



OLIVET ASSEMBLY
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

Registered Company No: 09571506
Registered Charity No: 1163688

OLIVET ASSEMBLY

YEAR ENDED 31 AUGUST 2021

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OLIVET ASSEMBLY
(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE INFORMATION

FOR THE YEAR ENDED 31 AUGUST 2021

Trustees and Directors	Youngho Bae Maria Janeckova Jaewon Kim
Manager	Dr Andrew Clark
Charity Registration Number	1163688
Company Registration Number	09571506
Principal Address and Registered Office	Pilgrim Hall Lewes Road Uckfield East Sussex TN22 5RE
Bankers	Natwest London Bridge P O Box 35 10 Southwark Street London SE1 1TJ
Independent Auditor	Haines Watts High Wycombe Limited Oakingham House Frederick Place High Wycombe Buckinghamshire HP11 1JU

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2021

The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 August 2021. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Second Edition effective 1 January 2019).

Olivet Assembly is a private charitable company limited by guarantee. It was registered with Companies House on 1 May 2015 and the Charity Commission on 22 September 2015. The directors of the charitable company are its Trustees for the purpose of charity law. None of the Trustees has any beneficial interest in the company.

These financial statements cover the year ended 31 August 2021 and due to the change of the accounting reference date from May to August in 2020, the comparative period covers the 15 month period from 1 June 2019 to 31 August 2020.

Objectives and Activities

The charity's objects ('objects') are specifically restricted to the following:

1. For the public benefit. The advancement of religion according to the doctrines of the worldwide Olivet Assembly church;
2. For the public benefit. The pursuit of any purpose charitable according to the law of England and Wales which is consistent with the advancement of religion of Olivet Assembly.

Our purposes

Our main objectives for the year were:

- Set up Olivet Assembly operation with right model to achieve its main purposes
- Enable mission workers in UK and abroad to advance the religion according doctrines of Olivet Assembly
- Promote activities of Olivet Assembly which serve the public

Our activities for achieving the charity's aims and objectives were:

- Running church services
- Sending out and supporting missionaries in a number of countries
- Biblical lectures and seminars
- Gatherings and events during some holidays as Easter, Pentecost and Christmas
- Organising educational classes opened to the public (Art class and language classes)

Achievements and Performance

The year was once again affected in many ways by the ongoing COVID-19 pandemic, however, the charity has managed to continue its core operations successfully amid the challenging economic environment. Olivet Assembly continues to maintain strong support through numerous corporate and individual donors, who share a passion for the charity's mission and works. The result is that the charity has ended the financial year showing a strong financial resilience, and its operations have continued successfully.

The charity has managed to expand its charitable works in central London, with a new location established on Percy Street. The expanded location has allowed the charity to reinforce its administrative set-up, which in turn has allowed for wider works in its outreach and missions operations.

Over the past year, Olivet Assembly has learned to diversify its operations seamlessly, so that it can switch emphasis between on-site and online activities when needed, or where necessary is able to provide both. This has proven invaluable to many, and has even allowed outreach to be expanded to areas of the UK that the charity does not yet have a physical presence.

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2021

Public Benefit

In carrying out the charity's activities, due consideration to the Charity Commission's guidance on Public Benefit.

Financial Review

Income for the year was £789,001 (2019: £1,646,833), arising principally from church offerings and donations. There was a drive for donations in 2020 to fund the purchase of the subsidiary – Global London College, in 2020. Expenditure was £596,945 (2020: £784,906), the reduction driven by the termination of a property lease and the support of missionaries abroad. There was also lower expenditure on repairs and maintenance as the Pilgrim Hall property has now been brought to a good state of repair following substantial expenditure since its acquisition in 2018.

Investment powers and policy

The trustees have the powers to make investments on behalf of the charity as they deem fit. At the moment, the charity's risk profile indicates that investments should be held in low risk assets. Consequently, investments at the Balance Sheet date are in bank account balances.

