

Charity registration number 1148822 (England and Wales)

Charity registration number SC044099 (Scotland)

Company registration number 08139399 (England and Wales)

NEW APOSTOLIC CHURCH UK
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

NEW APOSTOLIC CHURCH UK

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr D A Middleton Mr D A Heynes Mr N C Woodman Mr R Krause Mrs K Paisley
Secretary	C Esterhuizen
Charity number (England and Wales)	1148822
Charity number (Scotland)	SC044099
Company number	08139399
Registered office	19 Southwell Park Road Camberley Surrey GU15 3PU
Auditor	Richard Place Dobson Services Limited Ground Floor 1 - 7 Station Road Crawley West Sussex RH10 1HT

NEW APOSTOLIC CHURCH UK

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NEW APOSTOLIC CHURCH UK

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) *FOR THE YEAR ENDED 31 DECEMBER 2022*

The trustees present their annual report and financial statements for the year ended 31 December 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's [governing document], the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

Objectives and activities

The aim of the Charity as set out in its Constitution is the interlocking union and instruction of its believers according to the New Apostolic confession of faith.

The Charity fulfils its objects by promoting and teaching the New Apostolic Church faith, which is encapsulated in the Ten Articles of Faith. This work is carried out in unity with the worldwide promotion and teaching of the New Apostolic faith under the oversight of the Chief Apostle and the New Apostolic Church International.

The Charity seeks to support the spiritual care of members and guests and to care for sustained attendance and the overall participation of its members at the divine services and other events as well as to manage the donations and freewill offerings of those attendees.

Significant activities

The strategy of the Charity is to foster spiritual fellowship and the development of the faith amongst its members. The emphasis for church buildings owned by the Charity is on maintenance and refurbishment to bring the properties in line with current standards where feasible. The activities of the charity are centred on the divine services held in the congregations which utilise church buildings owned by the Charity as well as those in hired premises.

The divine services are open to the public who can participate in them and benefit from the spiritual fellowship and faith of the members. The divine services are complemented by pastoral visits by the ministers, and a range of activities including Sunday School, Religious Instruction and Confirmation lessons, as well as activities for children, young people and seniors. Music forms an important part of our worship and enhances the divine service experience. The Church website www.nacukie.org and a variety of church publications, continue to benefit existing members as well as encouraging guests with information on the Church.

Digital platforms used to stream church services and other events remain a significant offering which allows the Charity to reach members, old and new who have difficulty in attending in person.

Public Benefit

The Trustees have complied with their duty to have regard to the Charity Commission's public benefit guidance when exercising relevant powers or duties. One of the core objects of the charity is to advance the Christian faith in accordance with the worldwide teachings of the New Apostolic faith in the United Kingdom and Ireland (and any other places); based on Matthew chapter 28 "to teach all nations". This is carried out locally by inviting guests, arranging special events, publishing church publications and informing via the website. All members are encouraged to invite others to participate in the activities of the charity.

All church services and other platforms are open to the public. Membership of the charity is open to any adult who wishes to join a congregation. Minors may also join subject to applicable law. Membership of the charity is diverse with many different cultures and social strands represented in the charity. The charity is associated with New Apostolic Church International which has some 9 million members worldwide (see <https://nak.org/en/church/factsfigures>).

Where possible, church properties have notice boards advising the times of services and other local information. Details are also provided on the website. Many church properties provide disabled access. The activities of the charity are spread across various locations in the United Kingdom and Ireland.

Where costs are charged to members for publications and other services, the costs are reasonable, and publications are available at an affordable cost. There are no charges for becoming a member of the charity or for performing ministrations, for example, weddings, baptisms or funerals.

NEW APOSTOLIC CHURCH UK

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) *FOR THE YEAR ENDED 31 DECEMBER 2022*

Volunteers

The Charity is run almost exclusively by volunteer ministers and members in the UK and Ireland who fulfil their ministerial responsibilities in an honorary capacity. The activities that complement the divine services are supported by members and attendees of all ages in their voluntary capacity. Nearly all the income of the Charity is derived from the donations and freewill offerings of attendees.

Financial review

The result for the year shows a net operational surplus of £28,032. This is then adjusted for the net loss on investments in the period resulting in a net movement in funds of - £86,515.

