



REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2021
FOR
CHURCH GROWTH TRUST LIMITED

Brindley Millen Ltd
Chartered Accountants and Statutory Auditors
167 Turners Hill
Cheshunt
Hertfordshire
EN8 9BH

CHURCH GROWTH TRUST LIMITED

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for the Year Ended 30 September 2021

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CHURCH GROWTH TRUST LIMITED

REPORT OF THE TRUSTEES **for the Year Ended 30 September 2021**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 30 September 2021. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objects

The charity's objects are for the public benefit and are specifically restricted to the following:

1. To permit properties held by the charity to be used by independent churches and Christian missions and evangelical churches as churches, mission halls, church centres, ministers' residences and otherwise for furthering the religious and other charitable work of such independent churches, Christian missions and evangelical churches.
2. To make grants or loans or give guarantees for the purpose of:
 - encouraging the planting of independent churches in the United Kingdom;
 - developing, encouraging and supporting independent churches in the United Kingdom;
 - assisting Christian missions whose primary purpose is to plant and/or support and/or work with independent churches in the United Kingdom.
3. Also to apply the income of the charity:
 - in developing encouraging and supporting independent churches outside the United Kingdom and in assisting Christian missions whose primary purpose is to plant independent churches outside the United Kingdom;
 - in making grants or loans or giving guarantees to evangelical churches;
 - in making grants or loans or giving guarantees to Christian missions.
4. To promote the effectiveness and efficiency of independent churches, evangelical churches and Christian missions by the provision of:
 - Advice services on property issues, new legislation and good practice in relation to the operation and management of churches and missions;
 - Seminars, guidance and information on legal, property and charity matters affecting churches and Christian charities

Vision

As the name suggests, Church Growth Trust ("CGT") aims to offer not only property and trusteeship services but also ways of helping churches to grow. Our current working vision is "We aspire to glorify God by safeguarding for Gospel use independent church properties and making them fit for their God-given purpose".

In furtherance of the objects CGT permits church congregations to occupy CGT's properties for a rent that is concessionary to the commercial market and also CGT helps fund extensions and improvements to the Trust's properties. The Trustees continue to look for new ways of encouraging church growth.

Church Growth Trust supports church planting work through working closely with Counties (Charity Number 264278) and GLO (Charity Number SC007355) and making an annual grant to them, as well as giving free advice to church planters and churches supported by Counties.

The Trustees want to combine the work of ensuring that churches have good governance, with inspiring and equipping them for future growth.

Mission

Church Growth Trust aims to fulfil its vision by:

- Holding and accepting independent church properties (as owner or trustee) and:
 - o Blessing churches which occupy our buildings by granting concessionary rents;
 - o Helping these churches to fund extensions or improvements;
- Providing professional property and architectural services and guidance in church practice and governance, including encouraging churches to make best use of their properties;
- Supporting church planting and revitalisation of independent churches.

OBJECTIVES AND ACTIVITIES

Values

At the heart of Church Growth Trust's approach to everything CGT does are four core values of:



Generosity

The heart of God is generous, and Christians are to be imitators of Him. CGT staff and Trustees commit to being generous with their dealings with others, their time, sharing knowledge, their openness to collaborate and their willingness to work with others and point to and promote other organisations. They commit to speaking well of others and of their colleagues. They commit to being ready to give their best and give that bit extra when circumstances require it.

Relationship

The Trustees understand that God prioritises relationship above all else. They and CGT's staff want to behave in a way that values relationships highly. CGT's aim is to develop long term, mutual value relationships. It seeks to understand where it fits relationally into the Kingdom of God. The Trustees and staff commit to do all they can to maintain good relationships with others.

Integrity

The Trustees and staff commit to being straightforward and honest with all those they interact with. Their aim is that what they present or say will always be matched by what they are and/or do. They will comply with all current legal and regulatory requirements relevant to their work and strive to promote the spirit, not just the letter, of the legal framework.

Excellence

Everything the Trustees and staff of CGT do they want to do well. If this is the work of the Kingdom, it must be done excellently. They commit, and expect their colleagues to be committed, to high quality work. They seek constantly to improve what they offer and when they make mistakes, they will take responsibility, learn from them and thereby improve. They will develop new processes and systems to improve the efficiency, effectiveness and quality of the services that they provide.

The Bible gives clear guidance that Christians should be above reproach in all they do. Seeking to apply this Biblical imperative the Trustees endeavour to apply the Charity Governance Code, including the updated Code published on 8 December 2020, and the Nolan principles (selflessness, integrity, objectivity, accountability, openness, honesty and leadership). Furthermore, believing that corruption, bribery and unfair actions hamper development and impede progress they insist on integrity in all the Charity's activities.

ACHIEVEMENT AND PERFORMANCE

Principal Activities - review of the last year

In exercising their powers and duties and in making decisions concerning the operations of the charity in the period under review the Trustees have had regard to the public benefit guidance issued by the Charity Commission, including the guidance which relates to charities for the advancement of religion. The following paragraphs explain how the charity's activities give public benefit, including keeping places of worship open for public worship. The main activities which the charity has undertaken in furtherance of its aims are set out below.

1. Management of Existing Properties

CGT owns for its own charitable purposes 94 properties. CGT continued to manage its properties in line with its objects. This includes over 20 visits to its owned and trusteeship properties over the last year. This is less than would be normal due to Covid-19 restrictions. In almost all cases where the Chief Executive, Property Manager and the Architect have visited the properties, a report on the condition of the property and other issues that have been raised at the visit, is produced and given both to the occupying church (for them to action) and to the Trustees. CGT continue to engage with all its occupying churches by telephone and conference call to deal with issues as they arise and to ensure they meet their legal obligations under their tenancies/leases and general legislation. To help them do so, CGT has produced a booklet "Your guide to running church premises: Legal and compliance issues for churches". It is also now issuing a "Property Book" for each church to record and keep up to date its documents relating to compliance issues, such as electrical checks, gas checks and asbestos management plans. To ensure that CGT's own properties are fit for their God-given purpose, CGT carries out assessments of each property to see whether they are fit for purpose. This includes assessing whether they are in good condition, whether they (and the occupying churches) are compliant with legislation and whether the buildings are suitable for modern church use. CGT's Architect carries out assessments, based on a list of objective criteria, as a desktop exercise, using floor plans of the properties and photographs of the buildings, and results in each property having a score showing the areas where it is not fit for purpose and a sketch layout plan showing an "ideal" building layout. The assessments are carried out for new properties as well and the trustees have agreed targets to work with the occupying churches to bring the scores down. Many of these assessments are resulting in building projects to improve the buildings and discussions are taking place with 12 churches.

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REPORT OF THE TRUSTEES **for the Year Ended 30 September 2021**

CGT employ a Property Manager, to pro-actively manages CGT's properties and continue to improve services to the occupying churches. The part-time Property Administrator assists the Property Manager in his role.

Over the year CGT has granted 11 new tenancies to occupying churches, and a further eight letting to new churches. In line with CGT's objects and general policy all the tenancies have been let at a concessionary rent to the commercial market rate for church properties. The overall concessions from market rent levels for all CGT's properties are estimated to be over £1.88 million. These lower rents help churches, especially during their early stages of growth to more effectively finance their charitable objects of proclaiming the Gospel, working in their community and general ministry and mission.

CGT continues to pay for the Stewardship Consultancy Helpline on behalf of all its occupying churches, so that they can make use of this facility (legal, property, accounting, insurance, employment and gift aid advice). CGT's Architect, as well as undertaking consultancy work for church clients, has also helped 26 of CGT's occupying churches with building projects, in most cases for no charge. This has included a number of feasibility studies to help churches consider how they can expand or adapt the properties. The largest project has been at Roe Green Hall, Kingsbury where an extension was built, using restricted funds set aside for this work.