Reserves policy

Unrestricted funds at the year end were £1,659,241 (2020: £1,454,304). The Pilgrim Hall Fund was the only restricted fund at the year end and had a balance of £721,395 (2020: £734,276).

Free reserves at the end of the year (the charity's unrestricted funds less any net capital costs not covered by restricted funds) was a surplus of £240,492 (2020: £115,372). The target level of free reserves of at least 3 months of expenditure of between £150k - £175k is currently being achieved.

Risk Management

The trustees have identified the key risks faced by the charity and have taken appropriate steps to mitigate these risks. The key risks relate to the charity's ability to generate and sustain its funding to meet its various activities and obligations. Trustees ensure that the charity has a low fixed cost base relative to its recurring income so that it can align its costs with any changes in income.

This issue is regularly revisited by the trustees to ensure that any new risks are identified and suitably addressed.

Due to the COVID-19 pandemic, COVID-19 Policies and Procedures are under regular review at the charity's premises, to ensure adherence to government guidelines to mitigate/minimise the risk of COVID-19 spreading where the charity's activities take place. The charity also holds adequate cash reserves and has sufficient flexibility to align its expenditure with available resources.

Plans for future periods

The charity will look to expand its educational courses, continue to reinforce its London missions operations, and to support mission expansions throughout Europe.

Structure, Governance and Management

The charitable company is governed by its Memorandum and Articles of Association dated 1 May 2015. The Trustees during the year are as listed under the reference and administrative information.

The Trustees are recruited according to their knowledge, skill and experience of the themes and activities undertaken by the charity; and in accordance with the requirements for the governance of charities.

The Trustees are kept informed on charity sector issues by resources provided by our financial and legal advisors. The day to day running of the charity is delegated to Dr Andrew Clark who acts as Manager.

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2021

Structure, Governance and Management (continued)

Related Parties

World Olivet Assembly located in USA supports the activities of the charity and at times assists with funds to help cover capital and some of the operational costs. Whilst both organisations share a common purpose, they operate independently of each other.

Subsidiary undertaking

During the year, the charity acquired 100% of the share capital of Global London College Ltd (Company Number: 07366665) at a cost of £719,212. This is shown as an investment in subsidiary undertaking in the balance sheet. Further information and the results of the subsidiary are included in the Accounting Policies and in Note 7 of these financial statements.

Statement of Trustees' Responsibilities

The trustees (who are also directors of Olivet Assembly for the purposes of company law) 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).

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

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

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

In so far as the Board of Trustees is aware:

- There is no relevant audit information of which the charitable company's auditor is unaware
- The Board of Trustees has taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Received and approved by the Board on ... February 2022 and signed as authorised on their behalf by:



.....
Jaewon Kim
Director/Trustee

OLIVET ASSEMBLY

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF OLIVET ASSEMBLY

Opinion

We have audited the financial statements of Olivet Assembly (the 'Charity') for the year ended 31 August 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the 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, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2021 and of its 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 Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 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 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.

However, not all future events or conditions can be predicted. The COVID-19 viral pandemic is one of the most significant economic events for the UK with unprecedented levels of uncertainty of outcomes. It is therefore difficult to evaluate all of the potential implications on the company's trade, customers, suppliers and wider economy. The Trustees' view on the impact of COVID-19 is disclosed on the accounting policies note 1.2.

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 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.

**INDEPENDENT AUDITOR'S REPORT TO
THE TRUSTEES OF OLIVET ASSEMBLY (CONTINUED)**

Matters on which we are required to report by exception

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

- the information given in the financial statements is inconsistent in any material respect with the Trustees' report; or
- sufficient accounting records have not been kept; or
- the 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 statement of Trustees' responsibilities, the Trustees, who are also the directors of the Charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the Trustees are responsible for assessing the 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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 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 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.

