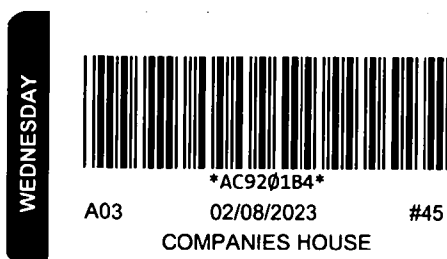


REGISTERED COMPANY NUMBER: 08284434 (England and Wales)  
REGISTERED CHARITY NUMBER: 1150242

**REPORT OF THE TRUSTEES AND  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022  
FOR  
CATALYST NETWORK OF CHURCHES**



Harrison Beale & Owen Limited  
Chartered Accountants and Statutory Auditor  
Highdown House  
11 Highdown Road  
Leamington Spa  
Warwickshire  
CV31 1XT

# **CATALYST NETWORK OF CHURCHES**

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# CATALYST NETWORK OF CHURCHES

## 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 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).

### STRATEGIC REPORT

#### Achievement and performance

##### How our activities deliver public benefit

Around 80 churches from the UK are part of the Catalyst Network. There are also a large number of churches overseas that have a direct Apostolic relationship with Catalyst. The UK church leaders have gathered on several occasions during the year for training, prayer and to be equipped to fulfil their role as leaders of churches reaching out to benefit the community locally, across the UK and overseas.

The two appeal funds set up during 2020 in response to Covid-19 pandemic - the Covid-19 fund and the Business redevelopment fund - continued to make grants to churches and organisations overseas that were severely affected by the pandemic. The remaining balance in these funds, awaiting further distribution during 2023 are £7k (Covid-19) and £33k (Business redevelopment)

A new fund, European Crisis Fund, was established during the year. It was set up as a response to the war in Ukraine for the support and relief of those affected by military, political or economic aggression in Europe with an immediate and particular focus on churches and refugees displaced and in need due to the war in Ukraine. We have partnered with Newfrontiers International Trust (charity reg no 1060001) to collect and distribute the money in this fund. Newfrontiers consists of a brotherhood of apostles from across the world. Each of whom has responsibility for a family of churches, similar to Catalyst Network of Churches. The appeal for this fund was made to the worldwide family of churches and raised £1,463k during the year. Grants from the fund are approved by a team consisting of directors and church leaders from Newfrontiers International and Catalyst. At the end of the year the fund stood at £990k. As much of the fund will be used to assist with rebuilding and resettling churches and communities once conflict has ceased, we expect this fund will remain in place for some time.

Leadership Training, a 2 year structured training programme for church leaders and potential leaders and “God’s Big Story” a 2 year entry level bible training course both ran again during the year.

Overseas ministry forms a large part of Catalyst’s activities. Apostolic oversight of churches has continued with support to many nations.

Through being a network of churches together Catalyst has been able to achieve more and get more involved in more areas than would otherwise have been possible by individual churches acting alone, thereby reaching out and benefitting more people in the UK and abroad.

### STRUCTURE, GOVERNANCE AND MANAGEMENT

#### Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

#### Trustees appointment, induction and training

There were no appointments during the year. Trustees are required to agree with the trust’s Statement of Faith. Trustee induction includes a briefing with one of the existing directors on the role of Trustees. It also includes the provision and review of charity commission material on the role of the trustee. The need for further trustee training is kept under review.

## CATALYST NETWORK OF CHURCHES

### REPORT OF THE TRUSTEES for the year ended 31 December 2022

#### STRUCTURE, GOVERNANCE AND MANAGEMENT - continued

##### Organisational structure

The trustees met for two formal board meetings during the year and have responsibility for the general, legal and fiscal oversight of the trust.

The day-to-day work of the charity is delegated to four of the Directors, Simon Holley, Richard Wightman, Andrew Martin and Andrew Simpkins who are supported by both paid and voluntary staff. There is a strategy team, headed by Simon Holley, made up of church leaders from within the network with emerging apostolic gifting that makes recommendations to the board on the broad direction of the Network and projects to fund. Andrew Simpkins and Richard Wightman also form part of this team.