Reserves policy

Approximately £200,000 of the reserves will be used in 2023 to make improvements to the buildings in the property portfolio. This will change in future years to build up the reserves.

Principal funding sources

Nearly all of the income of the Charity was derived directly from donations and freewill offerings from attendees. Most of the income of the Charity was used to meet the operating expenses of the Charity, including the provision of divine services, both in-person and now digital and other activities that complement the divine services. The maintenance and improvements to the Charity's properties, management and administration costs.

Legacies, Gift Aid & Bank-2-Bank income

Following the enforced changes due to the Covid 19 restrictions two years ago, online bank to bank offerings continue to be the preferred option for most, although cash offerings did increase in 2022 and Gift Aid on small donations could once again be claimed as in-person church services resumed. We received notification of our entitlement to a legacy during the year of which an initial £100,000 was received in August 2022.

Investment policy and objectives

The policy is to invest funds in Barclays Treasury Fixed Term Deposits to achieve a high level of security combined with good accessibility. Euro based NAK Special Funds remains the chosen investment vehicle for the majority of the financial assets. During the year and in keeping with world markets the investment fund reduced in value. The trustees are keeping the fund performance under observation.

FUTURE DEVELOPMENTS

The core objectives of the Charity are to support the spiritual care of members and guests. The Charity will aim to achieve these objectives by implementing the strategies and activities, backed by the extensive use of volunteers, described earlier in this report. The Charity is aware that external factors, including the political and economic environment both in overseas countries where the New Apostolic Church is established and, in the UK, may impact on its ability to achieve its core objectives.

Estate Management

Almost the entire estate has been renovated and upgraded to varying degrees and funds invested to ensure all properties became compliant, within reason, to applicable legislation and good practices.

Insurances - Property and fellowship at rented locations

A full review and update takes place annually and the trustees are satisfied that there is sufficient cover of property and contents.

The value of properties has also been reviewed to meet the new FRS102 requirements.

NEW APOSTOLIC CHURCH UK

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) *FOR THE YEAR ENDED 31 DECEMBER 2022*

Structure, governance and management

The Charity is a company limited by guarantee not having a share capital formed under the Companies Act 2006.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr D A Middleton

Mr D A Heynes

Mr U Falk

(Resigned 26 November 2022)

Mr N C Woodman

Mr R Krause

Mrs K Paisley

Recruitment and appointment of new Trustees Directors

The Articles make provision for the District Apostle to approve the appointment of new trustees' directors of whom three are soul care trustees and three are members of the Church with suitable management experience. The District Apostle will consult the other trustees before an appointment is made, and the appointment will then be approved by all trustee directors.

Publications

The Charity produces & purchases literature and teaching materials that support the promotion of the New Apostolic Faith which are mostly published by Verlag Friedrich Bischoff GmbH by commission of the New Apostolic Church International. The literature and teaching materials are purchased by the Charity on a commercial basis which allows for the fact that the literature and teaching materials are available to a number of English-speaking countries including the UK and Ireland.

Risk management

The trustees confirm that the major risks, to which the Charity is exposed, are identified by the trustees, regularly reviewed and systems established or are in the process of being enhanced, to manage those risks. The trustees have a risk register which is reviewed and updated annually.

Sustainability has been ear-marked as an area the trustees need to focus on in the coming years.

DBS checks for all active volunteers are regularly reviewed in accordance with the charity's safeguarding policy. The trustees continue to apply their skills as outlined in the skills audit and work closely with their professional support in terms of legal and accounting procedures.

Organisational structure

The organisational structure relating to the religious activities of the Charity is centred on congregations and missions, which are located mainly in the UK, and are each led by a rector. The congregations are grouped into a number of geographical districts which are each led by a District Leader. The District Leaders are led by an Apostle, assisted by a Bishop, and they have responsibility for the religious activities carried out by the charity in the UK & Ireland. An Apostle reports to the District Apostle and the District Apostle reports to the Chief Apostle (who is the Supreme President of the New Apostolic Church worldwide). The organisational structure relating to the business affairs of the Charity, which includes all legal, regulatory, financial, property and administrative matters is led by the trustees, and their appointed advisors. The day-to-day administration and financial matters of the Charity are carried out by an administrator who is directly supported by the Apostle who is also a Trustee. The Charity's properties are managed by Mr D Middleton who is supported by the administrator, Mr C Esterhuizen and at each location by an appointed and trained Facilities Manager(s). One of the soul care trustees is also employed by the Charity. The Church administrator has been fully trained as our internal qualified Health & Safety officer.

