

EMMANUEL EVANGELICAL CHURCH
(Charitable Incorporated Organisation)

CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

Registered Charity No:

1154866

EMMANUEL EVANGELICAL CHURCH
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

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EMMANUEL EVANGELICAL CHURCH
REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 DECEMBER 2022

Charity number:	1154866
Registered address and principal office:	9 – 23 Marsham Street London SW1P 3DW
Chairman:	Senior Pastor Peter Yee Kong Loo
Treasurer:	Mr Andy Tham
Other Council Members:	Mr Robert Prosper Ms Francesca Hammond Mr Patrick Pope Mr Richard Hindley Ms Olufunmilayo Olakitan
Auditors:	Geary Partnership Chartered Accountants 159a Chase Side Enfield Middlesex EN2 0PW
Bankers:	Barclays Bank PLC P.O.Box 15163H 50 Pall Mall London SW1Y 5AX

EMMANUEL EVANGELICAL CHURCH
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2022

The Trustees present their report and the audited financial statements of the Church for the year ended 31 December 2022.

The financial statements have been prepared in accordance with the accounting policies on pages 13 and 14 and comply with the Church's Constitution, applicable law and the Statement of Recommended Practice "Accounting and Reporting by Charities".

Reference and administrative information set out on page 1 forms part of this report.

Board of Trustees

Throughout this report the members of the Board of Trustees are collectively referred to as the Trustees. The Trustees are responsible as a body for governance, policy implementation, monitoring of general conduct, overall performance, and for reporting to the membership at general meetings. The Trustees delegate operational management of the Church to the Senior Pastor.

The Trustees who served during the year, who are also Church Council members, were as follows:

Chairman:	Senior Pastor Peter Yee Kong Loo
Treasurer:	Mr Andy Tham (re-appointed 14 Nov 2021)
Other Council Members:	Mr Robert Prosper (re-appointed 14 Nov 2021) Ms Francesca Hammond (re-appointed 14 Nov 2021) Mr Benjamin Cheong (resigned 14 Nov 2021) Mr Patrick Pope Mr Richard Hindley Ms Olufunmilayo Olakitan (appointed 13 Nov 2022)

Structure, governance and management

Governing document

The Church is a registered charity and is governed by its Constitution adopted on 24 May 1990 and revised on 23 March 1997, 21 August 2002, 4 July 2011 and 14 July 2013. Its former registered number was 803024. The Church now operates as a Charitable Incorporated Organisation. Its registered number is now 1154866.

Structure

The Church Council constitutes the governing body of the Church. Its voting members are the legal Trustees of the Church, who are appointed by the Council and endorsed by members of the congregation either at the Church Annual General Meeting or at an Extraordinary General Meeting. Their appointments and endorsements are prescribed in the Church Constitution.

Governance

The Council Members are responsible for overall policies and ensure the Charity operates within its objectives. They delegate to the Senior Pastor and his staff teams the vision of the Church and the daily operations. A Finance and Administration Committee (F & A) assists the Treasurer in managing the finances of the church. EEC Trading Limited was incorporated on 12 Nov 2015 with the purpose of running the business of Emmanuel Centres of Westminster and Edgware. EEC Trading Limited has directors who are Council Members of Emmanuel Evangelical Church (EEC). Further responsibilities for the operation of the Emmanuel Centres at Westminster and Edgware were transferred from EEC CIO to EEC Trading Ltd during 2017. An Honorary Chief Operating Officer (COO), who is a Church member, was appointed in July 2017 to oversee EEC Trading Limited. The COO is accountable to the directors of EEC Trading Limited.

The F & A Committee is responsible for managing the finances of the Church and is directly accountable to the Church Council. It sets and reviews staff salaries in consultation with the Treasurer and the Senior Pastor except that of the Senior Pastor whose salary is set by the Council. Through the Treasurer who also serves as its Chairman, it submits the annual accounts and budgets for the approval of the Church Council and presentation to the members at a general meeting.

EMMANUEL EVANGELICAL CHURCH

REPORT OF THE TRUSTEES, continued FOR THE YEAR ENDED 31 DECEMBER 2022

Structure, governance and management, continued

Appointment of Trustees

A potential Trustee normally goes through a period of training as a non-voting observer in the Council. The Council then decides his or her suitability to serve in the Council, and his or her appointment to the Council is then endorsed at a General Meeting of the Church.

Trustee induction and training

New Trustees take part in an induction process, which provides them with a briefing and information on their legal obligations under charity and company law, the content of the Church constitution, committee structure of the Board and its decision making process. In addition, new Trustees are given the opportunity to meet with staff, members of the Church and other Trustees as part of the orientation.

Organisation

The Board of Trustees meets at least six times per year as a full Board. During the year they address the following areas: governance, strategy and resources.

The staff team meets weekly for prayer, planning and implementing the vision of the Church. Once a month, the staff dedicate half a day in prayer and intercession for the Church.