##### Risk management

The trustees have established a pattern of risk management which is monitored through a Finance and Risk subcommittee of 6 of the directors to consider the financial, strategic and operational risks to the charity.

##### Going Concern and COVID-19 Pandemic

The Trustees have continued to monitor the charity's finances to ensure that we are able to meet our commitments and thus remain a going concern. The Trustees will continue to monitor the income and adjust the cost base appropriately if needed. We hold unrestricted cash reserves which equate to 10 months expenditure. Having considered these factors, we still consider the charity to be a going concern.

##### Reserves Policy

Catalyst aims to hold a minimum of the equivalent of three month's expenditure as general reserves.

##### Financial Review

Total incoming resources for the year were £436k. Grants were mainly received from churches either as regular or one-off gifts. Donations from individuals were mainly received into the Covid 19 crisis appeal along with associated gift aid. Total ticket sales of £89,750 for the Catalyst Festival 2020 were not refunded but instead became donations that funded the unrecoverable costs from the cancelled 2020 Festival as well as the 2021 on line Festival. Total resources expended amounted to £475k. Total deficit for the year was £38k. This primarily related to the distribution of restricted funds previously collected through appeals and offerings. The net assets of the trust are £605k.

#### REFERENCE AND ADMINISTRATIVE DETAILS

##### Registered Company number

08284434 (England and Wales)

##### Registered Charity number

1150242

##### Registered office

Catalyst Network Of Churches  
Hertford Place  
Coventry  
CV1 3JZ

##### Trustees

Sarah Joanna Crowhurst  
Simon Geoffrey Holley  
Roydon Loveley  
Andrew Timothy Harlow Martin  
David John Morris  
Michael Paul Saxton  
Andrew Gordon Simpkins  
Richard Eric Wightman

# CATALYST NETWORK OF CHURCHES

## REPORT OF THE TRUSTEES for the year ended 31 December 2022

### REFERENCE AND ADMINISTRATIVE DETAILS - continued

#### Auditors

Harrison Beale & Owen Limited  
Chartered Accountants and Statutory Auditor  
Highdown House  
11 Highdown Road  
Leamington Spa  
Warwickshire  
CV31 1XT

### STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

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

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

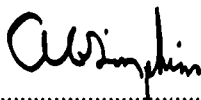
The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding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

In so far as the trustees are aware:

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

### AUDITORS

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on ~~30th June 2023~~..... and signed on the board's behalf by:



.....  
Andrew Gordon Simpkins - Trustee

## **REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF CATALYST NETWORK OF CHURCHES**

### **Opinion**

We have audited the financial statements of Catalyst Network Of Churches (the 'charitable company') for the year ended 31 December 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 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.

### **Basis for opinion**

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

### **Conclusions relating to going concern**

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

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

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

### **Other information**

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

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

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

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- the charitable company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

## **REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF CATALYST NETWORK OF CHURCHES**

### **Responsibilities of trustees**

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

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

### **Our responsibilities for the audit of the financial statements**

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act 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 a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

The audit process includes an assessment of the entity's risk environment, through enquiry of and discussion with management, including an assessment of any key laws and regulations with which the company must comply in the ordinary course of its business. We have concluded that there are no such key laws and regulations that are particular to the company's activities.

Additionally, the overall risks of irregular transactions occurring are assessed following our observations and confirmation of the design and implementation of management's controls. Whilst we are mindful of these risks, our audit focus is geared towards the risk of material misstatement in the financial statements as a whole.

As such, our procedures cannot guarantee that all transactions have been fully compliant with all relevant laws and regulations, including those regulations relating to fraud, as our procedures are not designed to detect all instances of non-compliance.

Nevertheless, nothing has come to our attention that has given us significant cause for concern in the course of the procedures we have undertaken in order to give our opinion on whether the financial statements are free from material misstatement, as shown above.

