance Act 2010. Training is available for any new trustee or those continuing to serve as on the board and as part of the regular meetings as well.

On 14 May 23, Connect Church UK announced about moving from being friends to become family with Trinity Christian Centre Singapore (TCC) by becoming an Overseas Centre of TCC. The trustees agreed that Lead Pastor of TCC, Rev Gerald Tan, will become the spiritual leader of CCUK. As part of being

CONNECT CHURCH UK

Trustees' Annual Report (Including Directors' Report) for the year ended 31 March 2024

family, CCUK invited Rev Gerald Tan and Rev Dominic Yeo to join the CCUK Trustee Board on 25 June 2023. On 8 December 2023, Rev Dominic Yeo resigned as a trustee when he was elected as Chairman of World Assemblies of God Fellowship. CCUK then invited Pastor Allen Loh to be a trustee of CCUK on 4 February 2024.

Organisational Structure and Decision Making

The Board of Trustees met online, in-person or a hybrid of both, 11 times in the 2023/2024 financial year of the company. While the majority of these meetings were regular meetings of the board, some were extraordinary meetings to discuss or confirm the proposal of CCUK becoming a part of the Trinity Christian Centre Singapore global family.

The Trustees are responsible for the various ministries and operations of the church and make regular reports at the meetings so that issues may be highlighted and discussed. A sub-committee, called the Management Team, of staff and skilled lay members of various professional backgrounds from the church is led by the Executive Minister and their research and recommendations inform the Board of Trustees.

Trustee's Responsibilities

All Trustees are aware of the Charity Commission's guidance on public benefit in their publication 'The Advancement of Religion for Public Benefit' and have regard to it in their administration and activities of Connect Church UK.

Risk Management

Connect Church UK recognises that in relation to 'Risk Assessment', risk is defined as 'the threat of any action or event which will adversely affect an organization's ability to achieve its objectives and execute its strategies'. It also accepts that the term 'risk' can include any circumstances that may, or do, have an adverse effect, and is wider than financial matters. 'Risks' relate not only to the negative consequences of a threat, but also to the impact of not taking advantage of opportunities.

Connect Church UK recognises it requires a practical Health and Safety Policy for any building and surrounding grounds it owns or rents in pursuit of its activities. This is reviewed on a regular basis. An Accident log is maintained.

CONNECT CHURCH UK

Trustees' Annual Report (Including Directors' Report) for the year ended 31 March 2024

The contents and obligations of the Equality Act 2010 and the Data Protection Act 2018 are known and complied with to the best of the church's ability. The Trustees are aware of their responsibilities in respect of the Regulatory Reform (Fire Safety) Order 2005 and its requirement to carry out a fire assessment to identify any possible dangers and risks, to take action to minimize the risks and to create a plan to deal with any emergencies, and also to write up and keep a record of its findings and to review its assessment annually. The Trustees appointed firstly Matthew Hopley until December 23, and then Charlotte Francis in January 24 to be the responsible people to put these matters into operation.

There is a Protection Policy in place in respect of children and vulnerable adults. Checks have been and are made with the Disclosure and Barring Service (formerly the CRB) in respect of persons dealing regularly with young people and vulnerable adults. The Trustees' appointed officer for this is Louison Ricketts. Whilst it is impossible to eliminate all risks and their consequences, efforts are constantly made to minimize such occurrences. The safeguarding policy is reviewed and revised annually and was approved on 4 February 24 by the Trustees and implemented where applicable in the various ministries of the church. One serious incident report was made to the Charity Commission in June 23. The Charity Commission recorded the report and were assured that the trustees were dealing with the matter appropriately and responsibly. Trustees are kept informed on matters affecting the church, such as health and safety, disability discrimination legislation and child protection.



CONNECT CHURCH UK

Trustees' Annual Report (Including Directors' Report) for the year ended 31 March 2024

Principal Risks and Uncertainties

Potential Risk	Mitigation
<u>Financial Liquidity Risks</u> - The economic challenges due to VUCA factors such as the Ukrainian War, Cost of Living crisis, and high inflation is causing significant operating challenges and could impact CCUK's income and/or cashflow. - The church and the ministry is growing. As such the increase in expenses is outpacing the growth in tithes and offering.	- CCUK relies on God's provision and the generosity of the congregation to meet its financial needs. - CCUK now operates as an Overseas Centre of the TCC global family. - Aim to hold at least 3 months' working capital - To continue to disciple the church in the principle of giving - Malachi 3:10, Proverbs 3:9, 2 Sam 24:24 - Strong budgetary and financial controls are in place. - Additional funding streams are being sought
<u>Reputational/Leadership Risks</u> - Loss of confidence by stakeholders due to the behaviour of senior leadership or staff members, which also includes Singapore TCC senior leadership. - Future of the organisation could be jeopardised due to lack of adequate succession planning for key senior roles. - Growth in the church services and operations unable to be serviced by current staffing.	- Values are clearly defined and regularly communicated - Prayer and worship are central to CCUK - Oversight structures are in place for senior leaders and staff. - Succession planning for key senior roles in CCUK is considered within the wider context of TCC Global family. - TCC have been working with CCUK to build both the employed pastoral team as well as the lay pastoral and ministry teams. - There are regular opportunities for training and onboarding of new leaders and volunteers.
<u>Legal Risks</u> - Harm comes to those in our care due to lack of appropriate and compliant child and vulnerable adult safeguarding procedures. - Harm comes to visitors or staff due to lack of appropriate and compliant Health & Safety procedures - Poor decision-making and breach of regulatory requirements due to weak or non-compliant governance structures. - Legal risks arising from use of building for services, events and operations.	- Safeguarding at CCUK is overseen by a Safeguarding trustee and Management committee representative. - CCUK works closely with Connect2families and thirtyone:eight to ensure that it models best practice in the area of safeguarding. - Regular H&S reporting from Facility Coordinator at Management and staff meetings. - Internal and external H&S Advisors monitor and report on risk areas identified in church building. - Trustee meetings and structures are compliant with Charity Commission, Companies House and governing document requirements. - Recruit and provide training to keep strengthening the Trustee Board. - Conflicts of interest are managed appropriately at trustee level. - Insurance policies are updated to reflect changes in operation.
<u>Operational Risks</u> - Inability to operate in the event of a disaster due to lack of adequate business continuity planning. - Business continuity compromised or critical data lost through cyber-attack. - Also potential compromise of the physical building due to terrorist attack or rioting	- IT systems are backed up remotely and can be accessed remotely. - Continue to invest in digital and technology systems including technology. - Data audits are regularly conducted. - Build closer relationship with police.

CONNECT CHURCH UK

Trustees' Annual Report (Including Directors' Report) for the year ended 31 March 2024

Statement of responsibilities of the Trustees

CCUK Board of Trustees is responsible for preparing the Annual report and financial statements in accordance with applicable law and United Kingdom generally accepted accounting practice.

Charity law requires the trustees to prepare a statement of financial activities and statement of assets and liabilities for each financial year, which gives a true and fair view of the state of affairs of the church and of its financial activities for that year and adequately distinguishes any material special trust or other restricted fund of the church.

In preparing those financial statements the CCUK Board of Trustees is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the policies adopted are in accordance with the appropriate SORP on Accounting by Charities and the Accounting Regulations and with applicable accounting standards, subject to the material departures disclosed and explained in the financial statements; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the church will continue to operate.

We are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable us to ensure the financial statements comply with the Charities Act 2011.

We also have a responsibility to safeguard the assets of the church and to take reasonable steps to detect fraud or other irregularities and to provide reasonable assurances that:

- the church is operating efficiently and effectively;
- its assets are safeguarded against unauthorized use or disposition;
- proper records are kept and financial information used within the church or for publication is reliable;
- the church complies with relevant laws and regulations.

Approval

This report was approved by the Board of Trustees of Connect Church UK and signed on its behalf, by Pastor Kirk McAtear, Senior Minister.

Signed:



Date: 22/6/2024

CONNECT CHURCH UK

Independent Auditor's Report

for the year ended 31 March 2024

Opinion

We have audited the financial statements of Connect Church (the 'charity') for the year ended 31 March 2024 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice). In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 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 and Charities Act 2022

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 charity 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 the provisions available for small entities. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue. Our responsibilities and the responsibilities of the Trustees/Directors with respect to going concern are described in the relevant sections of this report.

Other information

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

CONNECT CHURCH UK

Independent Auditor's Report

for the year ended 31 March 2024

themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within 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 the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within 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/Directors 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 report and from the requirement to prepare a strategic report.

Responsibilities of Trustees/Directors

As explained more fully in the statement of trustees responsibilities, the Trustees/Directors, who are also the directors of the charity for the purpose 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/Directors 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/Directors are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees/Directors 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

CONNECT CHURCH UK
Independent Auditor's Report
for the year ended 31 March 2024

aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below. A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://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.

LMH Accountants Ltd

Stephen Lewis (Senior Statutory Auditor)

For and on behalf of LMH Accountants Limited T/A Trevor Jones & Co, Statutory Auditor

Chartered Accountants

Old Bank Chambers

582-586 Kingsbury Road

Erdington

Birmingham

B24 9ND

Date: 23/6/2025

CONNECT CHURCH UK

Year Ended 31st March 2024

Statement of Financial Activities (Income and Expenditure Account Included)

		Unrestricted Funds	2024 Restricted Funds	Total Funds	2023 Total Funds
	Note	£	£	£	£
Income					
Donations and legacies		208,222	1,022,880	1,231,102	504,939
Charitable activities		3,369	-	3,369	4,846
Other income		7,923	699	8,622	565
Total Income	2	<u>219,514</u>	<u>1,023,579</u>	<u>1,243,093</u>	<u>510,350</u>
Expenditure					
Raising funds	8	1,172	-	1,172	1,855
Charitable activities	3 - 7	315,955	112,526	428,481	341,012
Total Expenditure		<u>317,127</u>	<u>112,526</u>	<u>429,653</u>	<u>342,867</u>
Net Income / (Expenditure) Before Gain / (Loss) on Building Revaluation		<u>(97,613)</u>	<u>911,053</u>	<u>813,440</u>	<u>167,483</u>
Gain / (Loss) on Building Revaluation		(788,503)	-	(788,503)	-
Net Income / (Expenditure) After Gain / (Loss) on Building Revaluation		<u>(886,116)</u>	<u>911,053</u>	<u>24,937</u>	<u>167,483</u>
Net Income and Net Movement In Funds					
Total funds brought forward	16	1,505,314	20,191	1,525,505	1,358,022
Transfers	16	917,729	(917,729)	-	-
Total Funds Carried Forward	16	<u>1,536,927</u>	<u>13,515</u>	<u>1,550,442</u>	<u>1,525,505</u>

All income and expenditure derive from continuing activities.

The statement is a combined Statement of Financial Activities and Income and Expenditure Account for the purposes of meeting both the Companies Act and Charity SORP reporting requirements.

CONNECT CHURCH UK

Year Ended 31st March 2024

Statement of Financial Position

	Note	2024 £	2023 £
Fixed Assets			
Tangible fixed assets	12	2,675,516	2,650,535
		<u>2,675,516</u>	<u>2,650,535</u>
Current Assets			
Debtors	13	11,681	27,363
Cash at bank and in hand		143,664	119,855
Investments		31,947	31,083
		<u>187,292</u>	<u>178,301</u>
Creditors: Amounts Falling Due Within One Year	14	33,567	11,189
Net Current Assets		<u>153,725</u>	<u>167,112</u>
Total Assets Less Current Liabilities		<u>2,829,241</u>	<u>2,817,647</u>
Creditors: Amounts Falling Due After One Year	15	1,278,799	1,292,142
Net Assets	17	<u>1,550,442</u>	<u>1,525,505</u>
Funds of The Charity			
Restricted funds	16	13,515	20,191
Unrestricted funds	16		
Unrestricted general		160,393	146,921
Designated funds		1,376,534	1,358,393
		<u>1,536,927</u>	<u>1,505,314</u>
Total Charity Funds		<u>1,550,442</u>	<u>1,525,505</u>

These financial statements for Connect Church UK (Company number: 07003576) have been prepared in accordance with the provisions applicable to companies subject to the small entities regime of the Companies Act 2006.

Directors Responsibilities

These financial statements were approved by the board of trustees and authorised for issue :

Name of Trustee:

KIRK ANTHONY McATEER

Signed on Behalf of the Trustees:



Date of Approval:

22/6/2025

CONNECT CHURCH UK

Year Ended 31st March 2024

Statement of Cash Flows

	2024 £	2023 £
Cash Flows from Operating Activities:		
Net cash provided by (used in) operating activities	846,114	157,150
	<u>846,114</u>	<u>157,150</u>
Cash Flows from Investing Activities:		
Dividends and interest	2,122	565
Purchase of tangible fixed assets	(830,403)	(471,413)
Net cash provided by (used in) investing activities	<u>(828,281)</u>	<u>(470,848)</u>
Cash flows from Financing Activities:		
Repayments on borrowing	(217,788)	-
Cash inflows from new borrowing	224,628	138,671
Net cash provided by (used in) financing activities	<u>6,840</u>	<u>138,671</u>
Change in cash and cash equivalents in the reporting period	24,673	(175,027)
Cash and cash equivalents at the beginning of the reporting period	150,938	325,965
Cash and Cash Equivalents At The End of The Reporting Period	<u>175,611</u>	<u>150,938</u>

Reconciliation of Net Movement in Funds to Net Cash Flow from Operating Activities

	2024 £	2023 £
Net movement in funds for the reporting period (as per the statement of financial activities)	24,937	167,483
Adjustments for:		
Depreciation charges	16,919	1,835
Dividends and interest from investments	(2,122)	(565)
(Increase) / decrease in debtors	15,682	(17,879)
Increase / (decrease) in creditors	2,195	6,276
Loss on Building Revaluation	788,503	-
Net cash provided by (used in) operating activities	<u>846,114</u>	<u>157,150</u>

Analysis of Cash and Cash Equivalents

	2024 £	2023 £
Cash at bank	143,664	119,855
Short term investments	31,947	31,083
Total cash at bank and short term investments	<u>175,611</u>	<u>150,938</u>

CONNECT CHURCH UK

Year Ended 31st March 2024

Notes to the Financial Statements

1 Accounting Policies

1.1 Basis of Preparation

The financial statements of the charitable company have been prepared under the historical cost convention and in accordance with the 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), the Companies Act 2006 and United Kingdom Generally Accepted Accounting Practice applicable to smaller entities.

The financial accounts are prepared in Sterling (£) which is the functional currency of the charitable company.

Connect Church UK meets the definition of a public benefit entity under FRS 102.

1.2 Assessment of Going Concern

During the 2023/24 financial year, the trustees considered the challenges to keep the charity operating on the basis of going concern. After considering the options, interventions were implemented which have enabled the practical completion and occupation of the church building (previously referred to as the Home and Hub). The trustees now consider the charity to be a going concern for the next twelve months.

1.3 Fund Accounting

Unrestricted income funds comprise those funds which the trustees are free to use for any purpose in furtherance of the charitable objectives. Unrestricted funds include designated funds where the trustees, at their discretion, have set aside resources for a specific purpose.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor or the term of specific appeal.

Further explanation of the nature and purpose of each fund is included in Note 16 of the financial statements.

CONNECT CHURCH UK

Year Ended 31st March 2024

Notes to the Financial Statements

1.4 Incoming Resources

All incoming resources are recognised once the charity has entitlement to the resources, it is probable that the resources will be received, and the monetary value of incoming resources can be measured with sufficient reliability.

- All voluntary income is recognised as donations and are included in full, with associated gift aid receivable in the Statement of Financial Activities.
- Grants where entitlement is not conditional on the delivery of specific performance by the charity are recognised when the charity becomes unconditionally entitled to the grant.
- Income from charitable activities are accounted for when invoices are drawn up and the service has been provided (as the point of entitlement).
- Donated services and facilities are included at the value to the charity where this can be quantified.
- Gifts in Kind are accounted for at a reasonable estimate of their value to the charity or the amount actually realised.
- Time is expended on the charity's activities and governance which is donated free of charge. It is impractical to quantify the value of the time given, and accordingly it is neither recorded as donated income nor as an expense in the financial statements.
- Investment Income is included in the accounts when receivable.

1.5 Resources Expended

The costs of charitable activities represent the cost of undertaking the charity's objectives and include direct costs incurred in delivering those services together with support costs. All expenditure is accounted for on an accruals basis. Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Value added tax is not recoverable by the charitable company and as such it is included in the relevant costs in the Statement of Financial Activities.

Costs of raising funds include expenditure on promotion and advertising plus any fundraising trading costs.

1.6 Governance Costs

Include costs of the preparation and examination of statutory accounts, the costs of the trustees' meetings and cost of any legal advice to trustees on governance or constitutional matters.

1.7 Liabilities Recognition

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to pay out resources.

CONNECT CHURCH UK

Year Ended 31st March 2024

Notes to the Financial Statements

1.8 Tangible Fixed Assets

All assets costing more than £500 are capitalised and at historic cost. Fixed assets are stated at cost less accumulated depreciation. Depreciation is charged on fixed assets which is written off on a straight-line basis over time and estimated useful life of the asset.

Fixtures, fittings and furniture	20% Straight line
Motor vehicles	20% Straight line
Computer equipment	20% Straight line

Fixtures, fittings and vehicles are reviewed for impairment if events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared against its carrying amount. Where the estimated recoverable amount is lower, an impairment loss is recognised immediately in the Statement of Financial Activities.

Fixed assets are for use by the church in fulfilling its objects and are capitalised and depreciated. Freehold land and buildings are held under the revaluation model and are initially recognised at cost and subsequently measured at fair value, based on periodic valuations, less any subsequent impairment losses.

No depreciation is charged on either land or buildings. This is because the useful economic life of the building is not reliably measurable and is expected to exceed 50 years. The building is considered to have long-term continuing use in furtherance of the charity's objectives.

The charity obtains a market valuation of the land and buildings every few years to ensure the carrying amount reflects fair value. The most recent independent valuation was carried out in November 2024.

The charity also reviews the carrying amounts of land and buildings at each reporting date to assess whether there is any indication of impairment. Where such indicators exist, an impairment review is undertaken. If the asset's carrying amount exceeds its recoverable amount, an impairment loss is recognised in the Statement of Financial Activities.

1.9 Pensions

The charity operates a defined contribution pension scheme. Contributions are charged to the Statement of Financial Activities as they become payable in accordance with the rules of the scheme.

1.10 Operating Leases

Rental charges payable under operating leases are charged on a straight line basis over the terms of the lease.

CONNECT CHURCH UK

Year Ended 31st March 2024

Notes to the Financial Statements

1.11 Taxation

The charity is exempt from taxation in respect of income or capital gains received to the extent that such income or gains are applied exclusively for charitable purposes. The charity is not exempt from Value Added Tax.

1.12 Volunteer Assistance

Time is expended on the charity's activities and governance which is donated free of charge. It is impractical to quantify the value of the time given, and accordingly it is neither recorded as donated income nor as an expense in the financial statements.

1.13 Financial Instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all its financial instruments. Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously. With the exceptions of prepayments and deferred income all other debtor and creditor balances are considered to be basic financial instruments under FRS 102.

1.14 Employee Benefits

The cost of short-term employee benefits are recognised as a liability and an expense. The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received. Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.15 Critical Accounting Estimates and Areas of Judgement

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

CONNECT CHURCH UK

Year Ended 31st March 2024

Notes to the Financial Statements

2 Analysis of Income

	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £
Donations and Legacies			
Donations	184,889	70,683	255,572
Gift aid	22,713	18,179	40,892
Grants	-	934,018	934,018
Legacies	-	-	-
Gifts in kind	620	-	620
	<u>208,222</u>	<u>1,022,880</u>	<u>1,231,102</u>
Charitable Activities			
Church activities	1,389	-	1,389
Other activities	1,980	-	1,980
	<u>3,369</u>	<u>-</u>	<u>3,369</u>
Other Income			
Bank interest	1,423	699	2,122
Building rent	6,500	-	6,500
	<u>7,923</u>	<u>699</u>	<u>8,622</u>
Total Income	<u>219,514</u>	<u>1,023,579</u>	<u>1,243,093</u>

CONNECT CHURCH UK

Year Ended 31st March 2024

Notes to the Financial Statements

2 Analysis of Income (Continued)

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Donations and Legacies			
Donations	212,695	152,825	365,520
Gift aid	30,495	14,524	45,019
Grants	-	-	-
Legacies	-	-	-
Gifts in kind	94,400	-	94,400
	<u>337,590</u>	<u>167,349</u>	<u>504,939</u>
 Charitable Activities			
Church activities	1,639	-	1,639
Other activities	3,207	-	3,207
	<u>4,846</u>	<u>-</u>	<u>4,846</u>
 Other Income			
Bank interest	477	88	565
Building rent	-	-	-
	<u>477</u>	<u>88</u>	<u>565</u>
 Total Income	<u>342,913</u>	<u>167,437</u>	<u>510,350</u>

During the year the charity received two material gifts in kind totalling £94,400 worth of goods and services. The nature of the goods and services received during the year was the donation of 180 chairs for the main sanctuary along with the supply and fitting of the flooring of the new building valued.