Risk management

The Finance and Administration Committee is constantly reviewing procedures for evaluating the risks associated with the Church operating plan activities, and also reviews annually all insurances, office, fire and general safety, as well as the terms and conditions of employment of staff.

Risk management in the ministries undertaken by the Church is delegated to the Senior Pastor and his staff team. They have established procedures for child protection. All workers amongst children and youth are DBS checked before they commence their ministry. Most staff members are also trained in first aid and fire safety procedures.

Objectives and activities

The purpose of the Church is to advance the Christian faith by the publication and proclamation of the Gospel of the Grace of God as revealed in Holy Scripture in order to extend the Christian faith in London and beyond.

The Church has a wholly-owned subsidiary, EEC Trading Limited, whose principal activity is the provision of conference facilities and related catering services. The annual profits of the subsidiary are paid to the Church where finances permit.

Mission Statement

Emmanuel Evangelical Church is a cell-based church, committed to maturing believers who obey the Great Commandment (Matt 22:37-38) and fulfil the Great Commission (Matt 28:18-20).

In line with our Mission Statement, and our identity as a “cell-based church”, we aim to develop a strong leadership base.

EMMANUEL EVANGELICAL CHURCH

REPORT OF THE TRUSTEES, continued FOR THE YEAR ENDED 31 DECEMBER 2022

Achievements and performance

Overall

The year started off with covid signage being removed and normality gradually returns though things will not be the same again as people are used to using online over meetings and many started to work from home. Apart from providing online services for the vulnerable, Sunday zoom services also proved to be instrumental in helping seekers to check us out before coming in person to our church.

The Covid-19 fund set up in 2020 continued to be used to help our members or friends of our members who are suffering financial hardship.

The Church began the year with a watchnight service over zoom. We continued over 2022 with our vision of 'Enjoying God, Loving People' accompanied by our four values – a Lifestyle of Worship, Making Disciples, Authentic Relationships and Impacting Community.

At the end of 2022, the membership of the Church stood at 360 and 6 people were baptised during the year. There were 42 professions of faith in total which happened mainly in the streets of London.

23 Life Groups, dispersed throughout the city, continued to function online with innovative ways of encouragement, applying the Bible and meeting our social and emotional needs. They were also involved in reaching out to their pre-Christian friends (evangelism) and in nurturing and building up believers (discipleship). The Life Groups remain crucial building blocks for a healthy church.

EEC is a church which 'invests' in young lives. The Church employs 2 part time staff members dedicated to looking after the children's ministry (4 - 12 years) in both churches. The vacant position of the Head of Youth for Westminster was taken over by the Senior Pastor's wife who worked in an honorary basis. 17 youths were able to spend 4 days in Teenstreet organised by OM.

EEC has a passionate concern for the local community in Westminster. One staff member is assigned to run community activities, including Coffee Morning (for toddlers and their parents) and Homework Club (for children 8 – 12 years). We also run on Friday afternoons a programme to bring community youth together in Westminster.

While in Edgware, a table tennis group and a knitting group continued to bring the community together with opportunities to share the gospel.

We also care for the inner spiritual lives of the members and a staff member is dedicated to run a team of volunteers to pray and minister inner healing to members of the Church who identify their need for prayer into areas in their lives. We also offer wellbeing support to the community through prayer. We give training to members as to how to remain emotionally and spiritually healthy. During the pandemic, prayer and ministry happened over zoom.

The Holy Spirit evening continues as a weekly online event. The Family and Singles Ministry continue to run regularly.

The boiler system broke down over two months during December 2021 and January 2022 and by the grace of God we managed to source alternative heating supplies to support the church services and the hire of the Westminster building. It does highlight the need for a new heating system to be installed at some point to meet the Government's plan for carbon reduction and also to replace an obsolescent heating system and infrastructure.

We managed to complete successfully the scheduled 2 phases out of a total of 3 phases to repair the roof of the Westminster building. Phase 3 is scheduled to be executed in 2023.

The Church held a twice-yearly online 24-hour prayer weekend over zoom.

Over Easter weekend, Apostle Antoinette Atkinson ministered over zoom while David Elms from ICEJ demonstrated the significance of the Passover.

EMMANUEL EVANGELICAL CHURCH

REPORT OF THE TRUSTEES, continued FOR THE YEAR ENDED 31 DECEMBER 2022

Achievements and performance, continued

We had 4 sessions on Apologetics for the Emmanuel School of Ministry.

A bishop from Iraq also shared about the church in the Middle East.

A team visits the homeless in Westminster every fortnight and additionally, we also have members involved in the Street Pastors that ministered twice a month in the Westminster area. Over Christmas, the Westminster Community Gospel Choir had an evening of carol singing and there was a large turnout from the community and Londoners.

During summer, we took part with the Outbreak group to host a week of summer activities opened for the children of the local community. The parents were very grateful for this. In the Westminster area, we were able to host a tea party in a nearby Old Folks' Home as well as hosting a Queen's Jubilee tea party with over 40 from the community attending. In both churches, Healing on the Streets and outreach continued to be run fortnightly.

