

# **VICTORY OUTREACH MANCHESTER**

(CHARITABLE INCORPORATED ORGANISATION)

## **ANNUAL REPORT AND FINANCIAL STATEMENTS YEAR ENDED 31ST MAY 2021**

**CHARITY REGISTRATION No: 1167670**

**VICTORY OUTREACH MANCHESTER**  
(CHARITABLE INCORPORATED ORGANISATION)

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# **VICTORY OUTREACH MANCHESTER**

(CHARITABLE INCORPORATED ORGANISATION)

## **LEGAL & ADMINISTRATIVE INFORMATION**

<b>CHARITY NUMBER</b>	1167670
<b>DATE OF REGISTRATION</b>	16th June 2016
<b>START OF FINANCIAL YEAR</b>	1st June 2020
<b>END OF FINANCIAL YEAR</b>	31st May 2021
<b>TRUSTEES AT 31ST MAY 2021</b>	Mandlenkosi Walter Moyo Rev. Roger Ian Sutton Rev. David King Mrs Claudia Mason (appointed 10/09/2020)
<b>LEGAL STATUS</b>	Charitable Incorporated Organisation
<b>GOVERNING INSTRUMENT</b>	CIO Foundation Registered 16 <sup>th</sup> June 2016
<b>CORRESPONDENCE ADDRESS</b>	19 Liverpool Street Salford M5 4LY
<b>PRIMARY BANKERS</b>	NatWest Bank Plc 182 Deansgate Manchester M3 3LY
<b>INDEPENDENT EXAMINER</b>	Daniel McGuren FMAAT CIMA Adv Dip MA 3 Chancet Wood Rise Sheffield S8 7TT

# **VICTORY OUTREACH MANCHESTER**

(CHARITABLE INCORPORATED ORGANISATION)

## **TRUSTEES ANNUAL REPORTS FOR THE YEAR ENDED 31st May 2021**

The Trustees present their report together with the financial statements of the charity for the year ended 31 May 2021. The financial statements have been prepared in accordance with the accounting policies set out on page 17 and comply with the Charity's Trust Deed and applicable law.

These financial statements comply with the Charities Act 2011, the Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS102) (Charities SORP (FRS102) and the Charities Act 2011).

### **OBJECTIVES AND ACTIVITIES**

1. The advancement of the Christian Faith in accordance with the statements of belief set out in the schedule appearing at the end of the Constitution and the worship of God in the said county and elsewhere and by any means whatsoever including (but not by way of limitation) the preaching and proclamation of the Christian Gospel and the teaching of Christian doctrine and principles and the pastoral care of Christian people and the printing and distribution of the Bible and Christian literature including video and audio recordings or CD's and by any other media which is or may become available.
2. The relief of persons who are in conditions of need or hardship and consequently are in distress or who are sick.
3. The advancement of education on the basis of the above Christian principles and without prejudice to the generality of the foregoing provisions of such education in any educational establishment and if the trustees so decide the provision of one or more charitable education establishments for the general education of children or adults on the basis of such Christian principles.

Victory Outreach is an International Christian Ministry orientated church called to the task of evangelising and discipling the hurting people of the world with the message of hope and the plan of Jesus Christ. This call involves a commitment to plant and develop churches, rehabilitation homes and training centres in strategic cities of the world. Victory Outreach inspires and instils within people the desire to fulfil their potentials in life with a sense of dignity, belonging and destiny.

### **ORGANISATIONAL STRUCTURE & DECISION MAKING**

There is a Board of Trustees who meets regularly to make strategic decisions as well as a Business Executive Management Team, made up of Senior Pastoral Team and key Senior Staff of the church charity which holds regular weekly business meetings for the day-to-day operations of the church charity. As the church grows, capacity is being built with experts in finance and administration alongside identifying young talents for the future direction of the charity.

### **PUBLIC BENEFIT**

The Charity acknowledges its requirement to demonstrate clearly that it must have charitable purposes or 'aims' that are for the public benefit. Details of how the charity has achieved this are provided in the Trustees' report. The Trustees confirm that they have paid due regard to the Charity Commission guidance on public benefit before deciding what activities the charity should undertake.

**VICTORY OUTREACH MANCHESTER**  
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**TRUSTEES ANNUAL REPORTS FOR  
THE YEAR ENDED 31st May 2021**

**REVIEW OF ACTIVITIES DURING THE YEAR 2020-21**

Victory Outreach Manchester church charity, like many other similar organisations, has had a unique year, just as the charity was coming out of a tumultuous period with a glimmer of hope for a growth spun half year to May 2020, the pandemic struck. The Coronavirus 2019 – “Covid-19” saw quite a few changes come about in the way VO Manchester was able to operate. Due to Government restrictions on in person church services, from March 2020 all services were conducted online using Facebook and YouTube. For midweek meetings of all types, the online meeting format of Zoom was used.

