

THE KERUSSO TRUST

Charity Number: 1145560

Charity Number: SC044848

Company Number: SC413002

(A company limited by guarantee)

Report of the Trustees and Financial Statements

for the year ended 31 December 2022

THE KERUSSO TRUST
Company Limited by Guarantee

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Report of the Trustees for the Year Ended 31 December 2022

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 31 December 2022. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice (FRS 102) second edition (October 2019).

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governance

The Kerusso Trust is a charitable company limited by guarantee, incorporated on 12th December 2011. The company was established under a Memorandum of Association and is governed under its Articles of Association, which set out the objectives and powers of the charitable company. The Kerusso Trust was registered as a charity by the Charity Commission for England and Wales on 20th January 2012 and by the Office of the Scottish Charity Regulator (OSCR) on 7th May 2014.

Recruitment and appointment of new trustees

The directors of the company are the members and trustees of the charity for the purposes of charity law and are known as the trustees. Under the requirements of the Memorandum and Articles of Association, all trustees except Jonathan Groves are elected to serve for a period of three years after which they must retire and, being eligible, may offer themselves for re-appointment. Appointment is made by a majority vote of the trustees. All trustees are required to subscribe to the Statement of Beliefs set out in the Schedule attached to the Articles of Association. The removal of a trustee, should it be necessary, is effected by a majority vote of the trustees.

Potential new trustees are generally already familiar with the work of the charity, having been involved in some way already. New trustees are nominated by an existing trustee and appointed by a majority vote of the trustees. Once appointed, new trustees are instructed in their obligations, issued with copies of the governing documents, and documents from the Charity Commission and OSCR outlining the responsibilities of trustees and guidelines for charities working internationally. They are also familiarised with current issues, the financial position and future strategic plans of the organisation.

At the trustees meeting on 26th July 2022, Colin Deddis was reappointed as a trustee, and Carl Counsell was reappointed as Chairman of the Board. During the year, all trustees gave of their time voluntarily and received no benefit from the charity. Costs reclaimed from the charity by trustees are set out in the notes to the accounts.

Organisational Structure and Decision Making

The Board of Trustees formally met seven times during the year. Between meetings they communicated by email, telephone, video conferencing and/or face-to-face discussion. The trustees collectively set vision, strategy, budgets, and approve the initiation, continuation and termination of significant charitable initiatives.

The Board of Trustees give guidance and support to Jonathan Groves in his role as Mission Director. The Mission Director is the CEO to whom the Board of Trustees have delegated powers for the day-to-day decision-making and operational management of the charity. His responsibilities include strategic leadership, sharing vision, operations, finance, managing expenditure of resources, prayer, publicity and external partner relationships in the UK and Malawi. Ruth Groves also serves in an executive capacity, with responsibilities that include administration, safeguarding, coordination of prayer guides, press and volunteer relations and policy development. Both Jonathan and Ruth also provide consultancy and training for and with our partners in Malawi. The Mission Director and other staff/volunteers are all ultimately accountable to the Board of Trustees. The trustees seek informal advice whenever necessary from external volunteer advisors and other specialists, for whose contribution they express their thanks.

During the year, Jonathan Groves completed the European Leadership Forum's Year-Round Mentoring programme in 'Organisational Development and Fundraising', and attended online training workshops in strategic planning, good governance, risk management and digital marketing strategy. Ruth Groves completed training programmes on 'Implementing Safeguarding in the International Aid Sector' and 'Leadership in Safeguarding in the International Aid Sector' (Future Learn).

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Report of the Trustees for the Year Ended 31 December 2022 continued

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed, which includes the additional risks for an organisation working internationally. They seek to ensure appropriate controls are in place to provide reasonable assurance against fraud and error, and insurance is in place to protect assets and staff/volunteers. We believe that these safeguards, together with maintaining our cash reserves at the levels indicated in the Financial Review section, will provide sufficient resources in the event of adverse conditions occurring.

The trustees continually develop and review the policies and general risk register of the company, and apply appropriate mitigations. Managing risks in Safeguarding has remained a priority, mindful that our ongoing funding of the Community Children's Bible Clubs and Youth Learn2Serve programme in Malawi exposes us to such risks indirectly. We have sought to manage these risks through active engagement with our partners in Malawi.

