



your experts in church properties

Report of the Trustees and Financial Statements

Year Ended 30th September 2023

Church Growth Trust Limited

Sheen Stickland
Chartered Accountants
Statutory Auditors
7 East Pallant
Chichester
West Sussex
PO19 1TR

Church Growth Trust Limited

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for the Year Ended 30th September 2023**

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Church Growth Trust Limited

Legal & Administrative Information for the Year Ended 30th September 2023

Charity Name	Church Growth Trust Limited	
Registered Company No.	07352319 (England and Wales)	
Registered Charity No.	1138119	
Registered office	The Barn, Baines Lane, Seaton, Oakham LE15 9HP	
Governing Document	Memorandum and Articles of Association dated 20 September 2010 as amended on 19 February 2016 and 25 September 2018	
Objects	<p>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.</p> <p>To make grants or loans or give guarantees for the purpose of:</p> <ul style="list-style-type: none">• 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/pr work with independent churches in the United Kingdom <p>Also to apply the income of the charity:</p> <ul style="list-style-type: none">• 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 <p>To promote the effectiveness and efficiency of independent churches, evangelical churches and Christian missions by the provision of:</p> <ul style="list-style-type: none">• 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	
Trustees	N J Walker R E Canham D R Foster T E James R Jones D J Leafe S K Sanlon P Withams	Chairman Vice Chairman (resigned 15.2.23) Vice Chairman (resigned 20.7.23) (appointed 20.7.23)
Company Secretary	A M Giles Arnold	
Key Management Personnel	The charity considers its key management personnel to comprise the Trustees, Chief Executive (A M Giles Arnold MRICS), Operations Director (Garryl Willis) and Property Manager (John Duffield MRICS).	

Church Growth Trust Limited

Legal & Administrative Information for the Year Ended 30th September 2023

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

Auditors Sheen Stickland
Chartered Accountants
7 East Pallant
Chichester
West Sussex PO19 1TR

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

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 30th September 2023. 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

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. Its current working vision is "We aspire to glorify God by securing for Gospel use independent church properties and together with churches 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 SC049681) 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:

- o 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 keep their properties in good condition, compliant with legislation and suitable for modern church use, including helping to fund building projects;
- o Providing professional property and architectural services and guidance in church practice and governance, including encouraging churches to make best use of their properties;
- o Supporting church planting and revitalisation of independent churches.

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.

OBJECTIVES AND ACTIVITIES

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 Trustee 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.

STRATEGIC REPORT

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 105 properties. CGT continued to manage its properties in line with its objects. This includes over 60 visits to its owned and trusteeship properties over the last year. 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 given all occupying churches a "Property Book" for them to record and keep up to date their 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 37 churches.

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 17 new tenancies to occupying churches, and a further seven 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 £1.85 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.

**Report of the Trustees
for the Year Ended 30th September 2023**

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 40 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 projects have been at Latchett Hall, Woodford Green, where some underpinning has taken place, West Shore Baptist Church, Llandudno, where the gable end wall was rebuilt due to structural problems, and Hey Street Evangelical Church, Cleethorpes, which has been refurbished and improved. In addition, an extension has been built at Alexandra Hall, Wood Green, which is a sole trusteeship.

CGT helped fund repairs to eight 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. Architects fees have been paid for access works to Clarence Road Evangelical Church, East Cowes.

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.

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 Tyndale Baptist Chapel Chipping Sodbury, Chorley Gospel Hall, Grange Free Church Rayleigh (previously where CGT was acting as holding trustee), Needham Market Evangelical Church and Bethesda Gospel Hall Darlington were gifted to CGT. CGT was appointed sole trustee of Woodcroft Hall Edgware, Providence Baptist Chapel Westbury, Atworth Independent Church, Walberton Baptist Church Arundel, Old City Hall West Mersea, West Worthing Evangelical Church and East Dean Free Church Chichester, was appointed custodian trustee of Willenhall Free Church Coventry and Louth Evangelical Church, and was appointed holding trustee of Bethel Evangelical Church Bolton. Burnopfield Gospel Fellowship, Smallfield Evangelical Church Horley, Bethany Evangelical Church Leigh, Arnold Road Evangelical Church Nottingham, Bethlehem Evangelical Church Port Talbot, Trinity Grace Church Ramsbottom, Wem Baptist Church and Avenue Evangelical Church Woodbridge.



[Tyndale Baptist Chapel Chipping Sodbury](#)



[Chorley Gospel Hall](#)



[Grange Free Church Rayleigh](#)



[Needham Market Evangelical Church](#)



[Bethesda Gospel Hall Darlington](#)

**Report of the Trustees
for the Year Ended 30th September 2023**

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 continues to work 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 63 churches and is likely to result in CGT being gifted beneficially seven properties, being appointed sole trustee of eight properties and being appointed custodian/holding trustee of 28 properties. Some of these have already been transferred. It is expected that all those where trustees have made a decision to gift to CGT will be completed within the next year.

A database of 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) are being contacted sensitively and appropriately to make them aware of CGT's trusteeship and consultancy services.

3. Sales and Transfers

There have been no sales of properties owned by CGT over the financial year.

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 SC049681) for church planting work in the UK. A further grant of £25,000 has been made to Counties (Charity Number 264278) to support the work of networking independent churches in the UK. CGT has also given a grant to the Lord's Work Trust (Charity Number SC008740) of £6,528. A grant of £5,000 was made to GLO (Charity Number SC049681) to support the publication of Perspectives magazine, previously published by Partnership UK (Charity Number 802564) and a book.