These changes saw the need to upgrade our technological capacity, with new equipment needing to be bought to facilitate the new environment. This was done and is probably needing to be a constant exercise for the foreseeable future as the Pandemic continues. The online services saw an increase in people accessing our services.

Donations were also forced to go completely online, but even though there was a drop, we were still able to continue. Due to being a church, we had no recourse to any Government funding as we were unable to utilise the furlough scheme as a result of the specific roles and nature of our Staff. During this time, though, the church charity was able to continue to meet the needs of our congregants as well as the wider community. A Covid-19 Hardship Fund was set up to provide resources for anyone struggling during the lockdown. This included helping with bills as well as food. Food parcels from our Foodbank were delivered every week to those in need as part, arranged by our Pastoral Care Team.

The good news is the charity continued doing fruitful work in assisting men and women whose lives have been endangered by substance and alcohol misuse to become sober and clean with the added benefit of reducing re-offending. Further, a growing interest in family life and parenting among our community saw young people encouraged to engage with positive role models including Bible study groups, prayer meetings, music and drama. The charity remains the beacon of hope within the community it serves due to the uniqueness of what we do. This year, the charity owed its continued existence throughout the year to the unflinching dedication and support of our people and volunteers to the mission. Improving faith and wellbeing among our members and the community through teaching and outreach activities in the first half of the year, including weekly teachings and events reaching out to prostitutes, drug addicts, alcoholics, the homeless and the hurting people all over the city of Salford, Manchester and its environs.

# **VICTORY OUTREACH MANCHESTER**

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## **TRUSTEES ANNUAL REPORTS FOR THE YEAR ENDED 31st May 2021**

### **KEY ACHIEVEMENTS IN 2020-21**

The Church saw additional resources spent on increasing help to substance misusers and addressing youth challenges, which made a positive impact on those families with relationships between father and daughter being restored.

- Started a new adoption initiative online as well as teachings on marriage and family live sessions launched with record numbers of community members signing up to attend.
- Organised and hosted the UK and Germany Region Run4Hope fundraiser in September 2019. The amount raised was circa 40% target due to the Covid-19 pandemic.
- Code Red - Saw many women in hostels suffering from domestic violence, receiving personal encouragement and personal gifts. This was all achieved within Government restrictions, and was a tremendous success
- Christmas Nativity Play for the Kids GANG (God Anointed Now Generation) ministry and Christmas Pamper give-aways in the Salford area.
- Our flagship New Year's Eve celebration and thanksgiving and film night was usual heartwarming and well patronised with free entrance for the vulnerable in the community with food served.
- The year also saw the full launch of VO Glasgow and VO Birmingham became operational courtesy of our United We Can fund (UWC) during the pandemic with full financial support.
- Participated in the annual Senior Pastors Strategic and vision casting meeting in Mexico.
- Participated in the Manchester City Prayer Gathering series and was a key member of the church leaders' community within the city helping shape the future of our communities.
- Well represented at the Mighty Men of Valour Conference and the United Women in Ministry Conference all happened in America.
- Successfully sponsored two young adults to the Urban Training Centres in America and South Africa, and another to the Mission Training Centre.
- Continued the Weekly church wide prayer meetings as well as monthly men and women breakfast prayer meetings as we see growth in many of our members' prayer and spiritual lives.
- Organised and hosted a church-wide series of marriage seminars with seasoned couples sharing their wealth of knowledge and experience in marriage to help our members.
- Spearheaded and secured a venue for our European Urban Training Centre being established in Germany.
- Continued with theological teachings through VETI and encouraged up and coming leaders to continue their growth track towards pastoral licensing.
- Organised and launched a new initiative called "Horizons" Business Seminar aimed at addressing disparity and equipping members of our community through interactive days where keynote speakers from business, health and education engage with service users from those areas of employment. The aim is to run this event once every year.
- Project 67 became a registered charity in November 2020. This allowed the Victory Homes to operate independently so as to increase their effectiveness and be able to apply for specific funding. All standing property was agreed to remain with Victory Outreach Manchester with Project 67 using these facilities during the transition period.

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**TRUSTEES ANNUAL REPORTS FOR  
THE YEAR ENDED 31st May 2021**

**FINANCIAL REVIEW**

The trustees have prepared the accounting policies for the Victory Outreach Manchester in accordance with the requirements of the SORP and of best accounting practice.