CONNECT CHURCH UK

Year Ended 31st March 2024

Notes to the Financial Statements

3 Expenditure on Charitable Activities

	Salaries	Other direct costs	Support costs	2024
	£	£	£	£
Ordinary ministry of the church	142,848	63,780	109,133	315,761
Development of Home & Hub	-	106,949	-	106,949
Grants and mission giving	-	5,771	-	5,771
	<u>142,848</u>	<u>176,500</u>	<u>109,133</u>	<u>428,481</u>

	Salaries	Other direct costs	Support costs	2023
	£	£	£	£
Ordinary ministry of the church	126,590	39,621	84,647	250,858
Development of Home & Hub	-	73,537	-	73,537
Grants and mission giving	-	16,617	-	16,617
	<u>126,590</u>	<u>129,775</u>	<u>84,647</u>	<u>341,012</u>

	Unrestricted Funds	Restricted Funds	Total Funds
	£	£	2024
Ordinary ministry of the church	313,956	1,805	315,761
Development of Home & Hub	-	106,949	106,949
Grants and mission giving	1,999	3,772	5,771
	<u>315,955</u>	<u>112,526</u>	<u>428,481</u>

	Unrestricted Funds	Restricted Funds	Total Funds
	£	£	2023
Ordinary ministry of the church	250,858	-	250,858
Development of Home & Hub	-	73,537	73,537
Grants and mission giving	4,338	12,279	16,617
	<u>255,196</u>	<u>85,816</u>	<u>341,012</u>

CONNECT CHURCH UK

Year Ended 31st March 2024

Notes to the Financial Statements

4 Ordinary Ministry of the Church

	Salaries	Other direct costs	Support costs	Total 2024
	£	£	£	£
Contribution to AoG GB	-	-	-	-
Salaries and pension contributions	142,848	-	-	142,848
Staff related costs	-	14,169	24,244	38,413
Cost of services	-	18,881	32,307	51,188
Pastoral care & training	-	1,922	3,289	5,211
Worship	-	-	-	-
Church courses & events	-	21,608	36,973	58,581
Youth and children's work	-	5,348	9,151	14,499
Engage (local social action)	-	1,852	3,169	5,021
	<u>142,848</u>	<u>63,780</u>	<u>109,133</u>	<u>315,761</u>

	Salaries	Other direct costs	Support costs	Total 2023
	£	£	£	£
Contribution to AoG GB	-	5,400	-	5,400
Salaries and pension contributions	126,590	-	-	126,590
Staff related costs	-	11,142	27,561	38,703
Cost of services	-	13,702	33,892	47,594
Pastoral care & training	-	1,005	2,486	3,491
Worship	-	-	-	-
Church courses & events	-	3,253	8,046	11,299
Youth and children's work	-	4,705	11,638	16,343
Engage (local social action)	-	414	1,024	1,438
	<u>126,590</u>	<u>39,621</u>	<u>84,647</u>	<u>250,858</u>

5 Development of Home & Hub

	Unrestricted Funds	Restricted Funds	Total 2024
	£	£	£
Fitout	-	2,657	2,657
Mortgage interest	-	103,482	103,482
Building legal & advisory	-	810	810
	<u>-</u>	<u>106,949</u>	<u>106,949</u>

CONNECT CHURCH UK

Year Ended 31st March 2024

Notes to the Financial Statements

Development of Home & Hub cont.

	Unrestricted Funds £	Restricted Funds £	Total 2023 £
Fitout	-	1,878	1,878
Mortgage interest	-	67,508	67,508
Building legal & advisory	-	4,151	4,151
	<u>-</u>	<u>73,537</u>	<u>73,537</u>

6 Grants and Mission Giving

	Unrestricted Funds £	Restricted Funds £	Total 2024 £
Gifts for Overseas Mission			
AoG Impact 25:40 Afghanistan	-	-	-
AoG Impact 25:40 Middle East Appeal	-	2,291	2,291
AoG Impact 25:40 Earthquake appeal	-	800	800
AOG Vision Offering 2023	489	-	489
AoG Wycliffe Bible Translation	-	-	-
Open Doors with Br Andrew	600	-	600
Slovenia Building Project	-	-	-
Light of the Gospel Ministries	-	-	-
	<u>1,089</u>	<u>3,091</u>	<u>4,180</u>
Gifts to UK Beneficiaries			
Individuals	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Missions Costs			
Flights abroad	376	-	376
Missions trip costs	536	-	536
Local mission	-	561	561
Pastoral care - missionaries	-	120	120
	<u>912</u>	<u>681</u>	<u>1,593</u>
Total	<u>2,001</u>	<u>3,772</u>	<u>5,773</u>

CONNECT CHURCH UK

Year Ended 31st March 2024

Notes to the Financial Statements

Grants and Mission Giving cont.

	Unrestricted Funds £	Restricted Funds £	Total 2023 £
Gifts for Overseas Mission			
AoG Impact 25:40 Afghanistan	-	7,600	7,600
AoG Impact 25:40 Middle East Appeal	-	-	-
AoG Impact 25:40 Earthquake appeal	-	-	-
AOG Vision Offering 2023	-	-	-
AoG Wycliffe Bible Translation	-	1,600	1,600
Open Doors with Br Andrew	600	-	600
Slovenia Building Project	2,000	-	2,000
Light of the Gospel Ministries	300	-	300
	<u>2,900</u>	<u>9,200</u>	<u>12,100</u>
Gifts to UK Beneficiaries			
Individuals	3,103	-	3,103
	<u>3,103</u>	<u>-</u>	<u>3,103</u>
Missions Costs			
Flights abroad	402	-	402
Missions trip costs	536	-	536
Local mission	-	-	-
Pastoral care	-	-	-
	<u>938</u>	<u>-</u>	<u>938</u>
Total	<u>6,941</u>	<u>9,200</u>	<u>16,141</u>

CONNECT CHURCH UK

Year Ended 31st March 2024

Notes to the Financial Statements

7 Support Costs

	2024	2023
	£	£
Building maintenance & running costs	36,588	45,377
Rates and insurance	6,186	14,202
Telephone and printing	4,193	1,541
Total property related support costs	46,967	61,120
IT	4,228	4,430
Finance	107	115
Creative services	-	-
Executive and legal	40,912	17,147
Depreciation	16,919	1,835
	62,166	23,527
Total	109,133	84,647

Support costs (all are spent from unrestricted funds) have been apportioned based on identified contribution to direct or support function for both staff and expenses.

8 Raising Funds

	Unrestricted Funds	Restricted Funds	Total 2024
	£	£	£
Fundraising costs	1,172	-	1,172
	1,172	-	1,172
	Unrestricted Funds	Restricted Funds	Total 2023
	£	£	£
Fundraising costs	1,855	-	1,855
	1,855	-	1,855

CONNECT CHURCH UK

Year Ended 31st March 2024

Notes to the Financial Statements

9 Statutory Audit and Independent Examiner's Fees

Fees payable to the independent examination for:

	2024	2023
	£	£
Statutory audit	7,200	-
Accounts preparation and independent examination	-	1,920

10 Staff Costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2024	2023
	£	£
Wages and salaries	132,641	117,861
Social security costs	5,773	4,800
Employer contributions to pension plans	4,434	3,929
	<u>142,848</u>	<u>126,590</u>

The average headcount of employees during the year was as follows:

	2024	2023
Average headcount	6	5

The number of employees who received employee benefits of more than £60,000 during the year was as follows:

	2024	2023
More than £60,000	-	-

Key Management Personnel

The key management personnel of CCUK comprises of the Senior Pastor and Executive Pastor. The total employee benefits (including pension and Employer NIC) of the key management personnel of the charity were £75,305 (2023: £63,052).

CONNECT CHURCH UK

Year Ended 31st March 2024

Notes to the Financial Statements

11 Trustee Remuneration, Expenses and Donations

During the year four trustees incurred out of pocket expenses for the day to day running of the church amounting to £1,282 (2023: £314).

During the year the total aggregated donations made to the charity by the trustees was £44,713 (2023: £52,507). The donors did not attach any conditions to their gifts which required the charity to significantly alter the nature of its existing activities.

During the year three trustees were employed by the charity for roles outside of their trustee duties (2023: 2). The total remuneration received including employers national insurance and employers pension contribution were as follows:

	2024 £	2023 £
Pastor Kirk McAtear	41,955	38,419
Pastor Tracee McAtear	33,351	24,633
Pastor Simon Lakin	18,288	-

12 Tangible Fixed Assets

	Land and Building	Church Equipment	Computer Equipment £	Total £
Cost as at 1st April 2023	2,632,449	19,589	4,691	2,656,729
Additions	756,054	68,502	5,847	830,403
Revaluation	(788,503)	-	-	(788,503)
Cost as at 31st March 2024	2,600,000	88,091	10,538	2,698,629
Depreciation as at 1st April 2023	-	3,754	2,440	6,194
Depreciation Charge	-	14,905	2,014	16,919
Depreciation as at 31st March 2024	-	18,659	4,454	23,113
Net Book Value as at 31st March 2024	2,600,000	69,432	6,084	2,675,516
Net Book Value as at 31st March 2023	2,632,449	15,835	2,251	2,650,535

During 2023/24 the building project was completed.

In November 2023 the Trinity Church building on 150 Coventry Road was revalued upon the completion of the building work based on the market value of the building and was completed by Carter Jonas LLP.

CONNECT CHURCH UK

Year Ended 31st March 2024

Notes to the Financial Statements

13 Debtors

	2024	2023
	£	£
Gift aid	5,181	7,363
Prepayments and accrued income	6,500	20,000
	<u>11,681</u>	<u>27,363</u>

14 Creditors: Amounts Falling Due Within One Year

	2024	2023
	£	£
Trade creditors	13,228	3,474
Accruals and deferred income	156	7,715
Loans and mortgages	20,183	-
	<u>33,567</u>	<u>11,189</u>

15 Creditors: Amounts Falling Due After One Year

	2024	2023
	£	£
Charity bank mortgage	1,278,799	1,074,354
Big Issue - Development loan	-	123,009
Big Issue - Working capital loan	-	94,779
	<u>1,278,799</u>	<u>1,292,142</u>

Capital repayment holiday was granted by both Charity Bank and Big Issue due to the Covid Pandemic and was extended until 31 December 2023.

In January 2024, the charity entered into a consolidated term loan agreement with The Charity Bank Limited to refinance its previous borrowings. The loan of £1,300,000 is repayable over 25 years on an amortising basis, with a final repayment due in January 2034. It is secured by a legal charge over the charity's property at Kingston Road, Small Heath and a charge over a designated deposit account.

CONNECT CHURCH UK

Year Ended 31st March 2024

Notes to the Financial Statements

16 Analysis of Charitable Funds

	1 Apr 2023 £	Income £	Expenditure £	Gain / (Loss) £	Transfers £	31 Mar 2024 £
Unrestricted Funds						
Unrestricted						
General funds	146,921	219,514	(317,127)	-	111,085	160,393
	146,921	219,514	(317,127)	-	111,085	160,393
Designated						
Asset and building fund	1,358,393	-	-	(788,503)	806,644	1,376,534
	1,358,393	-	-	(788,503)	806,644	1,376,534
Total Unrestricted	1,505,314	219,514	(317,127)	(788,503)	917,729	1,536,927
Restricted Funds						
Access impact grant	164	-	-	-	-	164
Growing lives grant	-	-	(1,805)	-	1,805	-
Missions	1,084	8,142	(3,652)	-	-	5,574
Synergy legacy	2,897	-	(120)	-	-	2,777
Trinity Christian Centre grant	-	929,018	-	-	(929,018)	-
Vision fund	16,046	81,419	(106,949)	-	9,484	-
Youth camp grant	-	5,000	-	-	-	5,000
Total Restricted	20,191	1,023,579	(112,526)	-	(917,729)	13,515
Total Funds	1,525,505	1,243,093	(429,653)	(788,503)	-	1,550,442

Fund Transfers

Expenses in the Trinity Christian Centre grant and the Vision fund were spent on the renovation of the Church building. A transfer of £929,018 assets purchased by the Trinity Christian Centre fund and £8,834 asset purchased by the vision fund are held in the general fund.

CONNECT CHURCH UK

Year Ended 31st March 2024

Notes to the Financial Statements

	1 Apr 2022 £	Income £	Expenditure £	Gain / (Loss) £	Transfers £	31 Mar 2023 £
Unrestricted Funds						
Unrestricted						
General funds	1,130,346	342,913	(257,027)	-	(1,069,311)	146,921
	1,130,346	342,913	(257,027)	-	(1,069,311)	146,921
Designated						
Asset and building fun	-	-	-	-	1,358,393	1,358,393
	-	-	-	-	1,358,393	1,358,393
Total Unrestricted	1,130,346	342,913	(257,027)	-	289,082	1,505,314
Restricted Funds						
Access impact grant	164	-	-	-	-	164
All churches Trust Ltd grant	56,500	-	-	-	(56,500)	-
Growing lives grant	19,000	-	-	-	(19,000)	-
Missions	520	9,764	(9,200)	-	-	1,084
Synergy legacy	6,000	-	(3,103)	-	-	2,897
Vision fund	145,492	157,673	(73,537)	-	(213,582)	16,046
Total Restricted	227,676	167,437	(85,840)	-	(289,082)	20,191
Total Funds	1,358,022	510,350	(342,867)	-	-	1,525,505

Fund Transfers

During the year ending 31st March 2023 the building development project, other fixed assets and the loan mortgage balances were transferred out of the general fund and building development related restricted funds to a designated fund that holds the netbook value of CCUK's assets less the outstanding mortgage and loan balances.

CONNECT CHURCH UK

Year Ended 31st March 2024

Notes to the Financial Statements

Fund Descriptions

Designated Funds

Asset and building fund

A fund to hold the net book value of the buildings and other assets held by CCUK less the outstanding loan and mortgage balances.

Restricted Funds

Access Impact Grant

Funding to engage a fundraiser to write grant bids for the Home & Hub project.

Allchurches Trust Ltd grant
Missions

Funding towards the construction of the Home & Hub.
The Missions Fund is a Restricted Fund that was established for the following purposes:
a. To fulfil the Church's vision for missions through the provision of financial support to organised individuals, for ministry, church and community development.
b. To finance and support charitable purposes, humanitarian and disaster relief works.
c. To provide financial aid to needy people.
d. To finance and support the education, training and development of church ministers and leaders.

Trinity Christian Centre grant

This fund represents amounts received from Trinity Christian Centre, Singapore, specifically to support the capital costs and fit-out of the new church building at 150 Coventry Road, Birmingham.
Expenditure from this fund is restricted to construction, furnishing, and equipping the building in line with the terms of the grant and the charity's objectives.

Synergy legacy

Donation for activities for the elderly e.g.: holidays.

Vision fund

Gifts and funding towards the construction of the Home & Hub

Youth camp grant

This fund relates to designated donations and grants received for the purpose of supporting youth ministry activities, including subsidising costs for attendance at youth camps and related events. Expenditure is restricted to direct costs associated with youth participation, including venue hire, transport, accommodation, and materials.

CONNECT CHURCH UK

Year Ended 31st March 2024

Notes to the Financial Statements

17 Analysis of Net Assets Between Funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £
Fixed assets	2,675,516	-	2,675,516
Current assets	173,777	13,515	187,292
Creditors less than 1 year	(33,567)	-	(33,567)
Creditors more than 1 year	(1,278,799)	-	(1,278,799)
	<u>1,536,927</u>	<u>13,515</u>	<u>1,550,442</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Fixed assets	2,650,535	-	2,650,535
Current assets	158,110	20,191	178,301
Creditors less than 1 year	(11,189)	-	(11,189)
Creditors more than 1 year	(1,292,142)	-	(1,292,142)
	<u>1,505,314</u>	<u>20,191</u>	<u>1,525,505</u>

18 Related Party Transactions

Connect Church is affiliated to the Assemblies of God, Great Britain. CCUK made an annual contribution and additional gift of £6,344 to the Assemblies of God in 2024 (2023: £5,400). Kirk McAtear was employed by AoG GB. He finished employment from AoG GB in February 2024.

Rev Gerald Tan and Pastor Allen Loh, directors and trustees of CCUK, are senior leaders of Trinity Christian Centre Church in Singapore. In the year ending 31st March 2024 Trinity Christian Centre donated £929,018 to support of the CCUK building project.

Valerie Danelczyk, director and trustee of CCUK, is a trusts of Gilgal Brimingham (Registered charity number 1102803). During the year CCUK gave a £100 donation to Gilgal Birmingham.

Stefanie Lakin is related party to trustee and director Simon Lakin through being a close family relative. Stefanie Lakin is an employee of CCUK and received a total remuneration of £9,081 (2023: £9,353) including employers national insurance and employers pension contribution.

19 Events After The Reporting Period

The building works on the church property were completed after the year end, with the final certificate of completion issued in October 2024

CONNECT CHURCH UK

Year Ended 31st March 2024

Notes to the Financial Statements

20 Prior Year Statement of Financial Activities

	Unrestricted Funds £	Restricted Funds £	Total Funds £
Income			
Donations and legacies	337,590	167,349	504,939
Charitable activities	4,846	-	4,846
Other income	477	88	565
Total Income	342,913	167,437	510,350
Expenditure			
Raising funds	1,855	-	1,855
Charitable activities	255,196	85,816	341,012
Total Expenditure	257,051	85,816	342,867
Net Income / (Expenditure)	85,862	81,621	167,483

Accounts



Annual Report and Financial Statements

YEAR ENDED 31ST MARCH 2023



Connect Church UK
Trinity@Birmingham
150 Coventry Road, Small Heath B10 0SE
0121 766 7600

Registered Charity no. 1133824
Company No. 07003576

CONNECT CHURCH UK

Trustees' Annual Report and Financial Statements For the year ended 31 March 2023

Contents

	Page
Legal and Administrative Information	3
Trustees' Annual Report	5
Independent Auditors Report	15
Statement of Financial Activities	16
Statement of Financial Position	17
Statement of Cash Flows	18
Notes to the Financial Statements	19

Legal and Administrative Information

Reference

Connect Church UK (CCUK) was founded by a small group of 'Brummies' during the 2nd World War in Sparkhill, Birmingham and is a part of the Assemblies of God denomination. CCUK became registered as an incorporated charitable company in 2009 within England and Wales as a limited company by guarantee with charitable status.

The other working names associated with CCUK are Trinity@Birmingham.

CCUK is a welcoming, multiethnic church that spans the generations and is passionate in its worship and care for people. Our mission is to connect people into a world-transforming relationship with Jesus Christ. While the immediate focus is to minister to the community of Small Heath and the Eastside of Birmingham, the church also has a wider reach across the city and internationally.

Registered Charity Numbers 1133824

Registered Company Number 07003576

Registered Office 150 Coventry Road
Small Heath
Birmingham
West Midlands
England
B10 0SE

Website www.trinityunitedkingdom.org

Trustees	Pastor Kirk McAtear	<i>Chair of trustees</i>
	Pastor Gerald Tan	<i>Appointed 25/06/2023</i>
	Pastor Dominic Yeo	<i>Appointed 25/06/2023</i>
	Joycelyn Edwards	<i>Appointed 05/06/2022</i>
	Valerie Danelczyk	<i>Appointed 05/06/2022</i>
	Louison Ricketts	
	Bradford Ricketts	
	Simon Lakin	
	Pastor Tracee McAtear	<i>Company Secretary</i>
	Grace Sutton	<i>Resigned 17/07/2022</i>
Key Management Personnel	Pastor Kirk McAtear	<i>Senior Minister</i>
	Pastor Tracee McAtear	<i>Executive Minister</i>

Legal and Administrative Information

Committee Members

Management Team

Tracee McAtear	Trustee
Valerie Danelczyk	Trustee
Matthew Hopley	Staff member
Yvette John	Congregation

Bankers

Lloyds Bank, 9-11 Poplar Rd, Solihull B91 3AN.

The Charity Bank Ltd, Fosse House, 182 High St, Tonbridge, Kent, TN9 1BE.

Big Issue Invest, 113-115 Fonthill Road, Finsbury Park, London N4 3HH.

Independent Examiner

Nigel Wyatt BSC FCA
Wyatt & Co Chartered
Accountants
125 Main Street
Garforth
Leeds
LS25 1AF

Solicitor

Anthony Collins
134 Edmund Street
Birmingham B3 2ES

CONNECT CHURCH UK

Trustees' Annual Report (Including Directors' Report) for the year ended 31 March 2023

Objectives, Achievements and Performance

Connect Church UK's (CCUK) purposes as set out in the objects contained in the company's memorandum of association are:

- (a) to advance the Christian faith in accordance with the Statement in such ways and in such parts of the United Kingdom or the world as the directors from time to time may think fit;
- (b) to relieve sickness and financial hardship and to promote and preserve good health by the provision of funds, goods or services of any kind including through the provision of counselling and support in such parts of the United Kingdom or the world as the directors from time to time think fit; and
- (c) to advance education in such ways and in such parts of the United Kingdom or the world as the directors from time to time may think fit.



WHAT WE DO – OVERVIEW

All the activities and organisational structure of CCUK fit into the pattern:

- that we would connect with God in personal **worship**;
- that we would connect to a community of people in relationship and **love**;
- that we would connect to our purpose through **serving**;
- which is all facilitated by effective, efficient, and ethical **management**.

This pattern will be accomplished through providing the following public benefits:

Worship

- Regular public worship open to all. Each week we have hosted a Sunday service simultaneously in-person and online.

Love

- People are encouraged to build relationships and community through a variety of small groups offered in locations across the city. The small groups are formed based on: geographical location, generation, gender, general interest or personal growth.
- Pastoral work including supporting the sick and bereaved facilitated by clergy, staff and lay members.

Serve

- to support other charities in Birmingham in practical ways.
- to engage with our local community to encourage better relationships amongst our neighbours.
- to partner with similar churches/charities abroad to learn from and support their works.

The **five goals** that Connect Church UK set out to achieve in 2022/2023 were:

1. Game Changing Worship - Creating our Expression;
2. Game Changing Love - Growing our Relationships;
3. Game Changing Serving - Reaching our Community;
4. Game Changing Management - Stewarding what we have been given;
5. Game Changing location - Moving into our New Building.

2022/2023: A YEAR IN REVIEW

This GAMECHANGER year was inspired by the lead up to the Commonwealth Games taking place in Birmingham during the Summer of 2022. Quotes included here are some of the responses from a survey conducted in Summer 2022.

1. Game-changing Worship – Creating our Expression

The focus of this goal was to use the lessons and innovations from the Covid 19 pandemic to enhance the worship experience without losing the unique expression of the Connect Church UK or isolating the congregation who continue to participate online. We continued to stream the live services on YouTube for congregation members tentative or unable to return to in-person gatherings. For a church that met in rented premises every Sunday this was a remarkable feat for the setup and pack down team of mainly volunteers. We are incredibly grateful for their energy and dedication, week in and week out.

There was an 11% increase in people attending the Sunday services from the previous year, an indicator of the increasing confidence to return to in-person worship. Throughout the year, special services for Easter, Father's Day, Summer, Commonwealth Games, and Christmas were an opportunity for CCUK to welcome new friends and for old friends to return.



2. Game-changing Love – Growing our Relationships

After the isolation of Covid the intent of this goal was to increase the number of opportunities for appropriate in-person and virtual interactions that could lead to the formation, rebuilding, repairing and restrengthening of relationships. Connect Groups and courses such as Freedom in Christ and Alpha began to meet again in person as well as on-line. Boost Men and Bloom Women ran several events such as Toby Carvery Breakfasts, Ten Pin Bowling Nights and a Garden Party as an opportunity for people to gather and connect.

In May 2022, the theme for the Sunday Services was 'Game-Changing Relationships' and included members of the congregation sharing their experiences of how they have embraced and navigated differing relationship states and challenges. The feedback from this series was enthusiastic.

“The topics that have been covered on Sundays, in particular the topic on 'Relationships'. These topics are well delivered and engaging. I have been inspired to look at my relationships with others and how God wants us to live our lives in relation to others.”

3. Game-changing Service – Reaching our Community

This year CCUK continued to build upon collaborative partnerships and initiatives within the local and global community to provide for practical needs, foster positive relationship and bring spiritual encouragement.

