



OLIVET ASSEMBLY

TRUSTEES' REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2023

Registered Company No: 09571506
Registered Charity No: 1163688

OLIVET ASSEMBLY

YEAR ENDED 31 AUGUST 2023

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OLIVET ASSEMBLY
(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE INFORMATION

FOR THE YEAR ENDED 31 AUGUST 2023

Trustees and Directors	Youngho Bae (resigned 27 June 2023) Jaewon Kim Sung Hee Kim (appointed 27 June 2023) Myong Sop Shim
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Manager	Dr Andrew Clark
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Charity Registration Number	1163688
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Company Registration Number	09571506
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Principal Address and Registered Office	Pilgrim Hall Lewes Road Uckfield East Sussex TN22 5RE
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Bankers	Natwest London Bridge P O Box 35 10 Southwark Street London SE1 1TJ
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Independent Auditor	Haines Watts High Wycombe Limited Oakingham House Frederick Place High Wycombe Buckinghamshire HP11 1JU
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TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2023

The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity and group for the year ended 31 August 2023. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Second Edition effective 1 January 2019).

These financial statements consolidate the financial statements of Olivet Assembly and its wholly owned subsidiary – Global London College.

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.

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:

- Continue to develop Olivet Assembly's operations to further achieve its main purposes
- Enable mission workers in the UK & abroad to advance the religion according to the doctrines of OA
- Promote the various 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 the UK and abroad
- Biblical lectures and seminars
- Gatherings and events throughout the year, including key holidays such as Easter, Pentecost and Christmas
- Organising educational classes open to the public (language classes, music and art classes)

Achievements and Performance

The charity has had a successful year with increasing popularity for its London-based outreach programs. Pilgrim Hall hosted various gatherings throughout the year, and in particular held large retreats at Christmas, Easter, and Pentecost. During Christmas 2022, Pilgrim Hall hosted more than 100 Christian ministers, missionaries, and delegates for a large conference where various speakers gave inspirational and educational addresses, and numerous workshop activities and meetings took place. Early in 2023, the charity's representatives joined a delegation of Christian leaders in touring OA's sister organisations across Europe, which allowed the charity to promote its works, foster relationships with potential supporters and sponsors, and to share and learn from others' experiences. The charity has agreed to host a 'Europe Bible Camp' at Pilgrim Hall over Christmas 2023, which will see many missionaries and attendees come from across Europe, as well as cities across the UK. Developments have taken place in the charity's online outreach, with small teams utilising various social media and online platforms to connect with those interested in the charity's courses and activities. Online broadcasts of services and educational lectures take place throughout the week.

During the year, various refurbishment projects have taken place at the charity's property at Pilgrim Hall. Examples of some of the works include more windows being replaced and modernised, guttering in various areas being fixed, some bathrooms have been refurbished, the pool was re-tiled in large parts and re-grouted. These works improve the health and safety of Pilgrim Hall in general, and enhances the comfort of guests staying at Pilgrim Hall

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2023

Financial Review

Consolidated income for the year was £995,145 (2022: £823,712). Charity income was £828,092 (2022: £685,854) and arose principally from church offerings and donations and income for the trading subsidiary was £167,053 (2022: £137,858), generated mainly from the tuition of English to foreign students. Consolidated expenditure was £1,029,908 (2022: £896,180), with £919,925 relating to the charity's activities and £109,983 (2022: £113,368) relating to the activities of the subsidiary.

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 £1,481,472 (2022: £1,503,353). The Pilgrim Hall Fund was the only restricted fund at the year end and had a balance of £695,632 (2022: £708,514).

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 £196,347 (2022: £190,768). The target level of free reserves of at least 3 months of expenditure is equivalent to £175k-200k, which is achieved by the free reserves held.

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.

Policies and Procedures have been put into place at the charity's premises, to ensure adherence to government guidelines and statutory regulations. The charity also holds adequate cash reserves and has sufficient flexibility to align its expenditure with available resources.

Plans for Future Periods

Over the coming year, the charity plans to expand outreach beyond London to various cities across the U.K. There are plans to develop theological and biblical course offerings.

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 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 2023

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

In 2020, 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 charity's 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 23 May 2024 and signed as authorised on their behalf by:


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Jaewon Kim
Director/Trustee

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

OPINION

We have audited the financial statements of OLIVET ASSEMBLY (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 August 2023 which comprise the group Consolidated Statement of Financial Activities, the group Consolidated Balance Sheet, the company Balance Sheet, the group Consolidated Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS102 The Financial Reporting Standard Applicable in the UK and Republic of Ireland.

