

Charity Registration No. 229226

Company Registration No. 00455366 (England and Wales)

**CHURCH COMMUNITIES UK**

**(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT AND ACCOUNTS**

**FOR THE YEAR ENDED 31 MARCH 2024**

**CHURCH COMMUNITIES UK  
TRUSTEES' REPORT AND ACCOUNTS  
FOR THE YEAR ENDED 31 MARCH 2024**

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**CHURCH COMMUNITIES UK**  
**(A COMPANY LIMITED BY GUARANTEE)**

**LEGAL AND ADMINISTRATIVE INFORMATION**

<b>Board of Trustees</b>	Bernard Hibbs Marianne Wright Lael Page Lara Shirky Darlene Keiderling
<b>Charity Number</b>	229226
<b>Company Number</b>	00455366
<b>Registered Office</b>	Darvell Brightling Road Robertsbridge East Sussex TN32 5DR
<b>Auditors</b>	Azets Audit Services First Floor River House 1 Maidstone Road Sidcup Kent United Kingdom DA14 5RH
<b>Bankers</b>	National Westminster Bank Plc Hastings Branch Havelock Rd Hastings TN34 1GW
<b>Solicitors</b>	Bates, Wells & Braithwaite London LLP 10 Queen Street Place London EC4R 1BE

**CHURCH COMMUNITIES UK**  
**(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT**

The directors of Church Communities UK, who are Trustees for the purposes of charity law, present their Annual Report, which is the directors' report as required by company law, the group strategic report for the company and its subsidiaries, and the audited accounts for the year ended 31 March 2024.

The accounts have been prepared in accordance with the accounting policies set out in Note 1 and comply with the governing document of Church Communities UK, applicable law and requirements of the Charities Statement of Recommended Practice (SORP) 2019.

**LEGAL STRUCTURE AND GOVERNANCE**

Church Communities UK, referred to in this Report as "the Order", is a private company limited by guarantee, registered in England and Wales, company number 00455366. It is a religious order, registered as a charity, registration number 229226. The Order's governing document is its Articles of Association.

Trustees and Members of the company are distinct groups. Trustees are usually appointed by resolution of company Members. Procedures for induction and training of new Trustees include resources such as the relevant Charity Commission publications as well as board minutes and policies. The Trustees were as follows at the date they approved this Report:

Bernard Hibbs  
Marianne Wright  
Lael Page  
Lara Shirky  
Darlene Keiderling

The Board is responsible for management of the Order and most trustees are involved in its daily activities. The Board has delegated certain authority to two committees: the Finance and Corporate Affairs Committee to ensure sound financial management and regulatory compliance; and the Education Committee to lead and manage the schools operated by the Order. Members of the Order, trustees and Committee members receive no remuneration or benefit connected with these roles.

**OBJECTS**

The Objects of the Order, as shown in the governing document, are (in an abridged form):

The advancement of the Christian faith and the promotion of the moral and spiritual welfare of the general public in accordance with Foundations of Our Faith & Calling: the Bruderhof ("Foundations") and for the public benefit, and in particular

- advancing the vocation of Christian church community as described in *Foundations* and inspired by the early Christian community described in The Acts of the Apostles 2:44 – 45 and 4:32-35, as a witness to the world and in service of humanity;

## CHURCH COMMUNITIES UK

### TRUSTEES' REPORT (continued)

- establishing, supporting, and maintaining Bruderhof church communities that are open to all people, thus enabling their participants to devote themselves to the service of Jesus Christ and the proclamation of the gospel through a shared life of worship, mission, common work, education, and family life, recognising that productive labour is a vital aspect of church community life and is, in this context, a religious activity that advances the message of the Christian gospel;
- relieving poverty, advancing education, and supporting the principles and practice of the Christian faith in relation to peace, justice, reconciliation, and non-violence; and
- furthering the purposes of the Bruderhof throughout the world insofar as they are exclusively charitable under English law.

### STRATEGIC REPORT

In deciding what activities the Order should undertake, the trustees have paid due regard to Charity Commission guidance on public benefit. During the year, the Order sought to fulfil its charitable Objects through two main areas of activity: Community Life, and Other Charitable Work and Mission.

#### Community Life

The trustees are satisfied that the most effective way of advancing the Christian faith, and furthering the Objects to benefit the public, is through the long-term objective of founding and maintaining church communities. This means demonstrating the faith and teachings of Jesus Christ and his Apostles in everyday life. The church document, *Foundations of our Faith and Calling*, describes this life and its biblical basis. Members live in full community of goods and complete spiritual unity while maintaining an open door for visitors. This is the Order's basic mission to the world and all else is in support of this.