Roe Green Hall, Kingsbury extension

CGT helped fund repairs to 12 of its own properties. Where the occupying church carried out the work, further rent concessions were given. Where CGT paid for the work, this is either through grants or loans to occupying churches. These included completing the reroofing of Princes Road Church, Buckhurst Hill, dealing with a rotten floor and damp at Jerusalem Chapel, South Elmsall, investigating structural problems at West Shore Baptist Church, Llandudno, investigating settlement problems at Latchett Hall, Woodford Green, new gutters at Franklynn Gospel Hall, Haywards Heath, provision of a portacabin at Bethany Gospel Hall, Crewe, seeking planning permission for a parking area at Maldon Road Chapel, Colchester, and roof and kitchen improvements at Coalville Evangelical Church.

2. New Trusteeships and Ownerships

CGT's policy is to actively promote its services of holding church properties and to accept the transfer of the ownership or trusteeship of church properties in order to relieve individual trustees of the burden of responsibility, including the difficulty of finding new trustees when current trustees want to retire.

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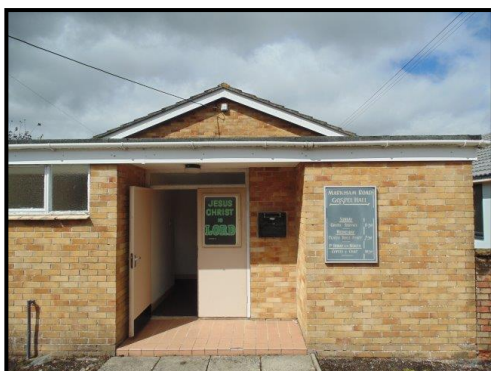
REPORT OF THE TRUSTEES **for the Year Ended 30 September 2021**



Ilford



Stockton-on-Tees



Wroughton



Swindon



Horley



Cleethorpes

When a congregation/assembly closes CGT will ensure, so far as possible, the church property continues to be occupied by an evangelical church as a place of worship and a centre for mission in the neighbourhood. CGT charges concessionary rents to make the properties affordable for occupying churches. The rental income contributes to CGT being able to fund its services to occupying churches, church building projects and church planting work

During the year Grange Road Evangelical Church Ilford, Hebron Hall Stockton-on-Tees Penhill Gospel Hall Swindon, Markham Road Gospel Hall Wroughton, Lee street Church Horley (previously where CGT were acting as custodian trustee) and Hey Street Evangelical Church Cleethorpes were gifted to CGT. CGT was appointed custodian trustee of Kew Evangelical Church, Southport and holding trustees of Blenheim Free Church, Maidenhead.

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The Chief Executive is also in discussion with a number of other churches and Brethren assemblies with regard to gifting properties beneficially to CGT, the appointment of CGT as sole trustee, and the appointment of CGT as custodian or holding trustee. CGT is working closely with the Fellowship Property Trust (the trusteeship services of the Fellowship of Independent Evangelical Churches), which is closing its trusteeship services. At present CGT has had contact with 52 churches and is likely to result in CGT being gifted beneficially seven properties, being appointed sole trustee of two properties and being appointed custodian/holding trustee of 17 properties. St Paul's Road Gospel Hall Peterborough and Foxhill Evangelical Church Nottingham have been transferred since the financial year end. It is expected that all those where trustees have made a decision to gift to CGT will be completed within the next year.

CGT has employed two researchers in 2019/2020 to identify as many as possible independent evangelical churches in England and Wales, where the churches are not already provided for by other organisations (e.g. the Western Counties and South Wales Evangelization Trust). Just under 2,000 churches have been added to CGT's database and are now being contacted sensitively and appropriately to make them aware of CGT's trusteeship and consultancy services.

3. Sales and Transfers

Hamstall Ridware Gospel Hall was sold during the financial year, as it was not possible to find a church to use this very rural building.

4. Grants

In line with CGT's objects of supporting church planting work, CGT made grants of £19,500 to Counties (Charity Number 264278) and £10,500 to GLO (Charity Number SC007355) for church planting work in the UK. It has also given a grant to the Lord's Work Trust of £5,056. Four grants, totalling £16,000, from the sale proceeds of Hamstall Ridware Gospel Hall, were made to local evangelical churches to support evangelistic activities.

5. Guarantor

CGT acts as guarantor to a lease taken by Church in the Community (charity number 1159061) to help them continue to use a building for church and community use.

6. Building Projects

A number of CGT's occupying churches have drawn up plans for building extensions to cope with their growth or provision for disabled access and CGT provides support, including architectural services and funding. These include:

- Kingsbury, Roe Green Hall – Completion of extension and refurbishment building works.
- Crewe, Bethany Gospel Hall – Securing of NMA Planning consent, and then enabling works, delivery and installing of cabin for children's work.
- Carshalton, Assembly Walk Chapel – Discussion with church about potential to install a cabin.
- Hastings, The Tabernacle – Updates to scheme to include accessible WC, tendering of scheme and preparation for works to start in January 2022.
- Edmonton, Bury Street Chapel – Advice provided to church during the accessible WC building project.
- Harpenden, Crabtree Chapel – Scheme design provided for front building accessibility and visual presence enhancements.
- Leamington Spa, Christ Church – Tender pack provided for WC & Café project and design scheme for main hall extension.
- Liss, Evangelical Church – Advice provided and discussions with church re proposed roofing works.
- Llandudno, West Shore Baptist Church – Scheme design proposal for structural remediations to gable wall.
- Cleethorpes, Hey Street Evangelical Church – Advice provided to new tenant church as regards their proposed building works.
- Ramsgate Gospel Hall – Advice provided with regards to planning implications for proposed signage amendments.
- Southend, Coleman Street Chapel – Completion of house renovation works, and chapel works due for completion early January.
- Swindon, Penhill Gospel Hall – Sketch layout provided for accessible WC and ramp to entrance.
- Wembley, Uxendon Hall – Discussions with church and production of proposed layouts to meet with their brief for expansion.
- West Bromwich, Bethany Chapel – Visit to property to discuss provision of accessible WC and entrance ramp.
- Wickford, Miracle House – Visit to property to discuss proposed extension.
- Hornchurch, New Life Church – Refurbishment building project underway, due for completion early January.
- Lewisham, Loampit Gospel Hall – Planning application lodged for parapet/chimney removal and advice to assembly re flat roof works.
- Skellow Evangelical Church – Production of possible layouts for housing and a new church building within the existing site.
- Tipton, Hebron Hall – Visit to site and discussion with assembly about the proposed remedial works required.
- Dartford, Wilmington Community Church – Planning application lodged for change of use to Mission Hall to a community coffee house.
- Woodford Green, Latchett Hall – Arranging of ground investigation works to annexe.
- Wood Green, Alexandra Hall – Revised planning application for single storey extension to rear for new meeting room.

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7. Website and Briefing Papers

CGT continues to upgrade its website, which now allows churches to see more clearly the services it offers and access the website resources more easily. These include five videos on its services and 34 briefing papers to keep its connected churches and property/charity trustees up to date with charity and other legislation. CGT continues to update past briefing papers and is working on four new papers which should be published in the next year.

8. Advice to Churches

In fulfilment of CGT's objects, it continues to advise churches and trustees on various property and trusteeship matters, with much of this advice being given free of charge at meetings, on the telephone, by email and via its briefing papers on its website. CGT also provides a consultancy service for churches and other charities as many struggle to find suitable sympathetic and cost effective professionals to advise on major projects, purchases or leases or to carry out survey work to help them meet their legislative and trusteeship requirements. CGT is now focussing on helping independent evangelical churches in the following areas:

- Guidance on major projects
- Planning permission for change of use
- Negotiating leases
- Charity advice
- Architectural services for building projects, including extensions and alterations to existing buildings
- Asbestos surveys & management plans, Access audits and Condition surveys as part of Feasibility studies for churches.