David Middleton will retire in 2023 and his responsibilities for property management will be shared amongst the trustees with the guidance of the Head of Property of the parent organisation, Neuapostolische Kirche Nord-und Ostdeutschland.

Induction and training of new trustees

Once new trustee directors have been formally appointed after signing a declaration of eligibility/willingness to act, they are invited to read Commission guides CC3 and 'Managing faith charities as trustees'. They immediately have the opportunity to engage with issues and decisions with which the trustees become involved. This provides new trustees with peer group support enabling them to contribute to the work of the existing trustee directors from the date of their formal appointment.

NEW APOSTOLIC CHURCH UK

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) *FOR THE YEAR ENDED 31 DECEMBER 2022*

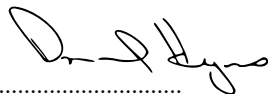
Wider network

The Charity's religious activities are carried out in unity with the worldwide promotion and teaching of the New Apostolic faith under the oversight of the Chief Apostle and the New Apostolic Church International. The Charity's legal, regulatory, financial, property and administrative matters are directed by the trustees having regard to professional advice and what is in the best interests of the Charity.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees' report was approved by the Board of Trustees.



.....
Mr D A Heynes

trustee

Dated: 22.9.2023

NEW APOSTOLIC CHURCH UK

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2022

The trustees, who are also the directors of New Apostolic Church UK for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

NEW APOSTOLIC CHURCH UK

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF NEW APOSTOLIC CHURCH UK

Opinion

We have audited the financial statements of New Apostolic Church UK (the 'charity') for the year ended 31 December 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and the provisions available for small entities, in the circumstances set out in note 25 to the financial statements, 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 charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

NEW APOSTOLIC CHURCH UK

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF NEW APOSTOLIC CHURCH UK

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

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

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees 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 charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatements due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

NEW APOSTOLIC CHURCH UK

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF NEW APOSTOLIC CHURCH UK

In identifying and assessing the risks of material misstatement in respect of irregularities, including fraud, the audit engagement team made enquiries of management, and those charged with governance, regarding the procedures relating to identifying, evaluating and complying with;

1. laws and regulations and whether they were aware of any instances of non-compliance;
2. detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
3. the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations;

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, General Data Protection Regulations, Companies Act, Charities Act 2011, Charities and Trustees Investment (Scotland) Act, Charities Statement of Recommended Practice and employment law and regulations. We performed audit procedures to detect non-compliance, which may have a material impact on the financial statements. These included reviewing financial statement disclosures and evaluating advice received from external advisors. There were no significant laws and regulations we deemed as having an indirect impact on the financial statements.

The audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments and evaluating the rationale in relation to any significant, unusual transactions and transactions entered into outside of the normal course of business.

As a portion of income is cash donations, this was also highlighted as an area of high risk for fraud and not being recorded in the accounts. Audit procedures performed included but were not limited to observing count procedures and substantive and analytical testing of income recording systems.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Other matters

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company, the charitable company's members as a body, and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

For and on behalf of Richard Place Dobson Services Limited
Chartered Accountants
Statutory Auditor

...26/09/2023....
Date

Richard Place Dobson Services Limited is eligible for appointment as auditor of the charitable company by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

NEW APOSTOLIC CHURCH UK

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2022

Current financial year

		Unrestricted funds general 2022 £	Unrestricted funds designated 2022 £	Restricted funds 2022 £	Total 2022 £	Total 2021 £
	Notes					
<u>Income and endowments from:</u>						
Donations and legacies	3	593,960	-	31,017	624,977	456,208
Investments	4	10,847	29,975	-	40,822	41,072
Other income	5	6,125	-	-	6,125	14
Total income		610,932	29,975	31,017	671,924	497,294
<u>Expenditure on:</u>						
Charitable activities	6	561,604	51,271	31,017	643,892	563,828
Net gains/(losses) on investments	11	-	(116,388)	-	(116,388)	(87,072)
Net incoming/(outgoing) resources		49,328	(137,684)	-	(88,356)	(153,606)
<u>Other recognised gains and losses</u>						
Other gains or losses	13	1,841	-	-	1,841	-
Net movement in funds		51,169	(137,684)	-	(86,515)	(153,606)
Fund balances at 1 January 2022		329,215	8,036,177	-	8,365,392	8,518,998
Fund balances at 31 December 2022		380,384	7,898,493	-	8,278,877	8,365,392

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

All income and expenditure derive from continuing activities.

