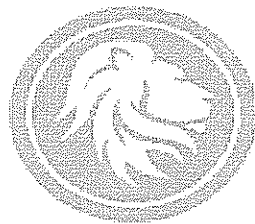


REGISTERED CHARITY NUMBER: 1161926

TRUSTEES' REPORT AND
CONSOLIDATED
FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 MARCH 2024
FOR

FREEDOM CHURCH HEREFORD CIO
(Incorporating Wildfire (Hereford) Limited)



FREEDOM
CHURCH HEREFORD CIO

FREEDOM CHURCH HEREFORD CIO

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FOR THE YEAR ENDED 31 MARCH 2024

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FREEDOM CHURCH HEREFORD CIO
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2024

The trustees are pleased to present their annual report together with the consolidated financial statements of the charity and its subsidiary for the year ending 31 March 2024. The financial statements comply with the Charities Act 2022 and the charities Statement of Recommended Practice (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland; FRS 102) effective 1 January 2019.

OBJECTIVES AND ACTIVITIES

Objectives and aims

The core objectives of Freedom Church Hereford CIO (Freedom Church) are summarised as follows:

The advancement of the Christian religion mainly, but not exclusively, by means of: broadcasting Christian messages of an evangelistic and teaching nature; holding meetings; and producing or distributing literature about Christianity.

The prevention or relief of poverty or financial hardship anywhere in the world by providing or assisting through all the necessary support to help individuals be self-sufficient.

To advance in life and help young people through activities, training and support.

The relief of persons who are in conditions of need, hardship or distress, or who are aged or sick.

Our mission statement, which captures the essence of these aims is 'connecting anyone anywhere to a life-changing relationship with Jesus'.

Our main long term objectives are to:

Grow our current churches and begin new churches, developing and diversifying our approach. We want to strategically develop our staff and volunteer teams to support growth, especially in creating greater autonomy in local churches to serve and engage local community more. As has been our aim in recent years, we desire to continue to increase digital ministries and broadcast capabilities, and increase engagement. Finally, especially after the instability of COVID, we continue to increase financial stability and strengthen financial planning.

We continue to foster strong relationships with churches around the world. During the reporting period we were maintaining close links with sister church communities in Europe, North America, East Africa, South Africa, India and South East Asia. We benefit greatly from these close partnerships, and offer help in a variety of ways, where beneficial.

Freedom Church relies heavily on the contribution of volunteers. Volunteers are involved in almost every aspect of the running of Freedom Church and the delivery of our services, other events and programmes. At least half of all church members volunteer at our events, or to support our staff team, and we are very grateful for their time, passion, and skills.

Core to our approach as a CIO is the objective of generating a public benefit. We continue to do this in all of the areas of our activity. The trustees confirm that they have complied with the requirements of section 4 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

The CIO complies with the Code of Fundraising Practice. It does not engage the services of professional fundraisers or commercial participators, and it has not received any complaints relating to fundraising.

The objective of our wholly-owned trading subsidiary, Wildfire (Hereford) Limited, is to generate the majority of the CIO's non-donation income (see Financial Review below). The income from this subsidiary is then used to support the CIO in fulfilling its own objectives and aims.

FREEDOM CHURCH HEREFORD CIO
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2024

ACHIEVEMENT AND PERFORMANCE

The 2023-24 year has been an exciting year which ushered in a new era in Freedom Church. At the Cave 2023, we launched our vision 72/27, namely to double our existing church locations worldwide to a total number of 72 by the year 2027. In order to achieve this vision, we also started partnering with a church planting movement, the Association of Related Churches ("ARC"). ARC is a cooperative of independent churches from different denominations, networks, and backgrounds who strategically resource church planters and pastors to help them reach people with the message of Jesus.

We are optimistic that through our relationship with ARC as well as through adopting their church planting principles, we will be able to achieve our ambitious 72/27 vision, ultimately seeing more lives changed than ever before. This optimism was cemented with Freedom Church Raleigh having relaunched in September 2023, adopting the principles used by ARC, and they saw a record number of attendance of 440 people and salvations of 22 on their launch Sunday.

During 2023 we also decided to move from a centralised model of managing our global church locations to a decentralised model. This provides local church leadership with more freedom and autonomy to better reach their local communities, which should promote healthy and sustainable growth in our churches worldwide. All our global church locations still remain part of the Freedom Nation and under the ultimate leadership of our senior pastors and directional leadership team.

As part of this move to a decentralised model, we have taken steps to separate the church locations in the UK, namely, Freedom Church Cardiff, Worcester and Cheltenham, into individual charities. The new charities were set up in December 2023 and the separation of the churches became effective on 1 April 2024.

We continued having our annual church events, namely the Cave, Dauntless, the Horde and the Charge, all of which saw higher attendance than before. These events will continue to form the backbone of the Freedom Nation as they serve to unify all our global church locations.

Firestarter has grown throughout this year with 21 firestarters at the end of this financial year. We believe there is still a need for smaller church gatherings in areas where it would not be effective to launch larger churches, and therefore we will continue supporting our firestarters with centrally produced content.

Locally, Freedom Church Hereford saw increased growth as well, particularly in Freedom Kids, and had to go from one service to two services on a Sunday morning. This was well received by church members and volunteers were enthusiastic despite a higher workload for them.

Our residential Academy remained closed whilst preparations were underway to relaunch the programme in September 2024.

We were grateful to be able to celebrate 10 years of incredible service from Kris Coppock in our directional leadership team. Kris stepped down in April 2023 to take on his next adventure in another organisation. His contribution over the years made a huge difference to our church community and we are grateful that he still remains part of our church in a voluntary capacity. He also remains a trustee of Onebyone which is a huge asset.

For a number of years we have been working to implement a salary increase proposal for all staff, however, this was not possible before due to financial constraints during the pandemic. We are proud that we have now been able to implement salary increases during January 2024 for our directional leadership team and pastors and in April 2024 for the remainder of our staff members. The new compensation levels have been benchmarked against other church organisations and we believe it is a more accurate reflection of the responsibilities of different staff levels.

FREEDOM CHURCH HEREFORD CIO
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2024

FINANCIAL REVIEW

Financial Position

In the 2023-24 financial year, donation income was £738,840, which is a decrease of £13,607 on the previous year. Most of this is because of our Saltwinds donations, down from £6,586 in 22-23 to £965 in 23-24 year, a decrease of £5,621 and the internal appeal donations down from £2,248 in 22-23 (mostly for the Studio renovations) to nil in 23-24, a decrease of £2,248. Donations to our general fund totalled £736,325 which is a decrease of £5,210 on the previous year. The new charities for the other three UK churches were established in December 2023 and they opened separate bank accounts in January 2024. Their congregants therefore started donating into the separate bank accounts since January 2024 which resulted in the decrease in general donations to the CIO.