5. Guarantor

CGT acted as guarantor to a lease taken by Church in the Community (charity number 1159061) to help them use a building for church and community use. The lease has now ended and CGT has supported the church by paying £19,000 towards a dilapidations claim by the landlord. This was paid in the new finance year.

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:

- o Llandudno, West Shore Baptist Church - Remedial work for structural repairs to gable wall.
- o Lewisham, Loampit Gospel Hall - Building project for rebuilding parapet wall and chimneys.
- o Woodford Green, Latchett Hall - Underpinning work to the annexe.
- o Wood Green, Alexandra Hall - Supervised contract to build single storey extension to rear for new meeting room and agreeing funding.

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 37 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, published one new paper in the last year and is working on four new papers which should be published in the next year.

**Report of the Trustees
for the Year Ended 30th September 2023**

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:

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

10. 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 has changed its email bulletins from being sent out quarterly to weekly with each week focussed on a specific subject. This change has been received well and is resulting in much higher "read" rates. CGT continues to produce monthly tips and news items on its website. CGT has recently (after the financial year end) launched its Facebook presence. 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" continues to be sent to CGT's connected churches and has received a positive response. Booklets on building projects are still available, 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.

11. 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 SC049681), and Echoes International (Charity Number 1173851), the national Living the Passion conference, which is next planned for autumn 2024.

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 network 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 SC049681), Partnership (Charity Number 802564) and Echoes International (Charity Number 1173851) have met twice this year to consider ways of working more closely and sharing resources.

FINANCIAL REVIEW

CGT is funded by donations, rents from properties, fees from acting as trustee and from professional work, and investment income.

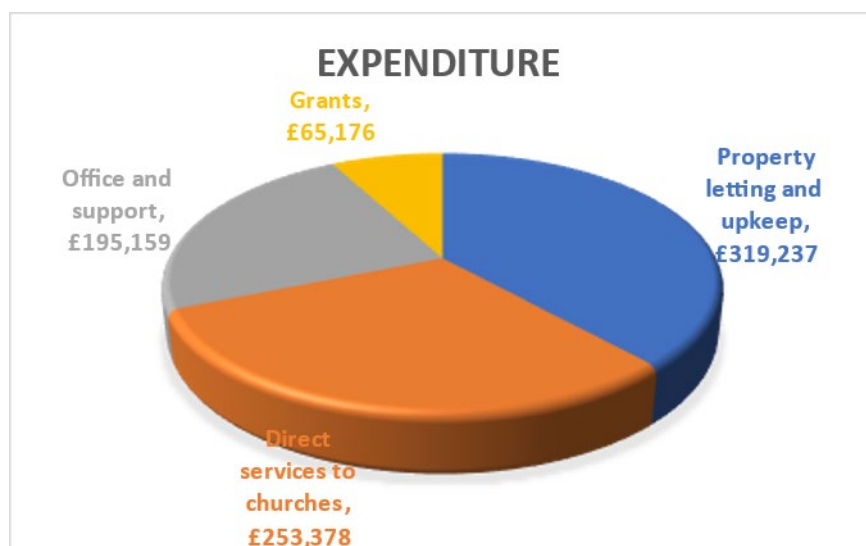
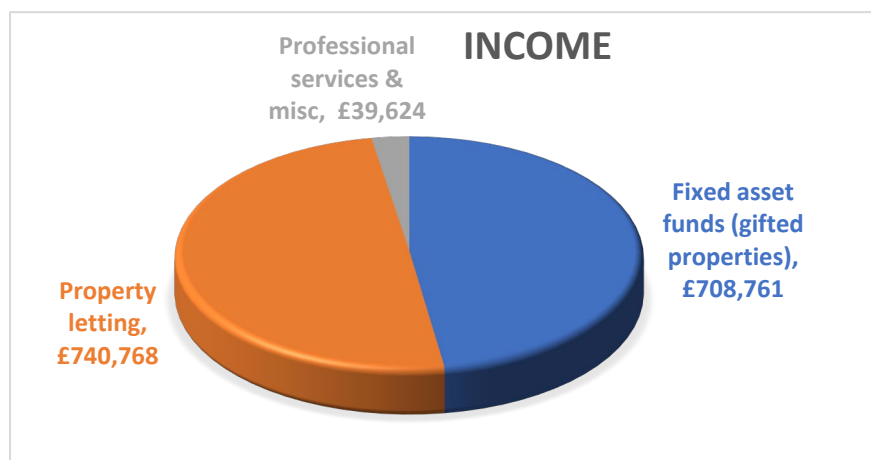
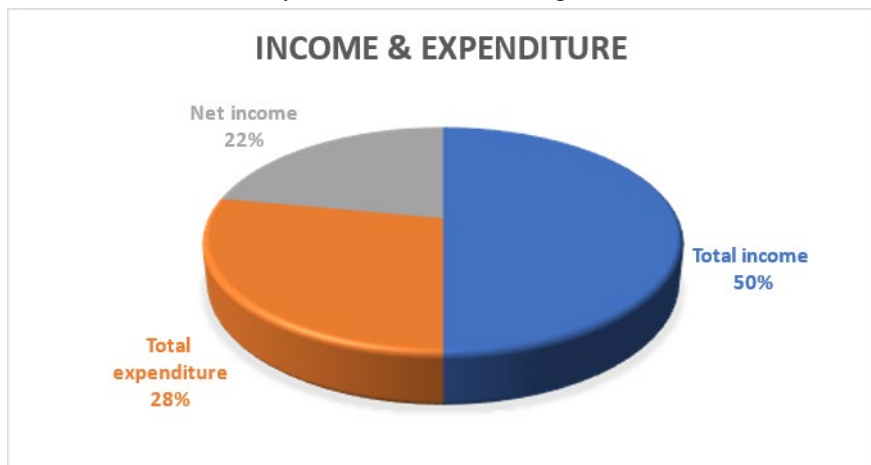
Financial position