9. Magazine, Email Bulletin, Monthly Tips and News

In furthering its mission to keep churches and charities up to date with legislation and the services that it provides, CGT produced two "Foundations" magazines over the year, which were sent out by normal post to approximately 1,000 Brethren assemblies, other independent evangelical churches and other interested parties.

These have been received well. CGT also sends its quarterly email bulletin and posts monthly tips and news items on its website. CGT booklet "You Guide to Church Growth Trust's Property Trusteeship Services – What can Church Growth Trust do for you" has been well received by trustees who need CGT's help, along with a booklet on CGT's general services. The "Warehouse or winebar" video, which highlights CGT's work in recycling otherwise redundant church properties for occupation by new church congregations, is sent to trustees. The booklet "Your guide to running church premises: Legal and compliance issues for churches" was sent to CGT's connected churches and has received a positive response. Two new booklets on building projects have been produced, partly to help client churches know what to expect from a building project, but mainly for CGT's occupying churches for when CGT is working with them on building projects.

10. Other Connected Organisations

CGT is corporate trustee of the Church Planting Initiative (CPI) (charity number 1085172) along with CGT's company secretary, in order to keep it active to receive any future legacies. CGT continues to be involved in organising and sponsoring, with Counties (Charity Number 264278), GLO (Charity Number SC007355), Partnership (Charity Number 802564) and Echoes International (Charity Number 1173851), the national Living the Passion conference, which successfully took place October 2021.

CGT is participating in the Church Support Network (<http://churchsupportnetwork.uk/>), to explore how different organisations serving the Open Brethren constituency can work more closely together, and has been involved in discussions with other sister organisations and local church leaders to set up a network of independent evangelical churches, as well as considering effective ways of supporting church revitalisation. The Chairs and CEOs of CGT, Counties (Charity Number 264278), GLO (Charity Number SC007355) and Partnership (Charity Number 802564) have met twice this year to consider ways of working more closely and sharing resources.

11. Covid-19

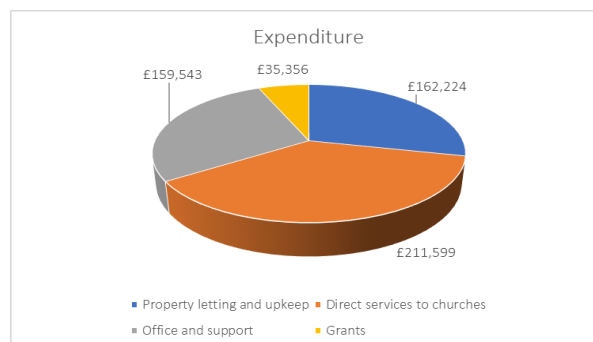
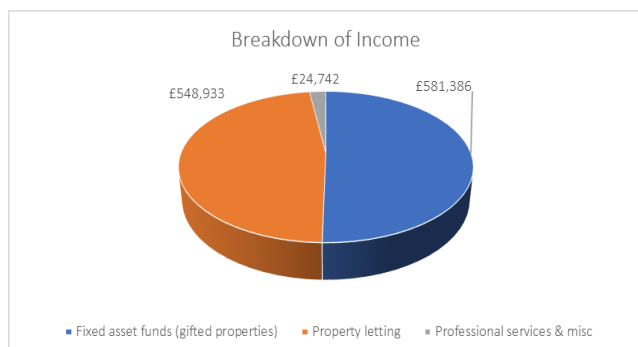
All members of staff have continued to work (from home) during the lockdowns and no one was put on furlough or made redundant. The office has been regularly visited by one member of staff. Although the restrictions have meant physical visits to CGT's properties have been limited since March 2020, there has been regular contact with the occupying churches and new lettings have taken place. Some additional rent concessions were given to help occupying churches where they needed them. The Trustees have reviewed the effect of the pandemic on the immediate and long-term viability of CGT and believe there will be little impact on its operations and ability to provide the services it currently offers.

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REPORT OF THE TRUSTEES **for the Year Ended 30 September 2021**

FINANCIAL REVIEW AND RESERVES POLICY

CGT is registered for VAT. This enables CGT to recoup VAT on appropriate major building projects. CGT seeks advice from the auditors and VAT specialists as necessary.



The charity's financial position is satisfactory. Operational activities in the year resulted in a small surplus of £4,953, as the charity was focussed on ensuring owned properties were brought up to the highest standard possible. This surplus was augmented by the gift of six properties valued at £581,386 and reduced by £8,356 property holding fund expenditure and £107,637 restricted funds expenditure giving an overall surplus of £470,346.

During the year the charity supported nine of its occupying churches through the Covid-19 lockdowns by giving £5,950 in rent concessions, which was in addition to £16,000 of concessions given in the previous year.

The value of the freehold properties owned by the charity, which provides a nominally strong financial position, decreased by £992,110 during the year. This decrease was a combination of the net effect of an increase following the gift of six properties and a reduction in valuations to reflect new lettings and external advice on values. The holding of these property assets is fundamental to the charity's objects and, although unrestricted assets, they are held for the long-term purposes of the charity. To reflect this and to distinguish them from fixed assets held for general operational purposes the Board of Trustees has resolved they should be held in a designated Property holding fund.

The Board of Trustees reviews the charity's reserves policy annually at their October meeting and has resolved that the reserve held in the Operating fund should not be less than £300,000, which is the same as the previous year. The figure is broken down as follows:

- Disaster fund for major works of £100,000
- Variations in the cashflow (i.e. the difference between the highest and lowest cashflow figures for the year) £100,000
- Core operating costs, being three months of budgeted gross operating costs of £100,000

If at any time the Operating fund is projected to reduce to less than £300,000, only urgent and necessary works will be undertaken.

This policy is reviewed annually at the October Trustees' meeting. During the financial year, CGT supported nine of its occupying church through the Covid-19 lockdowns by giving further rent concessions of £5,950, in addition to a further £16,000 of concessions in the previous year. Although a larger allowance had been made by the Trustees and if necessary for this support to come from reserves, with other savings CGT were able to make, no reserves were used.

ASSETS HELD ON BEHALF OF OTHERS

Church Growth Trust acts as Sole Trustee of the following Trusts, which hold properties or funds and in seven cases both:

Barton Hall Trust
Bermondsey Gospel Hall Trust
Chadwell Evangelical Church Trust
Chainhurst Gospel Hall Trust
Clapton Hall Trust
Craigdale Gospel Hall Trust
Ebenezer Baptist Chapel, Chester
Emerson Park Evangelical Church Trust
Emmanuel Chapel, Ditchling
Hebron Hall Tipton Trust

Kings Road Chapel Rushall Trust
Loampit Gospel Hall Trust
Poulner Baptist Chapel Trust
Rock Dene Chapel Manse Trust
Shirley Hall Trust
Shrewsbury Chapel Redhill Trust
Skellow Evangelical Church Trust
Toftwood Gospel Hall Trust
United Mission Manse Trust
Wilmington Christian Fellowship, Dartford

Although CGT holds the legal title to all properties within these trusts, it has no beneficial interest in those properties and they are not incorporated in the charity's financial statements.

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CGT is Custodian Trustee of the following properties, being mostly church buildings which are used for Christian worship:

Acton, Berrymead Evangelical Church
Banstead Baptist Church
Barnstaple, Grosvenor Church
Bedford, Rutland Road Church
Boyton Mission, Woodbridge
Bradfield St George Gospel Hall
Braintree Evangelical Church
Brentwood Vineyard Church
Burston Chapel, Diss
Camberwell, Victoria Hall
Dagenham Community Church
Dereham, 29 & 30 Eckling Grange

Dudley, Hellier Street Gospel Hall
East Hanningfield, Bethel Church
Edmonton, Croyland Evangelical Church
Fishersgate, Lighthouse Community Church
Hereford, Priors Frome Chapel
Orpington, Coppice Mission Church
Salisbury, Emmanuel Church and Grove House
Southport, Kew Evangelical Church
Sutton, Chiltern Church and house
Watford, Harebreaks Gospel Hall
Woodford Bridge, Canfield Chapel

CGT's involvement as Custodian Trustee is generally limited to holding legal title to each property and because CGT has no beneficial interest in those properties they are not incorporated in the charity's financial statements.