**Review of the period**

During the year the baseline income decreased to £434,234 (2020: £549,655)

The costs went down to £394,409 (2020: £547,297), they were contained due to strong financial management and good cost control.

**Income and Expenditure**

Victory Outreach Manchester relies on voluntary income as its principal source of funding. Total donation amounted to £327,107 (2020: £398,897).

Income from Charitable activities amounted to £106,140 (2020: £117,013). Income from activities for generating funds amounted to £518 (2020: £15,124)

Investment income received in the year £24 (2020: £196)

Other Income received amounted to £445 (2020: £18,425)

The costs of fund generating activities were £1,802 (2020: £3,427).

**Governance**

The £3,900 'governance' costs include the costs associated with independent examination of the accounts and other professional services in the year for financial and legal advice.

**Surplus**

Total of the incoming resources exceeded resources expended in the period by £39,825 (2020: £2,358), and this is held as unrestricted and restricted funds.

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**TRUSTEES ANNUAL REPORTS FOR  
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**RESERVES POLICY**

The Trustees have considered the level of reserves they wish to retain appropriate to the charity's needs. This is based on the charity's size and the level of financial commitments held. The Trustees aim to ensure the charity will be able to continue to fulfil its charitable objectives even if there is a temporary shortfall in income or unexpected expenditure. The Trustees will endeavour not to set aside funds unnecessarily.

**RISK ASSESSMENT**

The Trustees actively review the major risks which the charity faces on a regular basis and believe that maintaining the free reserves stated, combined with the review of controls over key financial systems carried out on an annual basis will provide sufficient resources in the event of adverse conditions. The Trustees have also examined other operational and business risks which they face and confirm that they have established systems to mitigate the significant risks.



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**PLANS FOR THE YEAR AHEAD 2021-22**

Due to Covid-19 being forecasted to continue for the foreseeable future probably beyond 2020, the church charity will continue to implement changes about the way it delivers on its charitable objects going forward.

The church plans to start in-person services around August -September 2020 depending on the easing of the lockdown or restrictions on in-person church services which started from March 2020.

Hence, to upgrade our place of worship to be fully covid-19 Health and Safety compliant ready by mid-August 2020.

From the start of the next year, June 2020, we aim to continue all services online using Facebook and YouTube. For midweek meetings of all types the online meeting format of Zoom will be used. We are doing all that we can to realign ourselves to continue to be relevant to our members and the larger community we serve through these challenges.

Key items on the agenda for next year are as follows:

- The need to continue to upgrade our technological capacity, with new equipment needing to be purchased to facilitate the new environment. Probably needing to be a constant exercise for the foreseeable future as the Pandemic continues.
- Develop new strategies to meet the new way of doing church as the online services saw an increase in people accessing our services.
- To find new ways to grow our income completely online, to close any gap in income level drop we experienced last year. Due to being a church, we had no recourse to any Government funding as we were unable to utilise the furlough scheme due to the specific roles and nature of our staff.
- To continue to run food banks and provide pastoral care services to meet the needs of our congregants as well as the wider community.
- To continue to raise funds for the Covid-19 Hardship Fund to provide resources for anyone struggling during the lockdown. This will include helping with bills as well as food. Food parcels will continue to be delivered every week to those in need, to be arranged by our Pastoral Care Team.
- Code Red – will strengthen our efforts to continue to reach out to many women in hostels suffering from domestic violence, to receive personal encouragement and personal gifts. This, we will continue to achieve within Government restrictions guidelines.

Next year, we will organise Run for Hope (R4H) differently within restriction guidelines to support people willing to take part - as an ongoing fundraising initiative for ministry development which has mobilised hundreds of people to raise money for reaching vulnerable people across the UK.

Will continue the online teachings as part of our regular activities to provide on Zoom including:

- Marriage helps
- Relationship teachings
- Parenting help
- Dealing with the Pandemic tips

## **VICTORY OUTREACH MANCHESTER**

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- Bible teachings (including understanding the times we're living in)
- VETI - Theological training
- Prayer Times (Wednesday/ Friday/Saturday)

Continue to maintain contact with congregation members via WhatsApp/Zoom/ telephone/email etc, as well as socially distanced visits when necessary.

To continue support to our two new churches courtesy United We Can fund in Birmingham and Glasgow with staff detached from Victory Outreach Manchester, because of many requests to do so and with a view to expand the ministry DNA of the church charity, in order to help more people in the same capacity in those cities.