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

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF  
CATALYST NETWORK OF CHURCHES**

**Use of our report**

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

*Harrison Beale & Owen Ltd.*

Harrison Beale & Owen Limited  
Chartered Accountants and Statutory Auditor  
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006  
Highdown House  
11 Highdown Road  
Leamington Spa  
Warwickshire  
CV31 1XT

Date: 30/6/2023



# CATALYST NETWORK OF CHURCHES

## STATEMENT OF FINANCIAL ACTIVITIES for the year ended 31 December 2022

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	4	151,597	1,545,097	1,696,694	382,201
<b>Charitable activities</b>	6				
Advancement of the Christian Faith		49,925	18,280	68,205	54,015
Investment income	5	550	-	550	278
<b>Total</b>		<u>202,072</u>	<u>1,563,377</u>	<u>1,765,449</u>	<u>436,494</u>
<b>EXPENDITURE ON</b>					
<b>Charitable activities</b>	7				
Advancement of the Christian Faith		<u>210,881</u>	<u>647,677</u>	<u>858,558</u>	<u>474,898</u>
<b>NET INCOME/(EXPENDITURE)</b>					
Transfers between funds	16	(8,809) <u>(31,789)</u>	915,700 <u>31,789</u>	906,891 <u>-</u>	(38,404) <u>-</u>
<b>Net movement in funds</b>		(40,598)	947,489	906,891	(38,404)
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward		<u>446,484</u>	<u>158,133</u>	<u>604,617</u>	<u>643,021</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u><u>405,886</u></u>	<u><u>1,105,622</u></u>	<u><u>1,511,508</u></u>	<u><u>604,617</u></u>

The notes form part of these financial statements

# CATALYST NETWORK OF CHURCHES

## BALANCE SHEET 31 December 2022

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
<b>CURRENT ASSETS</b>					
Debtors	14	-	39,594	39,594	-
Cash at bank		<u>409,969</u>	<u>1,069,244</u>	<u>1,479,213</u>	<u>605,129</u>
		409,969	1,108,838	1,518,807	605,129
<b>CREDITORS</b>					
Amounts falling due within one year	15	(4,083)	(3,216)	(7,299)	(512)
<b>NET CURRENT ASSETS</b>		<u>405,886</u>	<u>1,105,622</u>	<u>1,511,508</u>	<u>604,617</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>405,886</u>	<u>1,105,622</u>	<u>1,511,508</u>	<u>604,617</u>
<b>NET ASSETS</b>		<u>405,886</u>	<u>1,105,622</u>	<u>1,511,508</u>	<u>604,617</u>
<b>FUNDS</b>	16				
Unrestricted funds:					
General fund				222,035	246,870
Designated funds				<u>183,851</u>	<u>199,614</u>
				<u>405,886</u>	<u>446,484</u>
Restricted funds:					
Festival				14,303	14,303
Support of churches				827	827
Ukraine fund				989,701	8,443
Leadership weekend				1,304	-
Development fund				59,219	62,807
Covid-19 fund				7,454	27,987
Business redevelopment fund				<u>32,814</u>	<u>43,766</u>
				<u>1,105,622</u>	<u>158,133</u>
<b>TOTAL FUNDS</b>				<u>1,511,508</u>	<u>604,617</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2022.

The members have not deposited notice, pursuant to Section 476 of the Companies Act 2006 requiring an audit of these financial statements.

**CATALYST NETWORK OF CHURCHES**

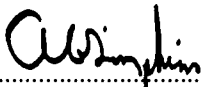
**BALANCE SHEET - continued**  
**31 December 2022**

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 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 charitable company.

These financial statements have been audited under the requirements of Section 145 of the Charities Act 2011.