The Statement of Financial Activities, Balance Sheet and statement of cash flows can be found on pages 18, 19 and 20 respectively. CGT's reserves increased by £710,837 (2022 increased by £520,916) during the year. The balance sheet shows total net assets of £21,721,543 (2022: £21,010,706). Cash and cash equivalents increased £3,010 from £709,997 to £713,010 (2022: increased £252,391 from £457,606 to £709,997).

**Report of the Trustees
for the Year Ended 30th September 2023**

Financial position

The charity's financial position is satisfactory, with a recorded surplus of £710,837. Operational activities in the year resulted in a surplus, as the charity was focussed on ensuring owned properties were brought up to the highest standard possible. This figure is then mitigated by properties valued at the year end at £643,161 being gifted to CGT. The value of the freehold properties owned by the charity provides a nominally strong financial position. This increased by approximately £743,499 during the year, partly reflecting the gifting of five new properties. 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 the fixed assets from those held for general operational purposes the Board of Trustees has resolved they should be held in a designated Fixed Asset Fund.



Church Growth Trust Limited

Report of the Trustees for the Year Ended 30th September 2023

Reserves policy

Included in total funds are amounts totalling £216,872 (2022: £112,244) which are restricted. These monies have either been raised for, and their use restricted to, specific purposes, as specified by donors. Full details of these restricted funds can be found in note 19 to the accounts together with an analysis of movements in the year.

The Trustees have examined the requirements for free reserves, i.e. those unrestricted funds not invested in tangible fixed assets. The Trustees consider that, given the nature of CGT's work, free reserves should be equivalent to approximately 3 months' routine general fund expenditure, plus committed future expenditure on other projects, where funds permit. The Trustees are of the opinion that this provides sufficient flexibility to cover temporary shortfalls in incoming resources and will allow CGT to cope and respond to unforeseen emergencies whilst specific action plans are implemented. At 30 September 2023 CGT had net free reserves of £357,358 (2022: £341,153) as follows:

	2023 £	2022 £
Total reserves	21,721,543	21,010,706
Less: restricted funds	(216,872)	(112,244)
Less: unrestricted fixed assets used for the continuing work of CGT	(347)	(434)
Less: unrestricted fixed asset investments used for the continuing work of CGT	<u>(21,146,966)</u>	<u>(20,556,875)</u>
	<u>357,358</u>	<u>341,153</u>

	2023 £	2022 £
Free reserves requirement		
Three months' budgeted routine core operating costs	160,000	125,000
Disaster fund for major works	100,000	100,000
Variations in the cashflow	<u>100,000</u>	<u>100,000</u>
	<u>360,000</u>	<u>325,000</u>

The trustees are aware that the free reserves requirement is in excess of free reserves, due to two specific and exceptional cases to support churches. The Trustees have plans to replenish these reserves over the coming year.

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:

Atworth Independent Church	Lindfield Evangelical Free Church Trust (Haywards Heath)
Barton Hall Trust (Hereford)	Loampit Gospel Hall Trust (Lewisham)
Bermondsey Gospel Hall Trust	Northumberland Hall (Margate)
Chadwell Evangelical Church Trust	Old City Hall (West Mersea)
Chainhurst Gospel Hall Trust	Poulner Baptist Chapel Trust (Ringwood)
Cherith Christian Fellowship (High Wycombe)	Providence Baptist Chapel (Westbury)
Clapton Hall Trust	Shirley Hall Trust (Enfield)
Ebenezer Baptist Chapel Trust (Chester)	Shrewsbury Chapel Trust (Redhill)
East Dean Free Church (Chichester)	Toftwood Gospel Hall Trust (Dereham)
Emerson Park Evangelical Church Trust (Hornchurch)	United Mission Manse Trust (Muswell Hill)
Emmanuel Chapel Trust (Ditchling)	Walberton Baptist Church (Arundel)
Hebron Hall Trust (Tipton)	Wilmington Christian Fellowship (Dartford)
Kings Road Chapel Trust (Walsall)	West Worthing Evangelical Church (Worthing)
	Woodcroft Hall (Edgware)

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.