As well as these exciting developments, we also aim to register a new, standalone CIO for an aspect of the ministry, called "Victory Homes" - which is a non- medicated sober living facility for people dealing with addiction and other life controlling problems. This is so vital so that this growing aspect could access all the resources necessary for it to function to its full capacity.

Another charity was also set in motion – VO Foundation is in the process of being registered as a resource base to cater for church plants and mission works for future ministry expansion throughout the UK.

New Trustees are being recruited to join the board as the tenure of the existing trustees come to an end in May 2020, new structures are being developed in terms of growth planning and policies and procedures continually being updated.

Due to the ongoing nature of Covid-19 restrictions, future plans for winter 2020, including Christmas, are being held to be more flexible than in past years.

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**TRUSTEES ANNUAL REPORTS FOR  
THE YEAR ENDED 31st May 2021**

**TRUSTEES' RESPONSIBILITIES**

The Charities Act 2011 require the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the CIO and of the surplus of the CIO for that period. In preparing those financial statements the trustees are required to:

- Select suitable accounting policies and apply them consistently,
- Make judgements and estimates that are reasonable and prudent,
- Prepare financial statements on the going concern basis unless it is inappropriate to presume that the trust will continue in existence.

The trustees are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the CIO. They are also responsible for safeguarding the assets of the CIO and hence for taking reasonable steps for the prevention and detection of fraud and other Irregularities.

The Trustees declare that they have approved the trustees' report above

Signed on behalf of the charity's Trustees

Signed by

*Mw Moyo*

Name : ...Mandla Moyo.....

Date : ...22/07/2021.....

**VICTORY OUTREACH MANCHESTER**  
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**TRUSTEES ANNUAL REPORTS FOR  
THE YEAR ENDED 31st May 2021**

**RELATED PARTIES**

A summary of transactions with related parties is set out in note 16 of the financial statements.

The trustees declare that they have approved the trustees' report above.

Signed on behalf of the charity's trustees.

Signed by

*Mw Moyo*

Name : ...Mandla Moyo.....

Date : ...22/07/2021.....

**VICTORY OUTREACH MANCHESTER**  
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**INDEPENDENT EXAMINER'S REPORT ON THE ACCOUNTS**

Report to the trustees/ members of Victory Outreach Manchester CIO on the accounts for the year ended 31st May 2021 set out on pages 14 to 25.

**Respective responsibilities of trustees and examiner**

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 (the Charities Act) and that an independent examination is needed. I am qualified to conduct the independent examination as per the guidelines.

It is my responsibility to:

examine the accounts under section 145 of the Charities Act,  
to follow the procedures laid down in the general Directions given by the Charity Commission (under section 14S(S)(b) of the Charities Act, and  
to state whether particular matters have come to my attention

**Basis of Independent Examiner's statement**

My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

**Independent examiner's statement**

In connection with my examination, no matter has come to my attention:

1. which gives me reasonable cause to believe that in, any material respect, the requirements: to keep accounting records in accordance with section 130 of the Charities Act; and to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities Act

have not been met; or

2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Daniel McGuren

Address: ...3 Chancet Wood Rise, Sheffield S8 7TT.....

Dated: <sup>29</sup>.....July 2021

**VICTORY OUTREACH MANCHESTER**  
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**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 31st May 2021**

	Notes	Unrestricted Funds £	Restricted Funds £	<b>Total 2021 £</b>	Total 2020 £
<b>INCOMING RESOURCES</b>					
Incoming resources from generating funds:					
Donations and legacies	2a	304,246	22,861	<b>327,107</b>	398,897
Other income from Charitable activities	2b	17,993	88,147	<b>106,140</b>	117,013
Other Trading income	2c	518	0	<b>518</b>	15,124
Investment income	2d	17	7	<b>24</b>	196
Other Incoming Resources	2e	350	95	<b>445</b>	18,425
<b>TOTAL INCOMING RESOURCES</b>		<u>323,124</u>	<u>111,110</u>	<u><b>434,234</b></u>	<u>549,655</u>
<b>RESOURCES EXPENDED</b>					
Charitable activities	3	293,439	97,070	<b>390,509</b>	542,607
Governance costs	5	3,900	0	<b>3,900</b>	4,690
<b>TOTAL RESOURCES EXPENDED</b>		<u>297,339</u>	<u>97,070</u>	<u><b>394,409</b></u>	<u>547,297</u>
<b>NET(OUTGOING)/INCOMING RESOURCES BEFORE TRANSFERS</b>		25,785	14,040	<b>39,825</b>	2,358
<b>TRANSFERS</b>					
Transfer between Funds		<u>(19,315)</u>	<u>19,315</u>	<b>0</b>	0
<b>NET MOVEMENT IN FUNDS</b>		6,470	33,355	<b>39,825</b>	2,358
<b>RECONCILIATION OF FUNDS</b>					
Total Funds Brought Forward		<u>61,290</u>	<u>108,884</u>	<u><b>170,174</b></u>	<u>167,816</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u>67,760</u>	<u>142,239</u>	<u><b>209,999</b></u>	<u>170,174</u>

The charity has no recognised gains or losses other than the results for the year as set out above.