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

NEW APOSTOLIC CHURCH UK

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2022

Prior financial year

		Unrestricted funds general 2021 £	Unrestricted funds designated 2021 £	Total 2021 £
	Notes			
<u>Income and endowments from:</u>				
Donations and legacies	3	456,208	-	456,208
Investments	4	10,868	30,204	41,072
Other income	5	14	-	14
Total income		467,090	30,204	497,294
<u>Expenditure on:</u>				
Charitable activities	6	552,826	11,002	563,828
Net gains/(losses) on investments	11	-	(87,072)	(87,072)
Gross transfers between funds		(451,210)	451,210	-
Net incoming/(outgoing) resources		(536,946)	383,340	(153,606)
Other recognised gains and losses				
Net movement in funds		(536,946)	383,340	(153,606)
Fund balances at 1 January 2021		866,161	7,652,837	8,518,998
Fund balances at 31 December 2021		329,215	8,036,177	8,365,392

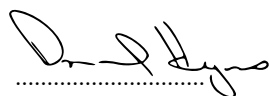
NEW APOSTOLIC CHURCH UK

BALANCE SHEET

AS AT 31 DECEMBER 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	14	5,991,182		5,992,291	
Investments	15	1,714,168		1,800,582	
			7,705,350		7,792,873
Current assets					
Debtors	16	67,378		7,315	
Cash at bank and in hand		538,804		587,020	
			606,182		594,335
Creditors: amounts falling due within one year	17	(32,655)		(21,816)	
Net current assets			573,527		572,519
Total assets less current liabilities			8,278,877		8,365,392
Income funds					
<u>Unrestricted funds</u>					
Designated funds	19	7,898,493		8,036,177	
General unrestricted funds		380,384		329,215	
			8,278,877		8,365,392
			8,278,877		8,365,392

The financial statements were approved by the Trustees on ...22/09/2023....



Mr D A Heynes
Trustee

Company Registration No. 08139399

NEW APOSTOLIC CHURCH UK

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Cash generated from operations	24		91,384		5,935
Investing activities					
Purchase of tangible fixed assets		(150,447)		(309,386)	
Purchase of investments		(29,975)		(30,204)	
Investment income received		40,822		41,072	
		<u> </u>		<u> </u>	
Net cash used in investing activities			(139,600)		(298,518)
Net cash used in financing activities			-		-
			<u> </u>		<u> </u>
Net decrease in cash and cash equivalents			(48,216)		(292,583)
Cash and cash equivalents at beginning of year			587,020		879,603
			<u> </u>		<u> </u>
Cash and cash equivalents at end of year			<u>538,804</u>		<u>587,020</u>

NEW APOSTOLIC CHURCH UK

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

Charity information

New Apostolic Church UK is a private company limited by guarantee incorporated in England and Wales. The registered office is 19 Southwell Park Road, Camberley, Surrey, GU15 3PU.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's memorandum and articles of association, the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of listed investments to market value at the year end. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

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

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

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

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

1.4 Income

Items of income are recognised and included in the accounts when all of the following criteria are met:

- The Charitable Company has entitlement to the funds
- Any performance conditions attached to the items of income have been met or are fully within the control of the charity.
- There is sufficient certainty that receipt of the income is considered probable; and
- The amount can be measured reliably.

For legacies, entitlement is taken as the earlier of:

- the date on which the charity is aware that probate has been granted;
- the estate has been finalised and notification has been made by the executor(s) to the Charity that a distribution will be made
- when distribution is received from the estate.

Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

NEW APOSTOLIC CHURCH UK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

Interest receivable

Interest on funds held on deposit or dividend income from investments is included when receivable and the amount can be measured realisable by the charity, this is normally upon notification by the relevant organisation.

Other income

Other income consists of insurance proceeds and is recognised in the accounts when there is a reasonable certainty it will be received.