A hospitality team continued to serve in our Sunday services in both churches giving a warm welcome to first timers with a cup of beverage and biscuits.

We are thankful to God that we slowly climb out of the pandemic. The Church by and large continues to tithe and give faithfully. As a church, we are able to continue to give 10% of its income to missions and crisis relief.

We partnered amongst many Christian organisations such as Harvest Ministries in India, Hope Ghana, CMCT (India), International China Concern, Operation Mobilisation and churches that share the same vision in the areas of evangelism, and prayer for the Government and nation.

Emmanuel Centre was able to ramp up the hire of the Centre for conferences and meetings.

Looking ahead: Plans for 2023

The Church will continue to fulfil our church vision which is 'Enjoying God, Loving People' with the emphasis on Making Disciples.

Mentoring and raising leaders will continue within the Life Groups as well as understanding how to raise up disciple makers.

We will be revamping the Spiritual Parenting Training.

Life Groups will continue to be the main focal point for evangelism and spiritual nurture.

We plan to commission Richard Hindley as a bi-vocational pastor.

Youths will be encouraged to participate in the OM Teen Street held in Herefordshire over summer.

The 'Walk Through the Bible' ministry will also be invited to minister in our Sunday service.

We plan to send a team to visit CMCT, a charity in India, in the winter of 2023. Pastors Peter and Saw Lan with Su Jen are also scheduled to take part in a one week mission journey with the ship Logos Hope to experience mission life on board of the ship and OM Ministries in the Middle East.

The Church will continue to support members and the community in the light of high inflation and very possibly financial hardship.

The centre in Westminster will be used as a resource centre supporting Christian work and serving as a conference centre.

The final phase of roof repair for the Westminster church building is scheduled for execution in the summer months.

EMMANUEL EVANGELICAL CHURCH
REPORT OF THE TRUSTEES, continued
FOR THE YEAR ENDED 31 DECEMBER 2022

Financial overview

The Church reports a surplus for the financial year of £746,984 compared to a deficit of £24,464 reported in the previous financial year. The surplus of £746,984 includes a gain on revaluation of our Edgware church building of £546,779.

The principal sources of income and related expenditure in the year are shown in the Statement of Financial Activities and the notes included in the following accounts.

Reserves policy

The policy of the Trustees is to maintain sufficient liquid reserves to enable the future development and expansion of the ministries of the Church and to provide for on-going maintenance of the Church's freehold and leasehold properties through its annual budgeting process.

Fundraising

The Church does not solicit funds other than by appealing to members and attendees to honour the principles of giving set out in the Bible, and by charging third parties for use of our premises and facilities at normal commercial rates. The Church is subject to The Charities (Protection and Social Investment) Act 2016 in this respect. The Church does not utilise the services of recognised fundraisers. There have been no complaints received by the Church during the year in connection with fundraising. The ministerial and pastoral staff ensure, through supervision of offerings and review of records of monies received, that vulnerable people are protected.

Risk and internal control

The Trustees systematically review and assess the risks the Church faces, and the potential impact they may have on the organisation. Throughout 2022, Church giving has been affected by the economic uncertainty in the country. The Trustees have consistently identified the level of giving as one of the organisation's secondary risks, and this issue has been closely monitored and addressed by the Church Finance & Administration Committee.

The Trustees and Finance & Administration Committee co-own the risk register, which operates as a working document.

Going Concern

After considering the following areas, the Trustees believe the church has adequate financial resources to continue its operations for the foreseeable future:

- the 2022 financial performance
- our reserves policy
- budget and cash flow projections through to December 2023.

Statement on public benefit

The Trustees confirm that they have complied with the duty in section 4 of the Charities Act 2006 to have due regard to the Charity Commission's general guidance on public benefit, "Charities and Public Benefit".

The Church's charitable purpose as enshrined in its objects is to advance the Christian faith by the publication and proclamation of the Gospel of the Grace of God as revealed in Holy Scripture in order to extend the Christian faith in London and beyond.

The Trustees ensure that this purpose is carried out for the public benefit through planning and monitoring activities by reference to the Church vision and strategy.

The structure of the Annual Report allows the Trustees to report on the progress of implementing the strategy, explaining activities and achievements during the year and the Church's plans for 2023.

EMMANUEL EVANGELICAL CHURCH

REPORT OF THE TRUSTEES, continued FOR THE YEAR ENDED 31 DECEMBER 2022

Responsibilities of the Trustees regarding the financial statements

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales 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 Church and of its incoming resources and application of resources 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 of the Charities Statement of Recommended Practice 'Accounting and Reporting by Charities';
- * 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; and
- * prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Church will continue in existence.

The Trustees are responsible for keeping proper accounting records which are sufficient to show and explain the Church's transactions and to disclose with reasonable accuracy at any time the financial position of the Church and to enable them to ensure that any statements of account comply with the requirements of the Church Constitution, the Charities Act 2011, and the Charity (Accounts and Reports) Regulations 2008. The Trustees are also responsible for safeguarding the assets of the Church and hence for taking reasonable steps to prevent and detect fraud and other irregularities.