The financial statements were approved by the Board of Trustees and authorised for issue on  
30th June 2023 and were signed on its behalf by:



Andrew Gordon Simpkins - Trustee

# CATALYST NETWORK OF CHURCHES

## CASH FLOW STATEMENT for the year ended 31 December 2022

	Notes	2022 £	2021 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	874,531	(73,983)
Finance costs paid		<u>(997)</u>	<u>(191)</u>
Net cash provided by/(used in) operating activities		<u>873,534</u>	<u>(74,174)</u>
 <b>Cash flows from investing activities</b>			
Interest received		<u>550</u>	<u>278</u>
Net cash provided by investing activities		<u>550</u>	<u>278</u>
 <b>Change in cash and cash equivalents in the reporting period</b>		 874,084	 (73,896)
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u>605,129</u>	<u>679,025</u>
 <b>Cash and cash equivalents at the end of the reporting period</b>		 <u><u>1,479,213</u></u>	 <u><u>605,129</u></u>

The notes form part of these financial statements

# CATALYST NETWORK OF CHURCHES

## NOTES TO THE CASH FLOW STATEMENT

for the year ended 31 December 2022

### 1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022 £	2021 £
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	906,891	(38,404)
Adjustments for:		
Interest received	(550)	(278)
Finance costs	997	191
Increase in debtors	(39,594)	-
Increase/(decrease) in creditors	<u>6,787</u>	<u>(35,492)</u>
Net cash provided by/(used in) operations	<u>874,531</u>	<u>(73,983)</u>

### 2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.22 £	Cash flow £	At 31.12.22 £
Net cash			
Cash at bank	<u>605,129</u>	<u>874,084</u>	<u>1,479,213</u>
	<u>605,129</u>	<u>874,084</u>	<u>1,479,213</u>
Total	<u>605,129</u>	<u>874,084</u>	<u>1,479,213</u>

The notes form part of these financial statements

**CATALYST NETWORK OF CHURCHES**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended 31 December 2022**

**1. GENERAL INFORMATION**

Catalyst Network of Churches is a private company limited by guarantee incorporated in England and Wales. The registered office is St Columba's, St Columba's Close, Coventry, England, CV1 4BX.

**2. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

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

Catalyst Network of Churches meets the definition of a public benefit entity under FRS 102.

**Going concern**

At the time of approving the financial statements, the trustees have 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.

**Income**

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

**Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

**Expenditure**

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates.

Expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.

Expenditure on charitable activities includes all costs incurred by the charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.

Other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

## CATALYST NETWORK OF CHURCHES

### NOTES TO THE FINANCIAL STATEMENTS - continued for the year ended 31 December 2022

#### 2. ACCOUNTING POLICIES - continued

##### **Expenditure**

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

##### **Taxation**

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

##### **Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund.

The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

##### **Pension costs and other post-retirement benefits**

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

##### **Debtors**

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

##### **Cash at bank and in hand**

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

##### **Liabilities and provisions**

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

##### **Financial instruments**

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

# CATALYST NETWORK OF CHURCHES

## NOTES TO THE FINANCIAL STATEMENTS - continued for the year ended 31 December 2022

### 3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In 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.

### 4. DONATIONS AND LEGACIES

	2022	2021
	£	£
Donations	1,496,867	93,758
Grants	199,827	288,443
	<u>1,696,694</u>	<u>382,201</u>

Grants received, included in the above, are as follows:

	2022	2021
	£	£
New Life Church, Milton Keynes	12,291	23,700
New Frontiers International Trust Limited	8,222	-
King's Arms Trust, Bedford	13,710	20,492
Jubilee Church, Coventry	51,405	9,960
Other grants	114,199	234,291
	<u>199,827</u>	<u>288,443</u>

### 5. INVESTMENT INCOME

	2022	2021
	£	£
Deposit account interest	<u>550</u>	<u>278</u>



# CATALYST NETWORK OF CHURCHES

## NOTES TO THE FINANCIAL STATEMENTS - continued for the year ended 31 December 2022

### 6. INCOME FROM CHARITABLE ACTIVITIES

		2022 £	2021 £
Charitable activities	Activity		
	Advancement of the Christian Faith	<u>68,205</u>	<u>54,015</u>

### 7. CHARITABLE ACTIVITIES COSTS

	Grant funding of activities (see note 8) £	Support costs (see note 9) £	Totals £
Advancement of the Christian Faith	<u>748,343</u>	<u>110,215</u>	<u>858,558</u>