Fundraising

The Kerusso Trust does not employ professional fundraisers. We have not sought to register with the Fundraising Regulator but comply with all the relevant sections of the Fundraising Regulator's Code of Fundraising Practice.

OBJECTS AND ACTIVITIES

Objects

The charity's purposes are set out in the company's Memorandum of Association:

The Charity's objects ("Objects") which are for the public benefit are for the advancement of the Christian faith in accordance with the Statement of Beliefs appearing in the Schedule hereto in such parts of the United Kingdom or the world as the trustees may from time to time think fit and to fulfil such other purposes, and as ancillary thereto prevention and relief of poverty, advancement of education and prevention and relief of sickness, which are exclusively charitable according to the law of England and Wales and are connected with the work of the Charity.

Activities

The Kerusso Trust is a non-denominational Christian mission charity that seeks practically to advance the Christian faith, primarily through support of training and education activities in Malawi and by engaging directly with churches and individuals in the UK. In Malawi, we work as an enabling charity, through partnerships with Malawian Christian organisations whose leaders the trustees know personally. A key goal of the charity working in Malawi is to bring transformation to the material and spiritual lives of individuals and communities in rural areas.

In Malawi:

The core charitable work of The Kerusso Trust is enabling the training and equipping of church leaders, village chiefs and young people to become disciples of Jesus Christ and servant leaders within their local church and community. Our main focus is providing basic contextual Bible and ministry training programmes to equip 1000s of church leaders who have had no opportunity to attend any Bible College due to poverty. We do this in partnership with J-Life Ministries in Malawi.

Our Chichewa language training programme for church leaders is called 'Learn2Serve' and is delivered both through in-person workshops in the community, and via weekly Chichewa language radio broadcasts on Transworld Radio Malawi. We also offer a Bible-based training programme to community leaders (village chiefs) for their influential role in society, discipleship training to young people to help build up the future generation of church leaders, and youth-led community Bible clubs for primary age children in some remote rural areas.

We have developed a residential Training and Resource Centre near Blantyre, which has a theological library that is available for pastors and church leaders to use. To multiply the benefits of training, occasionally we run a four-week intensive residential training programme called 'Entrust' (2 Timothy 2:2) and mentoring programme aiming to equip selected church pastors to become trainers of others in their home localities.

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Report of the Trustees for the Year Ended 31 December 2022 continued

The Kerusso Trust seeks to encourage local income-generation by our Malawian partners to promote their organisational resilience and reduce dependency on external funding. We are doing this through developing a model farm that also facilitates community development in its remote rural hinterland through clean water, solar power and educational initiatives. We operate a modest student sponsorship programme that provides bursaries to enable girls to attend a Christian secondary school.

In the UK:

The Kerusso Trust seeks to proclaim the Gospel and advance the Christian faith in the UK through preaching and teaching from the Bible and sharing about the work in Malawi. We aim to encourage Christian discipleship and mutual learning by building relationships between Christian churches and individual supporters in the UK and our partners in Malawi. We share news and information about the work in Malawi and provide opportunities for UK Christians to express their care and concern for the Church and people of Malawi by praying, giving financially to the work, and serving practically. We run regular online meetings over Zoom where supporters from across the UK can hear news directly from Malawi and join together in times of prayer for all aspects of our charitable work.

Public Benefit

In exercising their powers and duties, the trustees have had due regard for the public benefit guidance of the Charity Commission and OSCR. All the activities of the Trust are undertaken to further its charitable purposes for the public benefit. The trustees regularly review the activities of the charity. These reviews look at the successes and challenges experienced and the outcomes for the beneficiaries we are seeking to assist. These reviews also help us ensure our planned future activities bring charitable benefit and contribute positively to the aims and objectives set.