Disclosure of information to auditors

So far as the Trustees are aware, there is no relevant audit information of which the auditors are unaware. The Trustees have taken all necessary steps to ensure that they themselves are aware of all relevant audit information and that this information has been communicated to the auditors.

Auditors

A resolution to reappoint Geary Partnership as auditors of Emmanuel Evangelical Church will be put to members at the forthcoming Annual General Meeting.

Approved by the Board of Trustees and signed on their behalf by:



**Pastor Peter Y K Loo
Chairman of the Council**

Date: 21/10/2023

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF EMMANUEL EVANGELICAL CHURCH

Opinion

We have audited the financial statements of Emmanuel Evangelical Church ('the parent charity') and its subsidiaries (the 'group') for the year ended 31 December 2022 which comprise the Consolidated Statement of Financial Activities, the Balance Sheet, the Consolidated Statement of Cash Flows, and 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 Financial Reporting Standard 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 group's and parent charity's affairs as at 31 December 2022, and of the group's incoming resources and application of resources 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 Charities Act 2011.

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 group and parent 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 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 group and parent 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 Trustees' 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, to 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.

Matters on which we are required to report by exception

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

- the information given in the financial statements is inconsistent in any material respect with the Trustees' Report; or
- sufficient accounting records have not been kept; or
- the parent charity's 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.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF EMMANUEL EVANGELICAL CHURCH, continued

Responsibilities of Trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 7, the Trustees are responsible for the preparation of 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 group and parent 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 group or the parent charity 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 151 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Procedures capable of detecting such irregularities performed during our audit included:

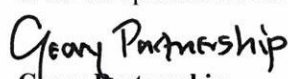
- tests to ensure all bank transactions have been accounted for;
- examination of offerings records, invoices and donor correspondence to ensure that income is fully recorded;
- verification of legitimacy of expenditure by reference to invoices, statements, and correspondence;
- examination of title records to ensure assets have not been misappropriated;
- tests of analysis to satisfy ourselves that ledger balances are reasonable and in line with expectations.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring 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 provided on the Financial Reporting Council's website at www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor%E2%80%99s-responsibilities-for. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity'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 charity's 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 charity and the charity's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.


Geary Partnership
Statutory Auditor
Chartered Accountants
159a Chase Side
Enfield EN2 0PW

Date: **24 October 2023**

Geary Partnership is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

EMMANUEL EVANGELICAL CHURCH

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2022

	Unrestricted funds £	Restricted funds £	Revaluation reserve £	Total funds 2022 £	Total funds 2021 £
INCOME AND EXPENDITURE					
Income from:					
Donations and legacies (Note 2a)	662,543	15,818	-	678,361	663,064
Other operating activities (Note 2b)	846,846	-	-	846,846	319,444
Investments (Note 2c)	109	-	-	109	61
Grants (Note 2d)	-	-	-	-	119,523
Total Income	1,509,498	15,818	-	1,525,316	1,102,092
Expenditure on:					
Raising funds (Note 3a)	451,474	-	-	451,474	274,471
Charitable activities (Note 3b)	738,324	97,664	-	835,988	852,085
Total Expenditure	1,189,798	97,664	-	1,287,462	1,126,556
Net Income/(Expenditure) before Taxation and Transfers	319,700	(81,846)	-	237,854	(24,464)
Taxation (note 4)	(37,649)	-	-	(37,649)	-
Transfers between funds (notes 11 and 12)	19,473	70,000	(89,473)	-	-
Net Income/(Expenditure) for the year	£301,524	£(11,846)	£(89,473)	£200,205	£(24,464)
Other recognised gains/(losses)					
Gain on revaluation of fixed assets	-	-	546,779	546,779	-
Net Movement in Funds	£301,524	£(11,846)	£457,306	£746,984	£(24,464)
RECONCILIATION OF FUNDS					
Total Funds brought forward at 1 January 2022	5,010,669	102,976	8,768,355	13,882,000	13,906,464
Total Funds carried forward at 31 December 2022	£5,312,193	£91,130	£9,225,661	£14,628,984	£13,882,000

EMMANUEL EVANGELICAL CHURCH

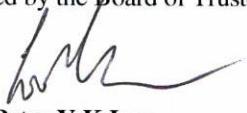
CONSOLIDATED BALANCE SHEET AT 31 DECEMBER 2022