PLANS FOR 2021/2022

1. Management of Properties

CGT will continue to look at ways of improving its pro-active management of its properties, including continuing its policy of reviewing risks, visiting each property every year or every other year, producing reports on each property visit and keeping regular contact with the occupying churches. It will also continue to provide the Stewardship's Consultancy Helpline for each of the occupying churches. CGT's Property Manager and Property Administrator are improving CGT's proactive management of its properties. This is enabling CGT to deal more effectively with the increased number of properties coming to CGT and to provide an even better service to the occupying churches.

Their work includes helping churches deal with major repairs, ensuring the churches are compliant with legislation and discussing building projects to improve the buildings.

2. Projects

The Trustees anticipate being involved in a number of building projects over the next few years including the following:

- a. The Tabernacle, Hastings – having already obtained planning permission for a new entrance to provide fully compliant access, and obtained prices, to arrange for the work to the entrance and a new accessible WC to be completed. The work is planned to start in January 2022.
- b. Maldon Road Chapel, Colchester – parking and access provision.
- c. Latchett Evangelical Church, Woodford Green – dealing with subsidence to two storey extension.
- d. International Christian Fellowship, Borehamwood – having obtained planning permission for an extension, helping the church to build this.
- e. Elmsleigh Hall, Leigh-on-Sea – having already obtained planning permission to extend the building to allow for better access for disabled people and accommodation for children's work, to find funds for building this.
- f. Uxendon Hall, Wembley – changing the internal layout of the building to allow for better facilities and full accessibility.
- g. Clarence Road Evangelical Church, East Cowes – obtaining planning permission to resolve the access issues with the property and provide a more welcoming entrance.
- h. Spellow Lane Church, Liverpool – having completed a feasibility study to review how to modernise and refurbish the building, now working with the church to raise funds and carry out improvements.
- i. Vale Park Chapel, Rhyl – raising funds and arranging works to improve the layout of the building for the church.
- j. West Shore Baptist Church, Llandudno – helping the church work out the best solution to a structural problem and considering how to improve the building as part of this.
- k. Priory Terrace Gospel Hall, Leamington Spa – considering an extension to the property.
- l. East Challow Mission, Wantage – taking on a new property and working with a new church to make the building compliant for disability access.

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3. New Properties

The trustees of St Paul's Road Gospel Hall Peterborough and Foxhill Evangelical Church Nottingham have gifted their properties since the year end. Trustees of Milland Evangelical Church, Liphook, Chorley Gospel Hall and West Street Gospel Hall, Hucknall have also agreed to gifting their properties to CGT. Stewards Company Ltd (Charity Number 234558) have indicated that they would like to gift Northumberland Hall Margate and International Christian Fellowship, Burnt Oak to CGT, as well as appointing CGT as sole trustee of Cherith Christian Fellowship, High Wycombe. The Fellowship Property Trust (previously FIEC Ltd) (Charity Number 251395) have already gifted two properties to CGT and appointed CGT as holding trustee for one church. CGT has had contact with 52 churches and this is likely to result in CGT being gifted beneficially seven properties, being appointed sole trustee of two properties and being appointed custodian/holding trustee of 17 properties. CGT is following up interest from 12 further groups of property trustees, who have expressed an interest in CGT's trusteeship services.

4. Church and Charity Consultancy Work

There is a growing need for property consultancy services at reasonable rates for churches and charities. Advice on lease and charity matters will continue to be provided by the Chief Executive and the Property Manager. CGT's Architect continues to provide architectural services, mainly to independent evangelical churches.

5. Advising Church Trustees & Model CIO

CGT will continue in line with its objects to give best practical advice on legislation and church governance to church and property trustees through meetings, conversations, briefing papers and working with other organisations such as Stewardship, Partnership and specialist solicitors, surveyors, architects and others with technical expertise. In conjunction with Partnership and the Western Counties and South Wales Evangelization Trust, CGT has produced a Model CIO for elder-led churches and this is available free of charge on CGT's website.

6. Other Organisations

CGT anticipates making grants to Counties and GLO for their church planting work in the year. CGT will continue its involvement with the Church Support Network, church revitalisation cooperation (with Partnership UK, Counties and GLO) and future Living the Passion conferences. The Trustees anticipate working closely with Stewardship (Charity Number 234714) on joint briefing papers and as the property and charity advisor (on church property trusts) on Stewardship's Consultancy Helpline. CGT will also work closely with specialist charity solicitors on trust matters for new church congregations and co-operating with other specialist advisors in producing relevant and up to date briefing papers.

7. Investments

Church Growth Trust has the power to deposit any moneys, deed, securities or investments with any banker or any person firm or corporation anywhere for safe custody or receipt of dividends or other income and to pay out of the income of the charity any charges payable for such deposit and custody. In order to maximum the return, to benefit from depositor protection and to maintain flexibility of access to its funds, CGT places funds in a range of charity deposit accounts, specifically agreed by the Trustees. The current policy is to retain in its current account £100,000 to cover three months cash flow and to hold other funds in various savings accounts to obtain the best rate of interest, but to maintain flexibility on being able to withdraw the funds for various anticipated building projects.

8. Magazine, Email Bulletins and Social Media

The Trustees anticipate sending out two Foundations magazines in the year and continuing with the quarterly email bulletins, sending these to connected churches and clients to keep them informed of new legislation and provide them with practical advice on property and charity matters. CGT is also intending to send its Foundations magazine to churches on its database from the recent research into independent evangelical churches. CGT is also investigating how to best use social media to build relations with and between its occupying churches and clients.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity was established under a Memorandum of Association which establishes the objects and the powers of the charity and is governed under its Articles of Association. All Directors of the Company are also Trustees of the charity, and there are no other trustees. The Trustees of Church Growth Trust Limited have the power by a two thirds majority to appoint additional Trustees. There is no formal recruitment practice, but the Trustees and the Chief Executive continue to look for new Trustees who will be able to add value to the existing team of Trustees and whose skills and experience would contribute to the development of the organisation.

Prospective Trustees are given the opportunity to examine the organisation extensively and to attend two trustee meetings before they, and other Trustees, reach a conclusion as to the appropriateness of the appointment. New Trustees are provided with the opportunity to meet other Trustees and the Chief Executive. Any new Trustee is given the CGT Trustee's Handbook, which is regularly updated and a digital version of this is currently being considered by the Trustees.

CHURCH GROWTH TRUST LIMITED

REPORT OF THE TRUSTEES **for the Year Ended 30 September 2021**

The Directors, who are the Trustees, have met together five times during the financial year to discuss and make decisions concerning the charity's affairs, including one meeting in person and four by conference call (due to Covid-19 restrictions). A number of Board-committees, with clear delegated authority, deal with specific matters outside of and report to the main Board Meetings. These include Finance, Operations, Legal, Acquisitions & Lettings, Buildings and Nominations Committees. The briefs and effectiveness of the Board-committees were reviewed during the year and are reviewed regularly.

John Quinlan, a Chartered Architect with extensive experience of church buildings has been retained as an external non-executive advisor on CGT's Buildings Committee. Ian Gardner, a retired charity solicitor, continues to help CGT by remaining part of the Legal Committee of CGT. Paul Withams, one of the trustees, has provided a considerable amount of time on a voluntary basis to help with IT issues in CGT's office. Their contribution, along with all the Trustees, is appreciated.