Memberships

The Kerusso Trust was a member of the following organisations in 2022:

- The Scotland Malawi Partnership (www.scotland-malawipartnership.org)
- Global Connections (www.globalconnections.org.uk)
- Scotland's International Development Alliance (www.intdevalliance.scot)

ACHIEVEMENT AND PERFORMANCE

Achievements and Performance throughout the year

We are delighted that our core mission of *'training 1000s to reach 100,000s for Christ in Malawi'* by working with church leaders, village chiefs, youth and children has continued in 2022. We give thanks to God for all the resources we have received over the year, and all these have made it possible for us to achieve, as set out below:

Achievements with J-Life Ministries in Malawi

- Church Leaders – our flagship 'Learn2Serve' biblical discipleship and leadership training programme delivered through in-person workshops across Southern and Central Malawi
- Radio Ministry – a weekly Chichewa language 'Learn2Serve' radio broadcast on Transworld Radio
- Community Leaders – Bible-based training programmes promoting discipleship, integrity, social justice, community development for village chiefs ('Learn2Serve4Chiefs')
- Youth Ministry – biblical discipleship, mentoring and life-training activities for youth, especially potential future church leaders
- Children's Ministry – weekly Community Children's Bible Clubs for primary school children (aged 5-14 years) in rural villages meet weekly from April to November each year, giving primary school children (aged 5-14 years) in rural villages
- Grant funding of staff costs for many of the J-Life team in Malawi
- Other ministry costs for J-Life, including vehicle maintenance
- Construction projects at the Camp Bethel site, including installation of water and solar electricity
- The Kerusso Resource Centre and library.
- Construction projects at Imbwa Farm and village, including potable water for the local community and 'Light4Life' solar energy project (in partnership with CREATIVenergie)
- Security improvements at Camp Bethel
- Emergency relief including a response to Cyclone Ana

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Report of the Trustees for the Year Ended 31 December 2022 continued

Other Achievements in Malawi

- The School Bursary Fund through which supporters may support a girl who would otherwise not be able to afford the fees, to attend a Christian secondary school.
- Academic Scholarships to assist key trainers of the 'Learn2Serve' programme to undertake further studies

Achievements in the UK

- Jonathan Groves visited churches and supporters around the UK to preach from the Bible, share about the work in Malawi, encourage Christian discipleship and build meaningful connections with the team and ministry in Malawi
- We led several Sunday school sessions in churches about Malawi for primary aged children
- We published monthly prayer guides providing information and daily prayer points, made available to subscribers by email, by post and on Facebook
- We held a monthly 'Live Link' meeting by Zoom, enabling UK supporters to interact directly with members of the J-Life team alongside Jonathan and Ruth Groves, and a monthly 'Prayer Hour' where supporters across the UK gathered by Zoom to pray for the work in Malawi.

FINANCIAL REVIEW

Principal funding sources

The Kerusso Trust generates income from two main sources: donations from personal and corporate supporters (£82,587 in 2022), and investment income (£25,091 in 2022) from leasing a residential property that was gifted to the charity when it was founded, and other investments. The investment income funds all UK operational ministry and administrative costs, governance and some of the charitable expenditure in Malawi. All donations were used 100% to finance our charitable activities in Malawi.

Investment policy and objectives

The General Fund holds only a working current account balance. The Investment Policy applies to the Expendable Endowment Fund and is:

- 1) To maintain the rental property asset in good condition and use it to provide a regular source of General Fund income for the future
- 2) To invest for growth without placing the capital under high levels of risk
- 3) To follow an ethical investment policy that actively avoids causing harm to others, and where possible enhances the wellbeing of individuals or communities.

Reserves policy

The trustees have examined the Charity's requirements for reserves in the light of the main risks. The trustees aim to carry sufficient general unrestricted reserves in cash to meet the committed charitable activities for three months and to conduct normal levels of maintenance on its rental property. The trustees aim to retain sufficient non-property capital assets in the Expendable Endowment Fund to fund exceptional levels of maintenance on its rental property, and to underpin future operational growth and potential staffing needs as the charity continues to develop. The General Fund may temporarily borrow or permanently expend cash from the Endowment Fund to meet commitments. In practice the trustees aim to maintain a working cash reserve of about £25,000 in the General Fund.