### 8. GRANTS PAYABLE

	2022 £	2021 £
Advancement of the Christian Faith	<u>748,343</u>	<u>359,733</u>

The total grants paid to institutions during the year was as follows:

	2022 £	2021 £
Support of churches	<u>746,743</u>	<u>353,733</u>

### 9. SUPPORT COSTS

	Management £	Information technology £	Governance costs £	Totals £
Advancement of the Christian Faith	<u>100,938</u>	<u>2,039</u>	<u>7,238</u>	<u>110,215</u>

Support costs, included in the above, are as follows:

	2022	2021
	Advancement of the Christian Faith £	Total activities £
Wages and salaries	72,405	58,798
Pensions	1,272	934
Travel	11,771	277
Support and other office costs	14,493	11,474
Festival costs	-	38,816
Interest payable and similar charges	997	191
IT and computer costs	2,039	2,260
Auditors' remuneration	4,000	-
Independent examination	-	1,713
Legal and professional fees	<u>3,238</u>	<u>702</u>
	<u>110,215</u>	<u>115,165</u>

# CATALYST NETWORK OF CHURCHES

## NOTES TO THE FINANCIAL STATEMENTS - continued for the year ended 31 December 2022

### 10. NET INCOME/(EXPENDITURE)

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

	2022	2021
	£	£
Auditors' remuneration	<u>4,000</u>	<u>-</u>

### 11. 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.

#### Trustees' expenses

During the year, expenses incurred on behalf of the charity to the value of £nil (2021: £130) were reimbursed to trustees in the year.

During the year, trustees donated £nil (2021: £nil) to the charity.

### 12. STAFF COSTS

	2022	2021
	£	£
Wages and salaries	72,405	58,798
Other pension costs	<u>1,272</u>	<u>934</u>
	<u>73,677</u>	<u>59,732</u>

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

	2022	2021
	<u>2</u>	<u>2</u>
Central operations		

No employees received emoluments in excess of £60,000.

### 13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	274,603	107,598	382,201
<b>Charitable activities</b>			
Advancement of the Christian Faith	53,465	550	54,015
Investment income	<u>278</u>	<u>-</u>	<u>278</u>
<b>Total</b>	<u>328,346</u>	<u>108,148</u>	<u>436,494</u>
<b>EXPENDITURE ON</b>			
<b>Charitable activities</b>			
Advancement of the Christian Faith	<u>183,647</u>	<u>291,251</u>	<u>474,898</u>

# CATALYST NETWORK OF CHURCHES

## NOTES TO THE FINANCIAL STATEMENTS - continued for the year ended 31 December 2022

### 13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted funds £	Total funds £
<b>NET INCOME/(EXPENDITURE)</b>	144,699	(183,103)	(38,404)
Transfers between funds	<u>(45,000)</u>	<u>45,000</u>	<u>-</u>
Net movement in funds	99,699	(138,103)	(38,404)
<b>RECONCILIATION OF FUNDS</b>			
Total funds brought forward	346,785	296,236	643,021
	<u>          </u>	<u>          </u>	<u>          </u>
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u>446,484</u>	<u>158,133</u>	<u>604,617</u>

### 14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Other debtors	<u>39,594</u>	<u>-</u>

### 15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Accruals and deferred income	<u>7,299</u>	<u>512</u>

### 16. MOVEMENT IN FUNDS

	At 1.1.22 £	Net movement in funds £	Transfers between funds £	At 31.12.22 £
<b>Unrestricted funds</b>				
General fund	246,870	55,665	(80,500)	222,035
Designated funds	<u>199,614</u>	<u>(64,474)</u>	<u>48,711</u>	<u>183,851</u>
	446,484	(8,809)	(31,789)	405,886
<b>Restricted funds</b>				
Festival	14,303	-	-	14,303
Support of churches	827	-	-	827
Ukraine fund	8,443	979,469	1,789	989,701
Leadership weekend	-	1,304	-	1,304
Development fund	62,807	(3,588)	-	59,219
Covid-19 fund	27,987	(20,533)	-	7,454
Business redevelopment fund	<u>43,766</u>	<u>(40,952)</u>	<u>30,000</u>	<u>32,814</u>
	<u>158,133</u>	<u>915,700</u>	<u>31,789</u>	<u>1,105,622</u>
<b>TOTAL FUNDS</b>	<u>604,617</u>	<u>906,891</u>	<u>-</u>	<u>1,511,508</u>