	2022		2021	
	Group £	Church £	Group £	Church £
Fixed assets				
Tangible fixed assets (note 6)	14,680,004	14,677,665	14,232,797	14,225,633
Investments (note 7)	-	2	-	2
	-----	-----	-----	-----
	14,680,004	14,677,667	14,232,797	14,225,635
	-----	-----	-----	-----
Current assets				
Debtors (note 8)	121,903	162,209	91,527	203,412
Cash at bank and in hand	795,007	452,118	545,758	360,683
	-----	-----	-----	-----
	916,910	614,327	637,285	564,095
	-----	-----	-----	-----
Creditors: amounts falling due within one year (note 9)				
Creditors and accrued expenditure	(175,059)	(68,595)	(159,685)	(96,586)
	-----	-----	-----	-----
Net current assets	741,851	545,732	477,600	467,509
	-----	-----	-----	-----
Total assets less current liabilities	15,421,855	15,223,399	14,710,397	14,693,144
	-----	-----	-----	-----
Creditors: amounts falling due after more than one year (note 10)	(792,427)	(764,623)	(828,397)	(790,897)
	-----	-----	-----	-----
Provisions for liabilities				
Deferred tax	(444)	-	-	-
	-----	-----	-----	-----
Net assets	£14,628,984	£14,458,776	£13,882,000	£13,902,247
	-----	-----	-----	-----
Funds				
Unrestricted funds:				
General fund	5,312,193	5,141,985	5,010,669	5,030,916
Revaluation reserve (note 11)	9,225,661	9,225,661	8,768,355	8,768,355
	-----	-----	-----	-----
	14,537,854	14,367,646	13,779,024	13,799,271
	-----	-----	-----	-----
Restricted funds (note 12)	91,130	91,130	102,976	102,976
	-----	-----	-----	-----
	£14,628,984	£14,458,776	£13,882,000	£13,902,247
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Approved by the Board of Trustees on

21/10/2023

and signed on their behalf by:


Pastor Peter Y K Loo
Trustee


Mr Andy Tham
Trustee

EMMANUEL EVANGELICAL CHURCH

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022 £	2021 £
Net cash provided by operating activities	14	401,111	267,494
		-----	-----
Cash flows from investing activities:			
(Purchase) of fixtures, fittings and equipment		(86,129)	(4,260)
		-----	-----
Cash (used in) investing activities		(86,129)	(4,260)
		-----	-----
Cash flows from financing activities			
(Repayment) of bank borrowings and HP finance		(65,733)	(51,421)
		-----	-----
Cash (used in) financing activities		(65,733)	(51,421)
		-----	-----
Increase in cash and cash equivalents in the year		249,249	211,813
Cash and cash equivalents at the beginning of the year		545,758	333,945
		-----	-----
Total cash and cash equivalents at the end of the year		£795,007	£545,758
		-----	-----

EMMANUEL EVANGELICAL CHURCH
NOTES TO THE CONSOLIDATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2022

1. Accounting Policies

a). Basis of accounting

The financial statements have been prepared under the historical cost convention as modified by the revaluation of freehold and long leasehold property, and in accordance with the Statement of Recommended Practice (SORP) "Accounting and reporting by Charities" preparing their accounts in accordance with Financial Reporting Standard 102 and the Charities Act 2011.

The Trustees have prepared group accounts in accordance with section 138 of the Charities Act 2011. The group accounts consolidate those of Emmanuel Evangelical Church and its subsidiary undertaking EEC Trading Limited (see note 7). A separate Statement of Financial Activities for the Church has not been presented.

b). Income recognition

Tithes and offerings are accounted for when received by the Church. Other income is accounted for on an accruals basis as far as it is prudent to do so.

c). Grants

Grants are recognised as income in the financial statements in the period in which they become receivable when there is reasonable assurance that the grants will be received and the Church will comply with any conditions attaching to them.

d). Recognition of liabilities

Accrued expenditure has been taken up in the accounts at the financial year end.

e). Fixed assets, depreciation, and amortisation

Depreciation is provided at the following annual rates, calculated to reduce the book value of the assets concerned to estimated residual value over their useful working lives:

Freehold property and improvements – 1% on valuation

Long leasehold property – 1% on valuation

Fixtures, fittings and equipment:

Fixtures, fittings and PA equipment - 15% on cost

Kitchen and catering appliances – 25% on cost

Office and computer equipment – between 15% and 33% on cost

f). Funds

Unrestricted funds are funds that have not been restricted as to their use by donors. The principal unrestricted fund is the general fund which holds those reserves of the Church which have not been designated for a particular use by the Trustees.

Designated funds are unrestricted funds that have been designated for a particular use by the Trustees.

The revaluation reserve is also part of unrestricted funds. It represents the uplift in value when the Church's freehold property was restated in the balance sheet following a professional valuation.

Restricted funds are funds that have been restricted as to their use by donors.

EMMANUEL EVANGELICAL CHURCH

NOTES TO THE CONSOLIDATED ACCOUNTS, continued FOR THE YEAR ENDED 31 DECEMBER 2022

1. Accounting Policies, continued

g). Pension contributions

The church makes regular contributions towards the personal pension plans of its employees in compliance with the workplace pension regulations. Contributions are charged to staff costs as incurred.

h). Taxation

As a registered charity, the Church is generally exempt from income tax and capital gains tax, but not from value added tax. Irrecoverable value added tax is included in the cost of those items to which it relates.