These key local partnerships included Safe Families, Wyndcliffe Primary School, King Solomon International Business School, Time4Change Birmingham, ChaplaincyPlus, Birmingham Churches Together, Interserve, Birmingham City Football Club Chaplaincy, Hobmoor Oasis Community Centre, Small Heath Baby Bank. The congregation regularly provided practical donations for foodbanks, baby banks, school uniforms and Christmas gifts for vulnerable people. The Connect Kids raised sponsored funds for Safe Families by going on a Jelly Welly Walk – well done to the children for squelching in their boots!

Key global partnerships for this year included Samaritan’s Purse, Open Doors, Compassion, and Assemblies of God Impact 25:40. The congregation made donations to provide emergency relief for the Pakistan Floods, Heaters for Ukrainians in the lead up to Winter and in response to the Turkish and Syrian Earthquakes.

4. Game-changing Management – Stewarding what we have been given

The church faced external and internal challenges. Externally, the Cost-of-Living crisis impacted CCUK as a result of high inflation and increasing interest rates; while gaps left by the departures of some staff and key volunteers who were dearly missed were also keenly felt. The Trustees, supported by the Management team, had to discern how to navigate these challenges while continuing to press forward and realize the vision, goals and charitable objects of the church.

The key funding providers, the Charity Bank and Big Issue Invest worked with CCUK to ease the pressure by increasing the borrowing facility and extending the capital repayment holiday during this period. The Trustees also explored options beyond our own church and began a conversation with the leadership of Trinity Christian Centre Singapore, a long-standing ally and supporter of CCUK, to explore the possibilities of a closer relationship between the two churches, to move from friends to family.

5. Game-changing Location – Moving into our New Building

The landscaping design was redesigned to reduce costs and phase the occupation and was approved by Birmingham City Council on 1 December 2022. The second phase of work commenced immediately with the goal for the staff team to move into the building in April 2023 to deliver non-public facing activities and also store the church equipment and assets.

PLANS FOR THE FUTURE

The Trustees anticipate that 2023/24 will be a significant year of transformation and change as Connect Church UK adopts the working name of Trinity@Birmingham and becomes an Overseas Centre of Trinity Christian Centre Singapore. The identified theme for year is METAMORPHOSIS and the 5 goals for the year are:

1. MORPH into a new season of WORSHIP

A new music director has been engaged to rebuild the worship team for the new season. Focus is being given to developing the whole person – practical skills, music theory and devotional lifestyle, not just through rehearsals but workshops with external practitioners. All creative team stakeholders will have the opportunity to contribute to the fit out of the Sanctuary and have training in the sound and lighting systems to be installed in the new building.

2. MORPH into a new season of LOVE

There will be a renewed emphasis on Christian Discipleship and the training up of 'Spiritual Parents' and Connect (Small) Group leaders to connect and disciple people into the Christian Faith as well as welcome and embed them into the life of the church. Connect Groups will be relaunched during the year once the preparation and training of the first batch of leaders is completed.

3. MORPH into a new season of SERVING

We continue to identify opportunities and partners to provide practical help and support not only in our local community but globally as well. However as we prepare to move into the new church building there will be an emphasis on mobilizing the church congregation to more actively engage and facilitate programs, activities and events to welcome and support our neighbours.

4. MORPH from friends into family as we become TRINITY@BIRMINGHAM

As a result of much prayer and deliberation, the trustees of CCUK have invited long term supporter and friend Trinity Christian Centre (TCC) Singapore, to provide leadership and practical support. TCC has offered for CCUK to join the global family of their church and be recognized as an Overseas Centre, with the working name Trinity@Birmingham.

5. MORPH from mobile church into the NEW BUILDING

Now that the staff team has moved into the new building for non-public facing activities, the goal is to engage Mayway Constructions to complete the building for Building Control sign-off to allow occupation for public facing activities, while delaying the remaining non-occupation related planning conditions to manage funding. There will need to be much preparation work of policies, training and creation of new teams and procedures to facilitate day-to-day life in the new venue.

REVIEWING FINANCES

CCUK reported a net deficit of £28,538 on general funds, a larger loss when compared to the previous year (2022: -£3,815). Income from general donations £223,190 (2022: £212,722) did increase but not enough to counteract the rising costs. Restricted funds decreased to £227,676 (2022: £335,768) following the ongoing development of the building project.

Income derived from voluntary donations decreased by 6% to £504,939 in 2023 compared to £536,187 in 2022. Two large donations were included in these donations. There were significant donations of Flooring, Chair for the Sanctuary and office furniture for the new building resulting in the goods in kind income being valued at £94,400. There was no income from Grants this year, despite the best efforts of a professional grant writer, and the team at CCUK. There was an increase in income from Charitable Activities £4,846 (2022: £1,610) as the church became more active after Covid 19.

Expenditure increased by 12%, totaling £342,867 in 2023, compared with £305,773 in 2022. The ongoing construction of the Home and Hub, and the increased venue rental, utility and insurance costs of in-person activities of the church account for the rise in expenditure.

Restricted funds

Restricted funds comprise donations given for a specific ministry purpose. As at 31 March 2023 the unspent portion of these funds amounted to £20,191 (2022: £227,674).

Fundraising policy

CCUK receives most of its donation income from its congregation. However, occasionally other organisations and grant-makers are approached to assist with special projects. The trustees are committed to maintaining the highest legal and ethical standards in the way the charity undertakes its fundraising activities. CCUK is committed to abiding by the Code of Fundraising Practice and to the Fundraising Promise.

Reserves Policy

Trustees of CCUK manage a tension between faith in God as the source of provision for the financial resources required to fund the work of the church, as well as the need to wisely steward resources to ensure that the church has sufficient working capital to meet its obligations to its employees and creditors. The Trustees aim to hold sufficient “free” reserves (equivalent to cash and liquid assets) to cover at least three months’ expenditure. Free reserves at 31 March 2023 £146,921 (2022: £102,859) against a target based on 2023-24 budgeted costs of £111,204. For 2023 the free reserves have been calculated as net current assets less restricted funds. The Trustees will remain mindful of this target in making financial decisions and allocating resources during the current year, especially with the challenge of completing the new building in a volatile financial climate.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The church is a charitable company limited by guarantee, incorporated on 28 August 2009 and registered as a charity on 27 January 2010. The company was established under a Memorandum of Association and amended by special resolution(s) dated 05/02/2013 which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

Although Connect Church UK is an autonomous charity, since the church's commencement in 1940 it has had fellowship status with the Assemblies of God Great Britain (AoG GB), and abides by the Constitution of AoG GB, has accepted the AoG GB Statement of Faith, contributes financially to AoG GB and ensures that the Senior Minister has AoG GB Ministerial Status.

RECRUITMENT AND APPOINTMENT OF TRUSTEES

Training and Induction of Trustees

The directors of the company are also charity trustees for the purposes of charity law and are known in Connect Church UK as Vision Protectors. Under the requirements of the Memorandum and Articles of Association the trustees are identified by the Senior Minister and, after an application process, are appointed by the Trustees at the Annual General Meeting. The directors are not required to retire by rotation. It is considered that all the Trustees and any others who could be understood to be 'managers' in the activities of the charity are deemed to be 'fit and proper' persons under the terms of the Finance Act 2010. Training is available for any new trustee or those continuing to serve as on the board and as part of the regular meetings as well.

One of the trustees, Grace Sutton relocated due to work and as a result decided to resign as trustee in July 2022. Aware of the changes that were taking place on the Trustee Board, two new trustees, Valerie Danelczyk and Joycelyn Edwards were appointed in June 2022.

Organisational Structure and Decision Making

The Board of Trustees met online, in-person or a hybrid of both, 13 times in the 2022/2023 financial year of the company. While the majority of these meetings were regular meetings of the board, some were extraordinary meetings to discuss the proposal of CCUK becoming a part of the Trinity Christian Centre global family.

The Trustees are responsible for the various ministries and operations of the church and make regular reports at the meetings so that issues may be highlighted and discussed. A sub-committee, called the Management Team, of staff and skilled lay members of various professional backgrounds from the church is led by the Executive Minister and their research and recommendations inform the Board of Trustees. The salary sub-committee of two Trustees and two members from the Management Team, all non-paid volunteers, did not review or recommend the salaries of the staff for the 2023/24 budget as salaries were frozen while negotiating the financial challenges of the year.

Trustee's Responsibilities

All Trustees are aware of the Charity Commission's guidance on public benefit in their publication 'The Advancement of Religion for Public Benefit' and have regard to it in their administration and activities of Connect Church UK.

Risk Management

Connect Church UK recognises that in relation to 'Risk Assessment', risk is defined as 'the threat of any action or event which will adversely affect an organization's ability to achieve its objectives and execute its strategies'. It also accepts that the term 'risk' can include any circumstances that may, or do, have an adverse effect, and is wider than financial matters. 'Risks' relate not only to the negative consequences of a threat, but also to the impact of not taking advantage of opportunities.

Connect Church UK recognises it requires a practical Health and Safety Policy for any building and surrounding grounds it owns or rents in pursuit of its activities. This is reviewed on a regular basis. An Accident log is maintained.

The contents and obligations of the Equality Act 2010 and the Data Protection Act 2018 are known and complied with to the best of the church's ability. The Trustees are aware of their responsibilities in respect of the Regulatory Reform (Fire Safety) Order 2005 and its requirement to carry out a fire assessment to identify any possible dangers and risks, to take action to minimize the risks and to create a plan to deal with any emergencies, and also to write up and keep a record of its findings and to review its assessment annually. The Trustees have appointed Matthew Hopley to be the responsible person to put these matters into operation.

There is a Protection Policy in place in respect of children and vulnerable adults. Checks have been and are made with the Disclosure and Barring Service (formerly the CRB) in respect of persons dealing regularly with young people and vulnerable adults. The Trustees' appointed officer for this is Louison Ricketts. Whilst it is impossible to eliminate all risks and their consequences, efforts are constantly made to minimize such occurrences. The safeguarding policy is reviewed and revised annually and was approved in November 2022 by the Trustees and implemented where applicable in the various ministries of the church. Trustees are kept informed on matters affecting the church, such as health and safety, disability discrimination legislation and child protection.

Principal Risks and Uncertainties

No.	Potential Risk	Mitigation
1.	Loss of confidence by stakeholders due to the behaviour of senior leadership or staff members.	- Connect Church values are clearly defined and regularly communicated - Prayer and worship are central to CCUK - Oversight structures are in place for senior leaders and staff.
2.	The economic challenges due to the Cost of Living crisis, and high inflation is causing significant operating challenges and could impact CCUK's income and/or cashflow.	- Expenditure is being carefully controlled and income closely monitored as financial fragility increases. - CCUK relies on God's provision and the generosity of the congregation to meet its financial needs. - Key supporter Trinity Christian Centre (TCC) has been approached to for a closer relationship that will enable CCUK to continue to operate as an Overseas Centre of the TCC global family.
3.	A shortfall in income and/or inadequate cashflow results in an inability to meet salary and creditor payments. Specific financial risks are: New building project	- Aim to hold at least 3 months' working capital - Strong budgetary and financial controls are in place. - Additional funding streams are being sought specifically for the new building.
4.	Harm comes to those in our care due to lack of appropriate and compliant child and vulnerable adult safeguarding procedures.	- Safeguarding at CCUK is overseen by a Safeguarding trustee and Management committee representative. - CCUK works closely with Connect2families and thirtyone:eight to ensure that it models best practice in the area of safeguarding.
5.	Harm comes to visitors or staff due to lack of appropriate and compliant Health & Safety procedures	- Regular H&S reporting currently from Venue Coordinator at Management and staff meetings. - When in Home & Hub: internal and external H&S Advisors monitor and report on risk areas identified.
6.	Inability to operate in the event of a disaster due to lack of adequate business continuity planning. Business continuity compromised or critical data lost through cyber-attack.	- IT systems are backed up remotely and can be accessed remotely. - Continue to invest in digital and technology systems including technology. - Data audits regularly conducted.
7.	Future of the organization jeopardized due to lack of adequate succession planning for key senior roles.	- Succession planning needs to start taking place for key senior roles in the organisation. - Provision of leadership support by TCC.
8.	Poor decision-making and breach of regulatory requirements due to weak or non-compliant governance structures.	- Trustee meetings and structures are compliant with Charity Commission, Companies House and governing document requirements. - Conflicts of interest are managed appropriately at trustee level.
9.	Legal risks and potential disruption arising from use of rental venues for operations.	- Try to ensure that agreements with hired premises have a notice period that allows for alternate accommodation to be in place. - Significant communication takes place to inform congregation of changes in venue and operation. - Insurance policies are updated to reflect changes in operation.
10.	Growth in the church services and operations unable to be serviced by current staffing.	The creation of a strategic plan that identifies priorities in staffing, funding levels required to recruit and potential strategies to increase funding as well as identify suitable volunteers.

Statement of responsibilities of the Trustees

CCUK Board of Trustees is responsible for preparing the Annual report and financial statements in accordance with applicable law and United Kingdom generally accepted accounting practice.

Charity law requires the trustees to prepare a statement of financial activities and statement of assets and liabilities for each financial year, which gives a true and fair view of the state of affairs of the church and of its financial activities for that year and adequately distinguishes any material special trust or other restricted fund of the church.

In preparing those financial statements the CCUK Board of Trustees is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the policies adopted are in accordance with the appropriate SORP on Accounting by Charities and the Accounting Regulations and with applicable accounting standards, subject to the material departures disclosed and explained in the financial statements; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the church will continue to operate.

We are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable us to ensure the financial statements comply with the Charities Act 2011.

We also have a responsibility to safeguard the assets of the church and to take reasonable steps to detect fraud or other irregularities and to provide reasonable assurances that:

- the church is operating efficiently and effectively;
- its assets are safeguarded against unauthorized use or disposition;
- proper records are kept and financial information used within the church or for publication is reliable;
- the church complies with relevant laws and regulations.

Independent Examiner

The CCUK Board of Trustees were so grateful for the support of the previous Independent Examiner Father Alan Clements, however due to the changes taking place for the charity it was decided to identify and appoint accountants who would be able to provide additional support in the preparation as well as the examination of the accounts. We appreciate that Wyatt and Co have agreed to take on this role.

Approval

This report was approved by the Board of Trustees of Connect Church UK and signed on its behalf, by Pastor Kirk McAtear, Senior Minister.

Signed:



Date: 15/12/2023

CONNECT CHURCH UK

Year Ended 31st March 2023

Independent Examiners Report

I report to the trustees on my examination of the financial statements of Connect Church UK ('the charity') for the year ended 31 March 2023.

Responsibilities and Basis of Report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent Examiner's Statement

I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales (ICAEW), which is one of the listed bodies.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Nigel Wyatt BSC FCA
Independent Examiner
125 Main Street
Garforth
Leeds
LS25 1AF

Date: 15/12/2023

CONNECT CHURCH UK

Year Ended 31st March 2023

Statement of Financial Activities (Income and Expenditure Account Included)

		Unrestricted Funds	2023 Restricted Funds	Total Funds	2022 Total Funds
	Note	£	£	£	£
Income					
Donations and legacies		337,590	167,349	504,939	536,187
Charitable activities		4,846	-	4,846	1,610
Other income		477	88	565	185
Total Income	2	<u>342,913</u>	<u>167,437</u>	<u>510,350</u>	<u>537,982</u>
Expenditure					
Raising funds	8	1,855	-	1,855	5,997
Charitable activities	3, 4, 5, 6, 7	255,196	85,816	341,012	299,775
Total Expenditure		<u>257,051</u>	<u>85,816</u>	<u>342,867</u>	<u>305,772</u>
Net Income / (Expenditure)		<u>85,862</u>	<u>81,621</u>	<u>167,483</u>	<u>232,210</u>
Net Income and Net Movement In Funds					
Total funds brought forward	16	1,130,346	227,676	1,358,022	1,125,812
Transfers	16	289,082	(289,082)	-	-
Total Funds Carried Forward	16	<u>1,505,290</u>	<u>20,215</u>	<u>1,525,505</u>	<u>1,358,022</u>

All income and expenditure derive from continuing activities.

The statement is a combined Statement of Financial Activities and Income and Expenditure Account for the purposes of meeting both the Companies Act and Charity SORP reporting requirements.

CONNECT CHURCH UK

Year Ended 31st March 2023

Statement of Financial Position

	Note	2023 £	2022 £
Fixed Assets			
Tangible fixed assets	12	2,650,535	2,180,957
		<u>2,650,535</u>	<u>2,180,957</u>
Current Assets			
Debtors	13	27,363	9,484
Cash at bank and in hand		119,855	295,240
Investments		31,083	30,725
		<u>178,301</u>	<u>335,449</u>
Creditors: Amounts Falling Due Within One Year	14	<u>11,189</u>	<u>4,913</u>
Net Current Assets		<u>167,112</u>	<u>330,536</u>
Total Assets Less Current Liabilities		<u>2,817,647</u>	<u>2,511,493</u>
Creditors: Amounts Falling Due After One Year	15	<u>1,292,142</u>	<u>1,153,471</u>
Net Assets	17	<u>1,525,505</u>	<u>1,358,022</u>
Funds of The Charity			
Restricted funds	16	20,191	227,676
Unrestricted funds	16		
Unrestricted general		146,921	1,130,346
Designated funds		1,358,393	-
		<u>1,505,314</u>	<u>1,130,346</u>
Total Charity Funds		<u>1,525,505</u>	<u>1,358,022</u>

These financial statements for Connect Church UK (Company number: 07003576) have been prepared in accordance with the provisions applicable to companies subject to the small entities regime of the Companies Act 2006. The Directors are satisfied that for the year ended on 31st March 2023 the charitable company was entitled to exemption from the requirement to obtain an audit under section 477 of the Companies Act 2006 and that no member or members have required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Act. However, In accordance with section 145 of the Charities Act 2011, the accounts have been examined by an Independent Examiner.

Directors Responsibilities

These financial statements were approved by the board of trustees and authorised for issue :

Name of Trustee:

Kirk McAtear

Signed on behalf of the Trustees:



Date of approval:

15/12/2023

CONNECT CHURCH UK

Year Ended 31st March 2023

Statement of Cash Flows

	2023 £	2022 £
Cash Flows from Operating Activities:		
Net cash provided by (used in) operating activities	157,150	236,807
	<u>157,150</u>	<u>236,807</u>
Cash Flows from Investing Activities:		
Dividends and interest	565	184
Purchase of tangible fixed assets	(471,413)	(344,875)
Net cash provided by (used in) investing activities	<u>(470,848)</u>	<u>(344,691)</u>
Cash flows from Financing Activities:		
Repayments on borrowing	-	-
Cash inflows from new borrowing	138,671	-
Net cash provided by (used in) financing activities	<u>138,671</u>	<u>-</u>
Change in cash and cash equivalents in the reporting period	(175,027)	(107,884)
Cash and cash equivalents at the beginning of the reporting period	325,965	433,849
Cash and Cash Equivalents At The End of The Reporting Period	<u>150,938</u>	<u>325,965</u>

Reconciliation of Net Movement in Funds to Net Cash Flow from Operating Activities

	2023 £	2022 £
Net movement in funds for the reporting period (as per the statement of financial activities)	167,483	232,210
Adjustments for:		
Depreciation charges	1,835	1,825
Dividends and interest from investments	(565)	(184)
(Increase) / decrease in debtors	(17,879)	2,540
Increase / (decrease) in creditors	6,276	416
Net cash provided by (used in) operating activities	<u>157,150</u>	<u>236,807</u>

Analysis of Cash and Cash Equivalents

	2023 £	2022 £
Cash at bank	119,855	295,240
Short term investments	31,083	30,725
Total cash at bank and short term investments	<u>150,938</u>	<u>325,965</u>

CONNECT CHURCH UK

Year Ended 31st March 2023

Notes to the Financial Statements

1 Accounting Policies

1.1 Basis of Preparation

The financial statements of the charitable company have been prepared under the historical cost convention and in accordance with the 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), the Companies Act 2006 and United Kingdom Generally Accepted Accounting Practice applicable to smaller entities.

The financial accounts are prepared in Sterling (£) which is the functional currency of the charitable company.

Connect Church UK meets the definition of a public benefit entity under FRS 102.

1.2 Assessment of Going Concern

During the 2022/23 financial year, the trustees considered the challenges to keep the charity operating on the basis of going concern. After considering the options, interventions were implemented which have enabled the practical completion and occupation of the church building (previously referred to as the Home and Hub). The trustees now consider the charity to be a going concern for the next twelve months.

1.3 Fund Accounting

Unrestricted income funds comprise those funds which the trustees are free to use for any purpose in furtherance of the charitable objectives. Unrestricted funds include designated funds where the trustees, at their discretion, have set aside resources for a specific purpose.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor or the term of specific appeal.

Further explanation of the nature and purpose of each fund is included in Note 13 of the financial statements.

CONNECT CHURCH UK

Year Ended 31st March 2023

Notes to the Financial Statements

1.4 Incoming Resources

All incoming resources are recognised once the charity has entitlement to the resources, it is probable that the resources will be received, and the monetary value of incoming resources can be measured with sufficient reliability.

- All voluntary income is recognised as donations and are included in full, with associated gift aid receivable in the Statement of Financial Activities.
- Grants where entitlement is not conditional on the delivery of specific performance by the charity are recognised when the charity becomes unconditionally entitled to the grant.
- Income from charitable activities are accounted for when invoices are drawn up and the service has been provided (as the point of entitlement).
- Donated services and facilities are included at the value to the charity where this can be quantified.
- Gifts in Kind are accounted for at a reasonable estimate of their value to the charity or the amount actually realised.
- Time is expended on the charity's activities and governance which is donated free of charge. It is impractical to quantify the value of the time given, and accordingly it is neither recorded as donated income nor as an expense in the financial statements.
- Investment Income is included in the accounts when receivable.

1.5 Resources Expended

The costs of charitable activities represent the cost of undertaking the charity's objectives and include direct costs incurred in delivering those services together with support costs. All expenditure is accounted for on an accruals basis. Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Value added tax is not recoverable by the charitable company and as such it is included in the relevant costs in the Statement of Financial Activities.

Costs of raising funds include expenditure on promotion and advertising plus any fundraising trading costs.

1.6 Governance Costs

Include costs of the preparation and examination of statutory accounts, the costs of the trustees' meetings and cost of any legal advice to trustees on governance or constitutional matters.

1.7 Liabilities Recognition

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to pay out resources.

CONNECT CHURCH UK

Year Ended 31st March 2023

Notes to the Financial Statements

1.8 Tangible Fixed Assets

All assets costing more than £500 are capitalised and at historic cost. Fixed assets are stated at cost less accumulated depreciation. Depreciation is charged on fixed assets which is written off on a straight-line basis over time and estimated useful life of the asset.