**VICTORY OUTREACH MANCHESTER**  
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**STATEMENT OF FINANCIAL POSITION**  
**FOR THE YEAR ENDED 31st May 2021**

	Note	2021 £	2020 £
<b>FIXED ASSETS</b>			
Tangible fixed assets	8	<u>122,371</u>	<u>131,767</u>
		<u><b>122,371</b></u>	<u><b>131,767</b></u>
<b>CURRENT ASSETS</b>			
Debtors	9	<u>3,551</u>	<u>23,426</u>
Cash at bank and in hand	10	<u>151,393</u>	<u>102,135</u>
		<u><b>154,944</b></u>	<u><b>125,561</b></u>
<b>CREDITORS: Amounts falling due within one year</b>	11	<u>26,657</u>	<u>40,658</u>
<b>NET CURRENT ASSETS</b>		<u><b>128,287</b></u>	<u><b>84,903</b></u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>250,658</b>	<b>216,670</b>
<b>CREDITORS: Amounts falling due after more than one year</b>	12	<u>(40,659)</u>	<u>(46,496)</u>
<b>NET ASSETS</b>		<u><b>209,999</b></u>	<u><b>170,174</b></u>
<b>FUNDS OF THE CHARITY</b>			
Restricted Income Funds	13a	<u>142,239</u>	<u>108,884</u>
Unrestricted Income Funds	13	<u>67,760</u>	<u>61,290</u>
		<u><b>209,999</b></u>	<u><b>170,174</b></u>

These financial statements were approved by the trustees on 22 July 2021 and signed on their behalf by:

Signed ..... *MW Moyo* .....

Print Name:.....Mandla Moyo.....

**VICTORY OUTREACH MANCHESTER**  
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**CONSOLIDATED STATEMENT OF CASHFLOWS**  
**FOR THE YEAR ENDED 31st May 2021**

	2021 £	2020 £
<b>Cash flows from operating activities</b>		
Net cash received (spent)	39,801	2,162
<b>Adjustments to cash from non-cash items</b>		
Depreciation	14,366	5,783
	<u>54,167</u>	<u>7,945</u>
<b>Working capital adjustments</b>		
Decrease/(increase) in debtors	19,875	(22,726)
Increase/(decrease) in creditors	(19,656)	17,001
	<u>54,390</u>	<u>2,220</u>
Net cash flows from operating activities		
<b>Cash flows from investing activities</b>		
Interest received from savings	24	196
Disposals of tangible Fixed Assets	3,490	0
Purchase of tangible Fixed Assets	(8,460)	(11,445)
	<u>(4,946)</u>	<u>(11,249)</u>
Net cash flows from investing activities		
<b>Cash flows from financing activities</b>		
(Repayment)/Addition of Loan during the period	(182)	(341)
	<u>(182)</u>	<u>(341)</u>
Net cash flows from financing activities		
Net (decrease)/increase in cash and cash equivalents	49,262	(9,370)
Cash and cash equivalents at 1 January	102,134	111,504
Cash and cash equivalents at 31 December	<u>151,396</u>	<u>102,134</u>



# **VICTORY OUTREACH MANCHESTER**

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## **NOTES TO THE FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED 31ST MAY 2021**

#### **1. ACCOUNTING POLICIES**

##### **Basis of Preparation & Assessment of Going Concern Basis of Preparation**

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2015) - (Charities SORP - FRS102) and the Charities Act 2011.

The Charity meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost unless otherwise stated in the relevant accounting policy notes.

##### **Assessment of Going Concern**

Preparation of the accounts is on a going concern basis. The trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern.

##### **Incoming Resources**

###### *Recognition of Incoming Resources*

These are included in the Statement of Financial Activities (SOFA) when:

- the charity becomes entitled to the resources;
- the trustees are virtually certain they will receive the resources; and
- the monetary value can be measured with sufficient reliability

###### *Incoming Resources with Related Expenditure*

Where incoming resources have related expenditure (as with fundraising or contract income) the incoming resource and related expenditure are reported gross in the SOFA.