Financial Position

The Kerusso Trust reported total income in 2022 of £109,374 (£94,511 in 2021). Total expenditure for the year was £101,453 (£75,392 in 2021) of which total charitable expenditure was £96,186 (£69,989 in 2021). Charitable expenditure in 2022 was higher than the previous year, largely due to the lifting of the COVID-19 restrictions placed upon our in-person training activities during 2021.

The balance of cash at the end of 2022 was £71,014 of which £30,506 related to Restricted Funds, £28,508 related to the General Fund and £12,000 related to the Expendable Endowment Fund. (2021 - £55,286, £10,228 Restricted Funds, £45,058 General Fund, £12,000 Expendable Endowment Fund). These represent a healthy level of reserves to meet ongoing regular commitments to charitable activities. The value of the Expendable Endowment Fund investments decreased by £4,596 in 2022.

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Report of the Trustees for the Year Ended 31 December 2022 continued

Charitable Expenditure

The largest charitable beneficiary in 2022 was J-Life Ministries in Malawi. The trustees make the grant payments to J-Life at approximately quarterly intervals and seek to maintain a working balance in Malawi equivalent to around £10,000 (in local currency). At the end of the year, there was a balance at J-Life equivalent to £16,922 (in local currency), of which £1,384 related to Restricted Funds and £15,538 related to the General Fund. Over the year, The Kerusso Trust made grant payments to J-Life Ministries of £83,217 (£63,152 in 2021) and direct service provision costs incurred by Jonathan & Ruth Groves in providing consultancy, training, and oversight of £4,381 (none in 2021). Our Educational Bursary Fund supported five students to attend Christian secondary schools (£1,997). An academic scholarship provided partial support to assist a member of the 'Learn2Serve' team to undertake degree level theological study (£507). Other charitable expenditure included the costs of our UK ministry in churches (£674), and UK governance, depreciation and office costs (£5,343).

Finally, the trustees wish to thank all churches and individuals who have supported the work of The Kerusso Trust through their interest, prayers and giving throughout the year. Special thanks are due to our volunteers in the UK who have made cards for fundraising, distributed materials and hosted Kerusso Trust meetings. We are grateful to the Langham Partnership for their ongoing annual library grant, and to other supporters who have donated theological books for the Kerusso Resource Centre and distribution to Malawian pastors. The trustees thank Ruth Groves for compiling the monthly prayer guide, and Dave and Sue Hall for postal distribution and social media uploads.

FUTURE PLANS

The Kerusso Trust's key charitable objective is to promote the Christian faith, primarily by support of training and education activities in Malawi. We achieve this by working with trusted partners in Malawi, and by engaging directly with churches and individuals in the UK.

The Kerusso Trust in Malawi (2023):

Core Training Ministries

- 'Learn2Serve', our flagship cast-wide church leader-training programme of in-person workshops in rural areas, providing Bible-based training in servant leadership, discipleship and disciple making, interpreting, and teaching the Bible, and practical pastoral ministry skills – specifically shaped for the rural context. The core workshops are supported by refresher days, marriage seminars and mentoring.
- 'Entrust', our four-week long in-depth residential training programme for up to 40 selected graduates of the 'Learn2Serve' programme who show the potential competence, character and commitment to become local teachers of other church leaders in their home areas.
- 'Youth Learn2Serve', a programme related to 'Learn2Serve' that aims specifically to develop youth into future church leaders, providing discipleship training in the localities where their pastors and other church leaders have already attended 'Learn2Serve'.
- 'Learn2Serve4Chiefs', a Bible-centred training programme in servant leadership, community development, integrity and social justice for village chiefs and other community leaders.
- Conferences for local village chiefs to learn about safeguarding of young girls and implementing community by-laws for their protection from sexual abuse and exploitation.
- Community Children's Bible Clubs at 18 village locations reaching out to over 1,000 children per week, with training and mentoring for the local young adult leaders.
- 'Learn2Serve Radio', a series of weekly 30min Chichewa language radio broadcasts on Transworld Radio Malawi. The radio programme, called 'Tiphunzire Kutumikira', makes the full 'Learn2Serve' curriculum accessible to any church leader and the general public across all of Malawi and border parts of Mozambique and Zambia.

