

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

REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023
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 2023

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 2023. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

It is a requirement of the Trustees of Catalyst Network of Churches to ensure that the organisation continues to deliver services for public benefit and the trustees have considered the Charity Commission's guidance on that subject. The organisation's charity objects and its principal activities are:

- To advance the Christian faith;
- To relieve persons who are in conditions of need, financial hardship or sickness;
- To further Christian education; and
- To provide or assist in the provision of facilities in the interests of social welfare for recreation or leisure.

The charity operates both in the UK and wider world.

CATALYST NETWORK OF CHURCHES

REPORT OF THE TRUSTEES for the year ended 31 December 2023

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 European Crisis Fund, was established during the 2022 year in 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. 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 £658k. 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.

During the year the Turkey earthquake fund was established in response to the earthquake on the Turkey / Syria border. The purpose of the fund is to provide for those affected by the earthquake either directly through churches we are connected with on the ground or through partner organisations who could bring relief to those most affected. The appeal raised £548k during the year. £253k was distributed and a further £295k remains to be distributed much of which will be used during 2024.

A number of Catalyst churches working together as the Oxford Hub have been supporting church plants and training and equipping leaders, particularly overseas, primarily through a programme of work called "Unreached". This work has grown to be on behalf of the whole of the Catalyst Network. Consequently, we set up a fund within Catalyst pending a full review of the strategic needs and support required to enable this ministry to be fully effective in advancing the Christian faith overseas. £135k came into the fund with £92k expenditure during the year.

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 2023

STRUCTURE, GOVERNANCE AND MANAGEMENT

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. Major risks to which the charity is exposed have been reviewed and systems put in place to mitigate those risks.

Going Concern

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

The Trustees set the reserves policy in line with the guidance issued by the Charities Commission. The policy is reviewed annually as part of our risk management processes. The trustees believe that the charity should hold reserves because it has no endowments and needs to protect itself in the event of unforeseen circumstances to continue its activities; and needs to remain flexible with an ability to maximise future opportunities as they arise.

Catalyst aims to hold a minimum of the equivalent of three month's expenditure as general reserves. As at the year end the general reserves stood at £227k (2022: £222k) and with unrestricted expenditure for the year, including designated expenditure, of £278k, the trustees believe, as noted above, that the charity is adequately complying with its reserves policy.

Fundraising

Whilst the charity does engage in fundraising, this does not form part of the charity's principal activities. The charity neither participates in publicly marketed fundraising events nor in the active soliciting of donations from members of the public. Accordingly, the charity is not registered with the Fundraising Regulator, although the trustees will keep the situation under review.

Financial Review

Total income for the year was £1,048k (2022: £1,765k). Grants were mainly received from churches either as regular or one-off gifts. Donations from individuals were mainly received into the Turkey and Syrian Earthquake appeal fund along with associated gift aid. Further donations were also received in 2023 in respect of the the European Crisis Fund appeal which was first made in 2022 for the situation in Ukraine, supporting a number of churches. Total resources expended amounted to £1,139k (2022: £859k). The increase in expenditure relative to income reflects the fact that much of the Ukraine fund will be expended or distributed over time, as was observed in the previous year's financial statements.

The total net movement in funds in 2023 was net expenditure of £90k (2022: net income of £907k), again a reflection of the funds raised in 2022 for Ukraine, which it is anticipated will be expended or otherwise distributed over the next few years. The net assets of the charity are £1,421k (2022: £1,512k). Of this £1,030k (2022: £1,106k) is restricted and £164k (2022: £184k) is designated.

CATALYST NETWORK OF CHURCHES

REPORT OF THE TRUSTEES for the year ended 31 December 2023

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

08284434 (England and Wales)

Registered Charity number

1150242

Registered office

St Columba's
St Columba's Close
Coventry
CV1 4BX

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

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.