In our opinion the financial statements:

- Give a true and fair view of the state of the group's and of the parent Charitable Company's affairs as at 31 August 2023 and of the group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- Have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

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

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

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

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 Trustees' Responsibilities Statement, the Trustees, who are also the directors of the Charitable Company for the purposes of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the group's and the parent Charitable Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the group or the parent 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 noncompliance with laws and regulations, our procedures included the following:

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

- 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 through our review of board minutes (where possible), other relevant meeting minutes and review of correspondence with regulatory bodies and also obtained management representations regarding compliance with applicable laws and regulations.

We assessed the susceptibility of the charity's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the audit team included:

- Identifying and assessing the controls, management has in place to prevent and detect fraud, including the existence of supervisory controls;
- Challenging assumptions and judgements made by management in its significant accounting estimates and judgements (in particular in relation to depreciation, amortisation and valuation of goodwill);
- Identifying and testing journal entries, in particular journal entries posted with unusual account combinations; and
- Assessing the extent of compliance with the relevant laws and regulations.

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our Auditor's report.

USE OF OUR REPORT

This report is made solely to the charity's Trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's Trustees those matters we are required to state to them in an Auditor's Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Gary A Heywood (Senior Statutory Auditor)
For and on behalf of Haines Watts High Wycombe Limited

28
.....May 2024

Chartered Accountants
Statutory Auditor

Oakingham House
Frederick Place
High Wycombe
Buckinghamshire
United Kingdom
HP11 1JU

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 AUGUST 2023

GROUP INCOME AND EXPENDITURE		Unrestricted funds	Restricted funds	Total 31 August 2023	Total 31 August 2022
	Notes	£	£	£	£
<u>Income and endowments from:</u>					
Donations and legacies	2	828,092	-	828,092	685,854
Other trading activities	8	166,699	-	166,699	137,858
Interest receivable		354		354	-
Total Income		<u>995,145</u>	<u>-</u>	<u>995,145</u>	<u>823,712</u>
<u>Expenditure on:</u>	3				
Raising funds:					
Trading subsidiary	8	109,983	-	109,983	113,368
Charitable activities		<u>907,043</u>	<u>12,882</u>	<u>919,925</u>	<u>782,812</u>
Total Expenditure		<u>1,017,026</u>	<u>12,882</u>	<u>1,029,908</u>	<u>896,180</u>
Net movement in funds		<u>(21,881)</u>	<u>(12,882)</u>	<u>(34,763)</u>	<u>(72,468)</u>
 Total funds brought forward		<u>1,503,353</u>	<u>708,514</u>	<u>2,211,867</u>	<u>2,284,335</u>
Total funds carried forward		<u><u>1,481,472</u></u>	<u><u>695,632</u></u>	<u><u>2,177,104</u></u>	<u><u>2,211,867</u></u>

The comparative Statement of Financial Activities for the year ended 31 August 2022 is included in Note 18.

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.

GROUP AND CHARITY BALANCE SHEETS

AS AT 31 AUGUST 2023

		Group		Charity	
		2023	2022	2023	2022
	Notes	£	£	£	£
Fixed Assets					
Intangible Assets	7	487,745	560,907	-	-
Tangible Assets	6	2,520,594	2,543,545	2,519,239	2,541,851
Investments	8	-	-	719,212	719,212
		<u>3,008,339</u>	<u>3,104,452</u>	<u>3,238,451</u>	<u>3,261,063</u>
Current Assets					
Debtors	9	60,567	61,054	64,048	66,012
Cash at bank and in hand		263,727	229,730	191,769	181,444
		<u>324,294</u>	<u>290,784</u>	<u>255,817</u>	<u>247,456</u>
Current liabilities					
Creditors: amounts falling due within one year	10	(258,634)	(184,902)	(166,257)	(126,116)
Net Current Assets		<u>65,660</u>	<u>105,882</u>	<u>89,560</u>	<u>121,340</u>
		<u>3,073,999</u>	<u>3,210,334</u>	<u>3,328,011</u>	<u>3,382,403</u>
Creditors: amounts falling due After more than one year	11	(896,895)	(998,467)	(896,895)	(998,467)
Total Net Assets		<u><u>2,177,104</u></u>	<u><u>2,211,867</u></u>	<u><u>2,431,116</u></u>	<u><u>2,383,936</u></u>
Funds:					
Restricted funds	13	695,632	708,514	695,632	708,514
Unrestricted funds	13	1,481,472	1,503,353	1,735,484	1,675,422
TOTAL FUNDS		<u><u>2,177,104</u></u>	<u><u>2,211,867</u></u>	<u><u>2,431,116</u></u>	<u><u>2,383,936</u></u>