Staff Support

- Grant fund the staff costs of the Director of J-Life Ministries and other members of the J-Life staff.
- Provide consultancy and training in safeguarding to the board, staff team and volunteers of J-Life Ministries, and facilitate capacity building training for their staff team and volunteers, as part of our long-term partnership.

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Other Projects

- Work with J-Life to encourage sustainability in the Imbwa Project, helping it to generate income for J-Life and bring clean water, farm employment opportunities, and material, spiritual and educational development to the Imbwa community including clean water and solar power.
- Offer educational bursaries for girls to attend Christian secondary schools who otherwise would not be able to do so.

The Kerusso Trust in the UK (2023):

- Distribute monthly news updates and prayer guides by email or post to subscribers, and on social media.
- Host monthly online 'Live Link' and 'Prayer Hour' meetings to help supporters engage with the team in Malawi, and to enable collective prayer for the work of the charity in Malawi and the UK.
- Jonathan Groves to visits to churches in person to preach and share about the work in Malawi, as invited.
- Continue to review risks, safeguarding and other key policies, and implement any necessary changes.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

SC413002 (Scotland)

Registered Charity number

1145560 (England & Wales)

SC044848 (Scotland)

Registered office

43 Kingswood Crescent

Kingswells

Aberdeen

AB15 8TE

Trustees

Jonathan D Groves

A Ruth Groves

Carl E Counsell

P Nigel Bowker

Jonathan P Stephens

Colin R Deddis

Andrew P Hayes

- appointed 26 June 2023

Company Secretary

Jonathan D Groves

Primary Banker

TSB plc

Independent examiner

Brian Miller CA

94 Blenheim Place

Aberdeen

AB25 2DY

Approved by order of the board of trustees on 22 August 2023 and signed on its behalf by:



.....
Dr J Groves - Trustee

THE KERUSSO TRUST
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Independent Examiners' Report to the Trustees of The Kerusso Trust

I report on the financial statements of The Kerusso Trust for the year ended 31 December 2022 which are set out on pages 10 to 17.

Respective responsibilities of trustees and examiner

The charity's trustees (who are also the directors for the purposes of company law) are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year (under Section 144(2) of the Charities Act 2011 (the 2011 Act) or under Regulation 10(1)(a) to (c) of The Charities Accounts (Scotland) Regulations 2006 (the 2006 Accounts Regulations) and that an independent examination is required.

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

- examine the accounts under Section 145 of the 2011 Act and Sections 44(1)(c) of the Charities and Trustees Investment (Scotland) Act 2005 (the 2005 Act);
- follow the procedures laid down in the General Directions given by the Charity Commission (under Section 145(5)(b) of the 2011 Act); and
- state whether particular matters have come to my attention.

Basis of independent examiners' report

My examination was carried out in accordance with the General Directions given by the Charity Commission and is in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statements below.

Independent examiners' statement

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

(1) which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with Section 386 and 387 of the Companies Act 2006 and Section 44(1)(a) of the 2005 Act; and
- to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Companies Act 2006, Section 44(1)(b) of the 2005 Act and Regulation 8 of the 2006 Accounts Regulations

have not been met; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.



Brian Miller C.A.
94 Blenheim Place
Aberdeen
AB25 2DY

24 August 2023

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Charity Number: 1145560/SC044848
Company Number: SC413002

Statement of Financial Activities
for the year ended 31 December 2022

	Note	2022				2021			
		Restricted funds	Unrestricted funds	Endowment funds	Total	Restricted funds	Unrestricted funds	Endowment funds	Total
		£	£	£	£	£	£	£	£
Income and endowments from:									
Donations and legacies	2	31,425	51,162	-	82,587	13,606	54,256	-	67,862
Charitable activities		-	8	-	8	-	33	-	33
Other trading activities		-	1,688	-	1,688	-	2,014	-	2,014
Investment income	3	-	22,780	2,311	25,091	-	22,640	1,962	24,602
Total Income		31,425	75,638	2,311	109,374	13,606	78,943	1,962	94,511
Expenditure on:									
Raising funds	4	-	5,267	-	5,267	-	5,402	-	5,402
Charitable activities									
Direct service provision		-	5,017	-	5,017	-	-	-	-
Grant funding of partners		11,147	74,567	-	85,714	6,449	59,176	-	65,624
Support costs		-	5,455	-	5,455	-	4,365	-	4,365
Total Expenditure		11,147	90,306	-	101,453	6,449	68,943	-	75,392
Net gains/(losses) on investments		-	-	(6,907)	(6,907)	-	-	86,532	86,532
Net Income/(Expenditure)		20,278	(14,668)	(4,596)	1,014	7,157	10,000	88,494	105,651
Transfers between funds				-	-	(801)	801	-	-
Net Movement in Funds		20,278	(14,668)	(4,596)	1,014	6,356	10,801	88,494	105,651
Reconciliation of funds:									
Total funds brought forward		10,228	46,668	852,359	909,255	3,872	35,867	763,865	803,604
Total funds carried forward		30,506	32,000	847,763	910,269	10,228	46,668	852,359	909,255