CATALYST NETWORK OF CHURCHES

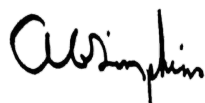
REPORT OF THE TRUSTEES for the year ended 31 December 2023

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

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.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 21 August 2024 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 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

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

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.

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. By definition, the risk of our detection of non-compliance is greater where compliance with a law or regulation is removed from the events and transactions reflected in the financial statements. The risk is also greater regarding irregularities due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

REPORT OF THE INDEPENDENT AUDITORS TO THE 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 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

21 August 2024

CATALYST NETWORK OF CHURCHES

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT) for the year ended 31 December 2023

	Notes	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	4	185,131	787,277	972,408	1,696,694
Charitable activities	6				
Advancement of the Christian Faith		59,670	7,960	67,630	68,205
Investment income	5	1,186	7,232	8,418	550
Total		<u>245,987</u>	<u>802,469</u>	<u>1,048,456</u>	<u>1,765,449</u>
EXPENDITURE ON					
Charitable activities	7				
Advancement of the Christian Faith		<u>277,575</u>	<u>861,314</u>	<u>1,138,889</u>	<u>858,558</u>
NET INCOME/(EXPENDITURE)					
Transfers between funds	16	(31,588) <u>16,653</u>	(58,845) <u>(16,653)</u>	(90,433) <u>-</u>	906,891 <u>-</u>
Net movement in funds		(14,935)	(75,498)	(90,433)	906,891
RECONCILIATION OF FUNDS					
Total funds brought forward		405,886	1,105,622	1,511,508	604,617
TOTAL FUNDS CARRIED FORWARD		<u><u>390,951</u></u>	<u><u>1,030,124</u></u>	<u><u>1,421,075</u></u>	<u><u>1,511,508</u></u>

The notes form part of these financial statements

CATALYST NETWORK OF CHURCHES

BALANCE SHEET 31 December 2023

	Notes	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
CURRENT ASSETS					
Debtors	14	-	10,500	10,500	39,594
Cash at bank and in hand		395,950	1,029,011	1,424,961	1,479,213
		<u>395,950</u>	<u>1,039,511</u>	<u>1,435,461</u>	<u>1,518,807</u>
CREDITORS					
Amounts falling due within one year	15	(5,000)	(9,386)	(14,386)	(7,299)
NET CURRENT ASSETS		<u>390,950</u>	<u>1,030,125</u>	<u>1,421,075</u>	<u>1,511,508</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>390,950</u>	<u>1,030,125</u>	<u>1,421,075</u>	<u>1,511,508</u>
NET ASSETS		<u>390,950</u>	<u>1,030,125</u>	<u>1,421,075</u>	<u>1,511,508</u>
FUNDS	16				
Unrestricted funds:					
General fund				227,015	222,035
Designated funds				163,935	183,851
				<u>390,950</u>	<u>405,886</u>
Restricted funds:					
Festival				3,738	14,303
Support of churches				827	827
Ukraine fund				657,823	989,701
Leadership weekend				-	1,304
Development fund				31,366	59,219
Covid-19 fund				-	7,454
Business redevelopment fund				5,014	32,814
Earthquake Appeal				294,957	-
Oxford Hub				36,400	-
				<u>1,030,125</u>	<u>1,105,622</u>
TOTAL FUNDS				<u>1,421,075</u>	<u>1,511,508</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2023.

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

The notes form part of these financial statements

CATALYST NETWORK OF CHURCHES

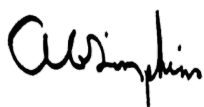
BALANCE SHEET - continued 31 December 2023

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 21 August 2024 and were signed on its behalf by:



Andrew Gordon Simpkins - Trustee

CATALYST NETWORK OF CHURCHES

CASH FLOW STATEMENT for the year ended 31 December 2023

	Notes	2023 £	2022 £
Cash flows from operating activities			
Cash generated from operations	1	(61,976)	874,531
Finance costs paid		(694)	(997)
		<hr/>	<hr/>
Net cash (used in)/provided by operating activities		(62,670)	873,534
		<hr/>	<hr/>
Cash flows from investing activities			
Interest received		8,418	550
		<hr/>	<hr/>
Net cash provided by investing activities		8,418	550
		<hr/>	<hr/>
Change in cash and cash equivalents in the reporting period		(54,252)	874,084
Cash and cash equivalents at the beginning of the reporting period		1,479,213	605,129
		<hr/>	<hr/>
Cash and cash equivalents at the end of the reporting period		1,424,961	1,479,213
		<hr/> <hr/>	<hr/> <hr/>

The notes form part of these financial statements

CATALYST NETWORK OF CHURCHES

NOTES TO THE CASH FLOW STATEMENT for the year ended 31 December 2023

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

	2023 £	2022 £
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(90,433)	906,891
Adjustments for:		
Interest received	(8,418)	(550)
Finance costs	694	997
Decrease/(increase) in debtors	29,094	(39,594)
Increase in creditors	7,087	6,787
Net cash (used in)/provided by operations	(61,976)	874,531

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.23 £	Cash flow £	At 31.12.23 £
Net cash			
Cash at bank and in hand	1,479,213	(54,252)	1,424,961
	<u>1,479,213</u>	<u>(54,252)</u>	<u>1,424,961</u>
Total	<u>1,479,213</u>	<u>(54,252)</u>	<u>1,424,961</u>

The notes form part of these financial statements

CATALYST NETWORK OF CHURCHES

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2023

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

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern and trustees have incorporated any relevant risks into their assumptions underlying the preparation of the budget.

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 is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably.

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.

CATALYST NETWORK OF CHURCHES

NOTES TO THE FINANCIAL STATEMENTS - continued for the year ended 31 December 2023

2. ACCOUNTING POLICIES - continued

Expenditure

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 to which they contribute, on a reasonable, justifiable and consistent basis.

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 considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. As such, it does not have liability to corporation tax in the course of its normal 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.

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.

CATALYST NETWORK OF CHURCHES

NOTES TO THE FINANCIAL STATEMENTS - continued for the year ended 31 December 2023

2. ACCOUNTING POLICIES - continued

Cash at bank and in hand

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.

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

	2023	2022
	£	£
Donations	614,042	1,496,867
Grants	358,366	199,827
	<u>972,408</u>	<u>1,696,694</u>

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

	2023	2022
	£	£
New Life Church, Milton Keynes	7,510	12,291
New Frontiers International Trust Limited	-	8,222
King's Arms Trust, Bedford	9,080	13,710
Jubilee Church, Coventry	9,960	51,405
Emmanuel Church, Oxford	67,883	-
Other grants	263,933	114,199
	<u>358,366</u>	<u>199,827</u>

CATALYST NETWORK OF CHURCHES

NOTES TO THE FINANCIAL STATEMENTS - continued for the year ended 31 December 2023

5. INVESTMENT INCOME

	2023	2022
	£	£
Deposit account interest	<u>8,418</u>	<u>550</u>

6. INCOME FROM CHARITABLE ACTIVITIES

	2023	2022
	£	£
Charitable activities	<u>67,630</u>	<u>68,205</u>

7. CHARITABLE ACTIVITIES COSTS

	Grant funding of activities (see note 8)	Support costs (see note 9)	Totals
	£	£	£
Advancement of the Christian Faith	<u>996,834</u>	<u>142,055</u>	<u>1,138,889</u>

8. GRANTS PAYABLE

	2023	2022
	£	£
Advancement of the Christian Faith	<u>996,834</u>	<u>748,343</u>
The total grants paid to institutions during the year was as follows:		
	2023	2022
	£	£
Support of churches	<u>994,834</u>	<u>746,743</u>

9. SUPPORT COSTS

	Management	Information technology	Governance costs	Totals
	£	£	£	£
Advancement of the Christian Faith	<u>132,244</u>	<u>3,158</u>	<u>6,653</u>	<u>142,055</u>