The management of the charity is delegated to the Chief Executive, who is also the Company Secretary. He is employed on a full-time basis. He has experience of property management, charity law, church governance and church leadership. The Operations Director directs and coordinates the internal structure of CGT to ensure an efficient working environment and is responsible for developing new and improving operating methods, service provision and delivery. The Property Manager is

responsible for managing CGT's properties and building good relations with the occupying churches. The part-time Property Administrator assists him and monitors CGT's fit for purpose strategic objectives. The Architect is full-time and is employed to offer independent evangelical churches a wide range of property and architectural services. This includes providing architectural and survey services to CGT's occupying churches, often free of charge. A full-time Administrator is employed to run the office and provide book-keeping services. She is assisted by a part-time cleaner and administrative assistant.



RE-ELECTION OF BOARD OF TRUSTEES

Under the Articles of the Charity, one third of the current members of the Board retire and, being eligible, offer themselves for re-election at each annual general meeting. The Trustees to retire by rotation shall be those who have been longest in office since their last appointment.

The Charity may by ordinary resolution appoint a person who is willing to act to be a Trustee and determine the rotation in which any additional Trustees are to retire. No person other than a Trustee retiring by rotation may be appointed a Trustee at any general meeting unless he or she is recommended for election by the Trustees with the appropriate notice given. The Trustee must show his or her willingness to be appointed and he or she subscribes to the Statement of Beliefs. A Trustee appointed by a resolution of the other Trustees must retire at the next annual general meeting and must not be taken into account in determining the Trustees who are to retire by rotation.

TRUSTEE TRAINING

Trustees are encouraged to read the Charity Commission guidance on responsibilities of a trustee and specific training for Trustees has been given by Trustees attending trustee training seminars/conferences and reading specific trustee-related guidance. A review of CGT's performance in relation to the Charity Governance Code and an assessment of the Board's effectiveness was carried out in April 2020. Media and crisis training was provided in November 2020. Additional training was reviewed during the year.

RISK REVIEW

A formal and systematic approach to identification and management of risks has been introduced and will continue to be fully reviewed and updated annually. A review of CGT's operations was carried out to ensure that these are provided as efficiently as possible and to ensure that staff are not over-burdened. Keyman insurance for the Chief Executive, who has a key role in the charity, is in place to reduce CGT's exposure should he die suddenly.

In line with the Charity Commission's guidance on reporting serious incidents, the Trustees declare that during the reporting period there were no serious incidents that they have failed to bring to the Commission's attention.

CHURCH GROWTH TRUST LIMITED

REPORT OF THE TRUSTEES **for the Year Ended 30 September 2021**

STRUCTURE, GOVERNANCE AND MANAGEMENT

KEY MANAGEMENT REMUNERATION POLICY

Salaries for key management posts are set with reference to the technical skills and experience required to fulfil the job duties, the comparative pay in the Christian charitable sector, and a differential to the salary of the Chief Executive (CE). The Chief Executive's skill set and leadership capabilities are essential for CGT achieving its mission aims. The CE's pay terms are set by the Trustees and take into account the responsibilities and expectations from the CE; the technical, management and promotion experience and expertise required; and the comparable salary for chief executives of Christian charities.

Recognising that CGT should be different from the commercial market on the pay ratio from the lowest salary level and that equity should characterise a Christian charity and CGT, the remuneration package of the Chief Executive is not to exceed a ratio of 4:1 to the lowest remuneration package of a clerical staff member at an annual full-time equivalent.

FUNDRAISING

CGT does not engage in fundraising. It always gives opportunities for people receiving mailings to unsubscribe. CGT has a privacy policy which includes how it aims to be GDPR compliant. This is available on CGT's website.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

07352319 (England and Wales)

Registered Charity number

1138119

Registered office

The Barn, Baines Lane
Seaton, Oakham
Rutland LE15 9HP

Website

www.churchgrowth.org.uk

Trustees

Neil J Walker	Chairman
Nigel E Allen	
Richard E Canham	
David Foster	
Trevor James FCA DChA	Vice Chairman
Richard Jones MRICS	
Paul Withams	

Company Secretary (and Chief Executive)

A M Giles Arnold MRICS

Auditors

Brindley Millen Ltd
Chartered Accountants and Statutory Auditors
167 Turners Hill
Cheshunt
Hertfordshire EN8 9BH

Bankers

CAF Bank Ltd
25 Kings Hill Avenue
Kings Hill
West Malling
Kent ME19 4JQ

Church Growth Trust Key Management Personnel

A M Giles Arnold MRICS – Chief Executive
Garryl Willis – Operations Director
John Duffield MRICS – Property Manager

CHURCH GROWTH TRUST LIMITED

REPORT OF THE TRUSTEES **for the Year Ended 30 September 2021**

REFERENCE AND ADMINISTRATIVE DETAILS

Solicitors

Ellis-Fermor & Negus
2 Devonshire Avenue
Beeston
Nottingham
NG9 1BS

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"

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

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

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

In so far as the trustees are aware:

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

AUDITORS

The auditors, Brindley Millen Ltd, will be stepping down at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on **May 10, 2022** and signed on its behalf by:



.....
N J Walker - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF CHURCH GROWTH TRUST LIMITED

Opinion

We have audited the financial statements of Church Growth Trust Limited (the 'charitable company') for the year ended 30 September 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 September 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

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

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF CHURCH GROWTH TRUST LIMITED

Responsibilities of trustees

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

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

Our responsibilities for the audit of the financial statements

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

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:


We obtained an understanding of the legal and regulatory frameworks that are applicable to the charity and determined that the most significant are those covered by the Statement of Recommended Practice for Charities (SORP 2019) and the Charities Act 2011. We assessed the risk of material misstatement in respect of fraud by making enquiries of management and trustees and by testing the implementation of accounting controls in place.

Based on the results of our risk assessment we designed our audit procedures to identify non-compliance with such laws and regulations identified above by making enquiries with key personnel and reviewing relevant documentation such as minutes of Trustee meetings and correspondence with regulatory bodies. We considered the risk of fraud through management override by incorporation testing of journal entries and reviewing any requirements to meet performance targets. We also considered, and tested for, the possibility of unauthorised payments to related parties.

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

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


mwbrindley (May 13, 2022 14:45 GMT+1)

Maurice Brindley BSc FCA (Senior Statutory Auditor)
for and on behalf of Brindley Millen Ltd
Chartered Accountants and Statutory Auditors
167 Turners Hill
Cheshunt
Hertfordshire
EN8 9BH

Date: May 13, 2022

Hewitt Warin is a trading name of Brindley Millen Ltd

CHURCH GROWTH TRUST LIMITED**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
for the Year Ended 30 September 2021**

				30.9.21	30.9.20
	Notes	Unrestricted funds £	Property holding fund £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	310	581,386	-	581,696
Charitable activities	4				
Property letting and upkeep		548,933	-	-	548,933
Professional Services		19,096	-	-	19,096
Investment income	3	5,336	-	-	5,336
Total		573,675	581,386	-	1,155,061
EXPENDITURE ON Charitable activities	5				
Property letting and upkeep		162,224	8,356	107,637	278,217
Direct services to churches		211,599	-	-	211,599
Office and support		159,543	-	-	159,543
Grants		35,356	-	-	35,356
Total		568,722	8,356	107,637	684,715
NET INCOME/(EXPENDITURE)		4,953	573,030	(107,637)	470,346
Transfers between funds	18	150,438	(137,964)	(12,474)	-
Other recognised gains/(losses)					
Gains/(losses) on revaluation of fixed assets		(94,719)	(1,385,330)	(18,167)	(1,498,216)
Net movement in funds		60,672	(950,264)	(138,278)	(1,027,870)
RECONCILIATION OF FUNDS					
Total funds brought forward		447,848	20,884,932	184,880	21,517,660
TOTAL FUNDS CARRIED FORWARD		508,520	19,934,668	46,602	21,517,660