# CATALYST NETWORK OF CHURCHES

## NOTES TO THE FINANCIAL STATEMENTS - continued for the year ended 31 December 2022

### 16. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	144,555	(88,890)	55,665
Designated funds	<u>57,517</u>	<u>(121,991)</u>	<u>(64,474)</u>
	202,072	(210,881)	(8,809)
<b>Restricted funds</b>			
Support of churches	38,807	(38,807)	-
Ukraine fund	1,481,511	(502,042)	979,469
Leadership weekend	18,280	(16,976)	1,304
Development fund	17,000	(20,588)	(3,588)
Turkey fund	7,500	(7,500)	-
Covid-19 fund	79	(20,612)	(20,533)
Business redevelopment fund	<u>200</u>	<u>(41,152)</u>	<u>(40,952)</u>
	<u>1,563,377</u>	<u>(647,677)</u>	<u>915,700</u>
<b>TOTAL FUNDS</b>	<u><u>1,765,449</u></u>	<u><u>(858,558)</u></u>	<u><u>906,891</u></u>

### Comparatives for movement in funds

	At 1.1.21 £	Net movement in funds £	Transfers between funds £	At 31.12.21 £
<b>Unrestricted funds</b>				
General fund	172,008	64,792	10,070	246,870
Designated funds	<u>174,777</u>	<u>79,907</u>	<u>(55,070)</u>	<u>199,614</u>
	346,785	144,699	(45,000)	446,484
<b>Restricted funds</b>				
Festival	11,881	2,422	-	14,303
Support of churches	3,865	(3,038)	-	827
Ukraine fund	6,043	(2,600)	5,000	8,443
Development fund	84,494	(21,687)	-	62,807
Covid-19 fund	189,353	(80,349)	(81,017)	27,987
Business redevelopment fund	<u>600</u>	<u>(77,851)</u>	<u>121,017</u>	<u>43,766</u>
	<u>296,236</u>	<u>(183,103)</u>	<u>45,000</u>	<u>158,133</u>
<b>TOTAL FUNDS</b>	<u><u>643,021</u></u>	<u><u>(38,404)</u></u>	<u><u>-</u></u>	<u><u>604,617</u></u>

# CATALYST NETWORK OF CHURCHES

## NOTES TO THE FINANCIAL STATEMENTS - continued for the year ended 31 December 2022

### 16. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	148,096	(83,304)	64,792
Designated funds	<u>180,250</u>	<u>(100,343)</u>	<u>79,907</u>
	328,346	(183,647)	144,699
<b>Restricted funds</b>			
Festival	17,446	(15,024)	2,422
Support of churches	35,499	(38,537)	(3,038)
Ukraine fund	9,400	(12,000)	(2,600)
Development fund	-	(21,687)	(21,687)
Turkey fund	2,500	(2,500)	-
Covid-19 fund	15,162	(95,511)	(80,349)
Business redevelopment fund	<u>28,141</u>	<u>(105,992)</u>	<u>(77,851)</u>
	<u>108,148</u>	<u>(291,251)</u>	<u>(183,103)</u>
<b>TOTAL FUNDS</b>	<u>436,494</u>	<u>(474,898)</u>	<u>(38,404)</u>