At each of the Order's locations, housing is provided for the families and singles who share in the vocation of community life. Guest accommodation is available, and the community members and visitors gather for meals and worship meetings at noon or in the evenings. During the year, the communities welcomed many visitors and neighbours who attended occasions such as open days, summer festivals, religious services and Christmas celebrations.

Productive labour in community departments is integral to the religious vocation of community life described in the Objects. Members do not work for a salary or any remuneration and receive no pocket money. Rather, in wholehearted devotion to Christ and his church, members attend to their duties, and their needs are met to a simple standard, this being a basic principle of church community life since the time of the Apostles (Acts 2:44-45).

Adults contribute their efforts in various community departments and businesses. For example, members make high quality wooden furniture and educational play equipment that is sold to schools and nurseries through a separate primary purpose trading subsidiary, Community Products (UK) Limited. Other members work in departments such as the communal kitchen, laundry, and garden.

## **CHURCH COMMUNITIES UK**

### **TRUSTEES' REPORT (continued)**

#### **STRATEGIC REPORT (continued)**

##### **Property and Plans for the Future**

During the year the Order accomplished several goals relating to its property and real estate. A new property was purchased in August 2023 which is intended to house the Order's senior school in the future. Installation was completed of a ground mounted solar photovoltaic system and a LPG energy generation plant. Building works continued on the new boarding house, completed later in 2024.

##### **Other Charitable Work and Mission**

Another long-term objective of the Order is to further the faith and mission of Jesus Christ through the publishing work, mission journeys, and other charitable work. In some cases, the Order conducts these activities and in other cases grants are made to further the work of others. During each year the trustees aim to balance appropriately the efforts and resources that support this wide variety of activities.

Distribution of books, a quarterly magazine, and on-line material under the name "Plough Publishing" is an important means of spreading the Order's message to the general public. During the past year Plough Publishing distributed thousands of books dealing with such topics as forgiveness and reconciliation, marriage, prayer, family life and facing death.

Community members ministered to the varied needs of individuals in nearby towns and villages. Members also regularly attended local support groups for the elderly, volunteered as chaplains in hospitals and hospices, and volunteered with other charitable organisations which support the vulnerable, the homeless and refugees. In the past year, members have continued to volunteer in the Ukraine and Thailand, working with other relief organisations. These are just a few examples of the Order's many activities.

**Charitable Grants:** The Order fulfils its charitable Objects through the two areas of activity described above. The Order is not a grant-making charity. Nevertheless, during the year and to the extent surpluses remain after carrying out the activities described above, the Order made grants to support other charities in their work for education, reconciliation, alleviation of poverty and social need, and other mission activity within the UK and abroad. The Board has delegated authority to the Finance and Corporate Affairs Committee to approve grants of up to £25,000 and any larger grants that are part of an arrangement already approved by the board.

**Volunteers:** The trustees recognise the efforts of all volunteers. Most of them are community members who participate daily in all aspects of communal living as a religious vocation.

## CHURCH COMMUNITIES UK

### TRUSTEES' REPORT (continued)

### STRATEGIC REPORT (continued)

#### REVIEW OF FINANCIAL POSITION

As stated in the Objects, productive labour is a vital aspect of church community life. Therefore the wholly-owned trading subsidiary, Community Products (UK) Limited, fulfils one of the primary purposes of the Order. Trading under the brand name "Community Playthings", it manufactures and sells high quality educational equipment and furniture. While the trading subsidiary is legally distinct from the Order, the common work it provides to members is an integral part of community life. The trustees recognise that provision of meaningful work for community members and visitors is one of the most important goals of the manufacturing efforts. Pursuant to the terms of a deed of covenant, it distributes its profits to the Order, thereby providing the principal source of funding for all key charitable objectives. Community Products (UK) Limited has a wholly-owned subsidiary, Community Playthings Deutschland GmbH, which carries out profitable business activities in Germany. The trustees are satisfied with the profitability, financial position, and future outlook of these entities.

Two other subsidiaries, Brightling Services Ltd and Ashdowne Resources Limited, were established to provide services to the group. Brightling Services Ltd was wound down during the year, with its removal from the Registrar of Companies completed in April 2024. Ashdowne Resources Limited provided seconded labour services within the group, distributing its taxable profits back to the Order pursuant to a deed of covenant.