The financial statements were approved by the board and authorised for issue on 23 May 2024 and signed on its behalf by:



Jaewon Kim
Director/Trustee

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

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2023

	31 August 2023 £	31 August 2022 £		
Cash provided by operating activities	89,768	52,096		
Cash flows from investing activities				
Purchase of tangible fixed assets	-	(5,800)		
Cash used in investing activities	-	(5,800)		
Cash flows from financing activities				
Repayment of borrowing	(55,771)	(54,378)		
Cash used in financing activities	(55,771)	(54,378)		
Increase/(decrease) in cash and cash equivalents in the year	33,997	(8,082)		
Cash and cash equivalents at the beginning of the year	229,730	237,812		
Total cash and cash equivalents at year end	263,727	229,730		
Analysis of Cash and Cash Equivalents	2023 £	2022 £		
Cash at bank and in hand	263,727	229,730		
Analysis of changes in net funds	At 1 September 2022 £	Cash flows £	Other non-cash changes £	At 31 August 2023 £
Cash	229,730	33,997	-	263,727
Reconciliation of net movement in funds to net cash inflow from Operating Activities				
		2023 £		2022 £
Net movement in funds		(34,763)		(72,468)
Add back depreciation		22,951		23,034
Add back amortisation of goodwill		73,162		73,162
Decrease/(increase) in debtors		578		(24,362)
Increase in creditors		27,840		52,730
Net cash provided by/(used in) operating activities		89,768		52,096

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2023

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.

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. 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.

Integral to this assessment is the ongoing support of World Olivet Assembly, a related charity. World Olivet Assembly have confirmed that they will continue to support the charity for a period of at least 12 months from the date of these financial statements being signed.

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 been consolidated in these financial statements on a line-by-line basis. The activities of the company are disclosed in Note 8 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 the Trustees consider that there are no indications of any material impairment in the value of the investment at the end of the year.

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. Financial instruments

The Charity 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 2023

1. ACCOUNTING POLICIES (continued)

1.7. 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.

1.8. 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.

1.9. 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
Furniture and equipment	25%
Plant and Machinery	20% on reducing balance basis

1.10. 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.

1.11. Operating leases

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

1.12. Goodwill

Goodwill arising on a business combination represents the difference between the cost of acquisition and the Charity's consolidated interest in the fair value of the identifiable assets and liabilities of a subsidiary as at the date of acquisition.

Goodwill is recognised as an asset and is amortised over 10 years. A review for impairment is done at least annually and any impairment is recognised immediately in the Statement of Financial Activities and is not subsequently reversed.

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2023

2. DONATIONS AND LEGACIES

	2023 £	2022 £
Tithes and offerings	795,360	664,060
Donations from World Olivet Assembly (USA)	32,732	9,903
Government furlough grant	-	11,891
	<u>828,092</u>	<u>685,854</u>

The donations from World Olivet Assembly were applied by the trustees towards the operational costs. All funds are unrestricted.

3. EXPENDITURE	People support £	Premises costs £	Other costs £	Governance £	2023 £	2022 £
Raising funds:						
Costs of trading subsidiary	55,740	17,020	30,973	6,250	109,983	113,368
Charitable activities:						
Church services and activities	178,847	245,200	-	-	424,047	350,998
Support of missions and other Christian Ministries	51,099	75,446	-	-	126,545	104,606
Education	-	18,861	662	-	19,523	16,439
Support costs	25,550	37,723	279,337	7,200	349,810	310,769
Total Charitable activities	<u>255,496</u>	<u>377,230</u>	<u>279,999</u>	<u>7,200</u>	<u>919,925</u>	<u>782,812</u>
TOTAL EXPENDITURE	<u>311,236</u>	<u>394,250</u>	<u>310,972</u>	<u>13,450</u>	<u>1,029,908</u>	<u>896,180</u>

Included in People Support are staff costs of £311,236 (2022: 293,189) - see Note 4.