Church Growth Trust Limited

Report of the Trustees for the Year Ended 30th September 2023

CGT is Custodian or Holding Trustee of the following 38 properties, being mostly church buildings which are used for Christian worship:

Acton, Berrymead Evangelical Church	Frome, Clink Evangelical Church
Banstead Baptist Church	Highgate Road Chapel
Barnstaple, Grosvenor Church	Horley, Smallfield Evangelical Church
Bedford, Rutland Road Church	Leicester, Laburnum Road Community Church
Bolton, Bethnel Evangelical Church	Leigh, Bethany Evangelical Church
Bradfield St George Gospel Hall	Louth Evangelical Church
Brentwood Vineyard Church	Maidenhead, Blenheim Free Church
Brighton, Fishersgate Mission Hall	Nottingham, Arnold Road Evangelical Church
Burnopfield Gospel Fellowship	Orpington, Coppice Mission Church
Camberwell, Victoria Hall	Port Talbot, Bethlehem Evangelical Church
Coventry, Willenhall Free Church	Ramsbottom, Trinity Grace Church
Cranleigh, Alford Chapel	Salisbury, Emmanuel Church and Grove House
Dartford, South Darenth Village Church	Sandown, Avenue Road Evangelical Church
Dagenham Community Church	Southport, Kew Evangelical Church
Dereham, 29 & 30 Eckling Grange	Sutton, Chiltern Church and house
Diss, Burston Chapel	Watford, Harebreaks Gospel Hall
Dudley, Hellier Street Gospel Hall	Wem Baptist Church
East Hanningfield, Bethel Church Edmonton	Woodbridge, Boyton Mission
Croyland Evangelical Church	Woodbridge, Avenue Evangelical Church

CGT's involvement as Custodian and Holding Trustee is generally limited to holding the 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 2023/2024

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, Property Administrator and Architect 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.

Each occupying church has in the past had a responsibility to carry out a condition survey during their tenancy. CGT is now providing this service to help churches. During the year CGT employed a part-time Building Surveyor and has also engaged freelance professional to carry out the surveys at approximately 50% of the cost, adding this to the rent for the property. Churches have received this help positively.

2. Projects

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

- o The Tabernacle, Hastings - roofing the main building.
- o Vale Park Chapel, Rhyl - reconfiguring the building layout.
- o Bethesda Gospel Hall, Darlington - refurbishment.
- o Bethesda Chapel, West Bromwich - new access WC.
- o Clarence Road Evangelical Church, East Cowes - completing the project to resolve the access issues with the property and provide a more welcoming entrance.

3. New Properties

The trustees of Northway Church Oxford and Atherton Evangelical Church have beneficially gifted their properties to CGT since the year end. The trustees of Zion English Baptist Church Wrexham, Bishopstoke Evangelical Church Eastleigh, Pound Lane Mission Church, Basildon, Bethesda Chapel Southport and Dial Park Hall Stockport have also agreed to gifting their properties to CGT. Over Baptist Church Cambridge, Great Warford Baptist Church Alderley Edge, Langley Park Baptist Church Durham, Chilworth Free Church Guildford and Christ Church Evangelical Fellowship Peckham have agreed to appointing CGT as sole trustee of their property Trusts. There are a further 11 churches, where the Fellowship Property Trust (previously FIEC Ltd) (Charity Number 251395) are the trustee, which have asked for CGT to be holding (or custodian) trustee. CGT is following up interest from nine 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. CGT's new Building Surveyor will also be able to offer survey services to 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 and specialist solicitors, surveyors, architects and others with technical expertise. In conjunction with Western Counties and South Wales Evangelization Trust, CGT has produced and recently updated 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 (Charity Number 264278) and GLO (Charity Number SC049681) for their church planting work in the year. CGT, since the year end has given a grant of £25,000 to Counties to help them with the set-up costs for encouraging the networking of evangelical churches, as they have taken on some of the work of Partnership UK (Charity Number 802564) in 2023. CGT will continue its involvement with the Church Support Network, church revitalisation cooperation (with Counties and GLO) and future Living the Passion conferences (with Counties, GLO and Echoes International (Charity Number 1173851)). The Trustees anticipate working closely with Stewardship (Charity Number 234714) as the property and charity adviser (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 advisers 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 accounts £160,000 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 weekly 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 and to contact these churches and those which already receive the magazine to ensure they are aware of CGT's services and that CGT has up to date information on them. CGT has recently launched its social media presence on Facebook 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 now available. Dave Foster, who has served as a Trustee since 2012, retired this year and his service over the years on the Board and various Sub-committees has been greatly appreciated. Trevor James also retired as a Trustee during the year and his contribution as Vice-chairman of the Board and Chairman of the Finance Sub-committee has been extremely valuable over the last six years. Dan Leafe, who is a Barrister and has experience of independent evangelical churches, was appointed as a Trustee in July 2023. A further Trustee, ideally with accountancy experience, is being sought.

The Directors, who are the Trustees, have met together four times during the financial year to discuss and make decisions concerning the charity's affairs, including two meetings in person and two by conference call. 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 adviser on CGT's Buildings Committee. Ian Gardner, a retired charity solicitor, has also helped CGT by being part of the Legal Committee of CGT, but has now retired. Simon Hale of Ellis-Fermor & Negus has now agreed to be part of the Legal Committee. 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 part-time 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. CGT's 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 Building Surveyor is being recruited to carry out condition and compliance surveys for occupying churches and clients. A full-time Office Administrator is employed to run the office and provide book-keeping services. She is assisted by a part-time Cleaner and Administrative Assistant. A part-time Communications Manager was employed during the last year to help communicate with churches that may need CGT's help with trusteeship and other services. She is also developing CGT social media presence.

STRUCTURE, GOVERNANCE AND MANAGEMENT

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 and specific trustee training has been provided. Future training will be monitored.

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 CE'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.

Risk Review

A formal and systematic approach to identification and management of risks has been introduced so that each Committee has responsibility for specific risks, reporting to the Board. All risks, mitigations and levels of likelihood and impact have been reviewed in detail and will continue to be fully reviewed and updated throughout the year. 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.

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.