On the advice of our accountant, Freedom Church continues to run a trading subsidiary for the majority of its non-donation income generating activities. The CIO owns and rents property that can be leased or rented to others, and these trading activities provide a valuable source of income. As a wholly-owned trading subsidiary, Wildfire (Hereford) Limited will continue to donate all of its profits to Freedom Church Hereford in the form of dividends. During this reporting period, total dividends paid totalled £98,994 up by £49,466 from last year.

The main sources of funding for Freedom Church are donations and, to a lesser extent, trading activities.

Expenditure on facilities came down significantly from £436,994 to £337,955 this year.

The expenditure spent on repairs and maintenance at the Forge decreased to £23,239 in 23-24, a decrease of £22,213 on the previous year. During 21-22 and 22-23 we had carried out extensive repairs to the west wing of the Forge for flood damage. These repairs were finalised during January 2023. During 23-24 we received the final payment from the insurance company of £30,291 which helped to cover the costs spent on the repairs.

We have one loan after previously consolidating all existing ones. This continues to be paid off by each location that received benefit from the loan, namely the Forge, Hereford and Cardiff. After the decentralisation of the charities effective as of April 2024, Hereford has agreed to take on the repayments previously made by Cardiff.

The residential academy has not yet resumed in the 23-24 year, and we therefore continued to operate AirBNB within the Forge in order to maximise our income from the Forge. We saw healthy income from this month on month and this assisted with the amount that Wildfire sent in dividends.

We have continued to rent part of the Forge to non-academy tenants while it is not running, seeing a healthy £28,331 in this year (prior year: £33,871). The residential tenants started vacating the Forge from the beginning of 2024 in order to prepare for the return of the Academy students in September 2024.

The value of the CIO's investment in Mentor Group Ltd, which is an unlisted company, was agreed and sold during 22-23. The funds of £23,577 from this divestment were received in April 2023, however the gain on divestment was recorded in 22-23.

The trustees apply the funds of Freedom Church Hereford at their discretion and in accordance with the charitable purposes and objectives of the CIO. Total spending on charitable activities was £1,067,212. Our grant-making policy outlines how grants may be made and the priorities for support. The current priorities for funding are the advancement of the Christian faith within local communities and across the world, and the relief of poverty within local communities and among the world's deprived and needy peoples. Recipients of grant funding in this financial year were a church in North America, a church in South Africa, and a Firestarter in Kampala. Our UK church locations established individual charities in December 2023. In order to support these churches with their set up costs, we provided grants to each of these three new charities.

FREEDOM CHURCH HEREFORD CIO
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2024

Reserves Policy

The trustees of Freedom Church Hereford recognise the importance of a reserves policy to demonstrate good stewardship and financial management. Our policy is to retain reserves to ensure that the charity has sufficient funds to meet its financial commitments, to demonstrate that the charity is sustainable into the future, to ensure that the charity is able to manage future unforeseen financial difficulties, and to ensure that excessive funds are not held without any identifiable reason. During 2023-24, the trustees reserve policy considered that 6-12 months of staffing and lease costs (£220,000 - £440,000) is a sufficient reserve level. £220,000 is approximately six months of staff and lease expenditure. The surplus of £20,487 (2023: deficit £169,115) means that the final free reserves are £376,476. Subsequent to the financial year end, the trustees reviewed the reserves policy and agreed that three months of operating costs is a more appropriate reserve level.

Principal risks facing the entity

The CIO's activities expose it to a number of financial risks including credit risk and liquidity risk. The CIO does not invest in any derivative financial instruments.

Credit risk

The CIO's principal financial assets are bank balances and cash, and trade and other receivables. The CIO's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies. The CIO has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the CIO uses a mixture of long-term and short-term debt finance. Further details regarding liquidity risk can be found in the statement of accounting policies in the financial statements.

Going concern

As from April 2024, the charity has decentralized operations and demerged into four charities, representing each church in the UK. Based on current forecasts for the standalone charity, we are confident that the CIO is a going concern. We recognise the ongoing challenging conditions in the UK economy which are represented in the cost-of-living crisis and we recognise that donations usually drop as the cost of living increases. However, despite these circumstances, the CIO has actually seen donations increase due to an increase in the number of members attending our church. The charity has sought to protect surplus in past financial years, in part to protect against any drop in income and to cushion in the event of economic challenges. Budgets and spending will be governed by economic realities and we will continue to encourage contributions to the charity from our members. The Trustees confirm that the going concern basis of preparation remains appropriate.

FUTURE PLANS

The CIO remains focused on developing our core activities which strengthen spiritual well-being, build caring and supportive communities, advance the Christian faith and develop leadership and ministry skills. We will also continue to navigate the impact of the current cost of living crisis on our organisation.

With effect from April 2024, the charity will decentralise into four UK churches, Hereford, Worcester, Cheltenham and Cardiff. Each church will be an independent charity with their own bank account, staff and trustees. This means that each church will be able to focus more on their own local needs, whereas previously there was a greater focus on the needs of the central Freedom Church organisation.

We are excited about the opportunity to focus specifically on the church in Hereford in a greater way to see how we can have a greater impact on the local community. However, we will continue to look for opportunities to have an impact across both the UK and other nations as we continue to advance the Christian faith both in Hereford and beyond.

There have been no other significant events in the post balance sheet period.

FREEDOM CHURCH HEREFORD CIO
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2024

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Freedom Church Hereford, a Charitable Incorporated Organisation (CIO), is the registered vehicle for the movement of churches known as Freedom Church. On 1 July 2015, Freedom Church transferred its operations from the Freedom Church Hereford Charitable Trust (1008459) to the Freedom Church Hereford CIO (1161926). The CIO has adopted a foundation model constitution. This is the seventh annual report of the CIO. Trustees of Freedom Church Hereford are recruited and appointed from within the organisation's membership.