CATALYST NETWORK OF CHURCHES

NOTES TO THE FINANCIAL STATEMENTS - continued for the year ended 31 December 2023

9. SUPPORT COSTS - continued

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

	2023 Advancement of the Christian Faith £	2022 Total activities £
Wages and salaries	51,522	72,405
Pensions	2,146	1,272
Travel	30,601	11,771
Support and other office costs	47,281	14,493
Interest payable and similar charges	694	997
IT and computer costs	3,158	2,039
Auditors' remuneration	5,000	4,000
Legal and professional fees	1,653	3,238
	<u>142,055</u>	<u>110,215</u>

10. NET INCOME/(EXPENDITURE)

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

	2023 £	2022 £
Auditors' remuneration	<u>5,000</u>	<u>4,000</u>

11. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2023 nor for the year ended 31 December 2022.

Trustees' expenses

During the year, expenses incurred on behalf of the charity to the value of £nil (2022: £nil) were reimbursed to trustees in the year.

During the year, trustees donated £750 (2022: £nil) to the charity.

CATALYST NETWORK OF CHURCHES

NOTES TO THE FINANCIAL STATEMENTS - continued for the year ended 31 December 2023

12. STAFF COSTS

	2023	2022
	£	£
Wages and salaries	51,522	72,405
Other pension costs	2,146	1,272
	<u>53,668</u>	<u>73,677</u>

Staff expenditure in the year in respect of social security costs was £nil (2022: £nil).

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

	2023	2022
Central operations	<u>4</u>	<u>2</u>

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

13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

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

CATALYST NETWORK OF CHURCHES

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 December 2023

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Other debtors	10,500	39,594

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Accruals and deferred income	14,386	7,299

16. MOVEMENT IN FUNDS

	At 1.1.23 £	Net movement in funds £	Transfers between funds £	At 31.12.23 £
Unrestricted funds				
General fund	222,035	41,036	(36,056)	227,015
Designated funds	183,851	(72,625)	52,709	163,935
	405,886	(31,589)	16,653	390,950
Restricted funds				
Festival	14,303	(10,565)	-	3,738
Support of churches	827	-	-	827
Ukraine fund	989,701	(331,878)	-	657,823
Leadership weekend	1,304	(1,304)	-	-
Development fund	59,219	(24,354)	(3,499)	31,366
Covid-19 fund	7,454	-	(7,454)	-
Business redevelopment fund	32,814	(27,800)	-	5,014
Earthquake Appeal	-	294,957	-	294,957
Oxford Hub	-	42,100	(5,700)	36,400
	1,105,622	(58,844)	(16,653)	1,030,125
TOTAL FUNDS	1,511,508	(90,433)	-	1,421,075

CATALYST NETWORK OF CHURCHES

NOTES TO THE FINANCIAL STATEMENTS - continued for the year ended 31 December 2023

16. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	149,389	(108,353)	41,036
Designated funds	96,597	(169,222)	(72,625)
	<u>245,986</u>	<u>(277,575)</u>	<u>(31,589)</u>
Restricted funds			
Festival	5,439	(16,004)	(10,565)
Support of churches	46,594	(46,594)	-
Ukraine fund	61,733	(393,611)	(331,878)
Leadership weekend	-	(1,304)	(1,304)
Development fund	-	(24,354)	(24,354)
Business redevelopment fund	5,750	(33,550)	(27,800)
Earthquake Appeal	548,419	(253,462)	294,957
Oxford Hub	134,535	(92,435)	42,100
	<u>802,470</u>	<u>(861,314)</u>	<u>(58,844)</u>
TOTAL FUNDS	<u><u>1,048,456</u></u>	<u><u>(1,138,889)</u></u>	<u><u>(90,433)</u></u>

