

Charity number: 1160677

City Praise Centre CIO

Trustees' Report and Financial Statements

For the Year Ended 31 December 2022

City Praise Centre CIO

Contents

	Page
Reference and administrative details of the Charity, its Trustees and Advisers	1
Trustees' Report	2 - 10
Independent Auditor's Report on the Financial Statements	11 - 14
Statement of Financial Activities	15
Balance Sheet	16
Statement of Cash Flows	17
Notes to the Financial Statements	18 - 33
The following pages do not form part of the statutory financial statements:	
Simplified Income & Expenditure report	34

City Praise Centre CIO

Reference and administrative details of the Charity, its Trustees and Advisers For the Year Ended 31 December 2022

Trustees	Mrs Tessy Ojo CBE Mr Olayinka Tomori Mrs Ruth Lindsay Mr Olufemi Lakeru Mr Graeme Baldwin
Charity registered number	1160677
Principal office	9-11 Lower Higham Road Chalk Kent DA12 2LY
Key management personnel	Graeme Baldwin, Pastor Kwamena Beecham, Operations Manager
Independent auditor	Kreston Reeves LLP Chartered Accountants Statutory Auditor Montague Place Quayside Chatham Maritime Chatham Kent ME4 4QU
Bankers	CAF Bank Ltd 25 Kings Hill Avenue West Malling Kent ME19 4JQ

City Praise Centre CIO

Trustees' Report For the Year Ended 31 December 2022

The Trustees present their annual report together with the audited financial statements of the Charity for the year from 1 January 2022 to 31 December 2022.

The Trustees confirm that the annual report and financial statements of the Charity comply with current statutory requirements, the requirements of the Charity's governing document and the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Second Edition effective 1 January 2019).

Objectives and activities

a. Policies and objectives

1. To proclaim the good news of Jesus Christ and to advance the Christian faith through City Praise Centre (the "Church") for the benefit of the public in accordance with the doctrines in particular but not exclusively by:
 - providing and maintaining places of worship for members of the Church and the Christian community;
 - communicating Christian principles and lifestyle as taught in the Bible;
 - training Christians for ministry and service within the Church and wider world; and
 - partnering with other churches, faiths and Christian organisations to enlighten others about the Church and its doctrines.
2. The prevention or relief of poverty anywhere in the world by providing or assisting in the provision of practical assistance and support to the poor and disadvantaged.

The primary activities of the Charity include running church services and events for the furtherance of the Christian faith in accordance with the teachings of Jesus Christ. These are carried out firstly for the benefit of the local community and then for other communities around the world as our resources permit.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit. Details of the activities undertaken to fulfil this are explained in the "Achievements and Performance" section of this report.

b. Grant-making policies

City Praise Centre CIO continued its policy of small gift donations as needs arise to both local and worldwide recipients. This year, grants amounted to £19,600 (2021: £20,963) comprising £15,229 (2021: £20,239) of individual grants and £3,941 (2021: £352) of institutional grants and £430 (2021: £372) to various missions.

c. Volunteers

City Praise Centre is blessed to have many volunteers who give many hours of their time in order to make the Church flourish. During 2022, over 300 members of the congregation offered hours of their time for Sunday and mid-week events, with over 30 who regularly volunteer to run community projects that the charity is connected - such as Foodbank, Street Pastors, and the Sanctuary Night Shelter. The Trustees would like to record their gratitude for their invaluable support this year.

City Praise Centre CIO

Trustees' Report (continued) For the Year Ended 31 December 2022

Achievements and performance

a. Review of activities

Overview

For City Praise Centre (CPC), the year 2022 has been a year of preparation. Much work has gone into developing and improving the systems and structures of the charity to ensure the smooth operation of the administration, ministry work, and the missions of the church, as well as planning for the future, and enabling the charity to achieve its objectives as a registered charity.

The benefits of our operations being based in the Maltings (including 'The Warehouse' where the main services are held) has spurred the discussions and plans to purchase the freehold of 'The Maltings site', rather than continue to lease it. This has occurred on an accelerated timescale and is hoped to be concluded in 2023. The need to have a significant lump sum deposit naturally led to some careful consideration on the effect on potential expenditure but this had no detrimental effect on planned activities as the church giving rose significantly to meet the need! Below are some of the key achievements in the year within different church departments that reflect the way in which operational budgets are set and finances monitored:

- Membership: Activities that support those who consider themselves to be members of the Church
- Maturity: Activities that educate
- Ministry: Activities that enable the Church to function
- Mission: Activities focused on the local community and beyond
- Worship: Activities that encourage people to worship God

Membership

During 2022 the church saw an increase in the number of people attending services. Our weekly Sunday service attendance averaged 286 people: 230 adults and 56 children.