###### *Grants and Donations*

Grants and Donations are only included in the SOFA when the charity has unconditional entitlement to the resources.

###### *Tax Reclaims on Donations and Gifts*

Incoming resources from tax reclaims are included in the SOFA at the same time as the gift to which they relate.

###### *Contractual Income and Performance Related Grants*

This is only included in the SOFA once the related goods or services has been delivered.

###### *Gifts in Kind*

Gifts in kind are accounted for at a reasonable estimate of their value to the charity or the amount actually realised. Gifts in kind for sale or distribution are included in the accounts as gifts only when sold or distributed by the charity. Gifts in kind for use by the charity are included in the SOFA as incoming resources when receivable.

###### *Donated Services and Facilities*

These are only included in incoming resources (with an equivalent amount in resources expended) where the benefit to the charity is reasonably quantifiable, measurable and material. The value placed on these resources is the estimated value to the charity of the service or facility received.

###### *Volunteer Help*

The value of any voluntary help received is not included in the accounts.

###### *Investment Income*

This is included in the accounts when receivable.

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**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31ST MAY 2021**

**1. ACCOUNTING POLICIES (continued)**

*Investment Gains and Losses*

This included any gain or loss on the sale of investments and any gain or loss resulting from revaluing investments to market value at the end of the year.

**Expenditure and Liabilities**

*Liability Recognition*

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to pay out resources.

*Governance Costs*

Include costs of the preparation and examination of statutory accounts, the costs of the trustees' meetings and cost of any legal advice to trustees on governance or constitutional matters.

*Grants with Performance Conditions*

Where the charity gives a grant with conditions for its payment being a specific level of service or output to be provided, such grants are only recognised in the SOFA once the recipient of the grant has provided the specified.

*Grants Payable without Performance Conditions*

These are only recognised in the accounts when a commitment has been made and there are no conditions to be met relating to a grant which remain in control of the charity.

*Support Costs*

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

*Investments*

Investments quoted on a recognised stock exchange are valued at market value at the year end. Other investment assets are included at trustees' best estimate of market value.

*Pensions*

Pension contributions are charged to the Statement of Financial Activities as they become payable.

*Unrestricted funds*

These funds can be used for the general objectives of the charity as set out in the trustees' report. The movements of the unrestricted funds are given in the Statement of Financial Activities.

*Restricted funds*

These funds are where the donor has specified a purpose for the donation made. These restrictions often arise as a result of the regular appeals for special offerings and specific donations.

*Designated funds*

These funds are funds set aside by the trustees out of unrestricted general funds and fenced for a particular purposes or projects.

*Fixed Assets*

Fixed Assets are capitalised if they can be used for more than one year and cost at least £500. They are valued at cost or, if gifted, at the value to the charity on receipt.

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**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31ST MAY 2021**

*Amortisation on Land & Buildings*

No amortisation is charged to freehold property as the property is maintained to such a standard that the estimated residual value is not less than cost.

*Depreciation Expense*

Depreciation is calculated at a rate to write off the cost of tangible fixed assets on a reducing balance basis over their estimated useful lives. The rates applied per annum are as follows:

General Equipment	25%
Fixtures & Fittings	10%
Motor Vehicles	25%

**VICTORY OUTREACH MANCHESTER**  
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**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31ST MAY 2021**

**2. INCOMING RESOURCES**

	Unrestricted Funds Total £	Restricted Funds Total £	TOTAL 2021 £	TOTAL 2020 £
<b>2a Donations and legacies</b>				
Gifts Individuals	263,297	466	263,763	322,645
Tax Refund	35,652	10,565	46,217	44,776
Gifts in Kind	0	0	0	0
Grants received	5,297	11,830	17,127	31,476
	<u>304,246</u>	<u>22,861</u>	<u>327,107</u>	<u>398,897</u>
<b>2b Incoming Resources from Charitable Activities</b>				
Rent Received	17,993	0	17,993	49,429
GANG Retreat	0	0	0	6,549
Sundry Income	0	0	0	160
Events - Run4Hope	0	13,367	13,367	0
United We Can	0	74,780	74,780	60,875
	<u>17,993</u>	<u>88,147</u>	<u>106,140</u>	<u>117,013</u>
<b>2c Income from activities for generating funds</b>				
Fundraising Events	408	0	408	8,656
Other Sales Income	0	0	0	6,468
Event Income	110	0	110	0
	<u>518</u>	<u>0</u>	<u>518</u>	<u>15,124</u>
<b>2d Investment Income</b>				
Bank Interest Received	17	7	24	196
	<u>17</u>	<u>7</u>	<u>24</u>	<u>196</u>
<b>2e Other Incoming Resources</b>				
Sundry Income	350	95	445	0
Insurance Claim & Disposals	0	0	0	18,425
	<u>350</u>	<u>95</u>	<u>445</u>	<u>18,425</u>
<b>TOTAL INCOMING RESOURCES</b>	<u>323,124</u>	<u>111,110</u>	<u>434,234</u>	<u>549,655</u>

Many volunteers give freely of their time in the service of our Lord for the charity, the value of which is unquantifiable.