1.5 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. Expenditure is classified under the following activity headings:

Charitable activities - includes the costs of carrying out the charitable objects in promoting and teaching the New Apostolic faith and their associated support costs as well as costs incurred in supporting Youth Away days. No support costs are allocated to this activity.

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs. These costs have all been allocated to the main charitable activity of promoting and teaching the New Apostolic Faith.

1.6 Tangible fixed assets

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

Freehold land and buildings	2% on cost
Plant and equipment	15% on reducing balance
Fixtures and fittings	15% on reducing balance
Computers	15% on reducing balance
Motor vehicles	25% on reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

Only items over £5,000 will be capitalised. In the main this will be items such as new Altars, Organs and new furniture.

No depreciation is charged on freehold property as the estimated residual value is higher than the cost properties are carried in the accounts and any charge would be immaterial. Where residual values of property fall below cost, an impairment review is undertaken and the carrying value of property is impaired in the accounts.

1.7 Fixed asset investments

Fixed asset investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the quoted market value at the balance sheet date.

NEW APOSTOLIC CHURCH UK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Financial instruments

The trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at the carrying value plus accrued interest less repayments.

Debtors

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

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid deposit accounts with a short maturity date of three months or less from the opening of the account.

Creditors and provisions

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

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Taxation

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

1.11 Employee benefits

The costs of short term employee benefits are recognised as a liability and an expense.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

1.12 Retirement benefits

Pensions

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.

1.13 Leases

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

1.14 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

NEW APOSTOLIC CHURCH UK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

1.15 Legal status

The Charitable Company is a company limited by guarantee and has no share capital. In the event of the charitable company being wound up, the liability in respect of the guarantee is limited to £1 per member of the charitable company.

2 Critical accounting estimates and judgements

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

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

The key judgements and estimates made in preparing the accounts are the valuation of freehold property. The residual value has been estimated to be more than the buildings original cost and therefore no depreciation has been charged on this basis.

The trustees have made a judgement on whether each property is impaired, where such a judgement has been made this has been explained in the notes to the accounts

3 Donations and legacies

	Unrestricted funds general 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds general 2021 £
Donations and gifts	236,855	31,017	267,872	224,515
Donations under gift aid	357,105	-	357,105	231,693
	<u>593,960</u>	<u>31,017</u>	<u>624,977</u>	<u>456,208</u>

NEW APOSTOLIC CHURCH UK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

4 Investments

	Unrestricted funds general 2022 £	Unrestricted funds designated 2022 £	Total 2022 £	Unrestricted funds general 2021 £	Unrestricted funds designated 2021 £	Total 2021 £
Rental income	10,800	-	10,800	10,800	-	10,800
Income from unlisted investments	-	29,975	29,975	-	30,204	30,204
Interest receivable	47	-	47	68	-	68
	<u>10,847</u>	<u>29,975</u>	<u>40,822</u>	<u>10,868</u>	<u>30,204</u>	<u>41,072</u>

NEW APOSTOLIC CHURCH UK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

5 Other income

	Unrestricted funds general 2022 £	Unrestricted funds general 2021 £
Other income	6,125	14

6 Charitable activities

	2022 £	2021 £
Staff costs	104,015	106,057
Depreciation and impairment	150,552	102,497
Hire of plant and machinery	13,511	14,719
Rent of halls for services	39,742	43,204
Rates and water for services	2,613	2,111
Light and heat for services	19,917	15,675
Church music expenses	4,925	18,692
Materials	2,417	4,394
Repairs and maintenance	68,418	69,895
Travel and subsistence	67,913	35,684
	474,023	412,928
Share of support costs (see note 7)	63,860	75,908
Share of governance costs (see note 7)	106,009	74,992
	643,892	563,828
Analysis by fund		
Unrestricted funds - general	561,604	552,826
Unrestricted funds - designated	51,271	11,002
Restricted funds	31,017	-
	643,892	563,828