The year also saw an increase of people signing up for our Church App, with an average of 250 people using it quarterly over the year, enabling them to access up to date information resulting in a reduction on our reliance on printed material. Over 50 people completed a 'new-to-church' form and we successfully integrated 40 people into serving as volunteers in a church ministry. An average of 120 people volunteer each month!

The charity ended the year with around 450 members on its database. These are people who have meaningfully engaged with the ministries and mission of CPC in the last 6 months. We are blessed that a significant proportion of the membership contribute financially to the church. However, there is scope to increase participation based on the number of members.

Maturity

Teaching – We have continued to implement our 2020 strategic teaching review and focus on wider quarterly meta-themes based around our '5M's'. The preaching responsibility continues to be carried by a preaching team which includes the entire Eldership and additional guest preachers from inside and outside the church family on occasion.

Prayer – Praying for the work and ministry of the church has been key to the success in 2022. Weekly, monthly and quarterly prayer events have provided opportunity for the congregation to engage in prayers. As a conservative estimate we have seen over 700 hours of communal prayer engaged by the church in the year.

Life Groups – Life Groups within CPC have started to flourish with more people joining groups both on-line and in person, adding 10% more group members. Regular mention of Life Group membership in the services have helped this along with the new Ministry Hub which is a useful tool in recruiting new members. With the greater demand, a process of developing new leaders has been established. The first new leaders have begun this process adding two more groups, bringing the total to 13. These two groups have now been launched and will be given opportunities to recruit at the Ministry Hub. Publicly 'badging' all our Life Group Leaders in front of the church is planned for 2023.

City Praise Centre CIO

Trustees' Report (continued) For the Year Ended 31 December 2022

Achievements and performance (continued)

Ministry

City Kids - Sunday morning City Kids have seen approximately 182 'check-ins' each month by regular children, an average of 6 first time visitors each week and over 100 volunteer hours in the department each month. We launched a new group 'Beginnings 3&4' in September after numbers became too high to cope in the existing group. This has created new opportunities for volunteers to lead and children to have more focussed interactions.

The trip to Carrotty Woods - a Christian activity and residential centre, was well attended by 20 kids. In addition to the many fun activities undertaken, the Gospel was preached in a vibrant and understandable way that impacted leaders as well as the children, with a youth helper giving his life to Christ.

The Safeguarding process has been streamlined this year, with a recorded 5-minute training guide for new volunteers. There is also an annual re-cap for members of the team. All groups have a 'How to?' guide before joining. DBS checks are up to date for City Kids team. The 3 yearly safeguarding conference was well attended by City Kids volunteers. The 4-person team which oversees this aspect meets regularly to discuss potential developments and to ensure procedures and practices are up to date.

Youth – 2022 saw a slow but steady growth at Youth, not just in numbers but in their awareness of the presence of God in their lives. Two new volunteers joined the team to lead youth activities. Our volunteers have invested at least two hours of their Friday each week and few of them have gone the extra mile, attending the Hillsong Conference with the youth. Friday nights have been exciting with developments in activities, registrations and check-ins processes, creating a safe space for young people to explore Christianity.

Here are a few statistics about Youth in 2022:

- 221 volunteer leader check-ins, equivalent of over 450 hours, or approx. £4,000 of free youth ministry
- 984 youth check-ins, utilising almost 2000 hours of young people's time engaged in positive activities, faith and relationship building.
- Over 45 youth sessions across the year excluding special events and conferences.
- Approximately 5 volunteers and 22 youths per week.
- Almost 100 different young people were reached across the year.

Staff – 2022 saw a reduction in numbers with two members of staff leaving CPC. This included the formal retirement of a long-standing member of the team. The development of the Operational and Pastoral teams has progressed well and allowed more focussed working for members of both teams. Behind the scenes work was completed to modernise the contracts and working conditions of the staff to bring the team into line with current good practice. These changes took effect in 2023.

Premises:

Base Camp – Works were scheduled to complete the last stages of our building overhaul, but due to delays with contractors this work will be completed in 2023. Smaller fire safety tasks have been completed in line with report recommendations. The external site improvements have largely been achieved using 'Community Justice' labour teams who levelled the entire area allowing for the planting of a row of windbreak trees. The courtyard space has seen a ramp installed to the City Kids entrance along with the structure for a shelter outside the kids reception.

Maltings – Very little major work has been undertaken in the Maltings simply due the ongoing issue of ownership. The one project that was successfully completed was the overhaul of the Lounge space to create a café-esque room which was more suitable for our needs. It was directly supported by the funding for hosting the 'Hypertension Hero's' project.

Warehouse – In a similar vein to the rest of the site we have focussed on essential and safety works. Over-door curtain heaters have been installed on the entrance doors to the Warehouse and safety railings mounted at several emergency exits. Landscaping along the front of the Maltings car park and relining the bays in accordance with the council agreed plans has ensured a welcoming and effective entrance.