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

	At 1.1.21 £	Net movement in funds £	Transfers between funds £	At 31.12.22 £
<b>Unrestricted funds</b>				
General fund	172,008	120,457	(70,430)	222,035
Designated funds	<u>174,777</u>	<u>15,433</u>	<u>(6,359)</u>	<u>183,851</u>
	346,785	135,890	(76,789)	405,886
<b>Restricted funds</b>				
Festival	11,881	2,422	-	14,303
Support of churches	3,865	(3,038)	-	827
Ukraine fund	6,043	976,869	6,789	989,701
Leadership weekend	-	1,304	-	1,304
Development fund	84,494	(25,275)	-	59,219
Covid-19 fund	189,353	(100,882)	(81,017)	7,454
Business redevelopment fund	<u>600</u>	<u>(118,803)</u>	<u>151,017</u>	<u>32,814</u>
	<u>296,236</u>	<u>732,597</u>	<u>76,789</u>	<u>1,105,622</u>
<b>TOTAL FUNDS</b>	<u>643,021</u>	<u>868,487</u>	<u>-</u>	<u>1,511,508</u>

# CATALYST NETWORK OF CHURCHES

## NOTES TO THE FINANCIAL STATEMENTS - continued for the year ended 31 December 2022

### 16. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	292,651	(172,194)	120,457
Designated funds	<u>237,767</u>	<u>(222,334)</u>	<u>15,433</u>
	530,418	(394,528)	135,890
<b>Restricted funds</b>			
Festival	17,446	(15,024)	2,422
Support of churches	74,306	(77,344)	(3,038)
Ukraine fund	1,490,911	(514,042)	976,869
Leadership weekend	18,280	(16,976)	1,304
Development fund	17,000	(42,275)	(25,275)
Turkey fund	10,000	(10,000)	-
Covid-19 fund	15,241	(116,123)	(100,882)
Business redevelopment fund	<u>28,341</u>	<u>(147,144)</u>	<u>(118,803)</u>
	<u>1,671,525</u>	<u>(938,928)</u>	<u>732,597</u>
<b>TOTAL FUNDS</b>	<u>2,201,943</u>	<u>(1,333,456)</u>	<u>868,487</u>

The general fund represents cumulative surpluses since inception and are the free reserves of the charity.

The trustees have designated certain amounts to enable support for a variety of key areas, to ring fence from normal unrestricted funds available to the charity.

Festival: This fund represents surpluses on the activities of the Festival.

Support of churches: The church planting fund is for specific gifts given for specific church plants that Catalyst is involved in. These grants are used to pay grants for these churches or to fund other support given to them.

Ukraine fund: Catalyst is working with a number of churches based in Ukraine. These funds are used to support those churches.

Leadership weekend fund: These funds are used to support an annual weekend event in which Catalyst equips, inspires and releases leaders who make a difference in their environment.

Development fund: These funds are used to support New Frontiers churches and apostolic bases in the UK and overseas.

Turkey fund: These funds are used to enable the training of church leaders to equip them to fulfil their roles and support their churches.

Covid-19 fund: These funds are used to provide emergency food and medical relief to some of the poorest people affected by local Covid restrictions. Grants were made to over 70 churches/organisations in over 30 countries.

Business redevelopment fund: These funds are to help regenerate business adversely affected by the Covid-19 pandemic.

## CATALYST NETWORK OF CHURCHES

### NOTES TO THE FINANCIAL STATEMENTS - continued for the year ended 31 December 2022

#### 17. RELATED PARTY DISCLOSURES

Grants totalling £29,395 (2021: £23,700) were received from, and grants totalling £13,046 (2021: £19,115) were paid to New Life Church Milton Keynes, where Richard Wightman is a Trustee.

Grants totalling £8,222 (2021: £nil) were received from, and grants totalling £27,532 (2021: £16,000) were paid to New Frontiers International Trust Limited, where Richard Wightman is a Trustee.

Grants totalling £13,710 (2021: £20,492) were received from, and grants totalling £16,000 (2021: £12,922) were paid to King's Arms Trust (Bedford), where Roydon Loveley and Simon Holley are Trustees.

Grants totalling £51,405 (2021: £9,960) were received from Jubilee Church, Coventry, where Andrew Simpkins is a Trustee.