NEW APOSTOLIC CHURCH UK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

7 Support costs

	Support costs	Governance costs	2022	Support costs	Governance costs	2021
	£	£	£	£	£	£
Staff costs	10,562	-	10,562	41,019	-	41,019
Depreciation	1,005	-	1,005	1,183	-	1,183
Rates and water	12	-	12	348	-	348
Insurance	12,654	-	12,654	14,796	-	14,796
Telephone	13,760	-	13,760	13,130	-	13,130
Postage and stationery	15,155	-	15,155	14,086	-	14,086
Church publications	102	-	102	9	-	9
Sundries	6,473	-	6,473	5,074	-	5,074
Bank Charges	1,026	-	1,026	593	-	593
Licences	3,023	-	3,023	470	-	470
District Events	88	-	88	257	-	257
Audit fees	-	12,960	12,960	-	12,600	12,600
Other assurance services	-	6,087	6,087	-	10,096	10,096
Legal and Professional fees	-	86,962	86,962	-	37,239	37,239
	<u>63,860</u>	<u>106,009</u>	<u>169,869</u>	<u>90,965</u>	<u>59,935</u>	<u>150,900</u>
Analysed between						
Charitable activities	<u>63,860</u>	<u>106,009</u>	<u>169,869</u>	<u>75,908</u>	<u>74,992</u>	<u>150,900</u>

8 Net movement in funds

	2022	2021
	£	£
Net movement in funds is stated after charging/(crediting)		
Fees payable to the company's auditor for the audit of the company's financial statements	12,960	12,600
Depreciation of owned tangible fixed assets	<u>151,557</u>	<u>103,680</u>

9 Trustees

One trustee was reimbursed a total of £275 (2021: £157) for travelling expenses.

None of the trustees received remuneration for their role as trustee. One of the trustees David Middleton received remuneration during the year of £72,379 (2021: £70,271) for his role as a Bishop of The New Apostolic Church UK. Payment is made in accordance with the charity's Articles of Association.

NEW APOSTOLIC CHURCH UK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

10 Employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Charitable activities	1	2

Employment costs	2022 £	2021 £
Wages and salaries	90,238	111,290
Social security costs	5,283	12,185
Other pension costs	19,056	23,601
	114,577	147,076

The staff costs above represent the total remuneration paid to key management personnel of the charity.

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2022 Number	2021 Number
£70,000 - £80,000	1	1

NEW APOSTOLIC CHURCH UK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

11 Net gains/(losses) on investments

	Unrestricted funds designated 2022 £	Unrestricted funds designated 2021 £
Revaluation of investments	(116,388)	(87,072)

12 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

13 Other gains or losses

	Unrestricted funds general 2022 £	Total 2021 £
Foreign exchange gains	(1,841)	-

NEW APOSTOLIC CHURCH UK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

14 Tangible fixed assets

	Freehold land and buildings £	Plant and equipment £	Fixtures and fittings £	Computers £	Motor vehicles £	Total £
Cost						
At 1 January 2022	5,148,577	88,276	1,033,208	20,073	2,570	6,292,704
Additions	-	-	150,447	-	-	150,447
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2022	5,148,577	88,276	1,183,655	20,073	2,570	6,443,151
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation and impairment						
At 1 January 2022	-	46,145	238,327	13,370	2,570	300,412
Depreciation charged in the year	25,000	6,320	119,232	1,005	-	151,557
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2022	25,000	52,465	357,559	14,375	2,570	451,969
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Carrying amount						
At 31 December 2022	5,123,577	35,811	826,096	5,698	-	5,991,182
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2021	5,148,577	42,131	794,881	6,702	-	5,992,291
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

NEW APOSTOLIC CHURCH UK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

15 Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 January 2022	1,800,582
Additions	29,975
Valuation changes	(116,388)
	<hr/>
At 31 December 2022	1,714,169
	<hr/>
Carrying amount	
At 31 December 2022	1,714,169
	<hr/> <hr/>
At 31 December 2021	1,800,582
	<hr/> <hr/>

Fixed asset investments revalued

The historical cost of the investments at the year end was £1,628,588 (2021: £1,598,613).