City Praise Centre CIO

Trustees' Report (continued) For the Year Ended 31 December 2022

Achievements and performance (continued)

Mission

Peas 'n' Pods - We have seen a monthly average of 116 people attending the parents and toddler sessions. This equates to over 1,900 hours of low-cost provision to support local families.

Schools Ministry - Our schools work, particularly 'Why Christmas' and 'Why Easter,' successfully re-engaged school post Covid and delivered multiple 90-minute sessions to 360 pupils across Years 5 and 6. These sessions explain the real meaning of these Christian festivals. Cumulatively this equates to over 1000 hours of input for local children.

Glow Party – This was bursting at the seams again! Despite it being a weekday, 275 children (up from 150 in 2021) accompanied by adults, were in attendance. It was a significant outreach into our community, with one local lady stating, "I'm not sure I believe in God but I think I felt His presence in there tonight. Can I come back on Sunday?"

Christmas Give Away – Once again, we partnered with Westcourt Primary School. £1,137 was spent on books to ensure that each child received a Christmas gift. A dozen hampers were also distributed to families in need and a big hamper was provided for the school's staff room.

Make Lunch – This grew in the year as we continued working with Westcourt Primary School who helped advertise and invite families to join us for lunch during half terms. We have also had an incredible growth in the numbers of volunteers, with a team of 10 adults and 8 teenagers! This has enabled us to host 19 sessions over the year, feeding 69 people, connecting with 13 families from our local community and providing a total of 697 meals. Through Make Lunch, a new family started attending our Sunday services!

Mission India – We have continued providing financial support to our partners in Carmel Ministries, Eluru with regular and additional gifts totalling over £5,500 in the year. The base of regular donors to this project has reduced and this will be addressed next year to ensure the ongoing support. The Pastor went on a mission trip to India early 2023, also as part of our continued support. Some training sessions for the Bible student have been possible via Zoom during the year.

Lunch Angels – During the year a team of 8 volunteers provided and delivered 25 packed lunch parcels each week to sheltered home residents, home schooled families and vulnerable adults. We work closely with Gravesham Borough Council Sheltered Housing Team, Young Adults Team, Foodbank, Co Op Foodshare, Greggs and Sanctuary to forge strong links and close working relationships with the community. During 2022, we delivered 1,050 packed lunch parcels, enabled by over 700 hours of volunteer time.

Foodbank – The church supports practically and financially the work of Foodbank in the area – acting as a hub to issue Foodbank vouchers four days a week. During 2022, a total of over 800 Foodbank vouchers were issued from our office, with clients welcomed and offered the use of the Lounge, which is also a registered Warm Space for use by the community. Many relationships have been forged with clients connecting to church. A conservative estimate would indicate that over 6,000 individual meals were provided as a result of this partnership.

Worship

Worship Team – The worship team serve as a volunteer ministry providing sung worship to the Church every Sunday morning, as well as four worship nights in the year, other services, weddings and funerals. The team has grown to over 40 people with a variety of abilities and talents. The introduction of an 'All in' session has opened up the opportunity for new people to come and 'have a go' with the team.

AV (Audio-Visual) – The AV Team has worked very hard with a new annual training programme being implemented. The team strength has grown by approx. 10% and now is reliably covering all essential aspects of this ministry along with some of the optional photographic work. The digital output of the church services have received 16.9k views on YouTube which equates to over 3.5 hours of viewing each week, with a single service reaching 1.8k views.

City Praise Centre CIO

Trustees' Report (continued) For the Year Ended 31 December 2022

Achievements and performance (continued)

Financial review

a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

b. Reserves policy

The Charity had restricted funds of £376,502 (2021: £381,143) comprising principally of an endowment equivalent to the net book value of the Charity's freehold property of £370,046 (2021: £372,281). The other restricted funds at the Balance sheet date are the With Love Fund of £4,487 (2021: £3,372) and Mission India of £1,836 (2021: £5,490) and Gravesham Borough Council of £133 (2021: £nil).

The net book value of fixed assets other than the endowment are held in the Fixed Assets designated fund; the balance on this fund at 31 December 2022 was £117,327 (2021: £118,139).

Unrestricted general funds which constitute the free reserves held at the balance sheet date amounted to £622,408 (2021: £283,671). Of this, £500,000 represents a deposit for the purchase of the Maltings and Warehouse buildings. It remains our policy is to hold between 3 to 6 months of expenditure in free reserves; between £150,000 and £250,000. Virtually all the charity's income comes from member donations and the trustees are aware that prevailing economic conditions have an impact on the finances of its donors. Hence, it is imperative that sufficient funds are held as a buffer should the charity need to realign its expenditure, were there be a reduction in its income. The residual funds of £122,408 which is held for this purpose falls short of this target, but trustees are reasonably confident that the desired level of reserves should be attainable soon. Trustees and management will continue looking into ways of increasing free reserves through expanding income streams and more efficient use of its resources.

c. Investment policy and performance

The Trustees have the powers to invest the Charity's funds in any way they deem fit. No separate investments are made and reserves continue to be held in various bank accounts in accordance with the Charity's attitude towards risk.

d. Finances

Income in the year was £728,198 (2021: £536,250), the rise being primarily a result of specific effort to raise funds towards the purchase of the Maltings site. Expenditure was £394,914 (2021: £410,218) reflecting the close monitoring of costs despite inflationary pressures. This concerted effort enabled £500,000 to be paid as a deposit on the purchase of the Maltings. Until planning permission has been obtained this has been included in other debtors.