Fixtures, fittings and furniture	20% Straight line
Motor vehicles	20% Straight line
Computer equipment	20% Straight line

Fixtures, fittings and vehicles are reviewed for impairment if events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared against its carrying amount. Where the estimated recoverable amount is lower, an impairment loss is recognised immediately in the Statement of Financial Activities.

Fixed assets are for use by the church in fulfilling its objects and are capitalised and depreciated. Depreciation is provided at rates appropriate to reduce book values to estimated residual values over the useful lives of the assets concerned. Land or buildings includes construction and professional fees associated with the new building. Depreciation will commence once the buildings are commissioned. Land and buildings are then revalued periodically to reflect their net realisable value.

1.9 Pensions

The charity operates a defined contribution pension scheme. Contributions are charged to the Statement of Financial Activities as they become payable in accordance with the rules of the scheme.

1.10 Operating Leases

Rental charges payable under operating leases are charged on a straight line basis over the terms of the lease.

1.11 Taxation

The charity is exempt from taxation in respect of income or capital gains received to the extent that such income or gains are applied exclusively for charitable purposes. The charity is not exempt from Value Added Tax.

1.12 Volunteer Assistance

Time is expended on the charity's activities and governance which is donated free of charge. It is impractical to quantify the value of the time given, and accordingly it is neither recorded as donated income nor as an expense in the financial statements.

CONNECT CHURCH UK

Year Ended 31st March 2023

Notes to the Financial Statements

1.13 Financial Instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all its financial instruments. Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously. With the exceptions of prepayments and deferred income all other debtor and creditor balances are considered to be basic financial instruments under FRS 102.

1.14 Employee Benefits

The cost of short-term employee benefits are recognised as a liability and an expense. The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received. Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.15 Critical Accounting Estimates and Areas of Judgement

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

1.16 Gifts In Kind

Gifts in kind are recognised when control over the asset is transferred and the fair value can be reliably measured. Gifts in kind, including tangible assets and donated services, are measured at fair value upon receipt. The accounts disclose the nature, valuation methods, and any restrictions associated with gifts in kind in the financial statements.

CONNECT CHURCH UK

Year Ended 31st March 2023

Notes to the Financial Statements

2 Analysis of Income

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Donations and Legacies			
Donations	212,695	152,825	365,520
Gift aid	30,495	14,524	45,019
Grants	-	-	-
Legacies	-	-	-
Gifts in kind	94,400	-	94,400
	<u>337,590</u>	<u>167,349</u>	<u>504,939</u>
Charitable Activities			
Church activities	1,639	-	1,639
Other activities	3,207	-	3,207
	<u>4,846</u>	<u>-</u>	<u>4,846</u>
Other Income			
Donated goods & services	-	-	-
Bank interest	477	88	565
	<u>477</u>	<u>88</u>	<u>565</u>
Total Income	<u>342,913</u>	<u>167,437</u>	<u>510,350</u>

During the year the charity received two material gifts in kind totalling £94,400 worth of goods and services. The nature of the goods and services received during the year was the donation of 180 chairs for the main sanctuary along with the supply and fitting of the flooring of the new building valued.

CONNECT CHURCH UK

Year Ended 31st March 2023

Notes to the Financial Statements

2 Analysis of Income (Continued)

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Donations and Legacies			
Donations	183,437	246,046	429,483
Gift aid	29,285	15,919	45,204
Grants	-	61,500	61,500
Legacies	-	-	-
Gifts in kind	-	-	-
	212,722	323,465	536,187
Charitable Activities			
Church activities	1,445	-	1,445
Other activities	165	-	165
	1,610	-	1,610
Other Income			
Donated goods & services	-	-	-
Bank interest	144	41	185
	144	41	185
Total Income	214,476	323,506	537,982

CONNECT CHURCH UK

Year Ended 31st March 2023

Notes to the Financial Statements

3 Expenditure on Charitable Activities

	Salaries £	Other direct costs £	Support costs £	2023 £
Ordinary ministry of the church	126,590	39,621	84,647	250,858
Development of Home & Hub	-	73,537	-	73,537
Grants and mission giving	-	16,617	-	16,617
	<u>126,590</u>	<u>129,775</u>	<u>84,647</u>	<u>341,012</u>

	Salaries £	Other direct costs £	Support costs £	2022 £
Ordinary ministry of the church	131,427	-	79,120	210,547
Development of Home & Hub	-	68,645	-	68,645
Grants and mission giving	-	20,584	-	20,584
	<u>131,427</u>	<u>89,229</u>	<u>79,120</u>	<u>299,776</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Ordinary ministry of the church	250,858	-	250,858
Development of Home & Hub	-	73,537	73,537
Grants and mission giving	4,338	12,279	16,617
	<u>255,196</u>	<u>85,816</u>	<u>341,012</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Ordinary ministry of the church	210,547	-	210,547
Development of Home & Hub	293	68,351	68,644
Grants and mission giving	6,290	14,294	20,584
	<u>217,130</u>	<u>82,645</u>	<u>299,775</u>

CONNECT CHURCH UK

Year Ended 31st March 2023

Notes to the Financial Statements

4 Ordinary Ministry of the Church

	Salaries	Other direct costs	Support costs	Total 2023
	£	£	£	£
Contribution to AoG GB	-	5,400	-	5,400
Salaries and pension contributions	126,590	-	-	126,590
Staff related costs	-	11,142	27,561	38,703
Cost of services	-	13,702	33,892	47,594
Pastoral care & training	-	1,005	2,486	3,491
Worship	-	-	-	-
Church courses & events	-	3,253	8,046	11,299
Youth and children's work	-	4,705	11,638	16,343
Engage (local social action)	-	414	1,024	1,438
	<u>126,590</u>	<u>39,621</u>	<u>84,647</u>	<u>250,858</u>

	Salaries	Other direct costs	Support costs	Total 2022
	£	£	£	£
Contribution to AoG GB	-	5,967	-	5,967
Salaries and pension contributions	131,427	-	-	131,427
Staff related costs	-	7,925	2,862	10,787
Cost of services	-	16,208	31,096	47,304
Pastoral care & training	-	1,660	247	1,907
Worship	-	4,101	-	4,101
Church courses & events	-	4,408	348	4,756
Youth and children's work	-	3,043	21	3,064
Engage (local social action)	-	1,234	-	1,234
	<u>131,427</u>	<u>44,546</u>	<u>34,574</u>	<u>210,547</u>

5 Development of Home & Hub

	Unrestricted Funds	Restricted Funds	Total Funds
	£	£	2023 £
Fitout	-	1,878	1,878
Mortgage interest	-	67,508	67,508
Building legal & advisory	-	4,151	4,151
Services	-	-	-
Maintenance	-	-	-
	<u>-</u>	<u>73,537</u>	<u>73,537</u>

CONNECT CHURCH UK

Year Ended 31st March 2023

Notes to the Financial Statements

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Fitout	-	5,125	5,125
Mortgage interest	-	47,216	47,216
Building legal & advisory	-	6,975	6,975
Services	-	9,035	9,035
Maintenance	293	-	293
	<u>293</u>	<u>68,351</u>	<u>68,644</u>

6 Grants and Mission Giving

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Gifts for Overseas Mission			
AoG Impact 25:40 Turkey & Syria	-	-	-
AoG Impact 25:40 Afghanistan	-	7,600	7,600
AoG Impact 25:40 Ukraine	-	-	-
AoG Wycliffe Bible Translation	-	1,600	1,600
Brave Church (Sri Lanka) Support	-	-	-
Open Doors with Dr Andrew	600	-	600
Slovenia Building Project	2,000	-	2,000
Light of the Gospel Ministry's	300	-	300
	<u>2,900</u>	<u>9,200</u>	<u>12,100</u>
Gifts to UK Beneficiaries			
Interserve	-	-	-
Alabare	-	-	-
Individuals	3,103	-	3,103
	<u>3,103</u>	<u>-</u>	<u>3,103</u>
Missions Costs			
Flights abroad	402	-	402
Missions trip costs	536	-	536
Hosting guest speakers & missions personnel	-	-	-
Pastoral care - missionaries	-	-	-
	<u>938</u>	<u>-</u>	<u>938</u>
Total	<u>6,941</u>	<u>9,200</u>	<u>16,141</u>

CONNECT CHURCH UK

Year Ended 31st March 2023

Notes to the Financial Statements

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Gifts for Overseas Mission			
AoG Impact 25:40 Turkey & Syria	-	-	-
AoG Impact 25:40 Afghanistan	-	6,687	6,687
AoG Impact 25:40 Ukraine	-	7,607	7,607
AoG Wycliffe Bible Translation	513	-	513
Brave Church (Sri Lanka) Support	1,200	-	1,200
Open Doors with Br Andrew	850	-	850
Slovenia Building Project	-	-	-
Light of the Gospel Ministry's	-	-	-
	2,563	14,294	16,857
Gifts to UK Beneficiaries			
Interserve	118	-	118
Alabare	200	-	200
Individuals	1,497	-	1,497
	1,815	-	1,815
Missions Costs			
Flights abroad	324	-	324
Missions trip costs	80	-	80
Hosting guest speakers & missions personnel	1,351	-	1,351
Pastoral care - missionaries	157	-	157
	1,912	-	1,912
Total	6,290	14,294	20,584

CONNECT CHURCH UK

Year Ended 31st March 2023

Notes to the Financial Statements

7 Support Costs

	2023	2022
	£	£
Building maintenance & running costs	45,377	16,771
Covid measures	-	37
Rates and insurance	14,202	1,684
Postage	-	133
Telephone and printing	1,541	1,501
Total property related support costs	61,120	20,126
IT	4,430	4,760
Finance	115	26
Creative services	-	308
Executive and legal	17,147	4,450
Depreciation	1,835	1,825
	23,527	11,369
Total	84,647	31,495

Support costs (all are spent from unrestricted funds) have been apportioned based on identified contribution to direct or support function for both staff and expenses.

8 Raising funds

	Unrestricted Funds	Restricted Funds	Total Funds
	£	£	£
Fundraising costs	1,855	-	1,855
	1,855	-	1,855

	Unrestricted Funds	Restricted Funds	Total Funds
	£	£	£
Fundraising costs	1,161	4,836	5,997
	1,161	4,836	5,997

CONNECT CHURCH UK

Year Ended 31st March 2023

Notes to the Financial Statements

9 Independent Examiner's Fees

Fees payable to the independent examination for:

	2023	2022
	£	£
Accounts preparation and independent examination	1,920	-
Independent examination	-	400

10 Staff Costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2023	2022
	£	£
Wages and salaries	117,861	122,544
Social security costs	4,800	5,002
Employer contributions to pension plans	3,929	3,882
	<u>126,590</u>	<u>131,428</u>

The average headcount of employees during the year was as follows:

	2023	2022
Average headcount	5	5

The number of employees who received employee benefits of more than £60,000 during the year was as follows:

	2023	2022
More than £60,000	-	-

Key Management Personnel

The key management personnel of CCUK comprises of the Senior Pastor and Executive Pastor. The total employee benefits (including pension and Employer NIC) of the key management personnel of the charity were £63,052 for 2023.

CONNECT CHURCH UK

Year Ended 31st March 2023

Notes to the Financial Statements

11 Trustee Remuneration, Expenses and Donations

During the year four trustees incurred out of pocket expenses for the day to day running of the church amounting to £314.

During the year the total aggregated donations made to the charity by the trustees was £52,507 (2022: £44,278). The donors did not attach any conditions to their gifts which required the charity to significantly alter the nature of its existing activities.

During the year two trustees were employed by the charity for roles outside of their trustee duties. The total remuneration received including employers national insurance and employers pension contribution were as follows:

	2023
	£
Pastor Kirk McAtear	38,419
Pastor Tracee McAtear	24,633

12 Tangible Fixed Assets

	Land and Building	Church Equipment	Computer Equipment	Total
			£	£
Cost as at 1st April 2022	2,175,436	5,189	4,691	2,185,316
Additions	471,413	-	-	471,413
Cost as at 31st March 2023	2,646,849	5,189	4,691	2,656,729
Depreciation as at 1st April 2022	-	2,857	1,502	4,359
Depreciation Charge	-	897	938	1,835
Depreciation as at 31st March 2023	-	3,754	2,440	6,194
Net Book Value as at 31st March 2023	2,646,849	1,435	2,251	2,650,535
Net Book Value as at 31st March 2022	2,175,436	2,332	3,189	2,180,957

During 2022/23 we commenced Phase 2 of the building project with the goal of occupying for non-public facing activities in April 2023. Per the accounting policies the building will be depreciated once completed.

CONNECT CHURCH UK

Year Ended 31st March 2023

Notes to the Financial Statements

13 Debtors

	2023	2022
	£	£
Gift aid	7,363	7,049
Prepayments and accrued income	20,000	2,435
	<u>27,363</u>	<u>9,484</u>

14 Creditors: Amounts Falling Due Within One Year

	2023	2022
	£	£
Trade creditors	3,474	2,736
Accruals and deferred income	7,715	-
Other taxes and social security	-	2,177
	<u>11,189</u>	<u>4,913</u>

15 Creditors: Amounts Falling Due After One Year

	2023	2022
	£	£
Charity bank mortgage	1,074,354	935,683
Big Issue - Development loan	123,009	123,009
Big Issue - Working capital loan	94,779	94,779
	<u>1,292,142</u>	<u>1,153,471</u>

Capital repayment holiday was granted by both Charity Bank and Big Issue due to the Covid Pandemic and was extended until 31 December 2023.

CONNECT CHURCH UK

Year Ended 31st March 2023

Notes to the Financial Statements

16 Analysis of Charitable Funds

	1 Apr 2022 £	Income £	Expenditure £	Transfers £	31 Mar 2023 £
Unrestricted Funds					
Unrestricted					
General funds	1,130,346	342,913	(257,027)	(1,069,311)	146,921
	1,130,346	342,913	(257,027)	(1,069,311)	146,921
Designated					
Asset and building fund	-	-	-	1,358,393	1,358,393
	-	-	-	1,358,393	1,358,393
Total Unrestricted	1,130,346	342,913	(257,027)	289,082	1,505,314
Restricted Funds					
Vision fund	145,492	157,673	(73,537)	(213,582)	16,046
Big Issue Access capital grant	-	-	-	-	-
Access impact grant	164	-	-	-	164
Growing lives grant	19,000	-	-	(19,000)	-
Synergy legacy	6,000	-	(3,103)	-	2,897
Allchurches Trust Ltd	56,500	-	-	(56,500)	-
Missions	520	9,764	(9,200)	-	1,084
Total Restricted	227,676	167,437	(85,840)	(289,082)	20,191
Total Funds	1,358,022	510,350	(342,867)	-	1,525,505

Fund Transfers

During the year the building development project, other fixed assets and the loan mortgage balances were transferred out of the general fund and building development related restricted funds to a designated fund that holds the netbook value of CCUK's assets less the outstanding mortgage and loan balances.

CONNECT CHURCH UK

Year Ended 31st March 2023

Notes to the Financial Statements

	1 Apr 2021 £	Income £	Expenditure £	Transfers £	31 Mar 2022 £
Unrestricted Funds					
Unrestricted					
General funds	790,044	214,476	(218,290)	344,116	1,130,346
	<u>790,044</u>	<u>214,476</u>	<u>(218,290)</u>	<u>344,116</u>	<u>1,130,346</u>
Designated					
Asset and building fund	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Unrestricted	<u>790,044</u>	<u>214,476</u>	<u>(218,290)</u>	<u>344,116</u>	<u>1,130,346</u>
Restricted Funds					
Vision fund	304,768	247,192	(62,352)	(344,116)	145,492
Big Issue Access capital grant	6,000	-	(6,000)	-	-
Access impact grant	-	5,000	(4,836)	-	164
Growing lives grant	19,000	-	-	-	19,000
Synergy legacy	6,000	-	-	-	6,000
Allchurches Trust Ltd grant	-	56,500	-	-	56,500
Missions	-	14,814	(14,294)	-	520
Total Restricted	<u>335,768</u>	<u>323,506</u>	<u>(87,482)</u>	<u>(344,116)</u>	<u>227,676</u>
Total Funds	<u>1,125,812</u>	<u>537,982</u>	<u>(305,772)</u>	<u>-</u>	<u>1,358,022</u>

Fund Transfers

Vision funds were transferred down after the expenditure from unrestricted funds to cover all costs related to the construction of the Home and Hub.

CONNECT CHURCH UK

Year Ended 31st March 2023

Notes to the Financial Statements

Fund Descriptions

Designated Funds

Asset and building fund A fund to hold the net book value of the buildings and other assets held by CCUK less the outstanding loan and mortgage balances.

Restricted Funds

Vision fund Gifts and funding towards the construction of the Home & Hub project.

Big Issue Access Capital Grant Funding towards the fitout of the Home & Hub.

Access Impact Grant Funding to engage a fundraiser to write grant bids for the Home & Hub project.

Synergy legacy Donation for activities for the elderly eg: holidays.

Allchurches Trust Ltd grant Funding towards the construction of the Home & Hub.

Missions Appeals eg: Impact 25:40 Afghanistan & Ukraine.

17 Analysis of Net Assets Between Funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Fixed assets	2,650,535	-	2,650,535
Current assets	158,110	20,191	178,301
Creditors less than 1 year	(11,189)	-	(11,189)
Creditors more than 1 year	<u>(1,292,142)</u>	<u>-</u>	<u>(1,292,142)</u>
	1,505,314	20,191	1,525,505

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Fixed assets	2,180,957	-	2,180,957
Current assets	107,773	227,676	335,449
Creditors less than 1 year	(4,913)	-	(4,913)
Creditors more than 1 year	<u>(1,153,471)</u>	<u>-</u>	<u>(1,153,471)</u>
	1,130,346	227,676	1,358,022

CONNECT CHURCH UK

Year Ended 31st March 2023

Notes to the Financial Statements

18 Related Party Transactions

Connect Church is affiliated to the Assemblies of God, Great Britain. CCUK made an annual contribution of £5,400 (2022: £5,967) to the Assemblies of God in 2023. Kirk McAtear is employed by AoG GB as a director of Missions on the National Leadership Team.

After the year end in June 2023 Rev Gerald Tan and Rev Dominic Yeo became directors and trustees of CCUK. Both Rev Gerald Tan and Rev Dominic Yeo are senior leaders of Trinity Christian Centre Church in Singapore who have made a number of donations in recent years to CCUK in support of the building project.

Stefanie Lakin is related party to trustee and director Simon Lakin through being a close family relative. Stefanie Lakin is an employee of CCUK and received a total remuneration of £9,353 including employers national insurance and employers pension contribution.

19 Events After The Reporting Period

On 15 May 23, Connect Church UK announced that they were moving from friends to family and becoming one of the Overseas Centres of Trinity Christian Centre, with its main site in Singapore. The terms of the relationship are outlined in a Letter of Intent signed 12 May 23 that outlines the nature of the relationship including the spiritual leadership of Lead Pastor Gerald Tan, the inclusion of two trustees from TCC on the CCUK Trustee Board, operational support and financial support.

20 Prior Year Statement of Financial Activities

	Unrestricted Funds £	2022 Restricted Funds £	Total Funds £
Income			
Donations and legacies	212,722	323,465	536,187
Charitable activities	1,610	-	1,610
Other income	144	41	185
Total Income	214,476	323,506	537,982
Expenditure			
Raising Funds	1,161	4,836	5,997
Charitable activities	217,130	82,645	299,775
Total Expenditure	218,291	87,481	305,772
Net income / (expenditure)	(3,815)	236,025	232,210

Accounts



Annual Report and Financial Statements

YEAR ENDED 31ST MARCH 2022



Connect Church UK
Bradford Court Business Centre
123-131 Bradford Rd, Birmingham B12 0NS
0121 766 7600

info@connectchurchuk.com
www.connectchurchuk.com
Registered Charity no. 1133824
Company No. 07003576



CONNECT CHURCH UK

Trustees' Annual Report and Financial Statements For the year ended 31 March 2022

Contents	Page
Trustees' Annual Report	3
Independent Examiner's Report	15
Statement of Financial Activities	16
Balance Sheet	17
Notes to the Financial Statements	18

CONNECT CHURCH UK

Trustees' Annual Report (Including Directors' Report) for the year ended 31 March 2022

Connect Church UK (CCUK) was founded by a small group of 'Brummies' during the 2nd World War in Sparkhill, Birmingham and is a part of the Assemblies of God denomination. CCUK is a welcoming, multi-ethnic church that spans the generations and is passionate in its worship and care for people. Our mission is to connect people into a world-transforming relationship with Jesus Christ. While the immediate focus is to minister to the community of Small Heath and the Eastside of Birmingham, the church also has a wider reach across the city and internationally.

Objectives, Achievements and Performance

Connect Church UK's purposes as set out in the objects contained in the company's memorandum of association are:

- (a) to advance the Christian faith in accordance with the Statement in such ways and in such parts of the United Kingdom or the world as the directors from time to time may think fit;
- (b) to relieve sickness and financial hardship and to promote and preserve good health by the provision of funds, goods or services of any kind including through the provision of counselling and support in such parts of the United Kingdom or the world as the directors from time to time think fit; and
- (c) to advance education in such ways and in such parts of the United Kingdom or the world as the directors from time to time may think fit.





WHAT WE DO - OVERVIEW

All the activities and organisational structure of CCUK fit into the pattern:

- that we would connect with God in personal **worship**;
- that we would connect to a community of people in relationship and **love**;
- that we would connect to our purpose through **serving**;
- which is all facilitated by effective, efficient, and ethical **management**.

This pattern will be accomplished through providing the following public benefits:

Worship

- Regular public worship open to all. Each week we have hosted a Sunday service simultaneously in-person and online.

Love

- People are encouraged to build relationships and community through a variety of small groups offered in locations across the city. The small groups are formed based on: geographical location, generation, gender, general interest or personal growth.
- Pastoral work including supporting the sick and bereaved facilitated by clergy, staff and lay members.

Serve

- to support other charities in Birmingham in practical ways.
- to engage with our local community to encourage better relationships amongst our neighbours.
- to partner with similar churches/charities abroad to learn from and support their works.

The **five goals** that Connect Church UK set out to achieve in 2021/2022 were:

1. Renew our passport (to purpose);
2. Reshape & Release Ministry;
3. Reside in the CCUK values;
4. Relocate to the Home & Hub;
5. Re-engage with Mission.

2021/2022: A YEAR IN REVIEW

The overall word for this year was RECREATE as Connect Church UK strived to provide Worship, Love and Service within the restraints and limitations due to the ebb and flow of Covid-19 over the course of the year. Quotes included here are some of the responses from a survey conducted in Summer 2021.