The notes form part of these financial statements

CHURCH GROWTH TRUST LIMITED (REGISTERED NUMBER: 07352319)**BALANCE SHEET****30 September 2021**

				30.9.21	30.9.20
	Notes	Unrestricted funds £	Property holding fund £	Restricted funds £	Total funds £
FIXED ASSETS					
Tangible assets	11	542	-	-	542
Investment property	12	-	20,277,416	96,134	20,373,550
		542	20,277,416	96,134	20,374,092
CURRENT ASSETS					
Debtors	13	78,385	-	4,750	83,135
Cash at bank		449,414	-	8,192	457,606
		527,799	-	12,942	540,741
CREDITORS					
Amounts falling due within one year	14	(19,821)	(23,779)	-	(43,600)
NET CURRENT ASSETS		507,978	(23,779)	12,942	497,141
TOTAL ASSETS LESS CURRENT LIABILITIES		508,520	20,253,637	109,076	20,871,233
CREDITORS					
Amounts falling due after more than one year	15	-	(318,969)	(62,474)	(381,443)
NET ASSETS		508,520	19,934,668	46,602	20,489,790
FUNDS	18				
Unrestricted funds:					
Operating fund				508,520	447,848
Property holding fund				19,934,668	20,884,932
				20,443,188	21,332,780
Restricted funds:					
Roe Green Hall				3,124	110,761
Wednesbury Property fund				43,478	74,119
				46,602	184,880
TOTAL FUNDS				20,489,790	21,517,660

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

May 10, 2022

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



.....
N J Walker - Trustee

The notes form part of these financial statements

CHURCH GROWTH TRUST LIMITED**CASH FLOW STATEMENT****for the Year Ended 30 September 2021**

	Notes	30.9.21 £	30.9.20 £
Cash flows from operating activities			
Cash generated from operations	1	(195,861)	(89,771)
Interest paid		<u>(8,530)</u>	<u>(10,434)</u>
Net cash used in operating activities		<u>(204,391)</u>	<u>(100,205)</u>
Cash flows from investing activities			
Sale of investment property		170,000	-
Interest received		<u>5,336</u>	<u>5,943</u>
Net cash provided by investing activities		<u>175,336</u>	<u>5,943</u>
Cash flows from financing activities			
New loans in year		-	50,000
Loan repayments in year		<u>(11,206)</u>	<u>(22,514)</u>
Net cash (used in)/provided by financing activities		<u>(11,206)</u>	<u>27,486</u>
		<hr/>	<hr/>
Change in cash and cash equivalents in the reporting period		(40,261)	(66,776)
Cash and cash equivalents at the beginning of the reporting period		<u>497,867</u>	<u>564,643</u>
Cash and cash equivalents at the end of the reporting period		<u><u>457,606</u></u>	<u><u>497,867</u></u>

The notes form part of these financial statements

CHURCH GROWTH TRUST LIMITED**NOTES TO THE CASH FLOW STATEMENT**
for the Year Ended 30 September 2021**1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	30.9.21 £	30.9.20 £
Net income for the reporting period (as per the Statement of Financial Activities)	470,346	369,837
Adjustments for:		
Depreciation charges	136	170
Interest received	(5,336)	(5,943)
Interest paid	8,530	10,434
Non-cash income - rent and lease premium	(94,719)	(103,683)
Non-cash income - gifts of properties	(581,387)	(407,640)
Decrease in debtors	570	39,629
Increase in creditors	5,999	7,425
Net cash used in operations	<u>(195,861)</u>	<u>(89,771)</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.10.20 £	Cash flow £	At 30.9.21 £
Net cash			
Cash at bank	<u>497,867</u>	<u>(40,261)</u>	<u>457,606</u>
	<u>497,867</u>	<u>(40,261)</u>	<u>457,606</u>
Debt			
Debts falling due within 1 year	(24,789)	1,010	(23,779)
Debts falling due after 1 year	<u>(391,639)</u>	<u>10,196</u>	<u>(381,443)</u>
	<u>(416,428)</u>	<u>11,206</u>	<u>(405,222)</u>
Total	<u>81,439</u>	<u>(29,055)</u>	<u>52,384</u>

NOTES TO THE FINANCIAL STATEMENTS

Basis of preparing the financial statements and assessment of going concern

The financial statements are presented in sterling (£).

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

In preparing financial statements it is necessary to make certain judgements, estimated and assumptions that affect the amounts recognised in the financial statements. The following judgements and estimates are considered by the trustees to have most significant effect on amounts recognised in the financial statements.

Useful economic life of tangible fixed assets:

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets.

Income

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

Expenditure

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

Tangible fixed assets

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

Fixtures and fittings - 20% on reducing balance

Fixed assets costing £1,000 or more are capitalised over their estimated useful lives. Assets costing less than £1,000 are written off in the year of purchase.

No depreciation is charged in respect of freehold land and buildings as the residual value of the property after its estimated useful life is anticipated to be at least the carrying value of the property shown in the financial statements.

Investment property

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in the Statement of Financial Activities.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Debtors

Trade and other debtors are recognised at the settlement amount. Prepayments are valued at the amount prepaid.

Cash at bank and in hand

Cash at bank and in hand includes cash, current bank accounts, deposit bank accounts and bonds maturing within twelve months or less.

Creditors

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

CHURCH GROWTH TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued **for the Year Ended 30 September 2021**

1. ACCOUNTING POLICIES - continued

Fund accounting

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

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

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

Valuation of property

Property assets are valued internally by Giles Arnold, the Chief Executive and John Duffield, the Property Manager, who are Chartered Surveyors. They have a detailed knowledge of all the properties and experience of the church property market across the UK. The valuations are based on the estimated market rent for each property (rent per square foot multiplied by net lettable area) and divides the rental figure by a yield (a general term used to describe return on capital with an investment valuation), which is based on the type of property and quality of tenant, to find the capital value. This is then adjusted in each case for the type of letting arrangements, including allowances for any discounted rent paid now and potential increases in rent in the future. Comparable properties and any special circumstances for each property are also taken into account. Depreciation is not provided on rental properties, as their value is assessed and adjusted each financial year. As requested by the auditors CGT has arranged for an independent RICS valuer to check the values and methods of valuation used and this report has validated the value levels in the accounts.

Pension costs and other post-retirement benefits

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

Funds held for other organisations

Church Growth Trust hold funds on behalf of 21 other organisations. The charity has no legal rights over the monies, which are held in their bank accounts.

The amounts are excluded from the cash balance on the balance sheet in accordance with the SORP.

Financial instruments

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

2. DONATIONS AND LEGACIES

	30.9.21	30.9.20
	£	£
Gifts	310	430
Gifts of property	<u>581,386</u>	<u>407,640</u>
	<u>581,696</u>	<u>408,070</u>

3. INVESTMENT INCOME

	30.9.21	30.9.20
	£	£
Deposit account interest	<u>5,336</u>	<u>5,943</u>

CHURCH GROWTH TRUST LIMITED**NOTES TO THE FINANCIAL STATEMENTS - continued**
for the Year Ended 30 September 2021**4. INCOME FROM CHARITABLE ACTIVITIES**

		30.9.21	30.9.20
	Activity	£	£
Rents	Property letting and upkeep	481,651	414,674
Recharged expenses	Property letting and upkeep	40,296	50,275
Professional work	Property letting and upkeep	575	525
Trusteeship Fees	Property letting and upkeep	10,411	10,286
Other income	Property letting and upkeep	16,000	16,000
Recharged expenses	Professional Services	782	1,061
Professional work	Professional Services	18,314	18,900
		<u>568,029</u>	<u>511,721</u>

Included in rents above is £78,719 of rent concessions (2020 £87,683) which have been agreed with tenants.