Comparatives for movement in funds

	At 1.1.22 £	Net movement in funds £	Transfers between funds £	At 31.12.22 £
Unrestricted funds				
General fund	246,870	55,665	(80,500)	222,035
Designated funds	199,614	(64,474)	48,711	183,851
	<u>446,484</u>	<u>(8,809)</u>	<u>(31,789)</u>	<u>405,886</u>
Restricted funds				
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	43,766	(40,952)	30,000	32,814
	<u>158,133</u>	<u>915,700</u>	<u>31,789</u>	<u>1,105,622</u>
TOTAL FUNDS	<u><u>604,617</u></u>	<u><u>906,891</u></u>	<u><u>-</u></u>	<u><u>1,511,508</u></u>

CATALYST NETWORK OF CHURCHES

NOTES TO THE FINANCIAL STATEMENTS - continued for the year ended 31 December 2023

16. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	144,555	(88,890)	55,665
Designated funds	57,517	(121,991)	(64,474)
	<hr/> 202,072	<hr/> (210,881)	<hr/> (8,809)
Restricted funds			
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	200	(41,152)	(40,952)
	<hr/> 1,563,377	<hr/> (647,677)	<hr/> 915,700
TOTAL FUNDS	<hr/> <hr/> 1,765,449	<hr/> <hr/> (858,558)	<hr/> <hr/> 906,891

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 2023

16. MOVEMENT IN FUNDS - continued

Earthquake Appeal: These funds are to provide support and relief to those affected by the 2023 Earthquake in the Turkey / Syria border area.

Oxford Hub: These funds are working in partnership with a group of Catalyst churches to provide church planting support and to equip and train leaders.

17. EMPLOYEE BENEFIT OBLIGATIONS

The charitable company makes contributions to defined contribution personal pension plans for the employees whereby payments are made to an insurance company independent from the finances of the charitable company. Contributions are charged to the statement of financial activities as and when incurred. The charge for the year was £2,146 (2022: £1,272). At 31 December 2023 and 31 December 2022 there were no prepaid or outstanding contributions due.

18. RELATED PARTY DISCLOSURES

Grants totalling £nil (2022: £8,222) were received from, and grants totalling £27,500 (2022: £27,532) were paid to New Frontiers International Trust Limited, where Richard Wightman is a Trustee.

Grants totalling £9,080 (2022: £13,710) were received from, and grants totalling £13,650 (2022: £16,000) were paid to King's Arms Trust (Bedford), where Roydon Loveley and Simon Holley are Trustees.

Grants totalling £9,960 (2022: £51,405) were received from Jubilee Church, Coventry, where Andrew Simpkins is a Trustee.

Grants totalling £12,291 were received from, and grants totalling £12,522 were paid to New Life Church Milton Keynes in 2022, where Richard Wightman was a Trustee up to July 2022.

Key management:

Key management are considered to be the Trustees' whose remuneration is disclosed in the preceding notes to these financial statements.

CATALYST NETWORK OF CHURCHES

DETAILED STATEMENT OF FINANCIAL ACTIVITIES for the year ended 31 December 2023

	2023 £	2022 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	614,042	1,496,867
Grants	358,366	199,827
	972,408	1,696,694
Investment income		
Deposit account interest	8,418	550
Charitable activities		
Charitable activities	67,630	68,205
Total incoming resources	1,048,456	1,765,449
EXPENDITURE		
Charitable activities		
Grants to institutions	994,834	746,743
Grants to individuals	2,000	1,600
	996,834	748,343
Support costs		
Management		
Wages and salaries	51,522	72,405
Pensions	2,146	1,272
Travel	30,601	11,771
Support and other office costs	47,281	14,493
Finance costs	694	997
	132,244	100,938
Information technology		
IT and computer costs	3,158	2,039
Governance costs		
Auditors' remuneration	5,000	4,000
Legal and professional fees	1,653	3,238
	6,653	7,238
Total resources expended	1,138,889	858,558
Net (expenditure)/income	(90,433)	906,891

This page does not form part of the statutory financial statements