**VICTORY OUTREACH MANCHESTER**  
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**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31ST MAY 2021**

**3.COSTS OF CHARITABLE ACTIVITIES BY FUND TYPE**

	Unrestricted Funds Total £	Restricted Funds Total £	<b>TOTAL 2021 £</b>	<b>TOTAL 2020 £</b>
Costs of Direct Charitable Activities	293,439	97,070	<b>390,509</b>	542,607
Support Costs	3,900	0	<b>3,900</b>	4,690
	<u>297,339</u>	<u>97,070</u>	<u><b>394,409</b></u>	<u>547,297</u>

**4.COSTS OF CHARITABLE ACTIVITIES BY ACTIVITY TYPE**

	Activities undertaken Total £	Support costs Total £	<b>TOTAL 2021 £</b>	<b>TOTAL 2020 £</b>
Costs of Generating Voluntary Income	23,382	0	<b>23,382</b>	23,298
Costs of Fund Generating Activities	1,802	0	<b>1,802</b>	3,427
Costs of Charitable Activities	365,325	0	<b>365,325</b>	515,882
Governance costs	0	3,900	<b>3,900</b>	4,690
Tithe to Related Charity	5,927	0	<b>5,927</b>	0
	<u>390,509</u>	<u>3,900</u>	<u><b>394,409</b></u>	<u>547,297</u>

**5. GOVERNANCE COSTS**

	Unrestricted Funds Total £	<b>TOTAL 2021 £</b>	<b>TOTAL 2020 £</b>
Independent examiner's fee	850	<b>850</b>	500
Other Governance costs	3,050	<b>3,050</b>	4,190
	<u>3,900</u>	<u><b>3,900</b></u>	<u>4,690</u>

**6. NET INCOMING RESOURCES**

This is stated after charging:

	<b>TOTAL 2021 £</b>	<b>TOTAL 2020 £</b>
This is stated after charging		
Independent examiner's fee	<b>850</b>	500
Depreciation of owned assets	<b>14,366</b>	5,783

**VICTORY OUTREACH MANCHESTER**  
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**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31ST MAY 2021**

**7. INFORMATION REGARDING TRUSTEES AND EMPLOYEES**

	TOTAL 2021 £	TOTAL 2020 £
<b>Employee costs during the year:</b>		
Wages and salaries	128,029	150,811
Social security costs	6,148	11,176
Pension costs	2,632	3,706
	<u>136,808</u>	<u>165,693</u>
<b>Average number of staff employed:</b>	No.	No.
Management	0	0
Others - Support	1	1
	<u>6</u>	<u>7</u>

Payments were made to the Senior Minister of Religion towards living and vehicle costs and treated as a Benefit In Kind and all relevant taxes paid - the total of £17,388 (2020: £25,249).

No employee received remuneration including benefits of more than £60,000 during the year (2020: Nil).

Amount paid or reimbursed to Trustees, in their capacity as Trustees £Nil (2020: £Nil).

**8. FIXED ASSETS**

		£	£	£	£	Total £
		Land & Building	General Equipment	Fixtures & Fittings	Motor Vehicles	
Cost	at 1 June 2020	100,000	47,041	15,359	4,650	167,050
	Additions	0	8,460	0	0	8,460
	Disposals	0	0	0	(4,650)	(4,650)
	at 31 May 2021	<u>100,000</u>	<u>55,501</u>	<u>15,359</u>	<u>0</u>	<u>170,860</u>
Depreciation	at 1 June 2020	0	32,205	2,884	194	35,283
	Charge for year	0	11,865	1,535	966	14,366
	Disposals	0	0	0	(1,160)	(1,160)
	at 31 May 2021	<u>0</u>	<u>44,070</u>	<u>4,419</u>	<u>0</u>	<u>48,489</u>
<b>Net Book Value</b>	<b>at 31 May 2021</b>	<u>100,000</u>	<u>11,431</u>	<u>10,940</u>	<u>0</u>	<u>122,371</u>
	at 1 June 2020	<u>100,000</u>	<u>14,836</u>	<u>12,475</u>	<u>4,456</u>	<u>131,767</u>