The board of trustees is focussed on ensuring that Freedom Church meets its aims in an appropriate, legal and accountable manner, and to this end the trustees provide governance oversight to the church's directional leadership team and directors, who in turn work with leaders across our locations and departments to meet our objectives. Trustees are recruited from the church's membership for an initial term of three years by a resolution passed at a properly convened meeting of the charity trustees. In selecting individuals for appointment, the trustees must have regard to the skills, knowledge and experience needed for the effective administration of the CIO. All new trustees are provided with the Charity Commission's guidance on the duties of a trustee, and the CIO has recently adopted the trustee recruitment process set out in the Trustee Recruitment Cycle from Reach Volunteering.

A large number of the decisions relating to the CIO are made by the directional leadership team and directors, but are subject to the accountability, approval and oversight of the board of trustees. The board of trustees makes all decisions relating to remuneration of our staff team and have benchmarked salaries against equivalent roles in other sectors. On recommendation of the trustees, the CIO was able to implement salary increases for all staff levels during January 2024 and April 2024 in order to align the salaries with industry benchmarks.

While many risks are carefully managed, the trustees recognise the need for a comprehensive risk management strategy. Based on the Charity Commission's guidance as well as resources from Stewardship, the trustees have agreed that the CIO's risk management policy should be updated, and a detailed risk register should be prepared for annual review. This risk register is intended to summarise current known and managed risks, and reveal areas that require additional attention. The project is still ongoing, and the trustees anticipate that the full risk register, recording residual risk, actions, owners and timeframes, will be ready in 2025.

The safety and wellbeing of our church members and staff remains a key priority for us and therefore we have continued our investment in safeguarding training for all our staff and volunteers. Our team has worked with a professional organisation to complete an extensive review of our safeguarding policies, procedures and training. We have sought to increase the profile of safeguarding across our locations, and as a result have seen an increased number of referrals, most of which were related to external events.

Recruitment and appointment of new trustees

Trustees are recruited from the church's membership, with consideration being made of their relevant professional experience.

Induction and training of new trustees

All new trustees are provided with the Charity Commission's guidance on the duties of a trustee.

Key management remuneration

The board of trustees makes all decisions relating to remuneration of our staff team and have benchmarked salaries against equivalent roles in other sectors.

FREEDOM CHURCH HEREFORD CIO
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2024

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

1161926

Principal address

The Forge

161 Holme Lacy Road

Hereford

Herefordshire

HR2 6DG

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees

Mrs M A Cooke - resigned 11/01/2024

Mr R Sallis - resigned 27/05/2024

Mr J S Dyson

Mr G Sibanda

Mr J A Cooke - appointed 11/01/2024

Auditors

Sumer Auditco Limited

30 Gay Street

Bath

BA1 2PA

Senior Management Team

Mr Gary Snowzell, Senior Pastor

Mrs Heather Snowzell, Senior Pastor

Mr Kris Coppock, Executive Pastor (resigned 30/04/2023)

Mr David Thomas, Pastor

Mr Joshua Snowzell, Pastor

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

FREEDOM CHURCH HEREFORD CIO

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 MARCH 2024

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 and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

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

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to 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.

Disclosure of information to auditor

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the CIO's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

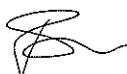
Reappointment of auditor

Sumer Auditco Limited has expressed its willingness to continue as auditors. A resolution for the re-appointment of Sumer Auditco Limited as auditors of the CIO is to be proposed at the forthcoming trustee meeting.

Approved by order of the board of trustees on 24 January 2025 and signed on its behalf by:

J.A.Cooke

Mr J A Cooke - Trustee



Mr J Dyson - Trustee

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
FREEDOM CHURCH HEREFORD CIO (THE PARENT ORGANISATION) AND ITS SUBSIDIARY**

Opinion

We have audited the financial statements of Freedom Church Hereford CIO (the 'charity') for the year ended 31 March 2024 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Charity Balance Sheet, the Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- * give a true and fair view of the state of the group's and the parent charity's affairs as at 31 March 2024 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of other information. 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 Trustees' Report 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 and returns; or
- * we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, 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.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
FREEDOM CHURCH HEREFORD CIO**

Our responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

Extent to which the audit considered capable of detecting irregularities, including fraud

* 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.

* We considered the nature of the Charity and its control environment and reviewed the Charity's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We are enquired of management about their own identification and assessment of the risks of irregularities.

* We obtained an understanding of the legal and regulatory framework that the Charity operates in and identified the key laws and regulations that:

* had a direct effect on the determination of the material amounts and disclosures in the financial statements. These included UK Charities Act, pensions legislations, tax legislations, Charities SORP; and

* do not have a direct effect on the financial statements, but compliance with which may be fundamental to the Charity's ability to operate or to avoid a material penalty.

* We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud, and how and where fraud might occur in the financial statements.

* In common with all audits under the ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

* In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments: assessed whether the judgements made in making accounting estimates are indicative of a potential bias: and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

* In addition to the above, our procedures to respond to the risks identified included the following:

* reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having direct effect on the financial statements:

* Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud:

* Enquiring of management, concerning actual and potential litigation and claims, and instances of non-compliances with laws and regulations: and

* Reading minutes of meetings of those charged with governance.

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

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
FREEDOM CHURCH HEREFORD CIO

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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Sumer Auditco Limited

Sumer Auditco Limited
Chartered Accountants and Statutory Auditor
30 Gay Street
Bath
BA1 2PA

Date: 27/1/2025

FREEDOM CHURCH HEREFORD CIO
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 MARCH 2024

				31.03.24	31.03.23
		Unrestricted	Restricted	Total	Total
		fund	fund	funds	funds
	Notes	£	£	£	£
INCOME AND ENDOWMENTS FROM					
					As restated
Donations and legacies	3	856,678	2,681	859,359	880,454
Charitable activities	6	14,150	-	14,150	41,829
Other trading activities	4	53,147	-	53,147	47,542
Investment income	5	127,485	-	127,485	89,553
Other income	7	43,558	-	43,558	14,133
Total		1,095,018	2,681	1,097,699	1,073,511
EXPENDITURE ON					
Raising funds	8	-	-	-	523
Charitable activities	9	1,058,028	9,184	1,067,212	1,174,513
Total		1,058,028	9,184	1,067,212	1,175,036
Net gains/(losses) on investments	18	(6,644)	-	(6,644)	(490)
Net gains/(losses) on freehold property revaluation	16	(3,356)	-	(3,356)	(67,100)
NET INCOME/(EXPENDITURE)		26,990	(6,503)	20,487	(169,115)
Transfers between funds		(1,506)	1,506	-	-
Net movement in funds		25,484	(4,997)	20,487	(169,115)
RECONCILIATION OF FUNDS					
Total funds brought forward		1,177,382	33,336	1,210,718	1,379,833
TOTAL FUNDS CARRIED FORWARD		1,202,866	28,339	1,231,205	1,210,718