Structure, governance and management

a. Constitution

City Praise Centre CIO is a Charitable Incorporated Organisation (CIO) registered with the Charity Commission of England & Wales on 26 February 2016. The CIO is governed by its Constitution.

City Praise Centre CIO

Trustees' Report (continued) For the Year Ended 31 December 2022

Structure, governance and management (continued)

b. Methods of appointment or election of Trustees

The management of the Charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Constitution.

c. Organisational structure and decision-making policies

The Trustees manage the Charity and meet regularly. As at the end of 2022, seven staff were employed the Pastor, Youth Pastor, Children's Ministry Coordinator, AV Manager, Administrator, Receptionist and the Operations Manager.

The Trustees delegate the day to day running of the Charity to the key management personnel – The Pastor and the Operations Manager. The remuneration of all staff is reviewed annually and is benchmarked against the remuneration of staff in charities of similar size and complexity, giving due consideration to any other unique responsibilities they are required to fulfil.

d. Relationships with other charities and organisations

City Praise Centre: This is a dormant charity (registered charity number: 247709) through which the Church carried out its operations and held its assets prior to transferring these to City Praise Centre CIO (registered charity number: 1160677) on 1 January 2016. It is expected that the Charity will be de-registered in due course.

Gravesham Sanctuary CIO: The Charity was registered in January 2019 (registered charity number: 1181817) after starting as an activity of CPC. CPC continues to provide volunteers and various support services to the charity.

Street Pastors: A nationwide charity (No. 1127204) that plays an active part in strengthening community life and working for safer streets. Currently, more than 300 towns and cities around the UK have a Street Pastors team. At CPC around 16 members are trained and go out on a regular basis on the streets of Gravesend.

Trussell Trust (Food Bank): Another national charity we support (No. 1110052). Our members regularly donate large quantities of food and help run the foodbank in Riverside, Gravesend, which is open 4 days a week.

Gravesham Churches Together: A local network of churches that seek to work with each other to benefit the local community. They support some of the activities we run, such as Sanctuary, while we support activities such as Food Bank, which is managed by other churches in the area. Together, we believe we are making a difference to people of all faiths and beliefs living in the area.

e. Financial risk management

The Trustees have assessed the major risks to which the Charity is exposed, in particular those related to the operations and finances of the Charity and are satisfied that systems are in place to mitigate our exposure to the major risks.

The major risk faced by the Charity is considered to be reputational which could arise from insufficient internal systems and controls, adverse publicity and non-compliance with legal and statutory regulations. These risks are mitigated through formulation of rigorous internal control systems, regular review and standardization of procedures and obtaining appropriate professional advice as required.

As a church, our activities are primarily funded by donations and offerings linked to our Sunday services. We encourage giving by standing order and signing up for gift aid, to assist with long-term planning and building reserves. We do not envisage any other substantial income streams, but we continue to look at ways to ensure our assets can be better utilised to generate income without compromising our core activities and values.

City Praise Centre CIO

Trustees' Report (continued) For the Year Ended 31 December 2022

Plans for future periods

In 2023 we plan to increase our staff complement by adding a new ministry role around the children's and youth departments, and also expect to release various planned sitewide projects off the back of the completion of purchase of the Maltings and Warehouse site. These will knit the site together and create extra capacity for services and our community events.

Our community engagement is set to increase with new events (Silent Disco, etc) planned to link up with local young people and greater engagement via the full launch of the Early Intervention programme which is already in the training phase.

In addition we expect to make decisions relating to linking with a national network during 2023 which will enable significant progress in our training of pastoral staff.

City Praise Centre CIO

Trustees' Report (continued) For the Year Ended 31 December 2022

Statement of Trustees' responsibilities

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

The law applicable to charities in England & 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 Charity and of its income and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust Deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

City Praise Centre CIO

**Trustees' Report (continued)
For the Year Ended 31 December 2022**

Statement of Trustees' responsibilities (continued)

Disclosure of information to auditor

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the Charity's auditor is unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the Charity's auditor is aware of that information.

Auditor

The auditor, Kreston Reeves LLP, has indicated his willingness to continue in office. The designated Trustees will propose a motion reappointing the auditor at a meeting of the Trustees.