Explanation as to the extent to which the audit was considered capable of detecting irregularities, including fraud

During the audit we identify and assess the risk of material misstatements 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 and error; and to respond appropriately to those risks.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We obtained an understanding of the legal and regulatory frameworks applicable to the charity and the sector in which it operates. We determined that the following laws and regulations were most significant: the Companies Act 2006, the Charities Act 2011, UK GAAP, UK corporation tax laws and the Data Protection Act.
- We obtained an understanding of how the charity are complying with those legal and regulatory frameworks and made enquiries to the management of known or suspected instances of fraud and non-compliance with laws and regulations.
- We corroborated our enquiries, where possible, through our review of Board minutes, other relevant meeting minutes and review of correspondence with regulatory bodies and also obtained management representations regarding compliance with applicable laws and regulations.

OLIVET ASSEMBLY

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF OLIVET ASSEMBLY (CONTINUED)

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud.

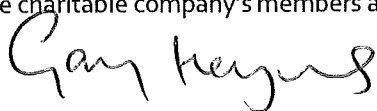
As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- 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 on the effectiveness of the charitable company'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 charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our 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 our auditor's report. However, future events or conditions may cause the charitable company 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 (ie. gives a true and fair view).

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 charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Gary Heywood (Senior Statutory Auditor)
for and on behalf of Haines Watts

Chartered Accountants
Statutory Auditor

4/3/22

Oakingham House
Frederick Place
High Wycombe
Buckinghamshire
HP11 1JU

OLIVET ASSEMBLY
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 AUGUST 2021

INCOME AND EXPENDITURE		Unrestricted funds	Restricted funds	Total 31 August 2021	Total 15 months to 31 August 2020
	Notes	£	£	£	£
<u>Income and endowments from:</u>					
Donations and legacies	2	752,909	-	752,909	1,603,780
Other trading activities - Rent		36,092	-	36,092	43,053
Total Income		<u>789,001</u>	<u>-</u>	<u>789,001</u>	<u>1,646,833</u>
<u>Expenditure on:</u>	3				
Charitable activities		584,064	12,881	596,945	784,906
Total Expenditure		<u>584,064</u>	<u>12,881</u>	<u>596,945</u>	<u>784,906</u>
Net movement in funds		<u>204,937</u>	<u>(12,881)</u>	<u>192,056</u>	<u>861,927</u>
 Total funds brought forward		<u>1,454,304</u>	<u>734,276</u>	<u>2,188,580</u>	<u>1,326,653</u>
Total funds carried forward		<u><u>1,659,241</u></u>	<u><u>721,395</u></u>	<u><u>2,380,636</u></u>	<u><u>2,188,580</u></u>

The comparative Statement of Financial Activities for the 15 month period ended 31 August 2020 is included in Note 17.

All recognised gains and losses are included in the Statement of Financial Activities.

All the charity's activities are classified as continuing.

The accompanying notes form an integral part of these financial statements.

BALANCE SHEET

AS AT 31 AUGUST 2021

		31 August 2021		31 August 2020	
	Notes	£	£	£	£
Fixed Assets					
Tangible Fixed Assets	6		2,558,662		2,548,200
Investment in subsidiary undertaking	7		719,212		719,212
			<u>3,277,874</u>		<u>3,267,412</u>
Current Assets					
Debtors	8	42,125		52,439	
Cash at bank and in hand		210,307		82,847	
		<u>252,432</u>		<u>135,286</u>	
Current liabilities					
Creditors: amounts falling due within one year	9	(92,634)		(104,812)	
Net Current Assets/(Liabilities)			<u>159,798</u>		<u>30,474</u>
Total assets less current liabilities			<u>3,437,672</u>		<u>3,297,886</u>
Creditors: amounts falling due After more than one year	10		<u>(1,057,036)</u>		<u>(1,109,306)</u>
Total Net Assets			<u><u>2,380,636</u></u>		<u><u>2,188,580</u></u>
Funds:					
Restricted funds	12		721,395		734,276
Unrestricted funds	12		1,659,241		1,454,304
TOTAL FUNDS			<u><u>2,380,636</u></u>		<u><u>2,188,580</u></u>

The financial statements were approved by the board and authorised for issue on 1st February 2022 and signed on its behalf by:



Jaewon Kim
Director/Trustee

The accompanying notes form an integral part of these financial statements.