**Report of the Trustees
for the Year Ended 30th September 2023**

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Church Growth Trust Limited for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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;
- 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, Sheen Stickland, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on **14/03/2023**..... and signed on the board's behalf by:



.....
N J Walker - Trustee

Opinion

We have audited the financial statements of Church Growth Trust Limited (the 'charitable company') for the year ended 30th September 2023 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).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30th September 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 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.

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:

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

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.

**Report of the Independent Auditors to the Members of
Church Growth Trust Limited**

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.

Paul Wright FCA DChA (Senior Statutory Auditor)
for and on behalf of Sheen Stickland
Chartered Accountants
Statutory Auditors
7 East Pallant
Chichester
West Sussex
PO19 1TR

Date:

Church Growth Trust Limited

**Statement of Financial Activities
for the Year Ended 30th September 2023**

		Unrestricted funds	Restricted funds	2023 Total funds	2022 Total funds as restated
	Notes	£	£	£	£
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	643,811	64,950	708,761	995,966
Charitable activities	4				
Property letting and upkeep		659,043	-	659,043	608,133
Professional services		33,150	-	33,150	23,320
Investment income	3	6,130	-	6,130	5,333
Total income		<u>1,342,134</u>	<u>64,950</u>	<u>1,407,084</u>	<u>1,632,752</u>
EXPENDITURE ON					
Charitable activities	5				
Property letting and upkeep		300,990	13,905	314,895	195,560
Grants		65,176	-	65,176	12,528
Direct services to churches		253,378	-	253,378	204,103
Office and support		<u>195,086</u>	<u>-</u>	<u>195,086</u>	<u>166,733</u>
Total expenditure		<u>814,630</u>	<u>13,905</u>	<u>828,535</u>	<u>578,924</u>
Net Income		527,504	51,045	578,549	1,053,828
Transfers between funds	19	(9,106)	9,106	-	-
Other recognised gains/(losses)					
Gains/(losses) on revaluation of fixed assets		55,861	44,477	100,338	(392,091)
Transfers to/(from) Separate Trusts		<u>31,950</u>	<u>-</u>	<u>31,950</u>	<u>(140,821)</u>
Net movement in funds		606,209	104,628	710,837	520,916
RECONCILIATION OF FUNDS					
Total funds brought forward					
As previously reported		20,965,972	112,244	21,078,216	20,489,790
Prior year adjustment	10	<u>(67,510)</u>	<u>-</u>	<u>(67,510)</u>	<u>-</u>
As restated		<u>20,898,462</u>	<u>112,244</u>	<u>21,010,706</u>	<u>20,489,790</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>21,504,671</u></u>	<u><u>216,872</u></u>	<u><u>21,721,543</u></u>	<u><u>21,010,706</u></u>

The notes form part of these financial statements

Church Growth Trust Limited

Balance Sheet
30th September 2023

	Notes	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds as restated £
FIXED ASSETS					
Tangible assets	11	347	-	347	434
Investment property	12	<u>21,146,966</u>	<u>153,408</u>	<u>21,300,374</u>	<u>20,556,875</u>
		21,147,313	153,408	21,300,721	20,557,309
CURRENT ASSETS					
Debtors	13	166,686	2,750	169,436	166,128
Cash at bank		<u>652,296</u>	<u>60,714</u>	<u>713,010</u>	<u>709,997</u>
		818,982	63,464	882,446	876,125
CREDITORS					
Amounts falling due within one year	14	<u>(66,028)</u>	-	<u>(66,028)</u>	<u>(56,594)</u>
NET CURRENT ASSETS		<u>752,954</u>	<u>63,464</u>	<u>816,418</u>	<u>819,531</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		21,900,267	216,872	22,117,139	21,376,840
CREDITORS					
Amounts falling due after more than one year	15	<u>(395,596)</u>	-	<u>(395,596)</u>	<u>(366,134)</u>
NET ASSETS		<u>21,504,671</u>	<u>216,872</u>	<u>21,721,543</u>	<u>21,010,706</u>
FUNDS	19				
Unrestricted funds				21,504,671	20,898,462
Restricted funds				<u>216,872</u>	<u>112,244</u>
TOTAL FUNDS				<u>21,721,543</u>	<u>21,010,706</u>

The financial statements were approved by the Trustees on ...14/03/2023..... 2024 and signed on their behalf by:

N J Walker

.....
N J Walker - Trustee

The notes form part of these financial statements

Church Growth Trust Limited

**Cash Flow Statement
for the Year Ended 30th September 2023**

		2023	2022
	Notes	£	as restated £
Cash flows from operating activities			
Cash generated from operations	1	(10,003)	(151,917)
Interest paid		<u>(22,925)</u>	<u>(10,111)</u>
Net cash used in operating activities		<u>(32,928)</u>	<u>(162,028)</u>
Cash flows from investing activities			
Sale of investment property		-	420,000
Interest received		<u>6,130</u>	<u>5,333</u>
Net cash provided by investing activities		<u>6,130</u>	<u>425,333</u>
Cash flows from financing activities			
New loans in year		75,000	-
Loan repayments in year		<u>(45,189)</u>	<u>(10,914)</u>
Net cash provided by/(used in) financing activities		<u>29,811</u>	<u>(10,914)</u>
		<u> </u>	<u> </u>
Change in cash and cash equivalents in the reporting period		3,013	252,391
Cash and cash equivalents at the beginning of the reporting period	2	<u>709,997</u>	<u>457,606</u>
Cash and cash equivalents at the end of the reporting period	2	<u><u>713,010</u></u>	<u><u>709,997</u></u>