COMPARATIVE EXPENDITURE	People support £	Premises costs £	Other costs £	Governance £	2022 £
Raising funds:					
Costs of trading subsidiary	72,654	18,241	18,373	4,100	113,368
Charitable activities:					
Church services and activities	154,375	196,623	-	-	350,998
Support of missions and other Christian Ministries	44,107	60,499	-	-	104,606
Education	-	15,125	1,314	-	16,439
Support costs	22,053	30,250	252,106	6,360	310,769
Total	<u>220,535</u>	<u>302,497</u>	<u>253,420</u>	<u>6,360</u>	<u>782,812</u>
Total	<u>293,189</u>	<u>320,738</u>	<u>271,793</u>	<u>10,460</u>	<u>896,180</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2023

3. EXPENDITURE (Continued)

Net income is stated after charging:

Independent Auditor's fees (included in Governance costs)	15,300	12,360
Depreciation	22,951	23,034
Amortisation	73,162	73,162
Operating leases (Office premises)	170,500	170,756
	<u> </u>	<u> </u>

4. STAFF COSTS

	2023 £	2022 £	2023 £	2022 £
Wages and salaries	289,238	271,643	238,110	205,973
Social security costs	20,336	19,315	15,724	13,215
Pensions	1,662	2,231	1,662	1,347
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	311,236	293,189	255,496	220,535
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

No employee received remuneration over £60,000 (2022: none). The average monthly headcount was 11 (2022: 11). The key management staff is the Manager whose total employee benefits was £36,871 (2022: £31,982).

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 (2022: nil).

6. TANGIBLE FIXED ASSETS

	Charity - Land & Buildings £	Furniture & Equipment £	Total Charity £	Subsidiary - Plant & Machinery £	Total Group £
Valuation:					
At 1 September 2022	2,576,059	38,922	2,614,981	16,213	2,631,194
Additions	-	-	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 August 2023	2,576,059	38,922	2,614,981	16,213	2,631,194
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Depreciation:					
At 1 September 2022	54,744	18,386	73,130	14,519	87,649
Charge for the year	12,882	9,730	22,612	339	22,951
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 August 2023	67,626	28,116	95,742	14,858	110,600
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Net Book Value					
At 31 August 2023	2,508,433	10,806	2,519,239	1,355	2,520,594
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 August 2022	2,521,315	20,536	2,541,851	1,694	2,543,545
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Land and buildings represent costs incurred for the purchase of the church's premises and facilities (Pilgrim Hall).

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2023

7. INTANGIBLE FIXED ASSET - GOODWILL

	Goodwill £
Valuation:	
At 1 September 2022	731,618
Additions	-
At 31 August 2023	731,618
Amortisation:	
At 1 September 2022	170,711
Charge for the year	73,162
At 31 August 2023	243,873
Net Book Value	
At 31 August 2023	487,745
At 31 August 2022	560,907

Goodwill above relates to the cost of acquiring the charity's wholly owned subsidiary, Global London College (see Note 8).

8. 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 2023 is given below:

	2023 £	2022 £
Income	166,699	139,614
Expenditure	(175,834)	(142,220)
Bank interest	354	-
Net (Loss)/profit	(8,781)	(2,606)
Assets and liabilities:		
Assets	74,641	51,835
Liabilities	(97,186)	(65,599)
Total net (liabilities)	(22,545)	(13,764)
Represented by:		
Share capital	10	10
Profit and loss account	(22,555)	(13,774)
	(22,545)	(13,764)

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2023

9. DEBTORS	Group		Charity	
	2023 £	2022 £	2023 £	2022 £
Other debtors	60,567	61,054	59,239	59,199
Amounts owed by subsidiary undertaking	-	-	4,809	6,813
	<u>60,567</u>	<u>61,054</u>	<u>64,048</u>	<u>66,012</u>
	<u><u>60,567</u></u>	<u><u>61,054</u></u>	<u><u>64,048</u></u>	<u><u>66,012</u></u>
10. CREDITORS: amounts falling due Within one year	Group		Charity	
	2023 £	2022 £	2023 £	2022 £
Bank loan (see Note 11)	130,687	84,886	130,687	84,886
Other creditors and accruals	127,947	100,016	35,570	41,230
	<u>258,634</u>	<u>184,902</u>	<u>166,257</u>	<u>126,116</u>
	<u><u>258,634</u></u>	<u><u>184,902</u></u>	<u><u>166,257</u></u>	<u><u>126,116</u></u>
11. CREDITORS: amounts falling due After more than one year	2023		2022	
	£		£	
Bank loan	896,895		998,467	
	<u>896,895</u>		<u>998,467</u>	

The above includes amounts due in 2 – 5 years of £522,749 and amounts due after more than 5 years of £374,146.