OLIVET ASSEMBLY
(A company limited by guarantee)

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2021

	31 August 2021	15 month period to 31 August 2020		
	£	£		
Cash provided by operating activities	215,557	806,253		
Cash flows from investing activities				
Purchase of tangible fixed assets	(31,624)	(1,498)		
Purchase of fixed asset investment	-	(719,212)		
Cash used in investing activities	(31,624)	(720,710)		
Cash flows from financing activities				
Repayment of borrowing	(56,473)	(23,717)		
Cash used in financing activities	(56,473)	(23,717)		
Increase in cash and cash equivalents in the year	127,460	61,826		
Cash and cash equivalents at the beginning of the year	82,847	21,021		
Total cash and cash equivalents at year end	210,307	82,847		
Analysis of Cash and Cash Equivalents	2021	2020		
	£	£		
Cash at bank and in hand	210,307	82,847		
Analysis of changes in net funds	At 1 September 2020	Cash flows	Other non-cash changes	At 31 August 2021
	£	£	£	£
Cash	82,847	127,460	-	210,307
Reconciliation of net movement in funds to net cash inflow from Operating Activities	2021	15 month period to 31 August 2020		
	£	£		
Net movement in funds	192,056	861,927		
Add back depreciation	21,162	16,476		
Decrease/(increase) in debtors	10,314	(34,356)		
(Decrease) in creditors	(7,975)	(37,794)		
Net cash provided by/(used in) operating activities	215,557	806,253		

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021

1. ACCOUNTING POLICIES

1.1. Basis of accounting

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Second Edition effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities Act 2011 and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Comparative information

The charity changed its accounting reference date from 31 May to 31 August commencing from the period ended 31 August 2020. The comparative figures in these financial statements therefore reflect the information for the 15-month period ended August 2020.

1.2. Going Concern

The financial statements have been prepared on a going concern basis. The Trustees have reviewed and considered relevant information, including the annual budget and future cash flows in making their assessment. In particular, in response to the COVID-19 pandemic, the Trustees have tested their cash flow analysis to take into account the impact on the entity of possible scenarios brought on by the impact of COVID-19, alongside the measures that they can take to mitigate the impact. Based on these assessments, given the measures that could be undertaken to mitigate the current adverse conditions, and the current resources available, the Trustees have concluded that they can continue to adopt the going concern basis in preparing the annual report and accounts.

1.3. Trading subsidiary and consolidated accounts

On 5 May 2020, the charity acquired in cash, 100% of the share capital of a company, Global London College (incorporated in the England and Wales; Company number 07366665).

The accounts of the subsidiary have not been consolidated in these financial statements on the basis that the income of the group as at 31 August 2021 is under the threshold for consolidation. The activities of the company are disclosed in Note 7 of these financial statements.

1.4. Critical accounting estimates and areas of judgment

In the application of the accounting policies, Trustees are required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that period and future periods. The significant areas of assumption are in respect of depreciation of fixed assets and valuation of the investment in the subsidiary.

The rates of write down are shown in the Tangible Fixed Assets note below. The Trustees are satisfied that these write down rates are a reasonable reflection of the expected useful life of the assets in each class.

An impairment review will be carried out annually on the valuation of the charity's investment in its subsidiary – Global London College Ltd. The company was acquired on 5 May 2020 and having taken into consideration the losses incurred during the current year of operation due to the Covid-19 pandemic and also given the time between the acquisition and the year end and projected cash flows, the Trustees consider that there are no indications of any material impairment in the value of the investment at the end of the year.

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2021

1. ACCOUNTING POLICIES (continued)

1.5. Fund accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity. Restricted funds are subjected to restrictions on their expenditure imposed by the donor. The purposes and uses of the restricted funds are set out in the notes to the accounts.