16 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Trade debtors	50,258	-
Other debtors	415	415
Prepayments and accrued income	16,705	6,900
	<hr/>	<hr/>
	67,378	7,315
	<hr/> <hr/>	<hr/> <hr/>

17 Creditors: amounts falling due within one year

	2022 £	2021 £
Other taxation and social security	1,329	-
Trade creditors	8,141	1,575
Other creditors	20,971	17,580
Accruals and deferred income	2,214	2,661
	<hr/>	<hr/>
	32,655	21,816
	<hr/> <hr/>	<hr/> <hr/>

NEW APOSTOLIC CHURCH UK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

18 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds		Movement in funds		
	Incoming resources	Balance at 1 January 2022	Incoming resources	Resources expended	Balance at 31 December 2022
	£	£	£	£	£
German Church support costs	-	-	31,017	(31,017)	-
	<u>-</u>	<u>-</u>	<u>31,017</u>	<u>(31,017)</u>	<u>-</u>
	<u>-</u>	<u>-</u>	<u>31,017</u>	<u>(31,017)</u>	<u>-</u>

German Church support costs - donations were received during the year from the Parent Church to support the charitable activities of the Church and to assist with meeting certain costs.

NEW APOSTOLIC CHURCH UK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

19 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement in funds					Movement in funds				
	Balance at 1 January 2021	Incoming resources	Resources expended	Transfers	Revaluations, gains and losses	Balance at 1 January 2022	Incoming resources	Resources expended	Revaluations, gains and losses	Balance at 31 December 2022
	£	£	£	£	£	£	£	£	£	£
Fixed asset fund	5,095,387	-	-	890,208	-	5,985,595	-	-	-	5,985,595
Investment fund	1,857,450	30,204	-	-	(87,072)	1,800,582	29,975	-	(116,388)	1,714,169
Property Improvement fund	450,000	-	-	(450,000)	-	-	-	-	-	-
Cyclical maintenance fund	250,000	-	(11,002)	11,002	-	250,000	-	(51,271)	-	198,729
	<u>7,652,837</u>	<u>30,204</u>	<u>(11,002)</u>	<u>451,210</u>	<u>(87,072)</u>	<u>8,036,177</u>	<u>29,975</u>	<u>(51,271)</u>	<u>(116,388)</u>	<u>7,898,493</u>

The fixed fund represents the funds necessarily set aside for the charity's occupation of the land and buildings plus fixtures and fittings within those properties. This fund includes the impairment in value of two of the churches of £264,402.

The Investment fund represents the funds that are held in HI GKR Fonds. The Investment fund includes an investment revaluation reserve of £289,872 (2021: £289,872).

The property improvement fund represents funds set aside to fund architect and other professional fees to investigate the re-development of existing properties.

The cyclical maintenance fund represents funds set aside for a fixed maintenance plan and ongoing contracts for supply of services. This includes PAT testing, legionella, fire extinguisher checks, boiler servicing and similar.

NEW APOSTOLIC CHURCH UK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

20 Analysis of net assets between funds

	Unrestricted funds 2022 £	Designated funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Designated funds 2021 £	Total 2021 £
Fund balances at 31 December 2022 are represented by:							
Tangible assets	5,587	5,985,595	-	5,991,182	6,696	5,985,595	5,992,291
Investments	-	1,714,168	-	1,714,168	-	1,800,582	1,800,582
Current assets/(liabilities)	374,797	198,730	-	573,527	322,519	250,000	572,519
	<u>380,384</u>	<u>7,898,493</u>	<u>-</u>	<u>8,278,877</u>	<u>329,215</u>	<u>8,036,177</u>	<u>8,365,392</u>

NEW APOSTOLIC CHURCH UK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

21 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2022 £	2021 £
Within one year	-	2,525

22 Related party transactions

During the year purchases of £212,773 (2021: £306,452) were made from CSC UK Limited, a related company due to both of the directors of CSC UK Limited being related to a trustee. The amounts paid were on normal business terms.

23 Charges Held

Neuapostolische Kirche Norddeutschland have registered a charge over 48 Warwick Gardens, Kensington W14 8PP against loans to be provided in the future for potential property development projects.

24 Cash generated from operations

	2022 £	2021 £
Deficit for the year	(88,356)	(153,606)
Adjustments for:		
Investment income recognised in statement of financial activities	(40,822)	(41,072)
Foreign exchange differences	1,841	-
Fair value gains and losses on investments	116,388	87,072
Depreciation and impairment of tangible fixed assets	151,557	103,680
Movements in working capital:		
(Increase)/decrease in debtors	(60,063)	3,082
Increase in creditors	10,839	6,779
Cash generated from operations	91,384	5,935

25 Non-audit services provided by auditor

In common with many businesses of our size and nature we use our auditor to assist with the preparation of the financial statements.