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**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31ST MAY 2021**

**9. DEBTORS AND PREPAYMENTS**

	Unrestricted Funds £	Restricted Funds £	2021 £	2020 £
Prepayments and accrued income	3,301	250	3,551	23,426
	<u>3,301</u>	<u>250</u>	<u>3,551</u>	<u>23,426</u>

**10. CASH AT BANK AND IN HAND**

	Unrestricted Funds £	Restricted Funds £	2021 £	2020 £
Current Accounts	29,598	121,795	151,393	102,135
	<u>29,598</u>	<u>121,795</u>	<u>151,393</u>	<u>102,135</u>

**11. CREDITORS : AMOUNTS FALLING DUE WITHIN ONE YEAR**

	Unrestricted Funds £	Restricted Funds £	2021 £	2020 £
Bank loans & other loans, Credit cards & Overdrafts	2,016	0	2,016	2,198
Mortgage	5,201	0	5,201	5,202
Trade creditors	11,881	0	11,881	17,010
Other creditors	503	0	503	1,812
Accruals and deferred income	7,056	0	7,056	14,436
	<u>26,657</u>	<u>0</u>	<u>26,657</u>	<u>40,658</u>

**12. CREDITORS : AMOUNTS FALLING DUE AFTER ONE YEAR**

	Unrestricted Funds £	Restricted Funds £	2021 £	2020 £
Mortgage	40,659	0	40,659	46,496
	<u>40,659</u>	<u>0</u>	<u>40,659</u>	<u>46,496</u>

The mortgage with Kingdom Bank was used to purchase 83 Lower Seedley Road, Salford, M6 5WP on 9th August 2007, as a home for men suffering from substance misuse and prostitution. The original amount of the loan was £100,000, to be paid back over a 20-year period with maturity on the 9th August 2027. The interest rate applicable was 7.50% (2020: 7.50%).

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**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31ST MAY 2021**

**13. RECONCILIATION OF MOVEMENTS IN FUNDS**

	Balance at 31-May-20 £	Movement in Resources		Transfers Between Funds £	Balance at 31-May-21 £
		Incoming £	Outgoing £		
<b>13a. Restricted Funds</b>	108,884	111,110	(97,070)	19,315	<b>142,239</b>
	108,884	111,110	(97,070)	19,315	<b>142,239</b>
<b>Unrestricted Funds</b>					
General Fund	61,233	323,124	(297,339)	(19,315)	<b>67,703</b>
	170,117	434,234	(394,409)	0	<b>209,942</b>
<b>13a. Restricted Funds</b>					
Covid19 - Hardship Fund	761	416	(149)	0	<b>1,028</b>
52nd Birthday Celebrations	1	0	0	(1)	<b>0</b>
Building Fund	49,940	0	0	0	<b>49,940</b>
United We Can	58,182	98,814	(95,341)	19,316	<b>80,971</b>
Community Wraparound Services	0	11,880	(1,580)	0	<b>10,300</b>
	108,884	111,110	(97,070)	19,315	<b>142,239</b>

**14. ANALYSIS OF NET ASSETS BY FUND**

	Tangible Fixed Assets £	Net Current Assets / (Liabilities) £	Creditors Due after One Year £	TOTAL £
<b>Restricted Funds</b>	0	142,239	0	<b>142,239</b>
	0	142,239	0	<b>142,239</b>
<b>Unrestricted Funds</b>	122,371	(14,009)	40,659	<b>67,703</b>
	122,371	(14,009)	40,659	<b>209,942</b>

**15. OPERATING LEASE COMMITMENTS**

	Land and Buildings £	Equipment £
Lease which expires		
Within One year	37,000	4,708
After One Year	18,504	127
	55,504	4,835



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**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31ST MAY 2021**

**16. PAYMENTS TO TRUSTEES AND RELATED PARTY TRANSACTIONS**

During the period the related party transactions were as stated below:

No payments were made to trustees, or any persons connected with them during this financial period. No other material transaction took place between the organisation and a trustee, or any person connected with them

Total donations made by the trustees to the charity during the period were £2,940

In November 2020 a new Charitable Incorporated Organisation (CIO) was registered as Project 67 (No 1192263) which took on the responsibilities of the Homes (sober living facilities) that had been part of Victory Outreach Manchester. All assets and liabilities relating to the homes were transferred to the new charity. Victory Outreach Manchester gave a donation of £5,927.

Victory Outreach Manchester gave £32,168 to churches planted by the Church