FREEDOM CHURCH HEREFORD CIO
CONSOLIDATED AND CHARITY BALANCE SHEETS
AT 31 MARCH 2024

	Notes	Group				Charity only			
		Unrestricted fund	Restricted fund	31.03.24 Total funds	31.03.23 Total funds	Unrestricted fund	Restricted fund	31.03.24 Total funds	31.03.23 Total funds
		£	£	£	£	£	£	£	£
FIXED ASSETS									
Tangible assets	16	624,783	-	624,783	641,195	624,687	-	624,687	641,075
Investments	17/30	803	-	803	803	903	-	903	903
Investment Property	18	877,856	-	877,856	884,500	877,856	-	877,856	884,500
		<u>1,503,442</u>	<u>-</u>	<u>1,503,442</u>	<u>1,526,498</u>	<u>1,503,446</u>	<u>-</u>	<u>1,503,446</u>	<u>1,526,478</u>
CURRENT ASSETS									
Debtors	19	46,463	13	46,476	75,279	70,641	13	70,654	63,072
Cash at bank and in hand		374,023	28,326	402,349	334,972	317,078	28,326	345,404	298,774
		<u>420,486</u>	<u>28,339</u>	<u>448,825</u>	<u>410,251</u>	<u>387,719</u>	<u>28,339</u>	<u>416,058</u>	<u>361,846</u>
CREDITORS									
Amount falling due within one year	20	(123,765)	-	(123,765)	(113,133)	(108,965)	-	(108,965)	(98,379)
NET CURRENT ASSETS		<u>296,721</u>	<u>28,339</u>	<u>325,060</u>	<u>297,118</u>	<u>278,754</u>	<u>28,339</u>	<u>307,093</u>	<u>263,467</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,800,163	28,339	1,828,502	1,823,616	1,782,200	28,339	1,810,539	1,789,945
CREDITORS									
Amount falling due after more than one year.	21	(597,297)	-	(597,297)	(612,898)	(597,297)	-	(597,297)	(612,898)
NET ASSETS/(LIABILITIES)		<u>1,202,866</u>	<u>28,339</u>	<u>1,231,205</u>	<u>1,210,718</u>	<u>1,184,903</u>	<u>28,339</u>	<u>1,213,242</u>	<u>1,177,047</u>
FUNDS	25								
Unrestricted funds				1,062,205	1,026,721			1,044,242	993,050
Revaluation reserve				140,661	150,661			140,661	150,661
Restricted funds				28,339	33,336			28,339	33,336
				<u>1,231,205</u>	<u>1,210,718</u>			<u>1,213,242</u>	<u>1,177,047</u>

The financial statements were approved by the Board of Trustees on 24 January 2025 and were signed on its behalf by:

J.A.Cooke

Mr J A Cooke - Trustee



Mr J Dyson - Trustee

FREEDOM CHURCH HEREFORD CIO

CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2024

	Notes	31.03.24 £	31.03.23 £
Cash flows from operating activities:			
Cash generated from operations	1	151,881	(15,897)
Interest paid		(53,096)	(30,326)
Net cash provided by (used in) operating activities		98,785	(46,223)
Cash flows from investing activities:			
Purchase of tangible assets		(17,421)	(45,308)
Sale of tangible fixed assets		-	768
Disposal of investments		-	23,577
Interest received		1,614	526
Net cash provided by (used in) investing activities		(15,807)	(20,437)
Cash flows from financing activities:			
New Loans in year		-	154,300
Loan repayments in year		(15,601)	(47,967)
Net cash provided by (used in) financing activities		(15,601)	106,333
Change in cash and cash equivalents in the reporting period		67,377	39,673
Cash and cash equivalents at the beginning of the reporting period		334,972	295,299
Cash and cash equivalents at the end of the reporting period		402,349	334,972

The notes form part of these financial statements

FREEDOM CHURCH HEREFORD CIO

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2024

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

	31.03.24	31.03.23
	£	£
Net income/(expenditure) for the reporting period (as per statement of financial activities)	20,487	(169,115)
Adjustments for:		
Depreciation charges	30,477	21,265
Loss on investments disposals	-	490
(Profit)/Loss on disposal of fixed assets	-	(460)
Interest received	(1,614)	(526)
Interest paid	53,096	30,326
Decrease/(Increase) in debtors	28,803	45,132
(Decrease)/increase in creditors	10,632	(10,109)
Revaluation of Fixed assets	3,356	67,100
Revaluation of investment property	6,644	-
Net cash provided by (used in) operating activities	<u>151,881</u>	<u>(15,897)</u>

2. ANALYSIS OF CASH AND CASH EQUIVALENTS

	31.03.24	31.03.23
	£	£
Cash in hand	42	967
Notice deposits (less than 3 months)	402,307	334,005
	<u>402,349</u>	<u>334,972</u>

FREEDOM CHURCH (HEREFORD) CIO
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

1 CHARITY STATUS

The charity is a Charitable Incorporated Organisation.

The presentation currency for the reporting entity is Great British Pounds (GBP).

2 ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

Freedom Church Hereford 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 notes.

The financial statements are prepared in sterling which is the functional currency of the charity. Comparative information relates to the year ended 31 March 2023.

Going Concern

As from 1 April 2024, the charity has decentralized operations and demerged into four charities, representing each church in the UK. A going concern assessment has been completed and the trustees are confident that the going concern basis is still appropriate.

We recognise the challenging conditions in the UK economy which are represented in the cost-of-living crisis and we recognise that donations usually drop as the cost of living increases. However, despite these circumstances, the CIO has actually seen donations increase due to an increase in the number of members attending our church.

Furthermore, the charity has sought to protect surplus in past financial years, in part to protect against any drop in income and to cushion in the event of economic challenges. Budgets and spending will be governed by economic realities and we will continue to encourage contributions to the charity from our members.

However, based on the current performance and forecasting, we are confident that the CIO is a going concern and can continue to meet its obligations as they fall due for a period of at least 12 months from the approval of these financial statements.