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs	Support costs (see note 6)	Totals
	£	£	£
Property letting and upkeep	278,217	-	278,217
Direct services to churches	211,374	225	211,599
Office and support	153,727	5,816	159,543
Grants	<u>35,356</u>	<u>-</u>	<u>35,356</u>
	<u>678,674</u>	<u>6,041</u>	<u>684,715</u>

6. SUPPORT COSTS

	30.9.20	30.9.20
	£	£
Governance costs		
Trustees' expenses	883	1,569
Auditors' remuneration	2,520	2,520
Accountancy and legal fees	<u>2,638</u>	<u>1,912</u>
Total governance costs	<u>6,041</u>	<u>6,001</u>

7. NET INCOME/(EXPENDITURE)

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

	30.9.21	30.9.20
	£	£
Auditors' remuneration	2,520	2,520
Depreciation - owned assets	<u>136</u>	<u>169</u>

CHURCH GROWTH TRUST LIMITED**NOTES TO THE FINANCIAL STATEMENTS - continued**
for the Year Ended 30 September 2021**8. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 30 September 2021 nor for the year ended 30 September 2020.

Trustees' expenses

	30.9.21	30.9.20
	£	£
Trustees' expenses	<u>883</u>	<u>1,569</u>

Trustees' expenses comprise travel and accommodation costs reimbursed to or paid on behalf of seven trustees for attending trustees' meetings, including board committee meetings. Trustee expense claims are subject to the charity's internal controls and are supported by appropriate documentary evidence.

Due to the global pandemic many meetings were held online resulting in a reduction in costs in the year.

Key management personnel

The charity consider its key management personnel to comprise the Trustees, Chief Executive, Operations Director and Property Manager. Total Key Personnel remuneration for the year was £203,650 including employers national insurance and pension (2020: £202,340). Additionally vehicles were leased for two members of key personnel for the total sum of £6,076 (2020: £7,101), life assurance was paid of £1,797 (2020: £1,444) and key person insurance of £250 (2020: £250).

9. STAFF COSTS

	30.9.21	30.9.20
	£	£
Wages and salaries	254,408	247,030
Social security costs	24,206	21,792
Other pension costs	<u>24,544</u>	<u>22,885</u>
	<u>303,158</u>	<u>291,707</u>

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

	30.9.21	30.9.20
Total employees	<u>6</u>	<u>6</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	30.9.21	30.9.20
£70,001 - £80,000	<u>1</u>	<u>1</u>

10. 30 SEPTEMBER 2020 COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Property holding fund £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM				
Donations and legacies	430	407,640	-	408,070
Charitable activities				
Property letting and upkeep	490,041	-	1,719	491,760
Professional Services	19,961	-	-	19,961
Investment income	<u>3,840</u>	<u>-</u>	<u>2,103</u>	<u>5,943</u>
Total	514,272	407,640	3,822	925,734
EXPENDITURE ON				
Charitable activities				
Property letting and upkeep	126,510	10,123	6,597	143,230

CHURCH GROWTH TRUST LIMITED**NOTES TO THE FINANCIAL STATEMENTS - continued**
for the Year Ended 30 September 2021**10. 30 SEPTEMBER 2020 COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued**

	Unrestricted funds £	Property holding fund £	Restricted funds £	Total funds £
Direct services to churches	199,758	-	-	199,758
Office and support	160,718	-	-	160,718
Grants	52,191	-	-	52,191
Total	539,177	10,123	6,597	555,897
NET INCOME/(EXPENDITURE)	(24,905)	397,517	(2,775)	369,837
Transfers between funds	6,988	(6,988)	-	-
Other recognised gains/(losses)				
Gains/(losses) on revaluation of fixed assets	(103,683)	2,179,558	-	2,075,875
Net movement in funds	(121,600)	2,570,087	(2,775)	2,445,712
RECONCILIATION OF FUNDS				
Total funds brought forward	569,448	18,314,845	187,655	19,071,948
TOTAL FUNDS CARRIED FORWARD	447,848	20,884,932	184,880	21,517,660

11. TANGIBLE FIXED ASSETS

	Fixtures and fittings £
COST	
At 1 October 2020 and 30 September 2021	4,695
DEPRECIATION	
At 1 October 2020	4,017
Charge for year	136
At 30 September 2021	4,153
NET BOOK VALUE	
At 30 September 2021	542
At 30 September 2020	678

CHURCH GROWTH TRUST LIMITED**NOTES TO THE FINANCIAL STATEMENTS - continued**
for the Year Ended 30 September 2021**12. INVESTMENT PROPERTY**

	£
FAIR VALUE	
At 1 October 2020	21,365,660
Additions	581,386
Disposals	(170,000)
Revaluation	<u>(1,403,496)</u>
At 30 September 2021	<u>20,373,550</u>
NET BOOK VALUE	
At 30 September 2021	<u>20,373,550</u>
At 30 September 2020	<u>21,365,660</u>

On 13th August 2012 a legal charge in favour of Stewardship Services (UKET) Ltd was created by Church Growth Trust. This is secured on the freehold property at Priory Terrace Gospel Hall, Leamington Spa in the sum of £240,000 together with all monies due or to become due from the managing trustees of Christchurch Leamington. The occupiers of the property, Christchurch Leamington, are responsible for servicing the mortgage and there are personal guarantees from two trustees of Christchurch Leamington in favour of Stewardship Services (UKET) Ltd. As at 30 September 2021 the balance is £23,557.

Fair value at 30 September 2021 is represented by:

	£
Valuation brought forward	21,777,046
Re-valuation in 2021	<u>(1,403,496)</u>
	<u>20,373,550</u>

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30.9.21	30.9.20
	£	£
Trade debtors	12,307	12,825
Other debtors	68,917	70,151
Prepayments	<u>1,911</u>	<u>729</u>
	<u>83,135</u>	<u>83,705</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30.9.21	30.9.20
	£	£
Bank loans and overdrafts (see note 16)	23,779	24,789
Trade creditors	4,798	1,313
VAT	1,521	1,692
Other creditors	11,102	7,467
Accrued expenses	<u>2,400</u>	<u>3,350</u>
	<u>43,600</u>	<u>38,611</u>

CHURCH GROWTH TRUST LIMITED**NOTES TO THE FINANCIAL STATEMENTS - continued**
for the Year Ended 30 September 2021**15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	30.9.21	30.9.20
	£	£
Bank loans (see note 16)	318,969	341,639
Other loans (see note 16)	<u>62,474</u>	<u>50,000</u>
	<u>381,443</u>	<u>391,639</u>

16. LOANS

An analysis of the maturity of loans is given below:

	30.9.21	30.9.20
	£	£
Amounts falling due within one year on demand:		
Bank loans	<u>23,779</u>	<u>24,789</u>
Amounts falling between one and two years:		
Bank loans - 1-2 years	<u>23,779</u>	<u>23,939</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>71,338</u>	<u>75,489</u>
Amounts falling due in more than five years:		
Repayable by instalments:		
Bank loans - more than 5 years	223,852	242,211
Other loans – more than 5 years	<u>62,474</u>	<u>50,000</u>
	<u>286,326</u>	<u>292,211</u>

17. SECURED DEBTS

The following secured debts are included within creditors:

	30.9.21	30.9.20
	£	£
Bank loans	342,748	366,428
Other loans	<u>62,474</u>	<u>50,000</u>
	<u>405,222</u>	<u>416,428</u>

During 2014 CAF Bank granted to Church Growth Trust a mortgage of £600,000 and a first fixed legal charge was created. This is secured on the freehold property known as Miracle House, Silva Way, Wickford, Essex and the freehold property known as Bignold Hall, Forest Gate. The balance on the mortgage as at 30 September 2021 is £342,748.

During 2017 J W Laing Trust granted to Church Growth Trust a loan facility up to the value of £500,000, to be drawn down as needed. The agreement is secured against the freehold property Roe Green Hall, Kingsbury. The outstanding balance as at 30 September 2021 is £62,474.