2. Income

	Unrestricted funds £	Restricted funds £	Total funds 2022 £	Total funds 2021 £
a. Donations and legacies				
Tithes and offerings	576,363	14,213	590,576	572,914
Tax recoveries	86,180	1,605	87,785	90,150
	£662,543	£15,818	£678,361	£663,064
b. Other operating activities				
Rent and facility charges receivable	837,719	-	837,719	317,831
Other income	9,127	-	9,127	1,613
	£846,846	-	£846,846	£319,444
c. Investments				
Interest receivable	£109	-	£109	£61
d. Grants				
Job Retention Scheme grants	-	-	-	£119,523

EMMANUEL EVANGELICAL CHURCH

NOTES TO THE CONSOLIDATED ACCOUNTS, continued FOR THE YEAR ENDED 31 DECEMBER 2022

3. Expenditure

	Unrestricted funds £	Restricted funds £	Total funds 2022 £	Total funds 2021 £
a. Raising funds				
Staff costs	285,510	-	285,510	86,404
Rent and events costs	152,095	-	152,095	174,413
Depreciation/amortisation	13,869	-	13,869	13,654
	£451,474	-	£451,474	£274,471
b. Charitable activities				
Pastoral staff costs	372,360	-	372,360	388,125
Other staff costs	41,373	-	41,373	43,125
Mission and relief	-	92,014	92,014	92,463
Office overheads	18,727	-	18,727	5,643
Upkeep of premises	21,024	-	21,024	24,132
Depreciation/amortisation	171,832	-	171,832	211,545
Gifts and honoraria	11,380	5,650	17,030	9,340
Interest payable on mortgage loan	26,154	-	26,154	19,286
Other expenditure	71,474	-	71,474	54,426
	734,324	97,664	831,988	848,085
Governance costs				
Auditors' remuneration	4,000	-	4,000	4,000
	£738,324	£97,664	£835,988	£852,085
c. Support costs (included above)				
	Raising funds £	Charitable activities £	Total 2022 £	Total 2021 £
Staff costs	-	413,733	413,733	431,250
Office overheads	-	18,727	18,727	5,643
Upkeep of premises	-	21,024	21,024	24,132
Depreciation/amortisation	13,869	171,832	185,701	225,199
Interest payable on mortgage loan	-	26,154	26,154	19,286
Governance costs	-	4,000	4,000	4,000
Other expenditure	-	71,474	71,474	54,426
	£13,869	£726,944	£740,813	£763,936

EMMANUEL EVANGELICAL CHURCH

NOTES TO THE CONSOLIDATED ACCOUNTS, continued FOR THE YEAR ENDED 31 DECEMBER 2022

3. Expenditure, continued

d. Employees

	2022	2021
The average number of employees during the year was:		
Management and administration of the Charity	29	28
	----	----
Number of staff for whom retirement benefits are accruing under money purchase pension schemes	22	18
	----	----
Staff Costs:	£	£
Staff and helpers	586,649	426,126
Employer's NI contributions	51,924	33,317
Pension contributions	60,670	58,212
	-----	-----
	£699,243	£517,655
	-----	-----

No employees earned £60,000 p.a. or more.

4. Taxation

	2022	2021
	£	£
Corporation tax charge on the profit for the year of the Church's trading subsidiary @ 19% (see note 7)	£37,649	-
	-----	-----

The above charge to taxation will reverse following a charitable payment of profits of £195,817 from the trading subsidiary to the Church on 14 September 2023.

5. Church results

The Church has taken advantage of the exemption from including its own income and expenditure account in these financial statements. The results of Emmanuel Evangelical Church are summarised below:

	2022	2021
	£	£
Total income	857,597	767,157
Total expenditure	(847,847)	(879,469)
	-----	-----
Net income/(expenditure)	9,750	(112,312)
Gain on revaluation of fixed assets	546,779	-
	-----	-----
Net incoming/(outgoing) resources for the year	£556,529	£(112,312)
	-----	-----

EMMANUEL EVANGELICAL CHURCH

NOTES TO THE CONSOLIDATED ACCOUNTS, continued FOR THE YEAR ENDED 31 DECEMBER 2022

6. Tangible Fixed Assets

Group	Freehold property and improvements £	Long leasehold property £	Fixtures fittings and equipment £	Total £
Cost or valuation				
Balance at 01.01.2022	12,784,715	1,600,000	1,429,527	15,814,242
Additions	64,726	-	21,403	86,129
Uplift on revaluation (see below)	490,284	-	-	490,284
Balance at 31.12.2022	£13,339,725	£1,600,000	£1,450,930	£16,390,655
Depreciation/amortisation				
Balance at 01.01.2022	255,694	32,000	1,293,751	1,581,445
Charge for the year	100,247	16,000	69,454	185,701
Released on revaluation (see below)	(56,495)	-	-	(56,495)
Balance at 31.12.2022	£299,446	£48,000	£1,363,205	£1,710,651
Net Book Value at 31.12.2022	£13,040,279	£1,552,000	£87,725	£14,680,004
Net Book Value at 31.12.2021	£12,529,021	£1,568,000	£135,776	£14,232,797