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Group financial statements

The financial statements consolidate the results of the Charity and its wholly owned subsidiary Wildfire (Hereford) Limited on a line-by-line basis. A separate Statement of Financial Activities and Income and Expenditure Account for the Charity has not been presented because the Charity has taken advantage of the exemption afforded by Section 408 of the Companies Act 2006.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

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

Raising funds

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

FREEDOM CHURCH HEREFORD CIO
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2024

2 ACCOUNTING POLICIES - continued

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees' meetings and reimbursed expenses.

Tangible fixed assets - capitalisation

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

Freehold property	-Nil
Improvements to property	-33% on cost
Fixtures and fittings	-20% on reducing balance
Motor vehicles	-25% on reducing balance
Plant & Machinery	-25% on reducing balance
Computer/PA equipment	-33% on cost

Individual fixed assets costing £500 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Freehold property is recorded at fair value with gains and losses recorded through the statement of financial activities.

Investment Property

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in the Statement of Financial Activities.

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.

Fund structure

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

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Hire purchase and leasing commitments

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

Pension costs and other post-retirement benefits

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

FREEDOM CHURCH (HEREFORD) CIO
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2024

2 ACCOUNTING POLICIES - continued

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Financial instruments

Classification

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

FREEDOM CHURCH HEREFORD CIO
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2024

2 ACCOUNTING POLICIES - continued

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Debt instruments

Debt instruments which meet the following conditions are subsequently measured at amortised cost using the effective interest method:

(a) The contractual return to the holder is (i) a fixed amount; (ii) a positive fixed rate or a positive variable rate; or (iii) a combination of a positive or a negative fixed rate and a positive variable rate.

(b) The contract may provide for repayments of the principal or the return to the holder (but not both) to be linked to a single relevant observable index of general price inflation of the currency in which the debt instrument is denominated, provided such links are not leveraged.

(c) The contract may provide for a determinable variation of the return to the holder during the life of the instrument, provided that (i) the new rate satisfies condition (a) and the variation is not contingent on future events other than (1) a change of a contractual variable rate; (2) to protect the holder against credit deterioration of the issuer; (3) changes in levies applied by a central bank or arising from changes in relevant taxation or law; or (ii) the new rate is a market rate of interest and satisfies condition (a).

(d) There is no contractual provision that could, by its terms, result in the holder losing the principal amount or any interest attributable to the current period or prior periods.

(e) Contractual provisions that permit the issuer to prepay a debt instrument or permit the holder to put it back to the issuer before maturity are not contingent on future events, other than to protect the holder against the credit deterioration of the issuer or a change in control of the issuer, or to protect the holder or issuer against changes in levies applied by a central bank or arising from changes in relevant taxation or law.

(f) Contractual provisions may permit the extension of the term of the debt instrument, provided that the return to the holder and any other contractual provisions applicable during the extended term satisfy the conditions of paragraphs (a) to (c).

Debt instruments that are classified as payable or receivable within one year on initial recognition and which meet the above conditions are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

With the exception of some hedging instruments, other debt instruments not meeting these conditions are measured at fair value through profit or loss.

Commitments to make and receive loans which meet the conditions mentioned above are measured at cost (which may be nil) less impairment.

Investments

Investments in non-convertible preference shares and non-puttable ordinary or preference shares (where shares are publicly traded or their fair value is reliably measurable) are measured at fair value through profit or loss. Where fair value cannot be measured reliably, investments are measured at cost less impairment.

Investments in subsidiaries and associates are measured at cost less impairment. For investments in subsidiaries acquired for consideration including the issue of shares qualifying for merger relief, cost is measured by reference to the nominal value of the shares issued plus fair value of other consideration. Any premium is ignored.

FREEDOM CHURCH HEREFORD CIO
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2024

3 DONATIONS AND LEGACIES

	General	Restricted	31.03.24 Total £	31.03.23 £
Donations	736,325	2,515	738,840	752,447
Gift Aid	120,353	166	120,519	128,007
	<u>856,678</u>	<u>2,681</u>	<u>859,359</u>	<u>880,454</u>

4 OTHER TRADING ACTIVITIES

	31.03.24 £	31.03.23 £
		As restated
Café income	1,675	3,776
General Sales	2,610	3,024
Events & conferencing	48,862	40,742
	<u>53,147</u>	<u>47,542</u>

Prior year restatement

During the year, the decision was made to reclassify rental income from other trading activities (Note 4) to investment income (Note 5) to better reflect the nature of the transaction. As the reclassification was material, the prior year amount of £53,550 has also been reclassified to maintain consistency.

5 INVESTMENT INCOME

	31.03.24 £	31.03.23 £
		As restated
Rents received	125,871	89,027
Interest receivable-trading	1,614	526
	<u>127,485</u>	<u>89,553</u>

6 INCOME FROM CHARITABLE ACTIVITIES

	Activity	31.03.24 £	31.03.23 £
Academy income	Academy	14,150	22,926
Academy rental income	Facilities	-	12,063
Academy income	Firestarter	-	6,840
		<u>14,150</u>	<u>41,829</u>

7 OTHER INCOME

	31.03.24 £	31.03.23 £
Other income	43,558	-
Small equipment sales	-	1,071
Coaching income	-	5,370
Reimbursements	-	7,692
	<u>43,558</u>	<u>14,133</u>

The notes form part of these financial statements

FREEDOM CHURCH HEREFORD CIO
NOTES TO THE FINANCIAL STATEMENTS -CONTINUED
FOR THE YEAR ENDED 31 MARCH 2024

8 RAISING FUNDS

Other trading activities

	31.03.24	31.03.23
	£	£
Purchases	-	523

9 CHARITABLE ACTIVITIES COSTS

	Direct costs	Grant funding of activities (see note 10)	Support costs (see note 11)	31.03.24 Totals	31.03.23 Totals
	£		£	£	£
Media	57,190	-	748	57,938	68,766
International support	-	-	-	-	686
Worship	5,804	-	1,106	6,910	18,092
Heroes	-	-	-	-	3,768
Ark	79	-	2,720	2,799	5,583
Events	51,918	-	1,140	53,058	47,133
Guest Services	16,685	-	-	16,685	380
Facilities	335,566	-	2,389	337,955	436,994
Directional Leadership Team	75,947	-	3	75,950	140,957
Finance	138,557	-	21,163	159,720	88,377
Human Resources	613	-	948	1,561	1,816
Academy	7,697	-	309	8,006	25,838
IT	14,336	-	1,706	16,042	29,713
Kids	34,146	-	95	34,241	31,904
Location(s)	136,625	51,100	1,575	189,300	140,287
Next steps	605	-	-	605	215
Office	3,644	-	-	3,644	4,716
Production	22,181	-	1,742	23,923	17,929
Zeal	8,967	-	142	9,109	15,052
Momentum	903	-	42	945	286
Firestarter	17,194	400	24	17,618	44,562
Saltwinds	2,766	-	38	2,804	3,228
She	19,821	-	409	20,230	15,536
Tribe	1,155	-	-	1,155	2,429
Barbarians	12,188	-	466	12,654	11,275
Other	12,780	-	1,580	14,360	18,991
	977,367	51,500	38,345	1,067,212	1,174,513