The notes form part of these financial statements

**Notes to the Cash Flow Statement
for the Year Ended 30th September 2023**

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

	2023	2022 as restated
	£	£
Net income for the reporting period (as per the Statement of Financial Activities)	578,549	1,053,828
Adjustments for:		
Depreciation charges	87	108
Interest received	(6,130)	(5,333)
Interest paid	22,925	10,111
Non-cash income - gifts of property	(643,161)	(995,416)
Separate Trusts prior year adjustment	31,950	(140,821)
Decrease/(increase) in debtors	(3,308)	(82,993)
Increase in creditors	<u>9,085</u>	<u>8,599</u>
Net cash used in operations	<u>(10,003)</u>	<u>(151,917)</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.10.22 £	Cash flow £	At 30.9.23 £
Net cash			
Cash at bank	<u>709,997</u>	<u>3,013</u>	<u>713,010</u>
	<u>709,997</u>	<u>3,013</u>	<u>713,010</u>
Debt			
Debts falling due within 1 year	(28,174)	(349)	(28,523)
Debts falling due after 1 year	<u>(366,134)</u>	<u>(29,462)</u>	<u>(395,596)</u>
	<u>(394,308)</u>	<u>(29,811)</u>	<u>(424,119)</u>
Total	<u>315,689</u>	<u>(26,798)</u>	<u>288,891</u>

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain assets.

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.

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.

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.

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.

1. ACCOUNTING POLICIES - continued

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.

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 every five years for an independent RICS valuer to check the values and methods of valuation used and the most recent report has validated the value levels in the accounts.

Taxation

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

Fund accounting

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

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

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

Funds held for other organisations

Church Growth Trust hold funds on behalf of 10 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

	2023	2022
	£	£
Gifts	65,600	550
Gifts of property	<u>643,161</u>	<u>995,416</u>
	<u>708,761</u>	<u>995,966</u>

3. INVESTMENT INCOME

	2023	2022
	£	£
Deposit account interest	<u>6,130</u>	<u>5,333</u>

Notes to the Financial Statements - continued
for the Year Ended 30th September 2023**4. INCOME FROM CHARITABLE ACTIVITIES**

		2023	2022 as restated
	Activity	£	£
Rents	Property letting and upkeep	548,111	457,757
Recharged expenses	Property letting and upkeep	90,710	63,438
Professional work	Property letting and upkeep	715	700
Trusteeship Fees	Property letting and upkeep	19,507	12,928
Loan write up	Property letting and upkeep	-	73,310
Recharged expenses	Professional services	13,115	1,012
Professional work	Professional services	20,035	22,308
		<u>692,193</u>	<u>631,453</u>

5. EXPENDITURE - CHARITABLE ACTIVITIES

	Direct Costs £	Support costs (see note 6) £	Totals £
Property letting and upkeep	314,895	-	314,895
Grants	65,176	-	65,176
Direct services to churches	253,123	255	253,378
Office and support	179,369	15,717	195,086
	<u>812,563</u>	<u>15,972</u>	<u>828,535</u>

6. EXPENDITURE - SUPPORT COSTS

	Governance costs £
Direct services to churches	255
Office and support	15,717
	<u>15,972</u>

7. NET INCOME

Net income is stated after charging/(crediting):

	2023	2022 as restated
	£	£
Auditors' remuneration - audit fees	9,750	9,870
Auditors' remuneration - non audit fees	3,345	-
Depreciation - owned assets	<u>87</u>	<u>108</u>

8. TRUSTEES' REMUNERATION AND BENEFITS

One trustee (SK Sanlon) was paid £3,290 for planning services provided to the charity during the year. CGT followed its procedure for paying a trustee, including excluding that trustee from the decision-making process, ensuring any payment is reasonable in relation to the services provided, being satisfied that any payment is in the best interests of the charity and providing a written agreement between CGT and the trustee. There were no trustees' remuneration or other benefits for the year ended 30th September 2022.

	2023	2022
	£	£
Trustees' expenses	<u>686</u>	<u>1,449</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.

9. STAFF COSTS

	2023	2022
	£	£
Wages and salaries	294,788	247,363
Social security costs	26,575	23,774
Other pension costs	<u>28,022</u>	<u>25,056</u>
	<u>349,385</u>	<u>296,193</u>

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

	2023	2022
	<u>9</u>	<u>6</u>
Total employees		

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

	2023	2022
£70,001 - £80,000	-	1
£80,001 - £90,000	<u>1</u>	<u>-</u>
	<u>1</u>	<u>1</u>

Total Key Personnel remuneration for the year was £213,937 including employer's national insurance and pension (2022: £206,088). Additionally vehicles were leased for three members of key personnel for the total sum of £7,316 (2022: £7,377), life assurance was paid of £1,460 (2022: £1,285) and key person insurance for Giles Arnold of £250 (2022: £250).

10. PRIOR YEAR ADJUSTMENT

During the course of the year a detailed review has been carried out into the accounting for various loan balances and the separate trust accounts and how these are disclosed in the financial statements. As a result of this review certain financial processes and controls have been updated. The review resulted in an overall reduction of net assets of £67,510. This has been recognised as a prior year adjustment as all adjustments related to prior years.