The 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 2023 was £1,027,582 (2022: £1,083,353).

12. ANALYSIS OF MOVEMENT IN FUNDS

	Balance 1 September 2022 £	Income £	Expenditure	Transfers £	Balance 31 August 2023 £
Restricted funds:					
Pilgrim Hall Fund	708,514	-	(12,882)	-	695,632
Total Restricted Funds	<u>708,514</u>	<u>-</u>	<u>(12,882)</u>	<u>-</u>	<u>695,632</u>
Unrestricted funds:					
General Fund	1,503,353	995,145	(1,017,026)	-	1,481,472
Total unrestricted funds	<u>1,503,353</u>	<u>995,145</u>	<u>(1,017,026)</u>	<u>-</u>	<u>1,481,472</u>
Total Funds - Group	<u><u>2,211,867</u></u>	<u><u>995,145</u></u>	<u><u>(1,029,908)</u></u>	<u><u>-</u></u>	<u><u>2,177,104</u></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.

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2023

12. ANALYSIS OF MOVEMENT IN FUNDS (continued)

2022 Comparatives	Balance 1 September 2021 £	Income £	Expenditure	Transfers £	Balance 31 August 2022 £
Restricted funds:					
Pilgrim Hall Fund	721,395	-	(12,881)	-	708,514
Total restricted funds	721,395	-	(12,881)	-	708,514
Unrestricted funds:					
General Fund	1,562,940	823,712	(883,299)	-	1,503,353
Total unrestricted funds	1,562,940	823,712	(883,299)	-	1,503,353
Total Funds - Group	2,284,335	823,712	(896,180)	-	2,211,867

13. ALLOCATION OF NET ASSETS BETWEEN FUNDS

	Unrestricted £	Restricted £	2023 £	2022 £
Intangible fixed assets	487,745	-	487,745	560,907
Tangible fixed assets	1,824,962	695,632	2,520,594	2,543,545
Current assets	324,294	-	324,294	290,784
Current liabilities	(258,634)	-	(258,634)	(184,902)
Long term liabilities	(896,895)	-	(896,895)	(998,467)
	1,481,472	695,632	2,177,104	2,211,867
2022 Comparatives				
	Unrestricted £	Restricted £	2022 £	
Intangible fixed assets	560,907	-	560,907	
Tangible fixed assets	1,835,031	708,514	2,543,545	
Current assets	290,784	-	290,784	
Current liabilities	(184,902)	-	(184,902)	
Long term liabilities	(998,467)	-	(998,467)	
	1,503,353	708,514	2,211,867	

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2023

14. OPERATING LEASE COMMITMENTS

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

	2023	2022
	£	£
Leases which expire:	Premises	Premises
Within one year	90,936	90,936
Within two to five years	363,744	363,744
Over five years	90,936	181,872
	<u>545,616</u>	<u>636,552</u>
	<u><u>545,616</u></u>	<u><u>636,552</u></u>

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 £32,732 (2022: £9,903). There were no other transactions with WOA during the year.

17. PENSIONS AND OTHER POST-RETIREMENT BENEFIT COMMITMENTS

The group and charity operate defined contribution pension schemes. The assets of the schemes are held separately from those of the group and charity in an independently administered fund. The pension costs charge represents contributions payable by the charity to the fund and amounted to £1,662 (2022: £2,231). There were no contributions payable at the year-end (2022: £nil).

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2023

18. COMPARATIVE CONSOLIDATED STATEMENT OF FINANCIAL
ACTIVITIES (2022)

GROUP INCOME AND EXPENDITURE	Unrestricted funds	Restricted funds	Total 31 August 2022
	£	£	£
<u>Income and endowments from:</u>			
Donations and legacies	685,854	-	685,854
Other trading activities – income from trading subsidiary	137,858	-	137,858
Total Income	<u>823,712</u>	<u>-</u>	<u>823,712</u>
<u>Expenditure on:</u>			
Raising funds:			
Trading subsidiary	113,368	-	113,368
Charitable activities	769,931	12,881	782,812
Total Expenditure	<u>883,299</u>	<u>12,881</u>	<u>896,180</u>
Net movement in funds	<u>(59,587)</u>	<u>(12,881)</u>	<u>(72,468)</u>
 Total funds brought forward	 1,562,940	 721,395	 2,284,335
Total funds carried forward	<u><u>1,503,353</u></u>	<u><u>708,514</u></u>	<u><u>2,211,867</u></u>