FREEDOM CHURCH HEREFORD CIO
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2024

10 GRANTS PAYABLE

	31.03.24	31.03.23
Finance	-	840
Location(s)	51,100	7,500
Firestarter	400	2,000
	<u>51,500</u>	<u>10,340</u>

Grants are paid to churches that the Charity have helped to establish at the discretion of the trustees.
The funds paid are used to further the charitable objectives of the Charity.

Due to their nature, there are no criteria for repayment.

11 SUPPORT COSTS

	Finance	Information technology	Governance costs	31.03.24 Totals	31.03.23 Totals
	£	£	£	£	£
Media	180	568	-	748	666
International Support	-	-	-	-	686
Academy	-	-	-	-	719
Worship	-	1,106	-	1,106	1,243
Heroes	-	-	-	-	3,768
Ark	37	2,683	-	2,720	5,584
Events	594	546	-	1,140	2,561
Guest Services	-	-	-	-	-
Facilities	-	213	2,176	2,389	181
Directional Leadership Team	3	-	-	3	3,481
Finance	5,116	1,426	14,621	21,163	19,801
Human Resources	-	948	-	948	1,522
Leadership Academy	153	156	-	309	-
IT	1	1,705	-	1,706	2,198
Kids	30	65	-	95	3
Location(s)	82	533	960	1,575	1,072
Production	-	1,742	-	1,742	1,642
Zeal	142	-	-	142	116
Momentum	6	36	-	42	133
Firestarter	24	-	-	24	1,727
Saltwinds	38	-	-	38	193
She	409	-	-	409	407
Tribe	-	-	-	-	32
Barbarians	466	-	-	466	281
Other	259	290	1,031	1,580	-
	<u>7,540</u>	<u>12,017</u>	<u>18,788</u>	<u>38,345</u>	<u>48,016</u>

FREEDOM CHURCH HEREFORD CIO
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2024

12 AUDITORS' REMUNERATION

	31.03.24	31.03.23
Fees payable to the charity's auditors	12,300	9,750

13 TRUSTEES' REMUNERATION AND BENEFITS

No remuneration or benefits were paid to trustees during the year (2023 : £Nil).

14 STAFF COSTS

	31.03.24	31.03.23
	£	£
Wages and salaries	275,293	369,460
Social security costs	16,358	19,977
Other pension costs	6,974	10,067
	<u>298,625</u>	<u>399,504</u>

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

	31.03.24	31.03.23
Staff		
Academy	-	3
DLT	2	5
Events	1	4
Facilities	3	3
Finance	2	2
Kids	2	2
Location	10	6
Media	2	2
Firestarter	2	2
Next Steps	-	1
	<u>24</u>	<u>30</u>

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

Total remuneration paid to the 3 (2023: 4) key management personnel was £67,121 (2023: £120,747), including employers NI and pension contributions.

No benefits in kind were paid to any employees.

FREEDOM CHURCH HEREFORD CIO
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2024

15 COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	868,666	11,788	880,454
Charitable activities	41,829	-	41,829
Other trading activities	102,872	-	102,872
Investment income	34,223	-	34,223
Other income	14,133	-	14,133
Total	1,061,723	11,788	1,073,511
EXPENDITURE ON			
Raising funds	523	-	523
Charitable activities	1,161,882	12,631	1,174,513
	1,162,405	12,631	1,175,036
Net gains/(losses) on investments	(490)	-	(490)
Net gains/(losses) on freehold property revaluation	(67,100)	-	(67,100)
NET INCOME/(EXPENDITURE)	(168,272)	(843)	(169,115)
Transfers between funds	(7,468)	7,468	-
Net movement in funds	(175,740)	6,625	(169,115)
RECONCILIATION OF FUNDS			
Total funds brought forward	1,353,122	26,711	1,379,833
TOTAL FUNDS CARRIED FORWARD	1,177,382	33,336	1,210,718

FREEDOM CHURCH HEREFORD CIO
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2024

16 GROUP TANGIBLE FIXED ASSETS

	Freehold property £	Improvements to property £	Plant and machinery £
COST/FAIR VALUE			
At 1 April 2023	565,501	280,286	4,250
Additions	-	-	1,269
Disposals	-	(123,476)	-
Revaluations	(3,356)	-	-
At 31 March 2024	562,145	156,810	5,519
DEPRECIATION			
At 1 April 2023	-	280,286	3,051
Charge for year	-	-	422
Eliminated on disposal	-	(123,476)	-
At 31 March 2024	-	156,810	3,473
NET BOOK VALUE			
At 31 March 2024	562,145	-	2,046
At 31 March 2023	565,501	-	1,199

	Fixtures and fittings £	Motor Vehicles £	Computer/PA equipment £	Totals £
COST				
At 1 April 2023	82,461	2,564	234,541	1,169,603
Additions	-	-	16,152	17,421
Disposals	-	-	(6,111)	(129,587)
Revaluations	-	-	-	(3,356)
At 31 March 2024	82,461	2,564	244,582	1,054,081
DEPRECIATION				
At 1 April 2023	57,479	1,871	185,721	528,408
Charge for year	5,058	173	24,824	30,477
Eliminated on disposal	-	-	(6,111)	(129,587)
At 31 March 2024	62,537	2,044	204,434	429,298
NET BOOK VALUE				
At 31 March 2024	19,924	520	40,148	624,783
At 31 March 2023	24,982	693	48,820	641,195

The Freehold property is accounted for as at fair value. The latest formal valuation for the property was at 31/3/24 by independent valuers, Sunderlands LLP. The Trustees have also reassessed the usage of the freehold property as part of the revaluation exercise due to the property known as 'The Forge' having a large percentage of rental use. Under FRS102, the proportion of the area of a property used for rental should be classified as an investment property. Accordingly, 61% of the property value has been reclassified to investment property (see note 18).