11. TANGIBLE FIXED ASSETS

	Fixtures & fittings £
COST	
At 1st October 2022 and 30th September 2023	<u>4,695</u>
DEPRECIATION	
At 1st October 2022	4,261
Charge for year	<u>87</u>
At 30th September 2023	<u>4,348</u>
NET BOOK VALUE	
At 30th September 2023	<u>347</u>
At 30th September 2022	<u>434</u>

12. INVESTMENT PROPERTY

	£
FAIR VALUE	
At 1st October 2022	20,556,875
Additions	643,161
Revaluation	<u>100,338</u>
At 30th September 2023	<u>21,300,374</u>
FAIR VALUE	
At 30th September 2023	<u>21,300,374</u>
At 30th September 2022	<u>20,556,875</u>

On 13 August 2012 a legal charge in favour of Stewardship Services (UKET) Ltd was created by Church Growth Trust. This was secured on the freehold property at Priory Terrace Gospel Hall, Leamington Spa in the sum of £240,000 together with all monies that were due from managing trustees of Christchurch Leamington. The mortgage was redeemed in 2022.

Notes to the Financial Statements - continued
for the Year Ended 30th September 2023**13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2023	2022 as restated
	£	£
Trade debtors	32,739	15,075
Other debtors	131,682	150,339
Prepayments and accrued income	<u>5,015</u>	<u>714</u>
	<u>169,436</u>	<u>166,128</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022 as restated
	£	£
Bank loans and overdrafts (see note 16)	28,523	28,174
Trade creditors	14,882	9,886
VAT	5,090	1,154
Other creditors	8,533	7,630
Accruals and deferred income	<u>9,000</u>	<u>9,750</u>
	<u>66,028</u>	<u>56,594</u>

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

	2023	2022 as restated
	£	£
Bank loans (see note 16)	270,596	291,134
Other loans (see note 16)	<u>125,000</u>	<u>75,000</u>
	<u>395,596</u>	<u>366,134</u>

16. LOANS

An analysis of the maturity of loans is given below:

	2023	2022 as restated
	£	£
Amounts falling due within one year on demand:		
Bank loans	<u>28,523</u>	<u>28,174</u>
Amounts falling between one and two years:		
Bank loans - 1-2 years	<u>28,523</u>	<u>28,174</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>85,568</u>	<u>84,523</u>

16. LOANS - continued

	2023	2022 as restated
	£	£
Amounts falling due in more than five years:		
Repayable by instalments:		
Bank loans	156,505	178,437
Other loans	<u>125,000</u>	<u>75,000</u>
	<u>281,505</u>	<u>253,437</u>

17. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2023	2022 as restated
	£	£
Within one year	22,809	6,097
Between one and five years	<u>41,517</u>	<u>64,326</u>
	<u>64,325</u>	<u>70,423</u>

18. SECURED DEBTS

The following secured debts are included within creditors:

	2023	2022 as restated
	£	£
Bank loans	299,119	319,308
Other loans	<u>125,000</u>	<u>75,000</u>
	<u>424,119</u>	<u>394,308</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 is £299,119.

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.

19. MOVEMENT IN FUNDS

	At 1.10.22 £	Prior year adjustment £	Net movement in funds £	Transfers between funds £	At 30.9.23 £
Unrestricted funds					
General fund	837,337	(67,510)	(4,227)	(299,906)	465,694
Property holding fund	20,128,635	-	679,794	39,419	20,847,848
Property projects fund	-	-	(60,252)	251,381	191,129
	<u>20,965,972</u>	<u>(67,510)</u>	<u>615,315</u>	<u>(9,106)</u>	<u>21,504,671</u>
Restricted funds					
Roe Green Hall	563	-	-	-	563
Wednesbury Property fund	111,681	-	44,477	-	156,158
Penshill Gospel Hall (Swindon)	-	-	(2,519)	3,218	699
Hey Street Evangelical Church (Cleethorpes)	-	-	(5,888)	5,888	-
Milland Evangelical Church (Liphook)	-	-	37,452	-	37,452
Caldmore Evangelical Church (Walsall)	-	-	22,000	-	22,000
	<u>112,244</u>	<u>-</u>	<u>95,522</u>	<u>9,106</u>	<u>216,872</u>
TOTAL FUNDS	<u>21,078,216</u>	<u>(67,510)</u>	<u>710,837</u>	<u>-</u>	<u>21,751,543</u>

Transfers between funds

During the year a transfer of £39,419 was made from the general fund to the Property Holding fund to show the movement of the mortgage balances in respect of properties held.

A transfer of £251,381 was made from the general fund to the designated property projects fund to correct the year end balance.

A transfer of £9,106 was made from the general fund to restricted funds in order to correct the year end balance.