Continuing Operations: All income and expenditure has arisen from continuing activities.

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Balance Sheet
as at 31 December 2022

	Note	Restricted funds £	Unrestricted funds £	Endowment funds £	2022 £	2021 £
Fixed assets						
Tangible assets	7	-	999	775,000	775,999	775,372
Current assets						
Stock		-	-	-	-	-
Debtors	8	-	4,053	-	4,053	2,406
Investments	9	-	-	60,763	60,763	65,359
Cash at bank and in hand		30,506	28,508	12,000	71,014	67,286
		30,506	32,561	72,763	135,830	135,051
Creditors - amounts falling due within one year	10	-	(1,560)	-	(1,560)	(1,168)
Net current assets		30,506	31,001	72,763	134,270	133,883
Net assets		30,506	32,000	847,763	910,269	909,255
Funds	12,13					
Restricted funds					30,506	10,228
Unrestricted funds					32,000	46,668
Endowment funds					847,763	852,359
Total funds					910,269	909,255

The directors' statements required by Sections 475 (2) and (3) are shown on the following page, which forms part of this Balance Sheet.

The notes on pages 13 to 17 form an integral part of these financial statements.

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Balance sheet continued

Directors' statements in accordance with Section 475 (2) and (3)
for the year ended 31 December 2022

In approving these accounts as directors of the company, we hereby confirm:

- (a) The financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and the Small Companies and Groups (Accounts and Directors' Report) Regulations 2008.
- (b) That for the year stated above the company was entitled to the exemption from audit conferred by Section 477 of the Companies Act 2006 relating to small companies;
- (c) That the members have not required the company to obtain an audit of its financial statements for the year in question in accordance with Section 476; and
- (d) That we acknowledge our responsibilities for complying with the requirements of the Act in respect to accounting records and the preparation of financial statements.
 - 1.) Ensuring that the company keeps accounting records which comply with Section 386 and 387 of the Companies Act 2006; and
 - 2.) Preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit for the year then ended in accordance with the requirements of Section 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The financial statements were approved by the Board of Trustees on 22 August 2023 and signed on its behalf by:


.....
Dr. J. Groves
Trustee

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Notes to the financial statements
for the year ended 31 December 2022

1. Basis of preparation and principal accounting policies

1.1 Basis of preparation of financial statements

The Kerusso Trust is a charitable company, limited by guarantee, registered in Scotland. It is also registered as a charity by the Charity Commission for England and Wales and the Office of the Scottish Charity Regulator (OSCR). The registered numbers and address of the registered office can be found in the Report of the Trustees.

The financial statements of the charitable company, which is a public benefit entity under FRS102, have been prepared in accordance with Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", the Charities SORP (FRS 102) second edition – October 2019, the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charity Accounts (Scotland) Regulations 2006 (as amended).

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity.

1.2 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.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

1.3 Expenditure

Tangible 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.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

1.4 Support Costs

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include governance costs. They are incurred directly in support of expenditure on the objects of the charity.

1.5 Tangible Fixed Assets

Depreciation is provided at a rate of 33% on cost to write off each asset over its estimated useful life.

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Notes to the financial statements
for the year ended 31 December 2022 continued

1.6 Investment Property

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in profit or loss.