FREEDOM CHURCH HEREFORD CIO
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2024

17 FIXED ASSET INVESTMENTS

Group

	Unlisted investments £	Totals £
MARKET VALUE		
At 1 April 2023	803	803
Disposals	-	-
Revaluations	-	-
At 31 March 2024	<u>803</u>	<u>803</u>
NET BOOK VALUE		
At 31 March 2024	<u>803</u>	<u>803</u>
At 31 March 2023	<u>803</u>	<u>803</u>

There were no investment assets outside the UK.
The remaining amount represents liquid holdings in a Hargreaves Lansdown account.

Charity only

In addition to the above, the charity owns 100% of the share capital in Wildfire (Hereford) Limited representing £100 investment. See note 31 for more details.

18 INVESTMENT PROPERTY

	£
FAIR VALUE	
At 1 April 2023	884,500
Revaluation	(6,644)
At 31 March 2024	<u>877,856</u>
NET BOOK VALUE	
At 31 March 2024	<u>877,856</u>
At 31 March 2023	<u>884,500</u>

See note 16 for further details on classification.

19 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Charity Only	
	31.03.24	31.03.23	31.03.24	31.03.23
	£	£	£	£
Trade debtors	29,434	44,451	27,856	32,182
Intercompany amounts owed	-	-	25,756	-
Other debtors	896	1,209	896	1,271
Prepayments and accrued income	16,146	29,619	16,146	29,619
	<u>46,476</u>	<u>75,279</u>	<u>70,654</u>	<u>63,072</u>

20 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Charity Only	
	31.03.24	31.03.23	31.03.24	31.03.23
	£	£	£	£
Bank loans and overdrafts (see note 22)	16,313	16,313	16,313	16,313
Trade creditors	11,297	30,564	10,949	28,703
Other creditors	23,265	388	22,969	76
Pension payable	1,374	2,104	1,374	2,104
Credit Card	11,714	15,298	11,714	15,298
Accruals and deferred income	58,726	47,226	45,646	35,885
VAT	1,076	1,240	-	-
	<u>123,765</u>	<u>113,133</u>	<u>108,965</u>	<u>98,379</u>

21 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Charity Only	
	31.03.24	31.03.23	31.03.24	31.03.23
	£	£	£	£
Bank loans (see note 22)	<u>597,297</u>	<u>612,898</u>	<u>597,297</u>	<u>612,898</u>

The creditors for more than one year showing on the balance sheet consists of a bank loan with the following terms:

Repayment period	240 months from first drawdown (May 2021)
Interest rate	3.67% above base

FREEDOM CHURCH HEREFORD CIO
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2024

22 LOANS

An analysis of the maturity of loans is given below:

	31.03.24	31.03.23
	£	£
Amounts falling due within one year on demand:		
Bank loans	16,313	16,313
Amounts falling between one and two years:		
Bank loans - 1-2 years	17,653	17,653
Amounts falling due between two and five years:		
Bank loans - 2-5 years	62,143	62,143
Amounts falling due in more than five years:		
Bank loans - more than 5 years	517,501	533,102

23 LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	31.03.24	31.03.23
	£	£
Within one year	31,016	39,453
Between one and five years	30,677	60,000
	61,693	99,453

24 SECURED DEBTS

The following secured debts are included within creditors:

	31.03.24	31.03.23
	£	£
Bank loans	613,610	629,211
	613,610	629,211

All bank loans are secured against The Forge, 161 Holme Lacy Road, Hereford, HR2 6DG.

FREEDOM CHURCH HEREFORD CIO

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2024

25 MOVEMENT IN FUNDS

Group	At 01.04.23	Net movement	Transfers	At 31.03.24
	£	in funds	between funds	£
		£	£	
Unrestricted funds				
General fund	356,593	36,990	(17,107)	376,476
The Forge	670,128	-	15,601	685,729
Revaluation Reserve	150,661	(10,000)	-	140,661
	<u>1,177,382</u>	<u>26,990</u>	<u>(1,506)</u>	<u>1,202,866</u>
Restricted funds				
Ark	-	(1,506)	1,506	-
Saltwinds	30,165	(1,826)	-	28,339
Other	3,171	(3,171)	-	-
	<u>33,336</u>	<u>(6,503)</u>	<u>1,506</u>	<u>28,339</u>
TOTAL FUNDS	<u>1,210,718</u>	<u>20,487</u>	<u>-</u>	<u>1,231,205</u>

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

	Incoming	Resources	Gains and	Movement in
	resources	expended	losses	funds
	£	£		£
Unrestricted funds				
General fund	1,095,018	(1,058,028)	-	36,990
The Forge	-	-	-	-
Revaluation Reserve			(10,000)	(10,000)
	<u>1,095,018</u>	<u>(1,058,028)</u>	<u>(10,000)</u>	<u>26,990</u>
Restricted funds				
Ark	1,293	(2,799)	-	(1,506)
Saltwinds	978	(2,804)	-	(1,826)
Other	410	(3,581)	-	(3,171)
	<u>2,681</u>	<u>(9,184)</u>	<u>-</u>	<u>(6,503)</u>
TOTAL FUNDS	<u>1,097,699</u>	<u>(1,067,212)</u>	<u>(10,000)</u>	<u>20,487</u>

Charity	At 01.04.23	Net movement	Transfers	At 31.03.24
	£	in funds	between funds	£
		£	£	
Unrestricted funds				
General fund	322,922	52,698	(17,107)	358,513
The Forge	670,128	-	15,601	685,729
Revaluation Reserve	150,661	(10,000)	-	140,661
	<u>1,143,711</u>	<u>42,698</u>	<u>(1,506)</u>	<u>1,184,903</u>
Restricted funds				
Ark	-	(1,506)	1,506	-
Saltwinds	30,165	(1,826)	-	28,339
Other	3,171	(3,171)	-	-
	<u>33,336</u>	<u>(6,503)</u>	<u>1,506</u>	<u>28,339</u>
TOTAL FUNDS	<u>1,177,047</u>	<u>36,195</u>	<u>-</u>	<u>1,213,242</u>