1.6. Income

All income is included in the Statement of Financial Activities when the charity is legally entitled to the income, there is probability of receipt and the amount can be quantified with reasonable accuracy, except as follows:

- When donors specify that income given to the charity must be used in future accounting periods, then the income is deferred to the specified period.
- When donors impose conditions which have to be fulfilled before the charity becomes entitled to use such income, the income is deferred until the preconditions for use are met.
- When donors specify that income is for a particular restricted purpose which does not amount to preconditions regarding entitlement, the income is recognised as income when receivable.

No amounts are included in the financial statements for services donated by volunteers.

Income from investments is included in the Statement of Financial Activities in the period in which it is received.

1.7. Expenditure

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered and is reported as part of the expenditure to which it relates. Support costs which cannot be directly attributed to particular projects are apportioned in proportion to the direct staff cost allocated to the project. Governance costs, which form part of Support costs include expenditure on the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

Charitable expenditure consists of all expenditure relating to the objects of the Charity. All costs are directly attributable to the activities under which they have been analysed.

1.8. Tangible fixed assets

Expenditure on fixed assets is capitalised where the cost (or the value if donated) is in excess of £1,000; otherwise it is written off through the Statement of Financial Activities. Depreciation is calculated by the straight line method to write off the cost/value, less anticipated residual value, over the expected useful lives of assets as follows:

Land and buildings 50 years

1.9. Creditors

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

1.10. Operating leases

Rentals under operating leases are charged on a straight line basis over the lease term.

1.11. Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are recognised at transaction value and subsequently measured at their settlement value.

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2021

2. DONATIONS AND LEGACIES

	2021 £	2020 £
Tithes and offerings	653,280	1,453,226
Donations from World Olivet Assembly (USA)	22,051	119,889
Government furlough grant	77,578	30,665
	<u>752,909</u>	<u>1,603,780</u>

The donations from World Olivet Assembly in 2020 were applied by the trustees towards the purchase of an investment. All funds are unrestricted.

3. EXPENDITURE	People support £	Premises costs £	Other costs £	Governance £	2021 £	2020 £
Charitable activities:						
Church services and activities	116,469	160,423	-	-	276,892	303,340
Support of missions and other Christian Ministries	33,277	49,361	-	-	82,638	143,110
Education	-	12,340	17,017	-	29,357	90,758
Support costs	16,639	24,680	158,549	8,190	208,058	247,698
Total	<u>166,385</u>	<u>246,804</u>	<u>175,566</u>	<u>8,190</u>	<u>596,945</u>	<u>784,906</u>

Included in People Support are staff costs of £166,369 (2020: £78,686) - see Note 4.

COMPARATIVE EXPENDITURE (2020)	People support £	Premises costs £	Other costs £	Governance £	2020 £
Charitable activities:					
Church services and activities	55,080	248,260	-	-	303,340
Support of missions and other Christian Ministries	15,737	76,388	50,985	-	143,110
Education	-	19,097	71,661	-	90,758
Support costs	7,869	38,194	191,642	9,993	247,698
Total	<u>78,686</u>	<u>381,939</u>	<u>314,288</u>	<u>9,993</u>	<u>784,906</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2021

3. EXPENDITURE (Continued)

Net income is stated after charging:

Independent Auditor's fees (included in Governance costs)	4,800	4,800
Operating leases (Office premises)	146,499	237,528
	<u>151,299</u>	<u>242,328</u>

4. STAFF COSTS

	2021 £	2020 £
Wages and salaries	156,933	78,373
Social security costs	8,510	44
Pensions	926	269
	<u>166,369</u>	<u>78,686</u>

No employee received remuneration over £60,000 (2020: none). The average monthly headcount was 6 (2020: 4). The key management staff is the Manager whose total employee benefits was £27,989 (2020: £20,096).

5. TRUSTEES

None of the trustees (or any persons connected with them) received any reimbursement of expenses, remuneration or benefits from the charity during the year (2020: nil).