Approved by order of the members of the Board of Trustees on **6 JUNE 2023** and signed on their behalf by:



O Tomori
Trustee

City Praise Centre CIO

Independent Auditor's Report to the Members of City Praise Centre CIO

Opinion

We have audited the financial statements of City Praise Centre CIO (the 'Charity') for the year ended 31 December 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, 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, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2019.

In our opinion the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 December 2022 and of its income 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 Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 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.

City Praise Centre CIO

Independent Auditor's Report to the Members of City Praise Centre CIO (continued)

Other information

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

We have nothing to report in this regard.

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 financial statements is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the Trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Independent Auditor's Report to the Members of City Praise Centre CIO (continued)

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 145 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 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. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Capability of the audit in detecting irregularities, including fraud

The objectives of our audit are to identify and assess the risks of material misstatement of the financial statements due to fraud or error; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud or error; and to respond appropriately to those risks.

Based on our understanding of the Charity and sector, and through discussion with the Trustees and other management (as required by auditing standards), we identified that the principal risks of non-compliance with laws and regulations related to health and safety, anti-bribery and employment law. We considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011 and the Statement of Recommended Practice. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks related to management bias in accounting estimates and judgemental areas of the financial statements such. Audit procedures performed by the audit engagement team included:

- Discussions with management and assessment of known or suspected instances of non-compliance with laws and regulations (including health and safety) and fraud; and
- Assessment of identified fraud risk factors; and
- Review of cash expenditure to confirm no evidence of personal benefit; and
- Challenging assumptions and judgements made by management in its significant accounting estimates; and
- Performing analytical procedures to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud; and
- Confirmation of related parties with management, and review of transactions throughout the period to identify any previously undisclosed transactions with related parties outside the normal course of business; and
- Reading minutes of meetings of those charged with governance; and
- Performing analytical procedures with automated data analytics tools to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud; and
- Physical inspection of tangible assets susceptible to fraud or irregularity; and
- Review of significant and unusual transactions; and
- Identifying and testing journal entries, in particular any manual entries made at the year end for financial statement preparation.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

City Praise Centre CIO

Independent Auditor's Report to the Members of City Praise Centre CIO (continued)

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the Charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in my Auditor's Report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of my Auditor's Report. However, future events or conditions may cause the Charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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 its Trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

Kreston Reeves LLP

Kreston Reeves LLP
Chartered Accountants
Statutory Auditor
Chatham Maritime

Date: 23 June 2023

Kreston Reeves LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

City Praise Centre CIO

**Statement of financial activities
For the Year Ended 31 December 2022**

	Note	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:					
Donations and legacies	4	6,487	685,791	692,278	502,645
Other trading activities	5	1,589	34,331	35,920	33,605
Total income		8,076	720,122	728,198	536,250
Expenditure on:					
Charitable activities	6	22,929	371,985	394,914	410,218
Total expenditure		22,929	371,985	394,914	410,218
Net (expenditure)/income		(14,853)	348,137	333,284	126,032
Transfers between funds	12	10,212	(10,212)	-	-
Net movement in funds		(4,641)	337,925	333,284	126,032
Reconciliation of funds:					
Total funds brought forward		381,143	401,810	782,953	656,921
Net movement in funds		(4,641)	337,925	333,284	126,032
Total funds carried forward		376,502	739,735	1,116,237	782,953

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 18 to 33 form part of these financial statements.

City Praise Centre CIO

Balance Sheet As at 31 December 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	9	487,373	490,420
Current assets			
Debtors	10	570,133	19,694
Cash at bank and in hand		72,926	288,677
		<u>643,059</u>	<u>308,371</u>
Creditors: amounts falling due within one year	11	(14,195)	(15,838)
Net current assets		<u>628,864</u>	<u>292,533</u>
Total net assets		<u><u>1,116,237</u></u>	<u><u>782,953</u></u>
Charity funds			
Restricted funds	12	376,502	381,143
Unrestricted funds	12	739,735	401,810
Total funds		<u><u>1,116,237</u></u>	<u><u>782,953</u></u>

The financial statements were approved and authorised for issue by the Trustees on 6 JUNE 2023 and signed on their behalf by:



O Tomori
Trustee

The notes on pages 18 to 33 form part of these financial statements.

City Praise Centre CIO

**Statement of Cash Flows
For the Year Ended 31 December 2022**

	2022 £	2021 £
Cash flows from operating activities		
Net cash used in operating activities (see note 15)	(193,673)	186,625
Cash flows from investing activities		
Purchase of tangible fixed assets	(22,078)	(40,629)
Net cash used in investing activities	(22,078)	(40,629)
Change in cash and cash equivalents in the year	(215,751)	145,996
Cash and cash equivalents at the beginning of the year	288,677	142,681
Cash and cash equivalents at the end of the year (see note 16)	72,926	288,677

The notes on pages 18 to 33 form part of these financial statements

City Praise Centre CIO

Notes to the Financial Statements For the Year Ended 31 December 2022

1. General information

City Praise Centre CIO is a charitable incorporated organisation and an exempt charity incorporated in England and Wales. The registered office is 9 - 11 Lower Higham Road, Chalk, Kent, DA12 2LY. The principal activities of the Charity are: to proclaim the good news of Jesus Christ; to advance the Christian faith; and to prevent or relieve poverty. The financial statements are presented to the nearest £.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2019.