Church	Freehold property and improvements £	Long leasehold property £	Fixtures fittings and equipment £	Total £
Cost or valuation				
Balance at 01.01.2022	12,784,715	1,600,000	1,404,253	15,788,968
Additions	64,726	-	21,403	86,129
Uplift on revaluation (see below)	490,284	-	-	490,284
Balance at 31.12.2022	£13,339,725	£1,600,000	£1,425,656	£16,365,381
Depreciation/amortisation				
Balance at 01.01.2022	255,694	32,000	1,275,641	1,563,335
Charge for the year	100,247	16,000	64,629	180,876
Released on revaluation (see below)	(56,495)	-	-	(56,495)
Balance at 31.12.2022	£299,446	£48,000	£1,340,270	£1,687,716
Net Book Value at 31.12.2022	£13,040,279	£1,552,000	£85,386	£14,677,665
Net Book Value at 31.12.2021	£12,529,021	£1,568,000	£128,612	£14,225,633

All of the above fixed assets are for the use of the Church.

EMMANUEL EVANGELICAL CHURCH

NOTES TO THE CONSOLIDATED ACCOUNTS, continued FOR THE YEAR ENDED 31 DECEMBER 2022

6. Tangible Fixed Assets, continued

The Church's freehold property at 4 Manor Park Crescent, Edgware, was valued at £3,315,000 by external valuer Sneller Commercial, Chartered Surveyors, as at 31 December 2022, on an existing use basis. The property has been restated at this value in the balance sheet with the resulting uplift of £546,779 being credited to the revaluation reserve.

The Church's freehold property at 9-23 Marsham Street, Westminster, and its long leasehold property at 25 Marsham Street, Westminster, were valued at £9,960,000 and £1,600,000 respectively by external valuer Matthews & Goodman LLP, Commercial Property Consultants, as at 24 July 2018, on an existing use basis. The properties were restated at these values in the accounts for the year ended 31 December 2018. The book value of the Marsham Street properties at 31 December 2022 is deemed by the Trustees to be a close approximation to their fair value at that date.

At the balance sheet date, the cost of the Church's properties determined according to the historical cost convention was £5,502,141 (2021 - £5,437,415) and the accumulated depreciation was £79,028 (2021 - £108,749).

The Church's freehold property and improvements have been pledged as security for the mortgage loan referred to in notes 9 and 10 below.

7. Fixed asset investments

	2022 £	2021 £
Unlisted investment, at cost:		
At 01.01.2022 and 31.12.2022	2	2

The above investment represents the Church's acquisition of the whole of the issued share capital of its subsidiary company, EEC Trading Limited, company number 9868603, at par value. The subsidiary company was incorporated in England and Wales on 12 November 2015 and commenced trading operations on 1 January 2016. The results of EEC Trading Limited are summarised below:

	2022 £	2021 £
Total income	837,719	359,935
Total (expenditure)	(609,615)	(272,087)
Profit for the year before taxation	228,104	87,848
Tax (charge) on the profit for the year	(37,649)	-
Total assets at 31 December	359,029	205,645
Total (liabilities) at 31 December	(188,819)	(225,890)
Share capital and reserves at 31 December	170,210	(20,245)

8. Debtors

	2022 Group £	2022 Church £	2021 Group £	2021 Church £
Trade debtors	12,911	-	12,234	-
Other debtors, prepayments and accrued income	108,992	108,102	79,293	78,121
Amounts due from subsidiary undertaking (note 7)	-	54,107	-	125,291
	£121,903	£162,209	£91,527	£203,412

EMMANUEL EVANGELICAL CHURCH

NOTES TO THE CONSOLIDATED ACCOUNTS, continued FOR THE YEAR ENDED 31 DECEMBER 2022

9. Creditors: amounts falling due within one year

	2022 Group £	2022 Church £	2021 Group £	2021 Church £
Trade creditors	22,145	14,615	16,899	12,090
Accruals and other creditors	40,623	11,280	34,742	11,000
Taxation and social security	59,895	-	25,885	1,337
Mortgage loan (secured) (current portion) (note 10)	28,692	28,692	51,909	51,909
Other loans	21,696	12,000	23,000	13,000
Obligations under hire purchase (current portion)	2,008	2,008	7,250	7,250
	£175,059	£68,595	£159,685	£96,586

10. Creditors: amounts falling due after more than one year

	2022 Group £	2022 Church £	2021 Group £	2021 Church £
Obligations under hire purchase (long-term portion)	-	-	798	798
Mortgage loan (secured):				
Payable within 1-2 years	28,692	28,692	52,080	52,080
Payable within 2-5 years	86,076	86,076	159,120	159,120
Payable after more than 5 years	649,855	649,855	578,899	578,899
	764,623	764,623	790,897	790,897
Other loans	27,804	-	37,500	-
	£792,427	£764,623	£828,397	£790,897

The above mortgage loan was granted on 24 February 2015 and is repayable over 20 years at variable interest rates.