1. Renew our passport (to purpose)

The passport to purpose is a framework that guides an individual in their personal faith journey as a believer in Jesus Christ and includes courses and significant experiences such as water baptism or missions' trips. This year the following courses were offered online: Alpha, Freedom in Christ, Connect to Growth, The Bible Course, and the Wellbeing course. Also a number of Connect Groups ran including The Chosen Connect, Godmothers, Men's Boost, and Connect Prayer.

During the year, 83 people attended a Connect Group or course and 5 people were baptized in water to make a public confession of their faith.

'I find your group work incredible. They're informative, inclusive, extremely well planned and a delight to be a part of.'



2. Reshape & Release Ministry

One of the effects of moving to online activities during the pandemic was that the volunteer base for CCUK was reduced and as a result placed a greater burden upon those who remained to facilitate the activities of the church. This year there has been a focus on both redesigning activities to meet needs more efficiently, while recruiting and reactivating team members.

Due to renovation work at Holy Trinity School Small Heath, Connect Church began to meet in the Cyrille Regis Sports Hall at King Solomon International Business School each week from Sunday 6 June 2021 for in-person worship. The facilities in the hall and good relationship with the school have resulted in much of the equipment being stored onsite reducing the amount of work required by the set-up team to prepare the hall each week for the service. Wi-fi technologies have also reduced the amount of equipment required for the sound system.

The Connect Kids resumed in-person activities in April 2021 and IAM Youth resumed in-person activities in September 2021. Recruiting and training personnel for each team remains an ongoing priority. In total 72 people including staff and volunteers facilitated the services and programmes of Connect Church.

'Just great to be able to come back to church and to see so many people again face to face. Also each week to see so many people coming back and also some new faces attending as well.'

3. Reside in the CCUK values

Ten values have been identified that frame the philosophies and activities of Connect Church. The goal this year has been to consistently embed the values into all areas of the church. The ten values are:

All belong	we are all valued	Always Bible-based	we are Bible based
All in	we all contribute	Always building	we are good stewards
All original	we are all innovative	Always aware	we are responsible leaders
All together	we serve collaboratively	Always on mission	we are people of influence
All anointed	we are Holy Spirit enabled	Always more	we are growing in faith

These values have been articulated in the 'Living Out the Connect Values' document for CCUK leaders and influencers. Our social media posts often carry at least one of these values as a hashtag.

Informed by our values, and a growing awareness around systemic, historic, and institutional racial bias and injustice, Connect Church UK supported, attended and assisted in the facilitation the city-wide combined churches Time4Change reconciliation event at St Andrews Football Stadium on 17 October 2021.

4. Relocate to the Home & Hub

As the contract with the previous builder had been terminated at the end of March 2021, the trustees supported by consultant Stephen Matthew sought to identify and engage a construction company who would be able to take on the unfinished Home and Hub project and complete it. In December 2021 contracts were signed with Mayway Construction for phase 2 to practically complete the building in April 2022. The CCUK congregation and supporters continued to give faithfully and generously to this project and grant funding of £56,500 was awarded from Allchurches Trust in July 2021.

5. Re-engage with Mission

This goal was about encouraging people to move beyond mental, emotional and spiritual isolation and connect with others and contribute. During this year Connect Church re-engaged in mission by:

- contributing donations each month to foodbanks run through both Holy Trinity School Small Heath, and later King Solomon International School to support 30 families.
- commencing a partnership with Safe Families. Volunteers were trained and matched with vulnerable families identified by the Local Authorities, to come alongside them and provide practical support.
- donating new school uniform items for students needing support at Wyndcliffe Primary School.
- supporting the Impact25:40 appeals for Afghanistan and Ukraine with £14,814 in donations.
- Packing, donating as well as processing Operation Christmas shoeboxes for Samaritan's Purse.
- Connect Kids hosting a Light Party at King Solomon School in October with 64 children attending. Connect Kids also hosted a Christmas Crafts morning and Slime Workshop at the school.
- Welcoming the first missions team to return in November from the Czech Republic since the Covid-19 pandemic for training and ministry.
- Hosting our first Christmas pantomime events: the Saltmine Theatre Company production of Rapunzel providing free tickets for attendees. 338 people attended the two performances.

'Excellent and for the church to do this for free I really appreciated it as a single parent with limited funds. Please keep me informed of any other events going on at the church for children.'





PLANS FOR THE FUTURE

Inspired by the lead up to the Commonwealth Games taking place in Birmingham during the Summer of 2022, the following 5 goals have been identified for the year:

1. Game-changing Worship – Creating our Expression

As more people return (or begin to come) to in-person worship services, this goal is about using the innovations from the Covid 19 pandemic to enhance the worship experience without losing the unique expression of the Connect Church UK or isolating the congregation who continue to participate online. The focus will continue on recruiting and rebuilding teams to facilitate the worship services both in-person and online.

2. Game-changing Love – Growing our relationships

This goal is about increasing the number of appropriate opportunities in-person and online to encourage interactions that lead to the formation, rebuilding, repairing and restrengthening of relationships in the wake of Covid-19.

3. Game-changing Service – Reaching our Community

This year Connect Church UK will continue to build upon collaborative partnerships and initiatives within the local and global community to provide for practical needs, foster positive relationship and bring spiritual encouragement.

Key local partnerships include: Safe Families, Wyndcliffe Primary School, King Solomon International Business School and Time4Change Birmingham, ChaplaincyPlus, Birmingham Churches Together, Interserve, Birmingham City Football Club Chaplaincy, Hobmoor Oasis Community Centre, Small Heath Baby Bank.

Key global partnerships include: Samaritan's Purse, Open Doors, Compassion, Assemblies of God Impact 25:40.

4. Game-changing Management – Stewarding what we have been given

The post-covid recovery economy has become particularly challenging as a result of the Cost-of-Living crisis with high inflation and increasing interest rates, as well as internal dimensions of changes to staff and team personnel. This goal is about navigating these challenges while continuing to press forward and realise the vision, goals and charitable objects of the church.

5. Game-changing Location – Moving into our Home & Hub

Now that Mayway Constructions have been engaged to complete the Home & Hub, the focus will be on modifying and prioritizing the work that remains to be completed before occupation can take place. The landscaping design will be redesigned to reduce costs and phase the occupation dependent on approval by Birmingham City Council. The administration of CCUK will move to the Home and Hub, followed by capacity limited public services before full occupation as funding is sourced.



REVIEWING FINANCES

CCUK reported a net deficit of £3,815 on general funds, a drop when compared to the previous year (2021: £14,801). While income from general donations had actually increased to £212,722 (2021: £202,047) spending increased on rentals of venues for both Sunday services and offices as administration relocated from the Square to Bradford Court.

Restricted funds reflected an increased surplus of £236,023 (2021: £60,328), boosted by an increase in donations to the Vision fund totaling £247,192 in 2022 (2021: £98,346), donations of £14,814 to the Impact 25:40 appeals for Afghanistan and the Ukraine; as well as grants awarded from Allchurches (£56,000) and Access Impact (£5,000).

Income derived from voluntary donations increased by 58% to £474,686 in 2022 compared to £300,394 in 2021. Two large donations accounted for much of this increase. There was no income this year from goods in kind as the church had relocated offices in January 2021. Income from other sources (Grants, and other activities) decreased from £68,187 to £63,294. While there was some success in obtaining grants, the level of grant income towards the Home and Hub project was below what was hoped for.

Expenditure increased by 4.1%, totaling £305,773 in 2022, compared with £293,452 in 2021. The resumption of the construction of the Home and Hub, as well as the in-person ministries of the church such as Connect Kids and IAM Youth were the major contributors to the increase in expenditure.

Restricted funds

Restricted funds comprise donations given for a specific ministry purpose. As at 31 March 2022 the unspent portion of these funds amounted to £227,674 (2021: £335,768).

Fundraising policy

CCUK receives most of its donation income from its congregation. However, occasionally other organisations and grant-makers are approached to assist with special projects. The trustees are committed to maintaining the highest legal and ethical standards in the way the charity undertakes its fundraising activities. CCUK is committed to abiding by the Code of Fundraising Practice and to the Fundraising Promise.

Reserves Policy

Trustees of CCUK manage a tension between faith in God as the source of provision for the financial resources required to fund the work of the church, as well as the need to wisely steward resources to ensure that the church has sufficient working capital to meet its obligations to its employees and creditors. The Trustees aim to hold sufficient “free” reserves (equivalent to cash and liquid assets) to cover at least three months’ expenditure. Free reserves at 31 March 2022 stand at £102,859 (2021: £105,605*) against a target based on 2021-22 budgeted costs of £74,309. For 2022 the free reserves have been calculated as net current assets less restricted funds. The Trustees will remain mindful of this target in making financial decisions and allocating resources during the current year, especially with the challenge of completing the Home & Hub in a volatile financial climate.

*(*Using the same method to calculate the free reserves the comparison amount for 2021 has been revised from £104,079).*



STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The church is a charitable company limited by guarantee, incorporated on 28 August 2009 and registered as a charity on 27 January 2010. The company was established under a Memorandum of Association and amended by special resolution(s) dated 05/02/2013 which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

Although Connect Church UK is an autonomous charity, since the church's commencement in 1940 it has had fellowship status with the Assemblies of God Great Britain (AoG GB), and abides by the Constitution of AoG GB, has accepted the AoG GB Statement of Faith, contributes financially to AoG GB and ensures that the Senior Minister has AoG GB Ministerial Status.

RECRUITMENT AND APPOINTMENT OF TRUSTEES

Training and Induction of Trustees

The directors of the company are also charity trustees for the purposes of charity law and are known in Connect Church UK as Vision Protectors. Under the requirements of the Memorandum and Articles of Association the Vision Protectors are identified by the Senior Minister and, after an application process, are appointed by the Vision Protectors at the Annual General Meeting. The directors are not required to retire by rotation. It is considered that all the Vision Protectors and any others who could be understood to be 'managers' in the activities of the charity are deemed to be 'fit and proper' persons under the terms of the Finance Act 2010. Trustee training is available for any new Vision Protector or those continuing to serve as a Vision Protector as part of our regular meetings as well.

Sadly, in January 2022 one of the Vision Protectors, Vernon Dore passed away. Vernon had been a long-term trustee of Connect Church and his passing is keenly felt on the board. A skills audit of the remaining trustees was undertaken, and additional trustees were recruited in June 2022.

Organisational Structure and Decision Making

The Board of Trustees met online 10 times in the 2021/2022 financial year of the company. The Trustees are responsible for the various ministries and operations of the church and make regular reports at the meetings so that issues may be highlighted and discussed. A sub-committee, called the Management Team, of staff and skilled lay members of various professional backgrounds from the church is led by the Executive Minister and their research and recommendations inform the Board of Trustees. A salary sub-committee of two Trustees and two members from the Management Team, all non-paid volunteers, reviewed and recommended the salaries of the staff for the 2022/23 budget.

Trustee's Responsibilities

All Trustees are aware of the Charity Commission's guidance on public benefit in their publication 'The Advancement of Religion for Public Benefit' and have regard to it in their administration and activities of Connect Church UK.



Risk Management

Connect Church UK recognises that in relation to 'Risk Assessment', risk is defined as 'the threat of any action or event which will adversely affect an organization's ability to achieve its objectives and execute its strategies'. It also accepts that the term 'risk' can include any circumstances that may, or do, have an adverse effect, and is wider than financial matters. 'Risks' relate not only to the negative consequences of a threat, but also to the impact of not taking advantage of opportunities.

Connect Church UK recognises it requires a practical Health and Safety Policy for any building and surrounding grounds it owns or rents in pursuit of its activities. This is reviewed on a regular basis. An Accident log is maintained.

The contents and obligations of the Equality Act 2010 and the Data Protection Act 2018 are known and complied with to the best of the church's ability. The Trustees are aware of their responsibilities in respect of the Regulatory Reform (Fire Safety) Order 2005 and its requirement to carry out a fire assessment to identify any possible dangers and risks, to take action to minimize the risks and to create a plan to deal with any emergencies, and also to write up and keep a record of its findings and to review its assessment annually. The Trustees have appointed Matthew Hopley to be the responsible person to put these matters into operation.

There is a Protection Policy in place in respect of children and vulnerable adults. Checks have been and are made with the Disclosure and Barring Service (formerly the CRB) in respect of persons dealing regularly with young people and vulnerable adults. The Trustees' appointed officer for this is Louison Ricketts. Whilst it is impossible to eliminate all risks and their consequences, efforts are constantly made to minimize such occurrences. The safeguarding policy is reviewed and revised annually and was approved in November 2021 by the Trustees and implemented where applicable in the various ministries of the church. Trustees are kept informed on matters affecting the church, such as health and safety, disability discrimination legislation and child protection.

Since the outbreak of the Covid-19 pandemic, the Trustees have continued to monitor Government Guidelines with regards to Places of Worship and adjust activities in order to mitigate the risks of harm while endeavouring to still provide pastoral and practical care.

In July 2021, the trustees reported a potential serious incident to the Information Commissioner's Office and the Charity Commission. Both regulators confirmed that no further action was necessary on this occasion due to the measures put in place by CCUK.

Principal Risks and Uncertainties

No.	Potential Risk	Mitigation
1.	Loss of confidence by stakeholders due to the behaviour of senior leadership or staff members.	- Connect Church values are clearly defined and regularly communicated - Prayer and worship are central to CCUK - Oversight structures are in place for senior leaders and staff.
2.	Harm comes to those in our care due to lack of appropriate and compliant child and vulnerable adult safeguarding procedures.	- Safeguarding at CCUK is overseen by a Safeguarding VP and Management committee representative. - CCUK works closely with Connect2families and thirtyone:eight to ensure that it models best practice in the area of safeguarding.
3.	Harm comes to visitors or staff due to lack of appropriate and compliant Health & Safety procedures	- Regular H&S reporting currently from Venue Coordinator at Management and staff meetings. <i>When in Home & Hub: internal and external H&S Advisors monitor and report on risk areas identified.</i>
4.	The coronavirus pandemic, and the subsequent Cost of Living crisis, and high inflation is causing significant operating challenges and could impact CCUK's income and/or cashflow.	- Expenditure is being carefully controlled and income closely monitored as financial fragility increases. - CCUK relies on God's provision and the generosity of the congregation to meet its financial needs. Key partners would be approached to underwrite in the event of a shortfall or to consider merger or partnership in order to enable CCUK to continue to operate.
5.	A shortfall in income and/or inadequate cashflow results in an inability to meet salary and creditor payments. Specific financial risks are: Home and Hub building project	- Aim to hold at least 3 months' working capital - Strong budgetary and financial controls are in place. - Additional funding streams are being sought specifically for the Home and Hub.
6.	Inability to operate in the event of a disaster due to lack of adequate business continuity planning. Business continuity compromised or critical data lost through cyber-attack.	- IT systems are backed up remotely and can be accessed remotely. - Continue to invest in digital and technology systems including technology. - Data audits regularly conducted.
7.	Future of the organization jeopardized due to lack of adequate succession planning for key senior roles.	- Succession planning needs to start taking place for key senior roles in the organisation. - VPs to be consulted on the recruitment and appointment of a new Senior minister.
8.	Poor decision-making and breach of regulatory requirements due to weak or non-compliant governance structures.	- VP (Trustee) meetings and structures are compliant with Charity Commission, Companies House and governing document requirements. - Conflicts of interest are managed appropriately at VP level.
9.	Legal risks and potential disruption arising from use of rental venues for operations.	- Try to ensure that agreements with hired premises have a notice period that allows for alternate accommodation to be in place. - Significant communication takes place to inform congregation of changes in venue and operation. - Insurance policies are updated to reflect changes in operation.
10.	Growth in the church services and operations unable to be serviced by current staffing.	The creation of a strategic plan that identifies priorities in staffing, funding levels required to recruit and potential strategies to increase funding as well as identify suitable volunteers.



TRUSTEES

The current trustees of Connect Church UK and those who held office during the year are as follows:

Pastor Kirk McAtear	Senior Minister/Chair Pastor
Pastor Tracee McAtear	Executive Minister
Mrs Valerie Danelczyk	<i>Appointed 8 June 2022</i>
Mr Vernon Dore	<i>Passed away 30 January 2022</i>
Mrs Joycelyn Edwards	<i>Appointed 5 June 2022</i>
Mr Simon Lakin	
Mr Bradford Ricketts	
Mrs Louison Ricketts	
Miss Grace Sutton	<i>Resigned 19 July 2022</i>

Committee Members (during 2021/22)

Management Team

Tracee McAtear, Matthew Hopley, Yvette John, Valerie Danelczyk

Salary Committee

Valerie Danelczyk, Vernon Dore, Yvette John, Grace Sutton

Company Secretary

Tracee McAtear is Company Secretary of Connect Church UK.

ADVISERS

Bankers:

Lloyds Bank, 9-11 Poplar Rd, Solihull B91 3AN.

The Charity Bank Ltd, Fosse House, 182 High St, Tonbridge, Kent, TN9 1BE.

Kingdom Bank, Ruddington Fields Business Park, Mere Way, Ruddington, Nottingham, NG11 6JS.

Big Issue Invest, 113-115 Fonthill Road, Finsbury Park, London N4 3HH.

Independent Examiner:

Rev'd Alan Clements, 15 Carleton Road, Great Knowley, Chorley, PR6 8TQ, MA, ACIB, FCIE.



Statement of responsibilities of the Trustees

CCUK Board of Trustees is responsible for preparing the Annual report and financial statements in accordance with applicable law and United Kingdom generally accepted accounting practice.

Charity law requires the trustees to prepare a statement of financial activities and statement of assets and liabilities for each financial year, which gives a true and fair view of the state of affairs of the church and of its financial activities for that year and adequately distinguishes any material special trust or other restricted fund of the church.

In preparing those financial statements the CCUK Board of Trustees is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the policies adopted are in accordance with the appropriate SORP on Accounting by Charities and the Accounting Regulations and with applicable accounting standards, subject to the material departures disclosed and explained in the financial statements; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the church will continue to operate.

We are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable us to ensure the financial statements comply with the Charities Act 2011.

We also have a responsibility to safeguard the assets of the church and to take reasonable steps to detect fraud or other irregularities and to provide reasonable assurances that:

- the church is operating efficiently and effectively;
- its assets are safeguarded against unauthorized use or disposition;
- proper records are kept and financial information used within the church or for publication is reliable;
- the church complies with relevant laws and regulations.

Independent Examiner

The CCUK Board of Trustees intend to ask the existing examiners to undertake the independent examination of the Church in the following year. However this will be dependent on the income for 2023.

Approval

This report was approved by the Board of Trustees of Connect Church UK and signed on its behalf, by Pastor Kirk McAtear, Senior Minister.

Signed:



Date: 6 December 2022

Independent Examiner's Report to the Trustees of Connect Church UK

Independent Examiner's Report to the Trustees of the Connect Church UK.

I report on the accounts of the company for the year ended 31st. March 2022, which are set out on pages sixteen to seventeen of this Report.

Respective responsibilities of trustees and examiner.

The trustees (who are also the directors of the charity for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for the year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act, and
- to state whether particular matters have come to my attention.

Basis of the independent examiner's report.

My examination was carried out in accordance with the general Directions given by the Charity Commission.

An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement.

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in any material respect the requirements
 - to keep accounting records in accordance with section 386 of the Companies Act 2006; and
 - to prepare accounts which accord with accounting records, comply with the accounting requirements of section 386 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charitieshave not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Signed Alan J Clements
Fellow of the Association of Charity Independent Examiners.
Address 15 Carleton Road, Great Knowley, Chorley PR6 8TQ.

Date 9th. December 2022.

STATEMENT of FINANCIAL ACTIVITIES
For the year ended 31 March 2022

		2022			2021
	Notes	Unrestricted funds £	Restricted funds £	Total funds £	Total funds £
INCOME FROM:					
Donations and legacies	3 a)	212,722	261,965	474,686	300,394
Grants	3 b)	-	61,500	61,500	25,000
Income from charitable activities	3 c)	1,610	-	1,610	1,253
Investments	3 d)	144	41	184	234
Other	3 e)	-	-	-	41,700
TOTAL INCOME		214,476	323,505	537,981	368,580
EXPENDITURE ON:					
Charitable activities	4 to 6	210,840	68,352	279,192	288,844
Grants and mission giving	7	6,290	14,294	20,584	3,944
Fundraising costs	8	1,161	4,836	5,997	664
TOTAL EXPENDITURE		218,290	87,483	305,773	293,452
NET INCOME/(EXPENDITURE) BEFORE TRANSFERS		(3,815)	236,023	232,208	75,129
Fund Transfers In		344,116	-	344,116	63,092
Fund Transfers Out		-	(344,116)	(344,116)	(63,092)
NET INCOME/(EXPENDITURE)		340,302	(108,094)	232,208	75,129
Gain/Loss on Investment		-	-	-	-
NET MOVEMENT IN FUNDS		340,302	(108,094)	232,208	75,129
FUNDS BROUGHT FORWARD AT 1 APRIL		790,044	335,768	1,125,812	1,050,684
FUNDS BROUGHT FORWARD AT 31 MARCH		1,130,346	227,674	1,358,020	1,125,812

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

CONNECT CHURCH UK

BALANCE SHEET

As at 31 March 2022

		2022		2021	
	Notes	£	£	£	£
FIXED ASSETS					
Tangible assets	12		2,180,959		1,837,911
Investments			-		-
Total fixed assets			2,180,959		1,837,911
CURRENT ASSETS					
Debtors	13		9,484		12,024
Cash at bank and in hand	14		325,962		433,846
Total current assets			335,446		445,870
Less: liabilities falling due within one year	15		(4913)		(4497)
Net current assets			330,533		441,373
			2,511,492		2,279,284
Less: liabilities falling due in more than one year	16		(1,153,471)		(1,153,471)
NET ASSETS			1,358,020		1,125,812
FUNDS					
Unrestricted			1,130,346		790,044
Restricted	22		227,674		335,768
TOTAL FUNDS			1,358,020		1,125,812

For the year ended March 2022 the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies. No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of the accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of trustees/directors and authorised for issue on 6 December 2022 and are signed on its behalf by:


Kirk McAtear
Senior Pastor & Chair of Trustees
Company Registration No. 07003576

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2022

1. ACCOUNTING POLICIES

These financial statements are prepared on a going concern basis, under the historical cost convention, modified to include certain items at fair value through income and expenditure within the Statement of Financial Activities.