1.7 Investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains / (losses) on investments' in the SoFA if the shares are publicly traded or their fair value can otherwise be measured reliably. Other investments are measured at cost less impairment.

Current asset investments are short term highly liquid investments and are held at fair value. These include cash on deposit and cash equivalents with a maturity of less than one year.

1.8 Debtors and Creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

1.9 Taxation

The charity is exempt from corporation tax on its charitable activities. Value added tax is not recoverable by the charity, and as such is included in the relevant costs in the Statement of Financial Activities.

1.10 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.

1.11 Ultimate Controlling Party

The entity is controlled by the trustees.

2 Donations and legacies

	Unrestricted	Restricted	2022	2021
	Funds	Funds	Total	Total
	£	£	£	£
Donations receivable	46,621	29,326	75,947	62,212
Tax recoverable	4,541	2,099	6,640	5,650
	51,162	31,425	82,587	67,862

3 Investment Income

	Unrestricted	Endowment	2022	2021
	Funds	Funds	Total	Total
	£	£	£	£
Rent received	22,500	-	22,500	22,525
Income from investments held	-	2,311	2,311	1,962
Deposit account interest	280	-	280	115
	22,780	2,311	25,091	24,602

THE KERUSSO TRUST
Company Limited by Guarantee

Notes to the financial statements
for the year ended 31 December 2022 continued

4 Raising Funds

	Unrestricted Funds	Endowment Funds	2022 Total	2021 Total
	£	£	£	£
Raising donations	80	-	80	62
Trading activities	440	-	440	541
Rent collection	1,620	-	1,620	1,622
Property maint. & insurance	3,127	-	3,127	3,177
	5,267	-	5,267	5,402

5 Net Income/(Expenditure)

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

	Unrestricted Funds	Endowment Funds	2022 Total	2021 Total
	£	£	£	£
Depreciation on assets	871	-	871	371

6 Trustees' Remuneration and Benefits

There were no trustees' remuneration or other benefits for the year ended 31 December 2022 nor for the year ended 31 December 2021.

There were no expenses paid to trustees in their capacity as charity trustees for the year ended 31 December 2022 nor for the year ended 31 December 2021.

7 Tangible Fixed Assets

	Land and Buildings	Plant and Machinery	Totals
	£	£	£
Cost			
At 1 January 2022	775,000	4,162	779,162
Additions	-	1,498	1,498
Disposals	-	-	-
As at 31 December 2022	775,000	5,660	780,660
Depreciation			
At 1 January 2022	-	3,790	3,790
Disposals	-	871	871
Charge	-	-	-
As at 31 December 2022	-	4,661	4,661
Net book value			
At 31 December 2022	775,000	999	775,999
At 31 December 2021	775,000	372	775,372

THE KERUSSO TRUST
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Notes to the financial statements
for the year ended 31 December 2022 continued

If the property had not been revalued it would have been included at historic cost of £439,051.

The property was valued on an open market basis on 31 December 2021 by Harpers Estate Agents who buy and sell property in the locality of the investment property.

	£
Valuation in 2021	80,000
Valuation in 2019	45,000
Valuation in 2017	50,000
Valuation in 2016	25,000
Valuation in 2015	50,000
Valuation in 2014	50,000
Valuation in 2013	25,000
Valuation in 2012	10,949
Cost	439,051
	<u>775,000</u>

8 Debtors and Prepaid Expenses

	2022	2021
	£	£
Other debtors	1,833	2,406
Prepayments	2,219	-
	<u>4,052</u>	<u>2,406</u>

9 Current Asset Investments

	2022	2021
	£	£
Listed investments	<u>60,763</u>	<u>65,359</u>

Investments are stated at current market value.

10 Creditors

	2022	2021
	£	£
Accrued expenses	1,560	1,168
Other creditors	-	-
	<u>1,560</u>	<u>1,168</u>

11 Related Party Disclosures

Costs totalling £898 (2021: £482) spent in connection with the activities of the charity were reimbursed to trustee Dr J Groves during the period. Costs totalling £61 (2021: £84) spent in connection with the activities of the charity were reimbursed to trustee Mrs A R Groves during the period.