11. Revaluation reserve

Year ended 31 December 2022:

Group and Church	£	£
Balance brought forward		8,768,355
Uplift on revaluation of 4 Manor Park Crescent, Edgware at 31 December 2022		546,779
Less: Depreciation of uplift on revaluation of freehold property and improvements	81,483	
Amortisation of uplift on revaluation of long leasehold property	7,990	
		(89,473)
Balance carried forward		£9,225,661

EMMANUEL EVANGELICAL CHURCH

NOTES TO THE CONSOLIDATED ACCOUNTS, continued FOR THE YEAR ENDED 31 DECEMBER 2022

11. Revaluation reserve, continued

Year ended 31 December 2021:

Group and Church	£	£
Balance brought forward		8,857,828
Less: Depreciation of uplift on revaluation of freehold property and improvements	81,483	
Amortisation of uplift on revaluation of long leasehold property	7,990	
	-----	(89,473)
Balance carried forward		<u>£8,768,355</u>

12. Restricted funds

Year ended 31 December 2022:

Group and Church	Covid-19 Relief Fund £	Love Westminster Fund £	Ukraine Crisis Fund £	Mission and Relief Fund £	Capital Expenditure Fund £	Total restricted funds £
Balance brought forward	59,760	1,465	-	41,751	-	102,976
Incoming resources for the year	6,300	859	5,630	1,404	1,625	15,818
Outgoing resources for the year	(5,650)	-	(4,145)	(87,869)	-	(97,664)
Transfers (to)/from General Fund	-	-	-	70,000	-	70,000
Balance carried forward	<u>£60,410</u>	<u>£2,324</u>	<u>£1,485</u>	<u>£25,286</u>	<u>£1,625</u>	<u>£91,130</u>

Year ended 31 December 2021:

Group and Church	Covid-19 Relief Fund £	Love Westminster Fund £	Roof Fund £	Mission and Relief Fund £	Total restricted funds £
Balance brought forward	29,964	-	-	69,214	99,178
Incoming resources for the year	29,796	-	1,000	-	30,796
Outgoing resources for the year	-	-	(6,646)	(92,463)	(99,109)
Transfers (to)/from General Fund	-	1,465	5,646	65,000	72,111
Balance carried forward	<u>£59,760</u>	<u>£1,465</u>	<u>-</u>	<u>£41,751</u>	<u>£102,976</u>

The Mission and Relief Fund exists to provide funds for missionary activities and disaster and poverty relief.

The Covid-19 Relief Fund has been set up to provide relief for people in hardship as a result of the Covid-19 pandemic. The Fund is used primarily for Emmanuel Church members, Centre staff and regular attendees. The Fund is also used to help friends and neighbours that the congregants are in contact with.

The Ukraine Crisis Fund has been set up to support war relief work in Ukraine.

EMMANUEL EVANGELICAL CHURCH

NOTES TO THE CONSOLIDATED ACCOUNTS, continued FOR THE YEAR ENDED 31 DECEMBER 2022

12. Restricted funds, continued

The Love Westminster Fund has been set up to provide funding for the Church's community projects.

The Capital Expenditure Fund has been set up to provide funding for future capital expenditure of the Church.

The Roof Fund was set up for the purpose of major roof repairs and maintenance works to be done at Emmanuel Centre Westminster over a period of three to five years.

13. Analysis of net assets between funds

	General fund £	Restricted funds £	Revaluation reserve £
Tangible fixed assets	5,454,343	-	9,225,661
Cash at bank and in hand	703,877	91,130	-
Other net current assets/(liabilities)	(53,156)	-	-
Creditors of more than one year	(792,871)	-	-
Total	£5,312,193	£91,130	£9,225,661

14. Reconciliation of net movement in funds to net cash from operating activities

	2022 £	2021 £
Net movement in funds	746,984	(24,464)
Add back: Depreciation and amortisation charge	185,701	225,199
Less: Gain on revaluation of fixed assets	(546,779)	-
Decrease in stock	-	1,500
(Increase)/decrease in debtors	(30,376)	46,101
Increase in creditors excluding bank borrowings and hire purchase	45,581	19,158
Net cash provided by operating activities	£401,111	£267,494

15. Transactions involving trustees and connected persons

Mr Peter Y K Loo, a trustee, received remuneration including pension in the sum of £57,363 in the year to 31 December 2022 (2021 – £54,970) in his capacity as senior pastor.

Mrs Ryou Hyun-Jung, and Mr John W Hindley, wife and son respectively of trustee Mr Richard Hindley, received remuneration of £281 and £3,548 respectively in the year to 31 December 2022 (2021 - £nil and £nil respectively) as employees of the subsidiary company EEC Trading Limited.