CHURCH GROWTH TRUST LIMITED**NOTES TO THE FINANCIAL STATEMENTS - continued**
for the Year Ended 30 September 2021**18. MOVEMENT IN FUNDS**

	At 1.10.20 £	Net movement in funds £	Transfers between funds £	At 30.9.21 £
Unrestricted funds				
Operating fund	447,848	(89,766)	150,438	508,520
Property holding fund	20,884,932	(812,300)	(137,964)	19,934,668
	21,332,780	(902,066)	12,474	20,443,188
Restricted funds				
Roe Green Hall	110,761	(107,637)	-	3,124
Wednesbury Property fund	74,119	(18,167)	(12,474)	43,478
	184,880	(125,804)	(12,474)	46,602
TOTAL FUNDS	<u>21,517,660</u>	<u>(1,027,870)</u>	<u>-</u>	<u>20,489,790</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
Operating fund	573,675	(568,722)	(94,719)	(89,766)
Property holding fund	581,386	(8,356)	(1,385,330)	(812,300)
	1,155,061	(577,078)	(1,480,049)	(902,066)
Restricted funds				
Roe Green Hall	-	(107,637)	-	(107,637)
Wednesbury Property fund	-	-	(18,167)	(18,167)
	-	(107,637)	(18,167)	(125,804)
TOTAL FUNDS	<u>1,155,061</u>	<u>(684,715)</u>	<u>(1,498,216)</u>	<u>(1,027,870)</u>

Comparatives for movement in funds

	At 1.10.19 £	Net movement in funds £	Transfers between funds £	At 30.9.20 £
Unrestricted funds				
Operating fund	569,448	(128,588)	6,988	447,848
Property holding fund	18,314,845	2,577,075	(6,988)	20,884,932
	18,884,293	2,448,487	-	21,332,780
Restricted funds				
Roe Green Hall	112,830	(2,069)	-	110,761
Wednesbury Property fund	74,825	(706)	-	74,119
	187,655	(2,775)	-	184,880
TOTAL FUNDS	<u>19,071,948</u>	<u>2,445,712</u>	<u>-</u>	<u>21,517,660</u>

CHURCH GROWTH TRUST LIMITED**NOTES TO THE FINANCIAL STATEMENTS - continued**
for the Year Ended 30 September 2021**18. MOVEMENT IN FUNDS - continued**

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
Operating fund	514,272	(539,177)	(103,683)	(128,588)
Property holding fund	<u>407,640</u>	<u>(10,123)</u>	<u>2,179,558</u>	<u>2,577,075</u>
	921,912	(549,300)	2,075,875	2,448,487
Restricted funds				
Roe Green Hall	2,072	(4,141)	-	(2,069)
Wednesbury Property fund	<u>1,750</u>	<u>(2,456)</u>	<u>-</u>	<u>(706)</u>
	<u>3,822</u>	<u>(6,597)</u>	<u>-</u>	<u>(2,775)</u>
TOTAL FUNDS	<u>925,734</u>	<u>(555,897)</u>	<u>2,075,875</u>	<u>2,445,712</u>

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

	At 1.10.19 £	Net movement in funds £	Transfers between funds £	At 30.9.21 £
Unrestricted funds				
Operating fund	569,448	(218,354)	157,426	508,520
Property holding fund	<u>18,314,845</u>	<u>1,764,775</u>	<u>(144,952)</u>	<u>19,934,668</u>
	18,884,293	1,546,421	12,474	20,443,188
Restricted funds				
Roe Green Hall	112,830	(109,706)	-	3,124
Wednesbury Property fund	<u>74,825</u>	<u>(18,873)</u>	<u>(12,474)</u>	<u>43,478</u>
	<u>187,655</u>	<u>(128,579)</u>	<u>(12,474)</u>	<u>46,602</u>
TOTAL FUNDS	<u>19,071,948</u>	<u>1,417,842</u>	<u>-</u>	<u>20,489,790</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
Operating fund	1,087,947	(1,107,899)	(198,402)	(218,354)
Property holding fund	<u>989,026</u>	<u>(18,479)</u>	<u>794,228</u>	<u>1,764,775</u>
	2,076,973	(1,126,378)	595,826	1,546,421
Restricted funds				
Roe Green Hall	2,072	(111,778)	-	(109,706)
Wednesbury Property fund	<u>1,750</u>	<u>(2,456)</u>	<u>(18,167)</u>	<u>(18,873)</u>
	<u>3,822</u>	<u>(114,234)</u>	<u>(18,167)</u>	<u>(128,579)</u>
TOTAL FUNDS	<u>2,080,795</u>	<u>(1,240,612)</u>	<u>577,659</u>	<u>1,417,842</u>

Fixed asset fund - represents the value of properties held by the charity in pursuance of its charitable activities, less any outstanding mortgage liabilities on said properties.

Roe Green Hall - represents monies given to Church Growth Trust for building works on Roe Green Hall, Kingsbury.

Wednesbury Property fund - represents the value of the Gospel Hall on Price Road, Wednesbury, all monies are restricted to the advancement of the Gospel in the Wednesbury area only.

CHURCH GROWTH TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued **for the Year Ended 30 September 2021**

18. MOVEMENT IN FUNDS – continued

Transfers between funds

During the year a transfer was made from Wednesbury Property fund of £12,474 to the Operating fund in order to show movement of the loan balances in respect of this property.

A transfer of £32,036 was made from the Operating fund to the Property Holding fund to show the movement of the mortgage balances in respect of properties held. In addition to this the gain from the sale of a property during the year of £170,000 was transferred to the Operating fund from the Property Holding fund.

19. RELATED PARTY DISCLOSURES

During the year the charity gave a grant of £Nil (2020: £2,000) to Partnership (UK) Ltd (Charity no. 802564) One trustee; Neil Walker is a trustee of Partnership.

During the year the charity gave a grant of £19,800 (2020: £19,500) to Counties (Charity no. 264278) One trustee; Mr Richard Canham is a trustee of Counties.

The named individuals took no part in the discussions or decision making regarding these grants.

20. FUNDS HELD ON BEHALF OF OTHER ORGANISATIONS

The charity holds £132,222 in its bank account on behalf of other charities, it has no legal right over these funds. As per the Statement of Recommended Practice these amounts have not been shown on the balance sheet.

CHURCH GROWTH TRUST LIMITED**DETAILED STATEMENT OF FINANCIAL ACTIVITIES**
for the Year Ended 30 September 2021

	30.9.21 £	30.9.20 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Gifts	310	430
Gifts of property	<u>581,386</u>	<u>407,640</u>
	581,696	408,070
Investment income		
Deposit account interest	5,336	5,943
Charitable activities		
Rents	481,651	414,674
Recharged expenses	41,078	51,336
Professional work	18,889	19,425
Trusteeship Fees	10,411	10,286
Other income	<u>16,000</u>	<u>16,000</u>
	<u>568,029</u>	<u>511,721</u>
Total incoming resources	1,155,061	925,734
EXPENDITURE		
Charitable activities		
Wages	254,408	247,030
Social security	24,206	21,792
Pensions	24,544	22,885
Training & recruitment	2,205	2,275
Gifts and donations	35,356	52,191
Insurance (PI and general)	3,194	3,149
Direct expenditure on properties	182,178	52,920
Property Insurance	40,514	50,528
Professional Fees	46,064	25,982
Travel and subsistence	10,395	14,737
Advertising	11,989	9,947
Office - General	11,488	12,330
Unrecoverable VAT	7,915	7,472
Office Premises - Rent	14,146	13,583
Office Premises - Costs	1,406	1,851
Bad debts	-	620
Fixtures and fitting depreciation	136	170
Bank charges	174	311
Mortgage interest	<u>8,356</u>	<u>10,123</u>
	678,674	549,896
Support costs		
Governance costs		
Trustees' expenses	883	1,569
Auditors' remuneration	2,520	2,520
Accountancy and legal fees	<u>2,638</u>	<u>1,912</u>
	<u>6,041</u>	<u>6,001</u>
Total resources expended	<u>684,715</u>	<u>555,897</u>
Net income	<u><u>470,346</u></u>	<u><u>369,837</u></u>

This page does not form part of the statutory financial statements









Church Growth Trust - final accounts approval

Final Audit Report

2022-05-13

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