The charity paid travel and subsistence costs of £5,017 (2021: nil) in connection with work done for the charity by Jonathan & Ruth Groves in providing consultancy, training, ministry and oversight services.

THE KERUSSO TRUST
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Notes to the financial statements
for the year ended 31 December 2022 continued

12 Movement in Funds

	At 01.01.22	Incoming Resources	Outgoing Resources	Gains & Losses/ Transfers	At 31.12.22
	£	£	£	£	£
Restricted funds					
COVID-19 response	63	-	-	-	63
Storm Ana response		3,605	(3,372)		233
Sports ministry	482	-	-	-	482
School bursary	2,493	3,475	(1,998)	-	3,970
Imbwa "Light for Life"	1,100	-	(83)	-	1,017
Radio ministry	5,020	6,992	(3,128)	-	8,884
Community Fundraiser	-	8,793	(6)	-	8,787
Salaries - Anthony	-	8,560	(2,310)	-	6,250
Pastor hardship fund	1,070	-	(250)	-	820
	10,228	31,425	(11,147)	-	30,506
Unrestricted funds					
General fund	46,668	75,638	(90,306)	-	32,000
Endowment funds					
Building	775,000	-	-	-	775,000
Other	77,359	2,311	-	(6,907)	72,763
	852,359	2,311	-	(6,907)	847,763
Total Funds	909,255	109,374	(101,453)	(6,907)	910,269

13 Analysis of Net Assets Between Funds

	Restricted Funds 2022	Unrestricted Funds 2022	Endowment Funds 2022	Total 2022
	£	£	£	£
Tangible Fixed Assets	-	999	775,000	775,999
Current Assets	30,506	32,561	72,763	135,830
Current Liabilities	-	(1,560)	-	(1,560)
Net Assets At 31 Dec	30,506	32,000	847,763	910,269
	Restricted Funds 2021	Unrestricted Funds 2021	Endowment Funds 2021	Total 2021
	£	£	£	£
Tangible Fixed Assets	-	372	775,000	775,372
Current Assets	10,228	47,464	77,359	135,051
Current Liabilities	-	(1,168)	-	(1,168)
Net Assets At 31 Dec	10,228	46,668	852,359	909,255

THE KERUSSO TRUST
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Detailed Statement of Financial Activities for the Year Ended 31 December 2022

	2022	2021
	£	£
Income and Endowments		
Donations and legacies		
Donations	75,947	62,212
Gift aid	6,640	5,650
	<u>82,587</u>	<u>67,862</u>
Other trading activities		
Fundraising events	-	-
Trading payments received	1,688	2,014
	<u>1,688</u>	<u>2,014</u>
Investment income		
Rents received	22,500	22,525
Other investment income received	2,311	1,962
Deposit account interest	280	115
	<u>25,091</u>	<u>24,602</u>
Charitable activities		
Primary purpose trading	8	33
Total incoming resources	<u>109,374</u>	<u>94,511</u>
Expenditure		
Raising donations and legacies		
Primary purpose trading costs	4	6
Raising donations costs	80	62
	<u>84</u>	<u>68</u>
Other trading activities		
Trading costs	436	535
Investment management costs		
Rent collection	1,620	1,622
Property maintenance	2,730	2,836
Property insurance	397	341
	<u>4,747</u>	<u>4,799</u>

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THE KERUSSO TRUST
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Detailed Statement of Financial Activities for the Year Ended 31 December 2022 (continued)

	2022	2021
	£	£
Charitable activities		
J-Life Ministries	87,598	63,152
Secondary School Bursaries for Girls	1,997	1,739
Academic Scholarships	507	436
Gifts to Individuals in Malawi	18	450
Gifts to other Organisations in Malawi	49	-
UK Ministry	674	470
UK Office Costs	3,859	2,741
Equipment - Depreciation	871	371
	<u>95,573</u>	<u>69,359</u>
 Governance costs		
Independent examiners fee	600	600
Other	13	31
	<u>613</u>	<u>631</u>
 Total charitable resources expended	 96,186	 69,990
 Total resources expended	 <u>101,453</u>	 <u>75,392</u>
 Net income	 <u><u>7,921</u></u>	 <u><u>19,119</u></u>

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