City Praise Centre CIO meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 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.

2.3 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

**Notes to the Financial Statements
For the Year Ended 31 December 2022**

2. Accounting policies (continued)

2.4 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 Bank.

2.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

2.6 Going concern

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Charity to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Charity has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Charity's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

2.7 Government grants

Government grants are credited to the Statement of Financial Activities as the related expenditure is incurred.

2.8 Operating leases

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

**Notes to the Financial Statements
For the Year Ended 31 December 2022**

2. Accounting policies (continued)

2.9 Tangible fixed assets and depreciation

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

At each reporting date the Charity assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined to be the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives on the following bases:

Freehold property	- 2% straight line
Fixtures and fittings	- 25% straight line
Property improvements	- 10% straight line

2.10 Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

2.11 Debtors

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

2.12 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.

2.13 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.

**Notes to the Financial Statements
For the Year Ended 31 December 2022**

2. Accounting policies (continued)

2.14 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.

2.15 Pensions

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

3. Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical areas of judgement:

The charity has recognised tangible fixed assets with a carrying value of £487,373 (see note 9). These assets are stated at their cost less provision for depreciation and impairment.

The annual depreciation charge for tangible fixed assets is sensitive to changes in the estimated useful lives and the residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets.

4. Income from donations and legacies

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Donations and Gift Aid	4,487	685,791	690,278	464,507
Grants	2,000	-	2,000	22,155
Government grants	-	-	-	15,983
	6,487	685,791	692,278	502,645
Total 2021	25,391	477,254	502,645	

City Praise Centre CIO

**Notes to the Financial Statements
For the Year Ended 31 December 2022**

5. Income from other trading activities

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Fundraising	1,589	5,965	7,554	9,818
Church Manse and Hire of Premises	-	28,366	28,366	23,787
	<u>1,589</u>	<u>34,331</u>	<u>35,920</u>	<u>33,605</u>
Total 2021	<u>1,698</u>	<u>31,907</u>	<u>33,605</u>	

6. Analysis of expenditure by activities

	Direct costs 2022 £	Mission activities 2022 £	Support costs 2022 £	Total funds 2022 £	Total funds 2021 £
Charitable activities	<u>369,314</u>	<u>19,600</u>	<u>6,000</u>	<u>394,914</u>	<u>410,218</u>
Total 2021	<u>385,955</u>	<u>20,963</u>	<u>3,300</u>	<u>410,218</u>	

City Praise Centre CIO

Notes to the Financial Statements For the Year Ended 31 December 2022

Analysis of direct costs

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
CPC Campus	-	21,326	21,326	25,211
Pulpit / Hospitality	-	627	627	899
Office Expenses	-	9,699	9,699	8,511
Ministry	-	3,444	3,444	5,117
Membership	-	11,028	11,028	6,530
Maturity	-	5,396	5,396	2,265
Magnification	-	19,034	19,034	19,694
Occasional Activities	-	14,480	14,480	7,357
Resource Centre	-	263	263	207
Office Development	-	22,185	22,185	15,618
Transforming Lives for Good (TLG)	1,011	-	1,011	20,081
Makings Rent	-	75,000	75,000	100,000
Staff Costs	-	143,068	143,068	140,371
Employer's NI	-	10,962	10,962	5,173
Employer's Pension	-	6,666	6,666	6,529
Depreciation	11,339	13,786	25,125	22,392
	12,350	356,964	369,314	385,955
Total 2021	31,239	354,716	385,955	

City Praise Centre CIO

**Notes to the Financial Statements
For the Year Ended 31 December 2022**

Mission activities

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Missions activities in conjunction with other institutions	-	3,941	3,941	352
Mission activities with individuals	10,149	5,080	15,229	20,239
Missions activities - other	430	-	430	372
	10,579	9,021	19,600	20,963
Total 2021	2,675	18,288	20,963	

Support and governance costs

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Auditor's remuneration	6,000	6,000	3,300
Total 2021	3,300	3,300	

City Praise Centre CIO

Notes to the Financial Statements For the Year Ended 31 December 2022

7. Staff costs

	2022 £	2021 £
Wages and salaries	143,068	140,371
Social security costs	10,962	5,173
Pension costs	6,666	6,529
	<u>160,696</u>	<u>152,073</u>

The average number of persons employed by the Charity during the year was as follows:

2022 No.	2021 No.
<u>7</u>	<u>9</u>

The average headcount expressed as full-time equivalents was:

2022 No.	2021 No.
<u>5</u>	<u>6</u>

No employee received remuneration amounting to more than £60,000 in either year.