The accounts have been prepared in accordance with the charity's governing document, the Companies Act 2006 and 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The charity is a public benefit entity for the purposes of FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

Going Concern

At the time of approving the financial statements, the Trustees have become increasingly concerned with the level of resources that the charity currently has in order to continue in operational existence for a period of at least one year from the date of approval of the financial statements. In particular, the Trustees have considered the high levels of inflation from the Cost-of-Living Crisis and the subsequent impact on the cost of building materials, reduced availability of grant funding and pressure on donors' ability to give. The Trustees have already implemented mitigating actions to limit the financial impact. The charity's loan providers have also been supportive; however the impact of increasing interest rate rises on the borrowing and the impending cessation of capital repayment holidays in 2023 have raised concerns for the ongoing cashflow. As a result, the Trustees are uncertain that the charity has sufficient reserves to enable the charity to operate for the next twelve months, and have begun to explore solutions to relieve the financial pressure.

Funds

General funds represent the funds of the charity that are not subject to any restrictions regarding their use and are available for application on the general purposes of the charity. Restricted funds represent those received for specific purposes as specified by the donors. The accounts include all transactions, assets and liabilities for which the charity are responsible in law.

Income

Donations and Legacies

Donations are recognised when received by or behalf of the charity or in the case of pledged donations when the charity is notified of its legal entitlement, the amount due is quantifiable and its ultimate receipt by the charity is probable. Income tax recoverable on Gift Aid donations is recognised when the income is recognised. Grants and legacies to the charity are accounted for as soon as CCUK is notified of its legal entitlement, the amount due is quantifiable and its ultimate receipt by CCUK is probable.

Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs relating to the category. Expenditure is recognised when there is a legal or constructive obligation to make payments to third parties, if it is probable that the settlement will be required and the amount of the obligation can be measured reliably.

Mission giving

Grants and donations are accounted for when due.

Other expenditure relating to the work of the church

CCUK's contribution to the Assemblies of God GB is accounted for when payable.

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2022

Pension costs

The church contributes to a group defined contribution pension scheme. All pension costs are charged in the statement of financial activities as they fall due.

Support costs

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs and other administrative costs. Where support costs cannot be directly attributed to particular headings, they have been allocated to the cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

All assets costing more than £500 are capitalised. No depreciation is provided on freehold land.

Land and buildings

Fixed assets are for use by the church in fulfilling its objects and are capitalized and depreciated. Depreciation is provided at rates appropriate to reduce book values to estimated residual values over the useful lives of the assets concerned. Land or buildings includes construction and professional fees associated with the new building. Depreciation will commence once the buildings are commissioned. Land and buildings are then revalued periodically to reflect their net realisable value.

Computer equipment, vehicles, other equipment and furniture and fittings

All other assets are depreciated at 20% using the straight-line balance basis. The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset and is recognised in net income/(expenditure) for the year.

Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all its financial instruments. Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

With the exceptions of prepayments and deferred income all other debtor and creditor balances are considered to be basic financial instruments under FRS 102 (see notes 13, 15 and 16 in this respect)

Debtors

Amounts owing at 31 March in respect of fees and other income are shown as debtors less any provisions for amounts that may prove uncollectable.

Cash and Cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, and other short-term liquid investments with original maturities of three months or less.

Creditors

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in a transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

Leases

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight-line basis over the lease term.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2022

Employee benefits

The cost of short-term employee benefits are recognised as a liability and an expense. The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Critical accounting estimates and areas of judgement

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

CONNECT CHURCH UK

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2022

2. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

The following table analyses 2021's income and expenditure between unrestricted and restricted funds

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME FROM:			
Donations and legacies	202,047	98,346	300,394
Grants	0	25,000	25,000
Income from charitable activities	1,253	0	1,253
Investments	160	73	234
Other	41,700	0	41,700
TOTAL INCOME	245,160	123,420	368,580
EXPENDITURE ON:			
Charitable activities	288,844	0	288,844
Grants and mission giving	3,944	0	3,944
Fundraising costs	664	0	664
TOTAL EXPENDITURE	293,452	0	293,452
NET INCOME/(EXPENDITURE) BEFORE TRANSFERS	(48,291)	123,420	75,129
Fund Transfers In	63,092	0	63,092
Fund Transfers Out	0	(63,092)	(63,092)
NET INCOME/(EXPENDITURE)	14,801	60,328	75,129
Gain/Loss on Investment	-	-	-
NET MOVEMENT IN FUNDS	14,801	60,328	75,129
FUNDS BROUGHT FORWARD AT 1 APRIL	775,243	275,440	1,050,684
FUNDS BROUGHT FORWARD AT 31 MARCH	790,044	335,768	1,125,812

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2022

3. INCOME

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
a. Donations and legacies				
Donations and Gifts	183,437	246,046	429,483	253,719
Gift aid	29,285	15,919	45,204	40,675
Legacies Receivables	-	-	-	6,000
	212,722	261,965	474,686	300,394
b. Grants				
Grant Income	-	61,500	61,500	25,000
	-	61,500	61,500	25,000
c. Income from charitable activities				
Church Activities	1,445	-	1,445	656
Other Activities	165	-	165	597
	1,445	-	1,610	1,253
d. Investments				
Bank interest	144	41	184	234
	144	41	184	234
e. Other				
Donated Goods & Services	-	-	-	41,700
	-	-	-	41,700

4. EXPENDITURE

Expenditure analysed by staff costs, other direct costs, depreciation and include allocated support costs.

	Notes	Salaries*	Other costs*	Depreciation and Examination	Total 2022 £	Total 2021 £
		£	£	£		
Charitable activities						
Ordinary ministry of the church	5	131,427	76,895	2,225	210,547	236,691
Development of Home & Hub	6	-	68,645	-	68,645	52,152
		131,427	145,540	2,225	279,192	288,844
Grants and mission giving	7	-	20,584	-	20,584	3,944
Fundraising costs	8	-	5,997	-	5,997	664
Total expenditure		131,427	172,121	2,225	305,773	293,452

* Includes allocated support costs

CONNECT CHURCH UK

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2022

5. ORDINARY MINISTRY OF THE CHURCH

The following table analyses expenditure on the ordinary ministry of the church (including support costs) between Funds; and notes the allocation of support costs to each expenditure category. All support costs are charged to unrestricted funds.

	Unrestricted funds			Restricted	Total	Total
	Direct costs	Support costs^	Total	funds ^	2022	2021
	£	£	£	£	£	£
Contribution to AoG GB	5,967	-	5,967	-	5,967	6,105
Salaries and pension contributions	89,640	41,787	131,427	-	131,427	131,252
Staff other costs	7,925	2,862	10,788	-	10,788	5,008
Cost of services	16,208	31,096	47,304	-	47,304	83,874
Pastoral care & training	1,660	247	1,907	-	1,907	1,739
Worship	4,101	-	4,101	-	4,101	3,342
Church courses & events	4,408	348	4,756	-	4,591	4,377
Youth and children's work	3,043	21	3,063	-	3,063	936
Engage (local social action)	1,234	-	1,234	-	1,234	58
	134,187	76,361	210,547	-	210,382	236,691

^ All expenditure and capital costs for the Home & Hub building have been charged to unrestricted funds first and then a transfer from restricted vision funds applied. See note 17 for the transfer details.

6. DEVELOPMENT OF HOME & HUB

	Unrestricted funds	Restricted funds	Grant funds	Total 2022	Total 2021
	£	£	£	£	£
Fitout	-	100	5,025	5,125	450
Mortgage Interest	-	47,216	-	47,216	48,702
Building Legal & Advisory	-	6,000	975	6,975	3,000
Services	-	9,035	-	9,035	-
Maintenance	293	-	-	293	-
	293	62,352	6,000	68,645	52,152

CONNECT CHURCH UK

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2022

7. GRANTS AND MISSION GIVING

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Gifts for Overseas Mission				
AoG Impact 25:40 Lebanon	-	-	-	500
AoG Impact 25:40 Afghanistan	-	6,687	6,687	
AoG Impact 25:40 Ukraine	-	7,607	7,607	
AoG Wycliffe Bible Translation	513	-	513	
Brave Church (Sri Lanka) Support	1,200	-	1,200	1,200
Open Doors with Br Andrew	850	-	850	800
AoG GB Missions Champions	-	-	-	100
Compassion Sponsorships	-	-	-	504
Individuals **	-	-	-	400
Adjust for Cancelled covid flight to Aus	-	-	-	(360)
	2,563	14,294	16,857	3,144
Gifts to UK Beneficiaries				
AoG Covid19 Fund	-	-	-	500
Interserve	118	-	118	100
Alabare	200	-	200	-
Individuals ***	1,497	-	1,497	300
	1,815	-	1,815	900
Missions Costs				
Flights abroad	324	-	324	-
Missions trip costs (accomm, food, etc)	80	-	80	-
Hosting guest speakers & missions personnel	1,351	-	1,351	-
Pastoral care - missionaries	157	-	157	-
	1,912	-	1,912	-
	6,290	14,294	20,584	3,944

** This relates to grants and mission giving to 1 overseas individual.

***This relates to grants and mission giving to 4 UK individuals.

CONNECT CHURCH UK

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2022

8. COST OF RAISING FUNDS

These are the costs incurred in fundraising and the majority of these costs relate to the administration of congregational donations rather than costs incurred in approaching donors to give to the charity. This financial year a professional fundraiser was engaged to write grant applications applying for funds to build the Home & Hub using funds from the Access Impact Grant.

	Unrestricted funds	Restricted funds	Grant funds	Total 2022	Total 2021
	£	£	£	£	£
Fundraising Costs (Non Grant)	1,161	-	-	1,161	664
Fundraising Costs	-	-	4,836	4,836	-
	1,161	-	4,836	5,997	664

9. SUPPORT COSTS

The following support costs (all out of unrestricted funds) have been apportioned based on identified contribution to direct or support function for both staff and expenses.

SUPPORT COSTS

	2022	2021
	£	£
Building maintenance & running costs (inc. Rents)	16,771	53,432
Covid measures	37	203
Rates and insurance	1,684	1,585
Postage	133	1,786
Telephone and printing	1,501	2,253
Total property-related support costs	20,127	59,259
IT	4,760	5,881
Finance	26	108
Creative Services	308	278
Executive and Legal	4,050	2,273
	29,271	67,799

CONNECT CHURCH UK

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2022

10. EXAMINATION COSTS AND DEPRECIATION

	2022	2021
	£	£
Provision for current year examination	400	400
Depreciation	1,825	12,219
	<u>2,225</u>	<u>12,619</u>

The total depreciation in 2022 was much less at £1,825 (2021: £12,219) as there were no assets to be written off.

As the Home and Hub is still in the process of construction the asset has not been revalued.

All purchased and costs for the Home and Hub >£500 are capitalised to the asset.

11. REMUNERATION

	2022	2021
	£	£
Wages and Salaries	122,544	122,695
Social Security costs	5,002	4,652
Contributions to pension scheme	3,882	3,905
	<u>131,427</u>	<u>131,252</u>

The average number of full-time equivalent employees was 4 (2021:4).

There were no employees whose total benefits (excluding pension contributions and employer national insurance) were greater than £60,000.

Details of trustee remuneration can be found in note 18 (Related Parties).

The key management personnel of CCUK comprises of the Senior Pastor and Executive Pastor. The total employee benefits (including pension and Employer NIC) of the key management personnel of the charity were £66,518 (2021: £57,306*) for 2022.

**The 2021 TAR incorrectly reported the total benefits of the key management as £77,979. However the corrected calculations should have totalled £57,306.*

CONNECT CHURCH UK

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2022

12. TANGIBLE FIXED ASSETS

	Home & Hub £	Church Equipment £	Computer Equipment £	Motor Vehicles £	Total £
COST					
Opening Balance 1 April 2021	1,831,320	5,189	3,935	-	1,840,444
Additions	344,116	-	756	-	344,873
Disposals	-	-	-	-	-
Closing Balance 31 March 2022	2,175,436	5,189	4,691	1,185	2,185,317
DEPRECIATION					
Opening Balance 1 April 2021	-	1,819	715	-	2,534
Charge for 2022	-	1,038	787	-	1,825
Disposals	-	-	-	-	-
Closing Balance 31 March 2022	-	2,857	1,502	-	4,358
NET BOOK VALUE					
At 31 March 2021	1,821,320	3,371	3,220	-	1,837,911
At 31 March 2022	2,175,436	2,333	3,190	-	2,180,959

13. DEBTORS

	2022 £	2021 £
Prepayments and accrued income	2,435	4,663
Gift aid	7,049	7,361
Refunds	-	-
	9,484	12,024

14. CASH AT BANK AND IN HAND

Unrestricted funds	102,108	104,079
Restricted funds	223,854	329,768
	325,962	433,846

CONNECT CHURCH UK

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2022

15. LIABILITIES FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Creditors for goods and services	2,736	2,521
Taxation and social security	2,177	1,976
Refunds owed by CCUK	-	-
	<u>4,913</u>	<u>4,497</u>

16. LIABILITIES FALLING DUE IN MORE THAN ONE YEAR

Charity Bank Mortgage	935,683	935,683
Big Issue - Development Loan (RGF)	123,009	123,009
Big Issue - Working Capital Loan	94,779	94,779
	<u>1,153,471</u>	<u>1,153,471</u>

Capital repayment holiday was granted by both Charity Bank and Big Issue due to Covid Pandemic and has been extended until 30 June 23 at writing of this report.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2022

17. MOVEMENT ON RESTRICTED FUNDS

	Opening balance 2022 £	Income 2022 £	Expenditure 2022 £	Transfer from Unrestricted to Restricted 2022 £	Closing balance 2022 £
Vision Fund Gifts and funding towards the construction of the Home & Hub project	304,768	247,192	(62,352)	(344,116)	145,492
Big Issue Access Capital Grant Funding towards the fitout of the Home & Hub	6,000	-	(6,000)	-	-
Access Impact Grant Funding to engage a Fundraiser to write grant bids for the Home & Hub project.		5,000	(4,836)	-	164
Growing Lives Grant Funding from Allchurches towards Children and Youth programs	19,000	-	-	-	19,000
Synergy Legacy Donation for activities for the elderly eg holidays	6,000		-	-	6,000
Allchurches Trust Ltd Grant Funding towards the construction of the Home & Hub	-	56,500	-	-	56,500
Missions Appeals eg Impact 25:40 Afghanistan & Ukraine	-	14,814	(14,294)	-	519
	335,768	323,505	(87,483)	(344,116)	227,674

Vision funds were transferred down after the expenditure from unrestricted funds to cover all costs related to the construction of the Home and Hub.

18. RELATED PARTIES

The following trustees were connected to people or organisations in receipt of payments from CCUK:

TRUSTEE	RELATED PARTY TRANSACTIONS
Simon Lakin	Stefanie Lakin (wife) is an employee and was a trustee of CCUK
Stefanie Lakin	Simon Lakin (husband) is a trustee of CCUK and a minister in training.
Kirk McAtear	Tracee McAtear (wife) is both a trustee and employee of CCUK. Kirk is also employed by AoG GB as a Director of Missions on the National Leadership Team.
Tracee McAtear	Kirk McAtear (husband) is both a trustee and employee of CCUK
Bradford Ricketts	Louison Ricketts (wife) is a trustee of CCUK
Louison Ricketts	Bradford Ricketts (husband) is a trustee of CCUK

Connected persons

Three of the Trustees, listed in the table above received a total remuneration of £66,518 (2021: £65,954*) from CCUK for 2022. Simon Lakin is a Minister in Training with the Assemblies of God Great Britain and CCUK paid £1486 in course fees and expenses. None of the remaining Trustees received any remuneration from CCUK or the related entities.

*The 2021 TAR incorrectly reported the total trustee remuneration as £86,627.

Connect Church is affiliated to the Assemblies of God, Great Britain. CCUK made an annual contribution of £5,967 (2021: £6,105) to the Assemblies of God in 2021.

Trustee donations

During 2022 CCUK received £44,278 (2021: £35,976) in donations from the Vision Protectors. The donors did not attach any conditions to their gifts which required the charity to significantly alter the nature of its existing activities.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2022

19. CONTINGENT LIABILITIES**Home and Hub Loans**

Loan facilities have been arranged with Charity Bank Ltd ("CBL") (£975,000), Big Issue Invest Ltd ("BILL") (£125,000) and Big Issue Access Ltd ("BIAL") (£100,000) to facilitate the construction of the Home and Hub which commenced July 2017.

The principal terms of the loans are:

Lender	Amount	% Rate	Term	Comments
Charity Bank	£975,000	Base+3.25%	25 years	Superior Debt
Big Issue Invest Ltd (RGF)	£125,000	Base+8.75%	7 years	Repayments based on 25 years with refinancing at year 8
Big Issue Access Ltd	£100,000	Base+8.75%	7 years	Repayments based on 25 years with refinancing at year 8

The CBL and BILL loans hold security in the form of charges over the land and buildings, bank account and debenture over all other net assets of the Church. All of the loan funds have been drawn down.

Change in price to complete Home and Hub

In December 2021 a JCT contract with Mayway Construction Ltd was signed to commence phase 2 of construction on the Home and Hub for the contract sum of £511,275. The schedule of work was 18 working weeks with the goal of bringing the building to a state of practical completion. A phase 3 of works to complete the building and landscaping to allow occupation for public facing activities has been quoted for when funding becomes available. The phase 3 quote includes a redesign of the landscaping to make the project more cost effective but has required the scheme to be resubmitted to Birmingham City Council planners for approval. The total value of the phase 3 tender is £575,652.

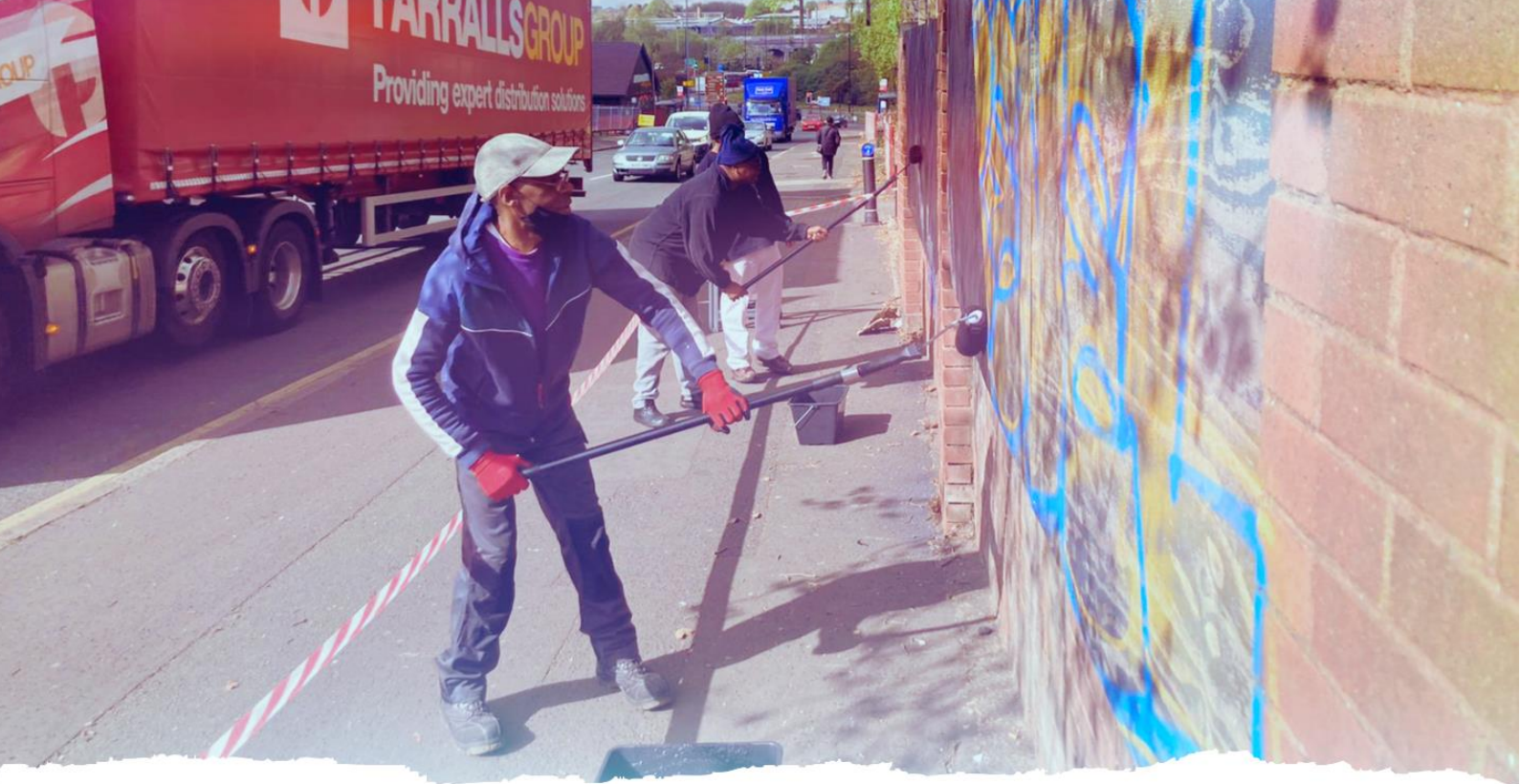
20. EVENTS AFTER THE END OF THE REPORTING PERIOD

The second phase of the building work on the Home and Hub was completed in May and the certificate of Practical Completion was issued 9 May 2022. As a result, CCUK became responsible for insuring a vacant building that they still unable to occupy, which has increased financial pressure upon the church, combined with external factors such as the Bank of England base rate rises and high inflation. From July 2022 the Trustees have been closely monitoring the cashflow of the church, streamlining spending and seeking solutions that will relieve its financial commitments as well as bring the church closer to the goal of occupying the building.

The Charity Bank extended the primary mortgage with an additional facility of £140,000 on the 29 September 22, to facilitate a schedule of reduced works from Phase 3. The goal is that CCUK will be able to occupy the Home and Hub for non-public facing activities such as administration and reduce some of their ongoing costs for office rental and storage by the start of 2023.