6. TANGIBLE FIXED ASSETS

	Land & Buildings £	Furniture & Equipment £	Total £
Valuation:			
At 1 September 2020	2,576,059	1,498	2,577,557
Additions	-	31,624	31,624
	<u>2,576,059</u>	<u>33,122</u>	<u>2,609,181</u>
At 31 August 2021	2,576,059	33,122	2,609,181
Depreciation:			
At 1 September 2020	28,982	375	29,357
Charge for the year	12,881	8,281	21,162
	<u>41,863</u>	<u>8,656</u>	<u>50,519</u>
At 31 August 2021	41,863	8,656	50,519
Net Book Value			
At 31 August 2021	2,534,196	24,466	2,558,662
At 31 August 2020	2,547,077	1,123	2,548,200

Land and buildings represent costs incurred for the purchase of the church's premises and facilities (Pilgrim Hall) which was completed in December 2018.

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2021

7. INVESTMENT IN SUBSIDIARY UNDERTAKING

On 5 May 2020, the charity acquired 100% of the share capital of Global London College Ltd (incorporated in England and Wales; Company number 07366665) for a total of £719,212. The company's principal activities are providing English language courses and business and strategic management qualifications. All taxable profits generated by the company are expected to be paid to the charity under the Gift Aid Scheme.

A summary of the Profit & Loss Account and Balance Sheet from the audited financial statements for the year to 31 August 2021 is given below:

	2021	2020 (Restated)
	£	£
Income	134,352	17,951
Expenditure	(153,909)	(127,907)
Net Profit/(loss)	<u>1,460</u>	<u>(106,490)</u>
Assets and liabilities:		
Assets	31,002	22,356
Liabilities	(42,160)	(34,974)
Total net assets/(liabilities)	<u>(11,158)</u>	<u>(12,618)</u>
Represented by:		
Share capital	10	10
Profit and loss account	(11,168)	(12,628)
	<u>(11,158)</u>	<u>(12,618)</u>

The loss in 2020 was due to the impact of Covid-19 on the recruitment of students.

8. DEBTORS

	2021	2020
	£	£
Other debtors	35,312	40,818
Amounts owed by subsidiary undertaking	6,813	11,621
	<u>42,125</u>	<u>52,439</u>

9. CREDITORS: amounts falling due
Within one year

	2021	2020
	£	£
Bank loan (see Note 10)	80,695	84,898
Other creditors and accruals	11,939	19,914
	<u>92,634</u>	<u>104,812</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2021

10. CREDITORS: amounts falling due After more than one year	2021 £	2020 £
Bank loan	<u>1,057,036</u>	<u>1,109,306</u>

A secured bank loan of £1,250,000 was taken in November 2018. The loan bears an interest rate of 2.49% above Bank of England base rates and is repayable in 20 years. The balance outstanding at 31 August 2021 was £1,137,731 (2020: £1,194,204).

11. ANALYSIS OF MOVEMENT IN FUNDS

	Balance 1 September 2020 £	Income £	Expenditure £	Transfers £	Balance 31 August 2021 £
Restricted funds:					
Pilgrim Hall Fund	<u>734,276</u>	<u>-</u>	<u>(12,881)</u>	<u>-</u>	<u>721,395</u>
Total Restricted Funds	<u>734,276</u>	<u>-</u>	<u>(12,881)</u>	<u>-</u>	<u>721,395</u>
Unrestricted funds:					
General Fund	<u>1,454,304</u>	<u>789,001</u>	<u>(584,064)</u>	<u>-</u>	<u>1,659,241</u>
Total Funds	<u>2,188,580</u>	<u>789,001</u>	<u>(595,945)</u>	<u>-</u>	<u>2,380,636</u>

Pilgrim Hall Fund represents amounts donated to the charity towards the purchase of a property – Pilgrim Hall. The depreciation charge on the property for the year has been allocated to this fund.