Notes to the Financial Statements - continued
for the Year Ended 30th September 2023

19. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	698,973	(735,150)	31,950	(4,227)
Property Holding fund	643,161	(19,228)	55,861	679,794
Property projects fund	-	(60,252)	-	(60,252)
	<u>1,342,134</u>	<u>(814,630)</u>	<u>87,811</u>	<u>615,315</u>
Restricted funds				
Wednesbury Property fund	-	-	44,477	44,477
Penshill Gospel Hall (Swindon)	-	(2,519)	-	(2,519)
Hey Street Evangelical Church (Cleethorpes)	-	(5,888)	-	(5,888)
Milland Evangelical Church (Liphook)	42,950	(5,498)	-	37,452
Caldmore Evangelical Church (Walsall)	<u>22,000</u>	<u>-</u>	<u>-</u>	<u>22,000</u>
	<u>64,950</u>	<u>(13,905)</u>	<u>44,477</u>	<u>95,522</u>
TOTAL FUNDS	<u><u>1,407,084</u></u>	<u><u>(828,535)</u></u>	<u><u>132,288</u></u>	<u><u>710,837</u></u>

Comparatives for movement in funds

	At 1.10.21 £	Net movement in funds £	Transfers between funds £	At 30.9.22 £
Unrestricted funds				
General fund	508,520	(70,017)	331,324	769,827
Property holding fund	<u>19,934,668</u>	<u>580,697</u>	<u>(386,730)</u>	<u>20,128,635</u>
	20,443,188	510,680	(55,406)	20,898,462
Restricted funds				
Roe Green Hall	3,124	(2,561)	-	563
Wednesbury Property fund	<u>43,478</u>	<u>12,797</u>	<u>55,406</u>	<u>111,681</u>
	<u>46,602</u>	<u>10,236</u>	<u>55,406</u>	<u>112,244</u>
TOTAL FUNDS	<u><u>20,489,790</u></u>	<u><u>520,916</u></u>	<u><u>-</u></u>	<u><u>21,010,706</u></u>

Transfers between funds

During the year a transfer of £33,270 was made from the general fund to the Property Holding fund to show the movement of the mortgage balances in respect of properties held.

A transfer of £420,000 was made to the general fund from the Property Holding fund being the gain from the sale of a property during the year.

A transfer of £55,406 was made from the general fund to the Wednesbury Property fund in order to correct the year end balance.

19. 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				
General fund	637,336	(566,532)	(140,821)	(70,017)
Property Holding fund	<u>995,416</u>	<u>(9,831)</u>	<u>(404,888)</u>	<u>580,697</u>
	1,632,752	(576,363)	(545,709)	510,680
Restricted funds				
Roe Green Hall	-	(2,561)	-	(2,561)
Wednesbury Property fund	<u>-</u>	<u>-</u>	<u>12,797</u>	<u>12,797</u>
	<u>-</u>	<u>(2,561)</u>	<u>12,797</u>	<u>10,236</u>
TOTAL FUNDS	<u><u>1,632,752</u></u>	<u><u>(578,924)</u></u>	<u><u>(532,912)</u></u>	<u><u>520,916</u></u>

Description of designated funds

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

Property projects fund – funds from the sale of a number of properties that have been set aside by the Trustees to help occupying churches with building projects.

Description of restricted funds

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.

Penhill Gospel Hall – represents monies given to CGT for building works on Penhill Gospel Hall, Swindon.

Hey Street Evangelical Church – represents monies given to CGT for building works on Hey Street Evangelical Church, Cleethorpes.

Milland Evangelical Church – represents monies given to CGT for building works on Milland Evangelical Church, Liphook.

Caldmore Evangelical Church – represents monies given to CGT for building works on Caldmore Evangelical Church, Walsall.

20. RELATED PARTY DISCLOSURES

During the year the charity gave a grant of £Nil (2022: £4,000) 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 £39,500 (2022: £Nil) 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.

21. FUNDS HELD ON BEHALF OF OTHER ORGANISATIONS

The charity holds £91,537 in its bank account on behalf of other charities, it has no legal right over these funds. The charity also hold investments having a value of £180,761 on behalf of other charities. 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 30th September 2023**

	2023 £	2022 as restated £
INCOME AND ENDOWMENTS		
Donations and legacies		
Gifts	65,600	550
Gifts of property	<u>643,161</u>	<u>995,416</u>
	708,761	995,966
Investment income		
Deposit account interest	6,130	5,333
Charitable activities		
Rents	548,111	457,757
Recharged expenses	103,825	64,450
Professional work	20,750	23,008
Trusteeship fees	19,507	12,928
Loan write up	<u>-</u>	<u>73,310</u>
	<u>692,193</u>	<u>631,453</u>
Total income	1,407,084	1,632,752
EXPENDITURE		
Charitable activities		
Wages	294,788	247,363
Social security	26,575	23,774
Pensions	28,022	25,056
Insurance	3,773	3,086
Advertising	4,893	7,477
Training & recruitment	4,042	2,695
Gifts and donations	65,176	12,528
Direct expenditure on properties	156,142	90,878
Property insurance	75,821	65,629
Professional fees	47,215	21,923
Travel and subsistence	20,232	14,410
Office - general	24,574	16,650
Irrecoverable VAT	14,685	7,457
Office premises - rent	17,688	14,396
Office premises - costs	4,423	1,686
Bad debts	1,502	-
Fixtures and fittings	87	108
Bank interest	3,697	280
Mortgage interest	<u>19,228</u>	<u>9,831</u>
	812,563	565,227

This page does not form part of the statutory financial statements

Church Growth Trust Limited**Detailed Statement of Financial Activities
for the Year Ended 30th September 2023**

	2023	2022 as restated
	£	£
Support costs		
Governance costs		
Trustees' expenses	686	1,449
Auditors' remuneration	9,000	9,870
Accountancy and legal fees	<u>6,286</u>	<u>2,378</u>
	<u>15,972</u>	<u>13,697</u>
Total expenditure	<u>828,535</u>	<u>578,924</u>
Net income	<u><u>578,549</u></u>	<u><u>1,053,828</u></u>

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Church Growth Trust Limited - Accounts 2023 - FINAL

Final Audit Report

2024-03-21

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