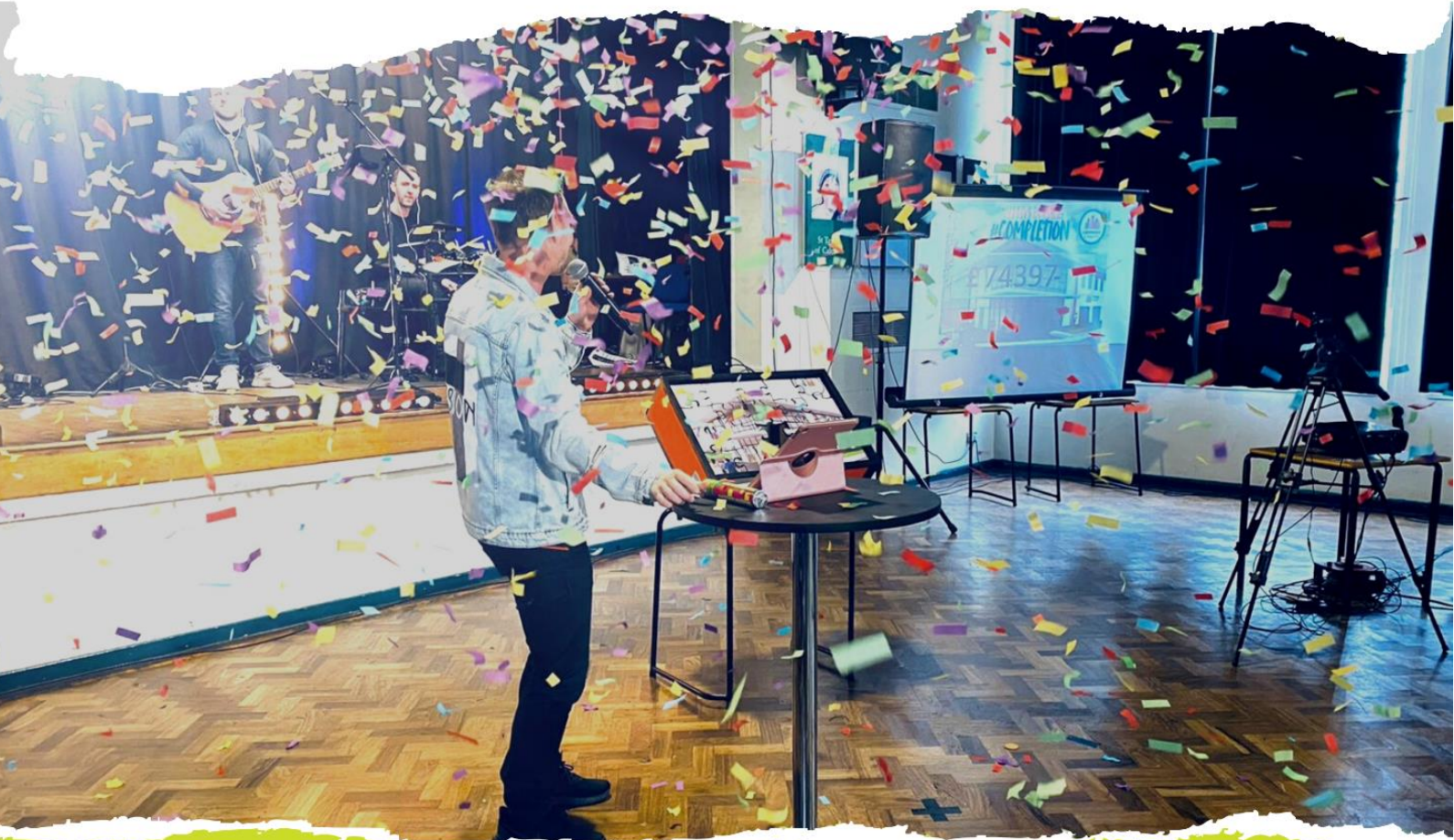
Grace Sutton resigned as a trustee on 19 July 2022. Two new trustees were appointed to fill the two vacancies: Joycelyn Edwards on 5 June 2022 and Valerie Danelczyk on 8 June 2022.

Accounts



Annual Report and Financial Statements

Year ended
31st March 2021



Connect Church UK
Bradford Court Business Centre
123-131 Bradford Rd, Birmingham B12 0NS
0121 766 7600

info@connectchurchuk.com
www.connectchurchuk.com
Registered Charity no. 1133824
Company No. 07003576

CONNECT CHURCH UK

Trustees' Annual Report and Financial Statements

For the year ended 31 March 2021

Contents	Page
Trustees' Annual Report	3
Independent Examiner's Report	15
Statement of Financial Activities	16
Balance Sheet	17
Notes to the Financial Statements	18

CONNECT CHURCH UK

Trustees' Annual Report (Including Directors' Report) for the year ended 31 March 2021

Connect Church UK (CCUK) was founded by a small group of 'Brummies' during the 2nd World War in Sparkhill, Birmingham and is a part of the Assemblies of God denomination. CCUK is a welcoming, multi-ethnic church that spans the generations and is passionate in its worship and care for people. Our mission is to connect people into a world-transforming relationship with Jesus Christ. While the immediate focus is to minister to the community of Small Heath and the Eastside of Birmingham, the church also has a wider reach across the city and internationally.

Objectives, Achievements and Performance

Connect Church UK's purposes as set out in the objects contained in the company's memorandum of association are:

- (a) to advance the Christian faith in accordance with the Statement in such ways and in such parts of the United Kingdom or the world as the directors from time to time may think fit;
- (b) to relieve sickness and financial hardship and to promote and preserve good health by the provision of funds, goods or services of any kind including through the provision of counselling and support in such parts of the United Kingdom or the world as the directors from time to time think fit; and
- (c) to advance education in such ways and in such parts of the United Kingdom or the world as the directors from time to time may think fit.



WHAT WE DO - OVERVIEW

All the activities and organisational structure of CCUK fit into the pattern:

- that we would connect with God in personal **worship**;
- that we would connect to a community of people in relationship and **love**;
- that we would connect to our purpose through **serving**;
- which is all facilitated by effective, efficient, and ethical **management**.

This pattern will be accomplished through providing the following public benefits:

Worship

- Regular public worship open to all. Each week, we have hosted a Sunday service usually in-person until the Covid-19 pandemic, when our services moved online and by the year's end we were hosting the service simultaneously in-person and online.

Love

- People are encouraged to build relationship and community through a variety of small groups offered in locations across the city. The small groups are formed based on: geographical location, generation, gender, general interest or personal growth.
- Pastoral work including supporting the sick and bereaved facilitated by clergy, staff and lay members.

Serve

- to support other charities in Birmingham in practical ways.
- to engage with our local community to encourage better relationships amongst our neighbours.
- to partner with similar churches/charities abroad to learn from and support their works.

The **five goals** that Connect Church UK set out to achieve in 2020/2021 were:

1. for everyone to bring a friend;
2. progress on the Passport to Purpose;
3. embed in Churchsuite software;
4. celebrate the 80-year anniversary;
5. complete the Home and Hub building.

With the onset of the Covid-19 pandemic and the movement of most worship services and programs online, the first goal was adapted to:

1. create Covid-19 innovations.

2020/2021: A YEAR IN REVIEW

Considering the widescale disruption experience as a result of the Covid-19 pandemic, the Trustees of CCUK are satisfied with its achievements, as the church has adapted its services and programmes in a bid to provide a continuity of support to both the congregation and the wider community. The following section provides some highlights for the goals set for the year. Quotes included here are some of the responses from a survey conducted in Summer 2020.

1. Create Covid-19 Innovations

Worship – services were online only via Facebook and Youtube, from April to September 2020 in order to comply with government guidelines and to keep the congregation and staff safe. The Worship and Media Coordinator, quickly learned to record, collate, edit and upload, worship services ready for each Sunday. In September 2020, in accordance with the UK government restrictions for acts of public worship, we resumed physical services in a new location, Holy Trinity School, Small Heath, with capped numbers, ticketed seating, and social distance measures in place. For the remainder of the financial year, online activity continued amidst the gradual resumption of our physical services.

‘Even though we can’t meet up in a building, I still feel connected with my church and don’t feel I am missing out’.



Love – pastoral support that is provided in-person by the staff and volunteer team was temporarily suspended in 2020 due to the global pandemic. The priority then was to connect with the congregation and community online, by telephone and through other forms of messaging to provide key support to those struggling with grief, loss, mental health and a variety of pastoral challenges. A weekly newsletter including the text of the Sunday message was mailed out to the elderly and those in the congregation without access to the online services.

All the Connect Groups and discipleship courses, as well as prayer meetings moved online to Zoom. There has been an increase in participation in the small groups and courses due to the increase in accessibility, with some participants joining in who live outside Birmingham. As restrictions eased in the summer months, CCUK hosted Postcode Picnics in four locations across the city to encourage people to reconnect physically and safely socialise outdoors.

'I liked being able to connect with others from our church on Zoom. As well as how everyone was able to participate in discussion and give their opinion on different topics and personal experiences'.

Serve – the Venue and Volunteer coordinator, was redeployed in April to coordinate the emergency and practical response of CCUK. A partnership was formed with Oasis Hub Hobmoor through the YourNeighbour.org network resulting in Project Engage. The project provided nutritious meals to vulnerable people in the south-east of Birmingham. From April to August, 5,277 food parcels were delivered and 972 people supported including 341 children in 363 households. Many from CCUK volunteered or contributed, collaborating with community volunteers and adding to the donated resource from local businesses, individuals and local government. Staff member Matthew Hopley, in his other role as police chaplain for Warwickshire also ministered at the temporary mortuary established at Birmingham Airport.



Connect Kids (5-11 years) and IAM Youth (12-17 years) adapted their programs to continue running online. An in-person Christmas service was held for the children prior to the resumption of full restrictions in December. Through our partnership with Samaritan's Purse we were able to support some students of Holy Trinity School with laptops so they could access online lessons during lockdown.

Covid-19 did not deter the international impact of CCUK, Pastor Kirk continued to lead as the Director of Missions for the Assemblies of God Great Britain and CCUK partnerships with Open Doors, Compassion and the Brave Church in Sri Lanka were a mutual source of challenge and encouragement.

Management – Government guidelines were consistently monitored throughout the year, and adjustments made for staff to work from home, and full risk assessments prepared as activities and services resumed in person.

2. Progress on the Passport to Purpose

CCUK has been developing the Passport to Purpose since 2019 as a framework for an individual to track their faith journey and personal development as they participate in the small groups, courses and activities offered or endorsed by the church. While the courses were able to run online, and were beneficial to the participants, the framework could still benefit from being adapted from a printed to digital tracker.

3. Embed in Churchsuite software

CCUK has used Churchsuite since 2017 for CRM, and the software has increased its scope of applications during that time. The goal was to integrate the use of Churchsuite by all staff and key volunteers even before the onset of the Covid-19 pandemic. Remote working was feasible by the team because an effective cloud-based system was already in place, that had the capacity to ticket services when in-person activities resumed as well as gave an individual access to manage their own information. The adoption of the ExpensePlus accounting software which integrated with Churchsuite streamlined finance systems online.

4. Celebrate the 80-year anniversary

Connect Church turned 80 in July, and despite the restrictions in place, was determined to mark the anniversary with a celebration. Gift bags including individual cupcakes were delivered to everyone on the Churchsuite database, with the instruction to join the online service and zoom call the following day where we would all sing Happy Birthday, eat the cake together and make speeches. Despite being online it was a special and emotional service, with some people tuning in from abroad as well as around the UK.

5. Complete the Home and Hub building

Work on the already delayed Home & Hub building project, ground to a halt with the pandemic. As the year progressed and work on site did not resume, the Trustees agreed that the building contractors had not been able to proceed regularly and diligently with the performance of their obligations as agreed under the contract and made the decision to terminate the employment of the building contractors and identify an alternate contractor to finish the building project. The termination was completed on 31 March 2021. We are grateful for the pro-bono legal work provided by Gowling WLG.

PLANS FOR THE FUTURE

As Connect Church consolidates and re-emerges into the new normal of life beyond the initial Covid-19 pandemic, the following 5 goals have been identified for the following year:

1. Renew our passport (to purpose)

To encourage more people to participate in courses for their well-being and personal development, while identifying and adding courses to meet needs.

2. Reshape & Release Ministry

Online services and activities have shrunk the volunteer pool and placed a greater demand on those who facilitate the activities of the church. The goal is to redesign activities to meet needs more efficiently, while recruiting and reactivating team members.

3. Reside in the CCUK values

During the year the 2020-21, the Vision Protectors identified 10 values that frame the philosophies and activities of Connect Church. The goal in the next year is to consistently embed the values into all areas of the church. The 10 values are:

All belong	<i>we are all valued</i>	Always Bible-based	<i>we are Bible based</i>
All in	<i>we all contribute</i>	Always building	<i>we are good stewards</i>
All original	<i>we are all innovative</i>	Always aware	<i>we are responsible leaders</i>
All together	<i>we serve collaboratively</i>	Always on mission	<i>we are people of influence</i>
All anointed	<i>we are Holy Spirit enabled</i>	Always more	<i>we are growing in faith</i>

Informed by our values, and a growing awareness around systemic, historic, and institutional racial bias and injustice as a result of the issues highlighted by the death of George Floyd in the US in May 2020, the Trustees signed the Time4Change charter in February 2021. Time4Change is a movement across all Birmingham churches for unity, racial equality and racial justice.

4. Relocate to the Home & Hub

The goal will be to identify and contractually engage the new building contractors to complete the Home and Hub. Further fundraising through grant applications may be required to meet any potential funding shortfall.

5. Re-engage with Mission

There is a contribution everyone can make to help others, whether they are staying home self-isolating for health reasons, or they have returned to school or the workplace. This goal is to encourage people to move beyond mental, emotional and spiritual isolation and connect with others and contribute. It's also about identifying new partnerships and building upon existing ones to work together collaboratively for greater impact.

As it becomes safe to do so, Connect Kids and IAM Youth will begin to run activities for children and young people from the Small Heath area funded by the Growing Lives grant from Allchurches, received in May 2020.

REVIEWING FINANCES

CCUK reported a net surplus of £14,801 on general funds, which when compared to the previous year (2020: £129,873), indicates a significant impact from the Covid-19 pandemic as well as some reduction in donations. CCUK managed to reduce outgoings without having to access reserves during the financial year.

Restricted funds reflected a surplus of £60,328, largely due to the relief granted of capital repayment holidays by the loan providers, as well as the lack of progress on the building project (2020: (£78,945)). The restricted funds were also boosted by the awarding of the two grants from Allchurches (£19,000) and Big Issue (£6,000).

Income derived from voluntary donations decreased by 4.7% to £300,394 in 2021 compared to £315,135 in 2020 mainly due to the impact of Covid-19 on attendance at in-person worship gatherings. Income from other sources (Grants, other activities, goods in kind) increased from £60,367 to £68,187, mainly due to new initiative taken by staff to apply for grants.

Expenditure decreased by 9.5%, totalling £293,452 in 2021, compared with £324,574 in 2020. The reduction in costs was a result of the pandemic. CCUK was unable to hold in-person services due to restrictions and lockdowns for much of 2020-21 and thus saved predominantly in venue hire costs. Some of the cost savings were offset by the investment in equipment and running costs to move services online as well as increased communication costs to keep regular connection maintained with the CCUK database.

Restricted funds

Restricted funds comprise donations given for a specific ministry purpose. As at 31 March 2021 the unspent portion of these funds amounted to £335,768 (2020: £275,440).

Fundraising policy

CCUK receives most of its donation income from its congregation. However, we occasionally approach other organisations and grant-makers to assist with special projects. The trustees are committed to maintaining the highest legal and ethical standards in the way the charity undertakes its fundraising activities. CCUK is committed to abiding by the Code of Fundraising Practice and to the Fundraising Promise.

Reserves Policy

Trustees of CCUK manage a tension between faith in God as the source of provision for the financial resources required to fund the work of the church, as well as the need to wisely steward resources to ensure that the church has sufficient working capital to meet its obligations to its employees and creditors. The Trustees aim to hold sufficient “free” reserves (equivalent to cash and liquid assets) to cover at least three months’ expenditure. Free reserves at 31 March 2021 stand at £104,079 (2020: £85,237) against a target based on 2020-21 budgeted costs of £71,860. For 2021 the free reserves have been calculated as unrestricted funds less tangible assets. The Trustees will remain mindful of this target in making financial decisions and allocating resources during the current year.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The church is a charitable company limited by guarantee, incorporated on 28 August 2009 and registered as a charity on 27 January 2010. The company was established under a Memorandum of Association and amended by special resolution(s) dated 05/02/2013 which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

Although Connect Church UK is an autonomous charity, since the church's commencement in 1940 it has had fellowship status with the Assemblies of God Great Britain (AoG GB), and abides by the Constitution of AoG GB, has accepted the AoG GB Statement of Faith, contributes financially to AoG GB and ensures that the Senior Minister has AoG GB Ministerial Status.

RECRUITMENT AND APPOINTMENT OF TRUSTEES

Training and Induction of Trustees

The directors of the company are also charity trustees for the purposes of charity law and are known in Connect Church UK as Vision Protectors. Under the requirements of the Memorandum and Articles of Association the Vision Protectors are identified by the Senior Minister and, after an application process, are appointed by the Vision Protectors at the Annual General Meeting. The directors are not required to retire by rotation. It is considered that all the Vision Protectors and any others who could be understood to be 'managers' in the activities of the charity are deemed to be 'fit and proper' persons under the terms of the Finance Act 2010. Trustee training is available for any new Vision Protector or those continuing to serve as a Vision Protector as part of our regular meetings as well.

In 2020, two Vision Protectors resigned: Andreas Stylianou in July 2020 and Stefanie Lakin in August 2020. A skills audit of the remaining trustees was conducted after the resignations, and the decision not to recruit replacement trustees at that time.

Organisational Structure and Decision Making

The Board of Trustees met 11 times in the 2020/2021 financial year of the company. The Trustees are responsible for the various ministries and operations of the church and make regular reports at the meetings so that issues may be highlighted and discussed. A sub-committee, called the Management Team, of staff and skilled lay members of various professional backgrounds from the church is led by the Executive Minister and their research and recommendations informs the Board of Trustees. A salary sub-committee of two Trustees and two members from the Management Team, all non-paid volunteers, reviewed and recommended the salaries of the staff for the 2021/22 budget.

Trustee's Responsibilities

All Trustees are aware of the Charity Commission's guidance on public benefit in their publication 'The Advancement of Religion for Public Benefit' and have regard to it in their administration and activities of Connect Church UK.

Risk Management

Connect Church UK recognises that in relation to 'Risk Assessment', risk is defined as 'the threat of any action or event which will adversely affect an organization's ability to achieve its objectives and execute its strategies'. It also accepts that the term 'risk' can include any circumstances that may, or do, have an adverse effect, and is wider than financial matters. 'Risks' relate not only to the negative consequences of a threat, but also to the impact of not taking advantage of opportunities.

Connect Church UK recognises it requires a practical Health and Safety Policy for any building and surrounding grounds it owns or rents in pursuit of its activities. This is reviewed on a regular basis. An Accident log is maintained.

The contents and obligations of the Equality Act 2010 and the Data Protection Act 2018 are known and complied with to the best of the church's ability. The Trustees are aware of their responsibilities in respect of the Regulatory Reform (Fire Safety) Order 2005 and its requirement to carry out a fire assessment to identify any possible dangers and risks, to take action to minimize the risks and to create a plan to deal with any emergencies, and also to write up and keep a record of its findings and to review its assessment annually. The Trustees have appointed Matthew Hopley to be the responsible person to put these matters into operation.

There is a Protection Policy in place in respect of children and vulnerable adults. Checks have been and are made with the Disclosure and Barring Service (formerly the CRB) in respect of persons dealing regularly with young people and vulnerable adults. The Trustees' appointed officer for this is Louison Ricketts. Whilst it is impossible to eliminate all risks and their consequences, efforts are constantly made to minimize such occurrences. The safeguarding policy is reviewed and revised annually and was approved in July 2020 by the Trustees and implemented where applicable in the various ministries of the church. Trustees are kept informed on matters affecting the church, such as health and safety, disability discrimination legislation and child protection.

The Trustees continue to monitor Government Guidelines with regards to Places of Worship and adjust activities in order to mitigate the risks of harm while endeavouring to still provide pastoral and practical care.

Principal Risks and Uncertainties

No.	Potential Risk	Mitigation
1.	Loss of confidence by stakeholders due to the behaviour of senior leadership or staff members.	- Connect Church values are clearly defined and regularly communicated - Prayer and worship are central to CCUK - Oversight structures are in place for senior leaders and staff.
2.	Harm comes to those in our care due to lack of appropriate and compliant child and vulnerable adult safeguarding procedures.	- Safeguarding at CCUK is overseen by a Safeguarding VP and Management committee representative. - CCUK works closely with Connect2families and thirtyone:eight to ensure that it models best practice in the area of safeguarding.
3.	Harm comes to visitors or staff due to lack of appropriate and compliant Health & Safety procedures	- Regular H&S reporting currently from Venue Coordinator at Management and staff meetings. <i>When in Home & Hub: internal and external H&S Advisors monitor and report on risk areas identified.</i>
4.	Future of the organization jeopardized due to lack of adequate succession planning for key senior roles.	- Succession planning needs to start taking place for key senior roles in the organisation. - VPs to be consulted on the recruitment and appointment of a new Senior minister.
5.	Poor decision-making and breach of regulatory requirements due to weak or non-compliant governance structures.	- VP (Trustee) meetings and structures are compliant with Charity Commission, Companies House and governing document requirements. - Conflicts of interest are managed appropriately at VP level.
6.	Inability to operate in the event of a disaster due to lack of adequate business continuity planning. Business continuity compromised or critical data lost through cyber-attack.	- IT systems are backed up remotely and can be accessed remotely. - Continue to invest in digital and technology systems including technology.
7.	A shortfall in income and/or inadequate cashflow results in an inability to meet salary and creditor payments. Specific financial risks are: Home and Hub building project	- CCUK relies on God's provision and the generosity of the congregation to meet its financial needs. Key partners would be approached to underwrite in the event of a shortfall. - Aim to hold 3 months' working capital - Strong budgetary and financial controls are in place. - Additional funding streams are being sought specifically for the Home and Hub.
8.	Legal risks and potential disruption arising from use of rental venues for operations.	- Try to ensure that agreements with hired premises have a notice period that allows for alternate accommodation to be in place. - Significant communication takes place to inform congregation of changes in venue and operation. - Insurance policies are updated to reflect changes in operation.
9.	The coronavirus pandemic is causing significant operating challenges and could impact CCUK's income and/or cashflow.	- CCUK has adapted quickly to the challenge with modifications to in-person gatherings to be covid-safe as well as streaming services online. Staff can work from home remotely. - Expenditure is being carefully controlled and income closely monitored.
10.	Growth in the church services and operations unable to be serviced by current staffing.	The creation of a strategic plan that identifies priorities in staffing, funding levels required to recruit and potential strategies to increase funding as well as identify suitable volunteers.

TRUSTEES

The current trustees of Connect Church UK and those who held office during the year are as follows:

Pastor Kirk McAtear	Senior Minister/Chair
Pastor Tracee McAtear	Executive Minister
Mr Vernon Dore	
Mr Simon Lakin	
Mrs Stefanie Lakin	<i>Resigned 5 August 2020</i>
Mr Bradford Ricketts	
Mrs Louison Ricketts	
Mr Andreas Stylianou	<i>Resigned 10 July 2020</i>
Miss Grace Sutton	

Committee Members (current)

Management Team

Tracee McAtear, Matthew Hopley, Yvette John, Valerie Danelczyk

Salary Committee

Vernon Dore, Grace Sutton, Yvette John, Valerie Danelczyk

Company Secretary

Tracee McAtear is Company Secretary of Connect Church UK.