The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Charity was £66,288 (2021 - £55,111).

8. Trustees' remuneration and expenses

During the year, one or more Trustees has been paid remuneration or has received other benefits from an employment with the Charity. The value of Trustees' remuneration and other benefits was as follows:

		2022 £	2021 £
Mr Graeme Baldwin	Remuneration	40,350	9,214
	Pension contributions paid	4,551	453

During the year ended 31 December 2022, no Trustee expenses have been incurred (2021 - £NIL).

City Praise Centre CIO

**Notes to the Financial Statements
For the Year Ended 31 December 2022**

9. Tangible fixed assets

	Freehold property £	Long-term leasehold property £	Leasehold property imprs £	Fixtures and fittings £	Total £
Cost					
At 1 January 2022	557,893	84,765	53,014	53,900	749,572
Additions	9,104	1,239	2,896	8,839	22,078
At 31 December 2022	566,997	86,004	55,910	62,739	771,650
Depreciation					
At 1 January 2022	185,612	11,937	19,372	42,231	259,152
Charge for the year	11,339	3,440	5,591	4,755	25,125
At 31 December 2022	196,951	15,377	24,963	46,986	284,277
Net book value					
At 31 December 2022	370,046	70,627	30,947	15,753	487,373
At 31 December 2021	372,281	72,828	33,642	11,669	490,420

City Praise Centre CIO

**Notes to the Financial Statements
For the Year Ended 31 December 2022**

10. Debtors

	2022 £	2021 £
Due within one year		
Other debtors	519,080	-
Prepayments and accrued income	51,053	19,694
	570,133	19,694

Included within other debtors is £516,870 relating to deposit and legal fees on the purchase of the Maltings property.

11. Creditors: Amounts falling due within one year

	2022 £	2021 £
Other taxation and social security	3,041	3,949
Accruals and deferred income	11,154	11,889
	14,195	15,838

Deferred income

	2022 £	2021 £
Deferred income at 1 January 2021	221	3,084
Resources deferred during the year	170	221
Amounts released from previous years	(221)	(3,084)
Deferred income at 31 December 2022	170	221

City Praise Centre CIO

**Notes to the Financial Statements
For the Year Ended 31 December 2022**

12. Statement of funds

Statement of funds - current year

	Balance at 1 January 2022 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 December 2022 £
Unrestricted funds					
Designated funds					
The Maltings Property Fund	45,311	-	(10,346)	11,735	46,700
The Maltings Fixed Asset Fund	72,828	-	(3,440)	1,239	70,627
	<u>118,139</u>	<u>-</u>	<u>(13,786)</u>	<u>12,974</u>	<u>117,327</u>
General funds					
General Funds	<u>283,671</u>	<u>720,122</u>	<u>(358,199)</u>	<u>(23,186)</u>	<u>622,408</u>
Total Unrestricted funds	<u>401,810</u>	<u>720,122</u>	<u>(371,985)</u>	<u>(10,212)</u>	<u>739,735</u>
Restricted funds					
Endowed Property Fund	372,281	-	(11,339)	9,104	370,046
With Love Fund	3,372	1,589	(474)	-	4,487
Mission India Fund	5,490	4,487	(9,249)	1,108	1,836
Gravesham B.C.	-	2,000	(1,867)	-	133
	<u>381,143</u>	<u>8,076</u>	<u>(22,929)</u>	<u>10,212</u>	<u>376,502</u>
Total of funds	<u><u>782,953</u></u>	<u><u>728,198</u></u>	<u><u>(394,914)</u></u>	<u><u>-</u></u>	<u><u>1,116,237</u></u>

City Praise Centre CIO

**Notes to the Financial Statements
For the Year Ended 31 December 2022**

12. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 January 2021 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 December 2021 £
Unrestricted funds					
Designated funds					
Fixed Assets Fund	38,664	-	(7,844)	14,491	45,311
The Maltings Fixed Asset Fund	62,680	-	(3,390)	13,538	72,828
	<u>101,344</u>	<u>-</u>	<u>(11,234)</u>	<u>28,029</u>	<u>118,139</u>
General funds					
General Funds	<u>180,051</u>	<u>509,161</u>	<u>(365,070)</u>	<u>(40,471)</u>	<u>283,671</u>
Total Unrestricted funds	<u>281,395</u>	<u>509,161</u>	<u>(376,304)</u>	<u>(12,442)</u>	<u>401,810</u>
Restricted funds					
Endowed Property Fund	370,839	-	(11,158)	12,600	372,281
With Love Fund	3,371	1,698	(1,539)	(158)	3,372
Mission India Fund	1,316	5,310	(1,136)	-	5,490
Gravesham B.C.	-	20,081	(20,081)	-	-
	<u>375,526</u>	<u>27,089</u>	<u>(33,914)</u>	<u>12,442</u>	<u>381,143</u>
Total of funds	<u>656,921</u>	<u>536,250</u>	<u>(410,218)</u>	<u>-</u>	<u>782,953</u>

City Praise Centre CIO

Notes to the Financial Statements For the Year Ended 31 December 2022

Designated Funds

Fixed Assets Fund - This fund represents the net book value of the Charity's non-property fixed assets.