2020 COMPARATIVES	Balance 1 September 2019 £	Income £	Expenditure £	Transfers £	Balance 31 August 2020 £
Restricted funds:					
Pilgrim Hall Fund	<u>750,377</u>	<u>-</u>	<u>(16,101)</u>	<u>-</u>	<u>734,276</u>
Total Restricted Funds	<u>750,377</u>	<u>-</u>	<u>(16,101)</u>	<u>-</u>	<u>734,286</u>
Unrestricted funds:					
General Fund	<u>576,276</u>	<u>1,646,833</u>	<u>(768,805)</u>	<u>-</u>	<u>1,454,304</u>
Total Funds	<u>1,326,653</u>	<u>1,646,833</u>	<u>(784,906)</u>	<u>-</u>	<u>2,188,580</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2021

12. ALLOCATION OF NET ASSETS BETWEEN FUNDS

	Unrestricted	Restricted	2021	2020
	£	£	£	£
Tangible fixed assets	1,837,267	721,395	2,558,662	2,548,200
Investment in subsidiary	719,212	-	719,212	719,212
Current assets	252,432	-	252,432	135,286
Current liabilities	(92,634)	-	(92,634)	(104,812)
Long term liabilities	(1,057,036)	-	(1,057,036)	(1,109,306)
	<u>1,659,241</u>	<u>721,395</u>	<u>2,380,636</u>	<u>2,188,580</u>
 2020 Comparatives	 Unrestricted	 Restricted	 2020	
	£	£	£	
Tangible fixed assets	1,813,924	734,276	2,548,200	
Investment in subsidiary	719,212	-	719,212	
Current assets	135,286	-	135,286	
Current liabilities	(104,812)	-	(104,812)	
Long term liabilities	(1,109,306)	-	(1,109,306)	
	<u>1,454,304</u>	<u>734,276</u>	<u>2,188,580</u>	

13. OPERATING LEASE COMMITMENTS

At the year end, the charity had the following minimum future operating lease commitments:

	2021	2020
	£	£
Leases which expire:	Premises	Premises
Within one year	90,936	127,102
Within two to five years	363,744	363,744
Over five years	272,808	363,744
	<u>727,488</u>	<u>854,590</u>

14. OPERATING LEASE - LESSOR

At the year end, the charity had the following minimum future operating lease obligations owed to it:

	2021	2020
	£	£
Leases which expire:	Premises	Premises
Within one year	28,851	-
Within two to five years	62,512	-
	<u>91,363</u>	<u>-</u>

The charity granted a sub-lease to its wholly owned subsidiary for the use of the property to which it holds an operating lease agreement. The lease commenced in 1 May 2020 and expires on 31 October 2024.

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2021

15. SHARE CAPITAL AND CONTROL

The charity is a company limited by guarantee. In the event of the charity being wound up, the liability in respect of each member is limited to £10. The charity is controlled by the board of trustees.

16. RELATED PARTIES

World Olivet Assembly (WOA) located in USA is a related charity and it supports activities of the UK charity by making donations to fund capital and some operational costs. The total donations received from WOA in the year was £22,051 (2020: £119,889). There were no other transactions with WOA during the year.

17. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES (2020)

INCOME AND EXPENDITURE	Unrestricted funds	Restricted funds	Total 31 August 2020
	£	£	£
<u>Income and endowments from:</u>			
Donations and legacies	1,603,780	-	1,603,780
Other trading activities - Rent	43,053	-	43,053
Total Income	<u>1,646,833</u>	<u>-</u>	<u>1,646,833</u>
<u>Expenditure on:</u>			
Charitable activities	768,805	16,101	784,906
Total Expenditure	<u>768,805</u>	<u>16,101</u>	<u>784,906</u>
Net movement in funds	<u>878,028</u>	<u>(16,101)</u>	<u>861,927</u>
 Total funds brought forward	 <u>576,276</u>	 <u>750,377</u>	 <u>1,326,653</u>
Total funds carried forward	<u><u>1,454,304</u></u>	<u><u>734,276</u></u>	<u><u>2,188,580</u></u>