ADVISERS

Bankers:

Lloyds Bank, 9-11 Poplar Rd, Solihull B91 3AN.

The Charity Bank Ltd, Fosse House, 182 High St, Tonbridge, Kent, TN9 1BE.

Kingdom Bank, Ruddington Fields Business Park, Mere Way, Ruddington, Nottingham, NG11 6JS.

Big Issue Invest, 113-115 Fonthill Road, Finsbury Park, London N4 3HH.

Independent Examiner:

Rev'd Alan Clements, 15 Carleton Road, Great Knowley, Chorley, PR6 8TQ, MA, ACIB, FCIE.

Solicitors:

Gowling WLG (UK) LLP, Two Snowhill, Birmingham, B4 6WR.

Statement of responsibilities of the Trustees

CCUK Board of Trustees is responsible for preparing the Annual report and financial statements in accordance with applicable law and United Kingdom generally accepted accounting practice.

Charity law requires the trustees to prepare a statement of financial activities and statement of assets and liabilities for each financial year, which gives a true and fair view of the state of affairs of the church and of its financial activities for that year and adequately distinguishes any material special trust or other restricted fund of the church.

In preparing those financial statements the CCUK Board of Trustees is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the policies adopted are in accordance with the appropriate SORP on Accounting by Charities and the Accounting Regulations and with applicable accounting standards, subject to the material departures disclosed and explained in the financial statements; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the church will continue to operate.

We are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable us to ensure the financial statements comply with the Charities Act 2011.

We also have a responsibility to safeguard the assets of the church and to take reasonable steps to detect fraud or other irregularities and to provide reasonable assurances that:

- the church is operating efficiently and effectively;
- its assets are safeguarded against unauthorized use or disposition;
- proper records are kept and financial information used within the church or for publication is reliable;
- the church complies with relevant laws and regulations.

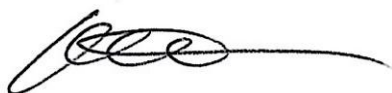
Independent Examiner

The CCUK Board of Trustees intend to ask the existing examiners to undertake the independent examination of the Church in the following year.

Approval

This report was approved by the Board of Trustees of Connect Church UK and signed on its behalf, by Pastor Kirk McAtear, Senior Minister.

Signed:



Date:

2/12/2021

Independent Examiner's Report to the Trustees of Connect Church UK

Independent Examiner's Report to the Trustees of the Connect Church UK.

I report on the accounts of the company for the year ended 31st. March 2021, which are set out on pages Sixteen to seventeen of this Report.

Respective responsibilities of trustees and examiner.

The trustees (who are also the directors of the charity for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for the year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act, and
- to state whether particular matters have come to my attention.

Basis of the independent examiner's report.

My examination was carried out in accordance with the general Directions given by the Charity Commission.

An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement.

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in any material respect the requirements
 - to keep accounting records in accordance with section 386 of the Companies Act 2006; and
 - to prepare accounts which accord with accounting records, comply with the accounting requirements of section 386 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charitieshave not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Signed Alan A. Clements

Date 16th December 2021

Fellow of the Association of Charity Independent Examiners.
Address 15 Carleton Road, Great Knowley, Chorley PR6 8TQ.

CONNECT CHURCH UK

STATEMENT of FINANCIAL ACTIVITIES For the year ended 31 March 2021

		2021			2020
	Notes	Unrestricted funds	Restricted funds	Total funds	Total funds
		£	£	£	£
INCOME FROM:					
Donations and legacies	3 a)	202,047	98,346	300,394	315,135
Grants	3 b)	-	25,000	25,000	-
Income from charitable activities	3 c)	1,253	-	1,253	1,209
Investments	3 d)	160	73	234	382
Other	3 e)	41,700	-	41,700	57,075
TOTAL INCOME		245,160	123,420	368,580	373,801
EXPENDITURE ON:					
Charitable activities	4 to 6	288,844	-	288,844	324,421
Grants and mission giving	7	3,944	-	3,944	-
Fundraising costs	8	664	-	664	153
TOTAL EXPENDITURE		293,452	-	293,452	324,574
NET INCOME/(EXPENDITURE) BEFORE TRANSFERS		(48,291)	123,420	75,129	49,227
Fund Transfers In		63,092	-	63,092	3,077,817
Fund Transfers Out		-	63,092	63,092	(3,077,817)
NET INCOME/(EXPENDITURE)		14,801	60,328	75,129	49,277
Gain/Loss on Investment		-	-	-	-
NET MOVEMENT IN FUNDS		14,801	60,328	75,129	49,277
FUNDS BROUGHT FORWARD AT 1 APRIL		775,243	275,440	1,050,684	1,001,457
FUNDS BROUGHT FORWARD AT 31 MARCH		790,044	335,768	1,125,812	1,050,684

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

CONNECT CHURCH UK BALANCE SHEET

As at 31 March 2021

		2021		2020	
	Notes	£	£	£	£
FIXED ASSETS					
Tangible assets	12		1,837,911		1,836,863
Investments			-		-
Total fixed assets			1,837,911		1,836,863
CURRENT ASSETS					
Debtors	13	12,024		9,356	
Cash at bank and in hand	14	433,846		360,677	
Total current assets		445,870		370,033	
Less: liabilities falling due within one year	15	(4,497)		(1,612)	
Net current assets			441,373		368,421
			2,279,284		2,205,284
Less: liabilities falling due in more than one year	16	(1,153,471)		(1,154,600)	
NET ASSETS			1,125,812		1,050,684
FUNDS					
Unrestricted			790,044		775,243
Restricted	22		335,768		275,440
TOTAL FUNDS			1,125,812		1,050,684

The financial statements were approved by the board of trustees/directors and authorised for issue on 2 December 2021 and are signed on its behalf by:


Kirk McAtear
Senior Pastor & Chair of Trustees
Company Registration No. 07003576

CONNECT CHURCH UK

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

1. ACCOUNTING POLICIES

These financial statements are prepared on a going concern basis, under the historical cost convention, modified to include certain items at fair value through income and expenditure within the Statement of Financial Activities.

The accounts have been prepared in accordance with the charity's governing document, the Companies Act 2006 and 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The charity is a public benefit entity for the purposes of FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

Going Concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for a period of at least one year from the date of approval of the financial statements. In particular the Trustees have considered the uncertainty regarding the ongoing impact of the Covid-19 pandemic. The Trustees have taken a number of mitigating actions to limit the financial impact and the charity's loan providers have also been supportive. On this basis the Trustees believe there are sufficient reserves to enable the charity to operate for through this period.

Funds

General funds represent the funds of the charity that are not subject to any restrictions regarding their use and are available for application on the general purposes of the charity. Restricted funds represent those received for specific purposes as specified by the donors. The accounts include all transactions, assets and liabilities for which the charity are responsible in law.

Income

Donations and Legacies

Donations are recognised when received by or behalf of the charity or in the case of pledged donations when the charity is notified of its legal entitlement, the amount due is quantifiable and its ultimate receipt by the charity is probable. Income tax recoverable on Gift Aid donations is recognised when the income is recognised. Grants and legacies to the charity are accounted for as soon as CCUK is notified of its legal entitlement, the amount due is quantifiable and its ultimate receipt by CCUK is probable.

Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs relating to the category. Expenditure is recognised when there is a legal or constructive obligation to make payments to third parties, if it is probable that the settlement will be required and the amount of the obligation can be measure reliably.

Mission giving

Grants and donations are accounted for when due.

Other expenditure relating to the work of the church

CCUK's contribution to the Assemblies of God GB is accounted for when payable.

Pension costs

The church contributes to a group defined contribution pension scheme. All pension costs are charged in the statement of financial activities as they fall due.

CONNECT CHURCH UK

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

Support costs

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs and other administrative costs. Where support costs cannot be directly attributed to particular headings they have been allocated to the cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

All assets costing more than £500 are capitalised. No depreciation is provided on freehold land.

Land and buildings

Fixed assets are for use by the church in fulfilling its objects and are capitalized and depreciated. Depreciation is provided at rates appropriate to reduce book values to estimated residual values over the useful lives of the assets concerned. Land or buildings includes construction and professional fees associated with the new building. Depreciation will commence once the buildings are commissioned. Land and buildings are then revalued periodically to reflect their net realisable value.

Computer equipment, vehicles, other equipment and furniture and fittings

All other assets are depreciated at 20% using the straight-line balance basis. The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset and is recognised in net income/(expenditure) for the year.

Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all its financial instruments. Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

With the exceptions of prepayments and deferred income all other debtor and creditor balances are considered to be basic financial instruments under FRS 102 (see notes 13, 15 and 16 in this respect)

Debtors

Amounts owing at 31 March in respect of fees and other income are shown as debtors less any provisions for amounts that may prove uncollectable.

Cash and Cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, and other short-term liquid investments with original maturities of three months or less.

Creditors

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in a transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

Leases

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

CONNECT CHURCH UK

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

Employee benefits

The cost of short-term employee benefits are recognised as a liability and an expense. The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Critical accounting estimates and areas of judgement

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

CONNECT CHURCH UK

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

2. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

The following table analyses 2020's income and expenditure between unrestricted and restricted funds

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME FROM:			
Donations and legacies	234,145	80,990	315,135
Grants	-	-	-
Income from charitable activities	1,209	-	1,209
Investments	204	178	382
Other	57,075	-	57,075
TOTAL INCOME	292,633	81,168	373,801
EXPENDITURE ON:			
Raising Funds	153	-	153
Charitable activities	324,380	41	324,421
TOTAL EXPENDITURE	324,533	41	324,574
NET INCOME/(EXPENDITURE) BEFORE TRANSFERS	(31,900)	81,127	49,227
Fund Transfers In	1,953,025	1,124,792	3,077,817
Fund Transfers Out	(1,792,953)	(1,284,864)	(3,077,817)
NET INCOME/(EXPENDITURE)	128,172	(78,945)	49,227
Gain/Loss on Investment	-	-	-
NET MOVEMENT IN FUNDS	128,172	(78,945)	49,227
FUNDS BROUGHT FORWARD AT 1 APRIL	647,071	354,385	1,001,457
FUNDS BROUGHT FORWARD AT 31 MARCH	775,243	275,440	1,050,684

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

All income and expenditure derive from continuing activities.

*The 2020 SoFA has been adjusted for the written off Covid refunds in Note 13.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

CONNECT CHURCH UK

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

3. INCOME

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
a. Donations and legacies				
Donations and Gifts	172,317	81,401	253,719	256,019
Gift aid	29,730	10,945	40,675	59,116
Legacies Receivables		6,000.00	6,000	-
	202,047	98,346	300,394	315,135
b. Grants				
Grant Income	-	25,000	25,000	-
	-	25,000	25,000	-
c. Income from charitable activities				
Church Activities	656	-	656	-
Other Activities	597	-	597	2,910
	1,253	-	1,253	2,910
d. Investments				
Bank interest	160	73	234	382
	160	73	234	382
e. Other				
Donated Goods & Services	41,700	-	41,700	57,075
	41,700	-	41,700	57,075

4. EXPENDITURE

Expenditure analysed by staff costs, other direct costs, depreciation and include allocated support costs.

	Notes	Salaries* £	Other costs* £	Depreciation and Examination £	Total 2021 £	Total 2020 £
Charitable activities						
Ordinary ministry of the church	5	131,252	92,821	12,619	236,691	269,653
Development of Home & Hub	6	-	52,152	-	52,152	54,768
		131,252	144,973	12,619	288,844	324,421
Grants and mission giving	7	-	3944	-	3,944	-
Fundraising costs	8	-	664	-	664	153
Total expenditure		131,252	149,581	12,619	293,452	324,574

* Includes allocated support costs

CONNECT CHURCH UK

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

5. ORDINARY MINISTRY OF THE CHURCH

The following table analyses expenditure on the ordinary ministry of the church (including support costs) between Funds; and notes the allocation of support costs to each expenditure category. All support costs are charged to unrestricted funds.

	Unrestricted funds		Restricted	Total	Total
	Direct costs	Support costs^	funds ^	2021	2020*
	£	£	£	£	£
Contribution to AoG GB	6,105	-	-	6,105	
Salaries and pension contributions	89,614	41,638	-	131,252	
Staff other costs	3,471	1,538	-	5,008	
Cost of services	3,855	80,018	-	83,874	
Pastoral care & training	1,518	222	-	1,739	
Worship	3,322	19	-	3,342	
Church courses & events	3,276	1,102	-	4,377	
Youth and children's work	848	88	-	936	
Engage (local social action)	-	58	-	58	
	112,009	124,683	-	236,691	324,421

* This is the first year that this analysis has been applied to the CCUK accounts. As a result, there is no comparison data for 2020 that matches.

^ All expenditure and capital costs for the Home & Hub building have been charged to unrestricted funds first and then a transfer from restricted vision funds applied. See note 17 for the transfer details.

6. DEVELOPMENT OF HOME & HUB

	Unrestricted funds	Restricted funds	Total 2021	Total 2020
	£	£	£	£
Fitout	450	-	450	
Mortgage Interest	48,702	-	48,702	
Building Legal & Advisory	3,000	-	3,000	
	52,152	-	52,152	54,897

CONNECT CHURCH UK

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

7. GRANTS AND MISSION GIVING

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020* £
Gifts for Overseas Mission				
AoG Impact 25:40 Lebanon	500	-	500	
Brave Church (Sri Lanka) Support	1,200	-	1,200	
Open Doors with Br Andrew	800	-	800	
AoG GB Missions Champions	100	-	100	
Compassion Sponsorships	504	-	504	
Individuals **	400	-	400	
Adjust for Cancelled covid flight to Aus	(360)	-	(360)	
	3,144	-	3,144	
Gifts to UK Beneficiaries				
AoG Covid19 Fund	500	-	500	
Individuals ***	300	-	300	
	800	-	800	-
	3,944	-	3,944	-

* This is the first year that this analysis has been applied to the CCUK accounts. As a result, there is no comparison data for 2020 that matches.

** This relates to grants and mission giving to 1 overseas individual.

***This relates to grants and mission giving to 1 UK individual.

8. COST OF RAISING FUNDS

These are the costs incurred in fundraising and the majority of these costs relate to the administration of congregational donations rather than costs incurred in approaching donors to give to the charity.

CONNECT CHURCH UK

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

9. SUPPORT COSTS

The following support costs (all out of unrestricted funds) have been apportioned based on identified contribution to direct or support function for both staff and expenses.

SUPPORT COSTS

	2021	2020*
	£	£
Building maintenance & running costs (inc. Rents)	53,432	
Covid measures	203	
Rates and insurance	1,585	
Postage	1,786	
Telephone and printing	2,253	
Total property-related support costs	59,259	
IT	5,881	
Finance	108	
Creative Services	278	
Executive and Legal	2,273	
	67,799	

* This is the first year that this analysis has been applied to the CCUK accounts. As a result, there is no comparison data for 2020 that matches.

10. EXAMINATION COSTS AND DEPRECIATION

	2021	2020
	£	£
Provision for current year examination	400	400
Depreciation	12,219	2,849
	12,619	3,249

The depreciation policy was updated and as a result many assets were written off where the value was less than £500 or the age of the asset was older than 5 years.

As the Home & Hub is still in the process of construction the asset has not been revalued.

All purchased and costs for the Home & Hub >£500 are capitalised to the asset.

CONNECT CHURCH UK

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

11. REMUNERATION

	2021	2020
	£	£
Wages and Salaries	122,695	118,429
Social Security costs	4,652	5,553
Contributions to pension scheme	3,905	3,789
	131,252	127,771

The average number of full-time equivalent employees was 4 (2020: 4).

There were no employees whose total benefits (excluding pension contributions and employer national insurance) were greater than £60,000.

Details of trustee remuneration can be found in note 18 (Related Parties).

The key management personnel of CCUK comprises of the Senior Pastor and Executive Pastor. The total employee benefits (including pension and Employer NIC) of the key management personnel of the charity were £77,979 (2020: £36,927) for 2021.

12. TANGIBLE FIXED ASSETS

	Home & Hub £	Church Equipment £	Computer Equipment £	Motor Vehicles £	Total £
COST					
Opening Balance 1 April 2020	1,821,510	40,100	5,681	1,500	1,868,791
Additions	9,810	1,309	2,148	0	13,267
Disposals	-	(7,655)	(2,854)	(315)	(10,824)
Closing Balance 31 March 2021	1,831,320	33,754	4,975	1,185	1,871,234
DEPRECIATION					
Opening Balance 1 April 2020	-	29,345	1,397	1,185	31,928
Charge for 2021	-	8,693	3,212	315	12,219
Disposals	-	(7,655)	(2,854)	(315)	(10,824)
Closing Balance 31 March 2021	-	30,383	1,755	1,185	33,323
NET BOOK VALUE					
At 31 March 2020	1,821,510	10,754	4,284	315	1,836,863
At 31 March 2021	1,831,320	3,371	3,220	-	1,837,911

CONNECT CHURCH UK

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

13. DEBTORS

	2021	2020
	£	£
Prepayments and accrued income	4,663	1,885
Gift aid	7,361	7,278
Refunds	-	193
	<u>12,024</u>	<u>9,356</u>

* Refunds of £1701.45 due to Covid, carried over from 2019-20 were written off.

14. CASH AT BANK AND IN HAND

Unrestricted funds	104,079	85,237
Restricted funds	329,768	275,440
	<u>433,846</u>	<u>360,677</u>

15. LIABILITIES FALLING DUE WITHIN ONE YEAR

Creditors for goods and services	2,521	870
Taxation and social security	1,976	-
Refunds owed by CCUK	-	742
	<u>4,497</u>	<u>1,612</u>

* Macquarie Life Church agreed to waive the £360.17 refund owed for travel cancelled due to Covid that was not reimbursed by the supplier.

16. LIABILITIES FALLING DUE IN MORE THAN ONE YEAR

Charity Bank Mortgage	935,683	935,683
Big Issue - Development Loan (RGF)	123,009	123,599
Big Issue - Working Capital Loan	94,779	95,318
	<u>1,153,471</u>	<u>1,154,600</u>

Capital repayment holiday was granted by both Charity Bank and Big Issue due to Covid Pandemic and has been extended until 31 Dec 21 at writing of this report.

For the months of July - Sep 20 full repayments were mistakenly drawn by Big Issue, and then repayments reverted back to interest only.

CONNECT CHURCH UK

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

17. MOVEMENT ON RESTRICTED FUNDS

	Opening balance 2021 £	Income 2021 £	Expenditure 2021 £	Transfer from Unrestricted to Restricted 2021 £	Closing balance 2021 £
Vision Fund					
Gifts and funding towards the construction of the Home & Hub project	275,440	98,346	(63,092)	-	310,694
Big Issue Access Capital Grant					
Funding towards the fitout of the Home & Hub	-	6,000	-	-	6,000
Growing Lives Grant					
Funding from Allchurches towards Children and Youth programs	-	19,000	-	-	19,000
Synergy Legacy					
Donation for activities for the elderly eg holidays	-	6,000	-	-	6,000
	275,440	129,346	(63,092)		341,694

Vision funds were transferred down after the expenditure from unrestricted funds to cover all costs related to the construction of the Home & Hub.

This is the first year that this analysis has been applied to the CCUK accounts. As a result, there is no comparison data for 2020 that matches.

18. RELATED PARTIES

The following trustees were connected to people or organisations in receipt of payments from CCUK:

TRUSTEE	RELATED PARTY TRANSACTIONS
Simon Lakin	Stefanie Lakin (wife) is a employee and was a trustee of CCUK
Stefanie Lakin	Simon Lakin (husband) is a trustee of CCUK and a minister in training.
Kirk McAtear	Tracee McAtear (wife) is both a trustee and employee of CCUK. Kirk is also employed by AoG GB as a Director of Missions on the National Leadership Team.
Tracee McAtear	Kirk McAtear (husband) is both a trustee and employee of CCUK
Bradford Ricketts	Louison Ricketts (wife) is a trustee of CCUK
Louison Ricketts	Bradford Ricketts (husband) is a trustee of CCUK

Connected persons

Three of the Trustees, listed in the table above received a total remuneration of £86,627 (2020: £62,038) from CCUK for 2021. Simon Lakin is a Minister in Training with the Assemblies of God Great Britain and CCUK paid £600 in course fees. None of the remaining Trustees received any remuneration from CCUK or the related entities.

Connect Church is affiliated to the Assemblies of God, Great Britain. CCUK made an annual contribution of £6,105 (2020 £3,839) to the Assemblies of God in 2021.

Trustee donations

During 2021 CCUK received £35,976 (2020: £62,950) in donations from the Vision Protectors. The donors did not attach any conditions to their gifts which required the charity to significantly alter the nature of its existing activities.

CONNECT CHURCH UK

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

19. CONTINGENT LIABILITIES

Home and Hub Loans

Loan facilities have been arranged with Charity Bank Ltd ("CBL") (£975,000), Big Issue Invest Ltd ("BILL") (£125,000) and Big Issue Access Ltd ("BIAL") (£100,000) to facilitate the construction of the Home and Hub which was commenced July 2017.

The principal terms of the loans are:

Lender	Amount	%/0 Rate	Term	Comments
Charity Bank	£975,000	Base+3.25%	25 years	Superior Debt
Big Issue Invest Ltd (RGF)	£125,000	Base+8.75%	7 years	Repayments based on 25 years with refinancing at year 8
Big Issue Access Ltd	£100,000	Base+8.75%	7 years	Repayments based on 25 years with refinancing at year 8

The CBL and BILL loans hold security in the form of charges over the land and buildings, bank account and debenture over all other net assets of the Church. All of the loan funds have been drawn down.

Change in price to complete Home and Hub

In March 2021 the JCT contract with RJR Constructions was terminated due to their failure to proceed regularly and diligently with the performance of their obligations under the contract. Subsequent quotes from new main contractors indicate that the cost will be an additional £1,124,670 to fully complete and fit-out the building ready for occupation.

20. EVENTS AFTER THE END OF THE REPORTING PERIOD

Due to the significant increase in cost to complete the Home and Hub, much effort has gone into fundraising to close the funding gap required to complete the building project. In June 21, CCUK was awarded a Growth Fund Business Support grant of £5,000 from Social Investment Business Limited to engage a fundwriter to prepare grant applications on behalf of the charity. At the time of signing this report, CCUK has received an additional £209,212 in grants and donations, which combined with the available vision funds, leaves an outstanding amount of £695,320 to complete the project.