The Maltings Fixed Assets Fund - This fund represents the net book value of the Charity's leasehold improvements in respect of the leased property at The Maltings.

Restricted Funds

Endowed Property Fund - These funds represent the net book value of the Charity's main premises at 9 - 11 Lower Higham Road, which is held as a permanent endowment. Depreciation is charged to this fund in accordance with the method identified within note 2.9 to the financial statements.

With Love Fund - These are funds which have been collected in order to assist the poor and disadvantaged in our community.

Mission India Fund - This fund was established to provide financial and missionary support to Christian Ministries in India, especially Carmel Ministries in Eluru, India.

National Lottery Community Fund grant - These funds were part of a Covid-19 emergency funding application called 'Make Lunch' which was funding to spend on the kitchen facilities.

13. Summary of funds

Summary of funds - current year

	Balance at 1 January 2022 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 December 2022 £
Designated funds	118,139	-	(13,786)	12,974	117,327
General funds	283,671	720,122	(358,199)	(23,186)	622,408
Restricted funds	381,143	8,076	(22,929)	10,212	376,502
	<u>782,953</u>	<u>728,198</u>	<u>(394,914)</u>	<u>-</u>	<u>1,116,237</u>

Summary of funds - prior year

	Balance at 1 January 2021 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 December 2021 £
Designated funds	101,344	-	(11,234)	28,029	118,139
General funds	180,051	509,161	(365,070)	(40,471)	283,671
Restricted funds	375,526	27,089	(33,914)	12,442	381,143
	<u>656,921</u>	<u>536,250</u>	<u>(410,218)</u>	<u>-</u>	<u>782,953</u>

City Praise Centre CIO

**Notes to the Financial Statements
For the Year Ended 31 December 2022**

14. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	370,046	117,327	487,373
Current assets	6,456	636,603	643,059
Creditors due within one year	-	(14,195)	(14,195)
Total	376,502	739,735	1,116,237

Analysis of net assets between funds - prior year

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	372,281	118,139	490,420
Current assets	8,862	299,509	308,371
Creditors due within one year	-	(15,838)	(15,838)
Total	381,143	401,810	782,953

City Praise Centre CIO

**Notes to the Financial Statements
For the Year Ended 31 December 2022**

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

	2022 £	2021 £
Net income for the year (as per Statement of Financial Activities)	333,284	126,032
Adjustments for:		
Depreciation charges	25,125	22,392
Decrease/(increase) in debtors	(550,439)	34,108
Increase/(decrease) in creditors	(1,643)	4,093
Net cash provided by/(used in) operating activities	(193,673)	186,625

16. Analysis of cash and cash equivalents

	2022 £	2021 £
Cash in hand	72,926	288,677
Total cash and cash equivalents	72,926	288,677

17. Analysis of changes in net debt

	At 1 January 2022 £	Cash flows £	At 31 December 2022 £
Cash at bank and in hand	288,677	(215,751)	72,926
	288,677	(215,751)	72,926

City Praise Centre CIO

Notes to the Financial Statements For the Year Ended 31 December 2022

18. Pension commitments

The Charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund. The pension cost charge represents contributions payable by the Charity to the fund and amounted to £6,666 (2021 - £6,529). At the Balance sheet date there were contributions outstanding amounting to £Nil (2021 - £1,078).

19. Operating lease commitments

At 31 December 2022 the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2022 £	2021 £
Not later than 1 year	98,000	98,000
Later than 1 year and not later than 5 years	392,000	392,000
Later than 5 years	1,478,167	1,576,167
	<u>1,968,167</u>	<u>2,066,167</u>

20. Related party transactions

During the financial year the Trustees made cumulative donations to the Charity amounting to £34,680 (2021 - £30,920).

During the financial year the Trustees family members made cumulative donations to the Charity amounting to £196,752 (2021 - £145,308).

M Bourne, sister of R Lindsay, Trustee, is employed by the Charity. M Bourne's appointment was made before R Lindsay was appointed as a Trustee and therefore she was not involved in the decision-making process regarding appointment. M Bourne is paid within the normal pay scale for her role and receives no special treatment as a result of her relationship to R Lindsay.

£625 was paid to Brindley & Son for work completed at Base Camp. Brindley & Son is owned by Stephen Brindley who is the brother in law of Ruth Lindsay (Trustee). Ruth Lindsay was not involved in the decision to use Brindley & Son for supply.