FREEDOM CHURCH HEREFORD CIO

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2024

25 MOVEMENT IN FUNDS - continued

Charity

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

	Incoming resources £	Resources expended £	Gains and losses	Movement in funds £
Unrestricted funds				
General fund	1,097,489	(1,044,791)	-	52,698
The Forge	-	-	-	-
Revaluation Reserve	-	-	(10,000)	(10,000)
	<u>1,097,489</u>	<u>(1,044,791)</u>	<u>(10,000)</u>	<u>42,698</u>
Restricted funds				
Ark	1,293	(2,799)	-	(1,506)
Saltwinds	978	(2,804)	-	(1,826)
Other	410	(3,581)	-	(3,171)
	<u>2,681</u>	<u>(9,184)</u>	<u>-</u>	<u>(6,503)</u>
				-
TOTAL FUNDS	<u>1,100,170</u>	<u>(1,053,975)</u>	<u>(10,000)</u>	<u>36,195</u>

Comparatives for movement in funds

Group

	At 01.04.22 £	Net movement in funds £	Transfers between funds £	At 31.03.23 £
Unrestricted funds				
General fund	26,413	(101,172)	431,352	356,593
The Forge	1,108,948	-	(438,820)	670,128
Revaluation Reserve	217,761	(67,100)	-	150,661
	<u>1,353,122</u>	<u>(168,272)</u>	<u>(7,468)</u>	<u>1,177,382</u>
Restricted funds				
Heros	-	(3,768)	3,768	-
Freedom Heroes	-	(3,700)	3,700	-
Saltwinds	26,711	3,454	-	30,165
Other	-	3,171	-	3,171
	<u>26,711</u>	<u>(843)</u>	<u>7,468</u>	<u>33,336</u>
TOTAL FUNDS	<u>1,379,833</u>	<u>(169,115)</u>	<u>-</u>	<u>1,210,718</u>

FREEDOM CHURCH HEREFORD CIO

NOTES TO THE FINANCIAL STATEMENT - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2024

25 MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Gains and losses	Movement in funds £
Unrestricted funds				
General fund	1,061,723	(1,162,405)	(490)	(101,172)
The Forge	-	-	-	-
Revaluation Reserve	-	-	(67,100)	(67,100)
	<u>1,061,723</u>	<u>(1,162,405)</u>	<u>(67,590)</u>	<u>(168,272)</u>
Restricted funds				
Heros	-	(3,768)	-	(3,768)
Ark	1,883	(5,583)	-	(3,700)
Saltwinds	6,682	(3,228)	-	3,454
Other	3,223	(52)	-	3,171
	<u>11,788</u>	<u>(12,631)</u>	<u>-</u>	<u>(843)</u>
TOTAL FUNDS	<u>1,073,511</u>	<u>(1,175,036)</u>	<u>(67,590)</u>	<u>(169,115)</u>

26 EMPLOYEE BENEFIT OBLIGATIONS

Within the Statement of Financial Activities is an expense of £6,974 (2023: £10,067) which relates to Defined Contribution Pension Plan contributions.

This expense is allocated to the relevant charitable activity based on the employee's department within the Charity.
Both the expense and the liability for the plans are accounted for within the unrestricted fund.

27 OTHER FINANCIAL COMMITMENTS

At the Balance Sheet date, there were no capital commitments that Freedom Church had entered into for the future year.

28 POST BALANCE SHEET EVENTS

With effect from 1st April 2024 the charity has decentralised into four UK churches, Hereford, Worcester, Cheltenham and Cardiff. Each church will be an independent charity with their own bank account, staff and trustees. There is also a Global account and team for the management of activities of the group such as Cave, Firestarter, Horde, Dauntless, Saltwinds, etc.

The split of assets will be treated as a gift to the newly formed charities. Freedom Church Hereford will then operate as a stand alone charity. As part of the demerger, the going concern of Freedom Church Hereford has been assessed and the Trustees are comfortable that Freedom Church Hereford basis of preparation is still appropriate.

FREEDOM CHURCH HEREFORD CIO
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2024

29 RELATED PARTY DISCLOSURES

During the year the charity made the following related party transactions:

Josh Cooke

Husband of former trustee, Megan Cooke. Became trustee in January 2024.

Josh Cooke was paid £251 (2023: £215) for services provided during the financial year. At the balance sheet date, the amount owed to Josh Cooke was £Nil (2023: £Nil)

Surch - Robert Snowzell

Father of Pastor Gary Snowzell.

Surch was paid £2,400 (2023: £2,400) for services provided during the financial year. At the balance sheet date, the amount of £200 (2023: -£200) was owed to Surch

Gary Snowzell

Member of the Directional Leadership Team.

Gary Snowzell was paid £884 (2023: £327) for the reimbursement of expenses and £3,371 (2023: £Nil) for royalties. At the balance sheet date, the amount of £14 (2023: £Nil) was owed to Gary Snowzell.

Steel Saints Industrial Furniture

Owned by Brother-in-law of Key Management Personnel, Meg Cooke.

Steel Saints Industrial Furniture was paid £3,180 (2023: £425) for services provided during the financial year. At the balance sheet date, the amount of £Nil (2023: £Nil) was owed to Steel Saints Industrial Furniture.

Wildfire (Hereford) Limited

Trading subsidiary.

At the balance sheet date, the amount of £25,756 (2023: £Nil) was owed by Wildfire (Hereford) Limited. Transactions of £100,011 (2023: £49,528) took place during the year.

Geoffrey Vermaut

Brother-in-law of trustee, Josh Cooke.

Geoffrey Vermaut was paid expenses of £128 (2023: £425) during the financial year. At the balance sheet date, the amount of £6 (2023: £Nil) was owed to Geoffrey Vermaut.

Sian Vermaut

Sian Vermaut was paid expenses of £448 (2023: £68) during the financial year. At the balance sheet date, the amount of £34 (2023: £Nil) was owed to S Vermaut.

FREEDOM CHURCH HEREFORD CIO

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2024

30 TAXATION

The charity is a registered charity and is therefore exempt from taxation.

31 DETAILS OF SUBSIDIARY UNDERTAKINGS

Details of the investments are as follows:

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held	Principal activity
Wildfire (Hereford) Ltd Company no: 10371625	England	Ordinary	100%	Real estate

Subsidiary Balance Sheet summary

	31.03.2024	31.03.2023
	£	£
Total assets	58,695	48,663
Total liabilities	(40,632)	(14,894)
Capital & reserves	18,063	33,769

Subsidiary Profit & Loss summary

	31.03.2024	31.03.2023
	£	£
Turnover	97,540	55,330
Profit for the financial year	83,288	50,045

32 RESTRICTED FUND INCOME BREAKDOWN

	31.03.2024	31.03.2023
	£	£
Donations	2,515	10,912
Gift Aid	166	876
	<u>2,681</u>	<u>11,788</u>