In addition to income received from its subsidiaries the Order receives donations from members and other sources as set out in note 2. All the incoming resources are used to fund the charitable activities described above and set out in note 6.

**Strategic Risks and Going Concern:** The trustees regularly identify and assess the major risks to which the Order is exposed. The Board has identified loss of income or catastrophic loss of assets as the most significant strategic risk faced by the Order. The Board has established systems to mitigate all risks, including strategic risks, and is satisfied that it has taken all steps reasonably practicable to minimise the impact such events would have on the Order. Day-to-day risk management is the responsibility of the Finance and Corporate Affairs Committee. The high costs of living and inflated trading costs remain the primary strategic risks. The trustees consider the measures implemented are adequate to address these challenges, and are confident that the Order will continue as a going concern for at least 12 months from the approval of this report.

**Reserves and Funds:** The trustees have agreed a reserves policy to ensure the continuity of the Order's activities by managing the risk of unforeseen reduction of income. According to the policy, which is reviewed every year, the appropriate level of reserves is based on expenditure on charitable activities undertaken directly by the Order as detailed in note 6. The policy sets a target free reserves range of between nine and eighteen months of this expenditure, which equates to a range of £5m - £10m.

## **CHURCH COMMUNITIES UK**

### **TRUSTEES' REPORT (continued)**

#### **STRATEGIC REPORT (continued)**

At 31 March 2024, the group held free reserves of £8,736,172 which is within the acceptable range set by the reserves policy. Free reserves are the unrestricted funds of £43,528,658 shown on the balance sheet, less a designated Fixed Asset Fund of £34,792,486, which is the value of charity owned tangible fixed assets. This land, buildings and equipment is essential to the vocation of church community life and its benefit to the public. This designated fund is not readily available for expenditure.

#### **DISCLOSURE OF INFORMATION TO AUDITORS**

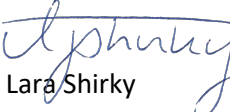
Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditors are aware of such information.

#### **AUDITORS**

Azets Audit Services Limited was appointed as auditors of the Order and its subsidiaries by resolution of the Members on 11 January 2024.

The Trustees' Report (incorporating the Strategic Report) was approved and signed on behalf of the trustees by:

  
Darlene Keiderling

  
Lara Shirky

Dated: 31 October 2024



## **CHURCH COMMUNITIES UK**

### **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The trustees, who are also the directors of Church Communities UK for the purpose of company law, are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

A combination of Company Law and Charity Law requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that year.

In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and 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 accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Companies Act 2006 and the Charities act 2011. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# **CHURCH COMMUNITIES UK**

## **INDEPENDENT AUDITOR'S REPORT**

TO THE MEMBERS OF CHURCH COMMUNITIES UK

### **Opinion**

We have audited the accounts of Church Communities UK (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 March 2024 which comprise the consolidated statement of financial activities, the consolidated and charity statement of financial position, the consolidated cash flow statement and the notes to the accounts, including 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 accounts:

- give a true and fair view of the state of the group's and parent charity's affairs as at 31 March 2024 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 and the Charities Act 2011.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the accounts section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the accounts 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 Group and 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.

# CHURCH COMMUNITIES UK

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### Other information

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

We have nothing to report in this regard.

### Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the trustees' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the accounts are prepared is consistent with the accounts; and
- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

### Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charity and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charity, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charity's accounts are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; 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 accounts 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 accounts that are free from material misstatement, whether due to fraud or error.

# CHURCH COMMUNITIES UK

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

In preparing the accounts, the trustees are responsible for assessing the group's and parent 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 accounts**

Our objectives are to obtain reasonable assurance about whether the accounts 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 accounts.

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.

As part of our planning process:

- We enquired of management the systems and controls the charity has in place, the areas of the financial statements that are most susceptible to the risk of irregularities and fraud, and whether there was any known, suspected or alleged fraud.
- We obtained an understanding of the legal and regulatory frameworks applicable to the company. We determined that the following were most relevant: the Charity SORP, FRS 102, Charities Act 2011, Companies Act 2006.
- We considered the incentives and opportunities that exist in the charity, including the extent of management bias, which present a potential for irregularities and fraud to be perpetuated, and tailored our risk assessment accordingly.
- Using our knowledge of the charity, together with the discussions held with the charity at the planning stage, we formed a conclusion on the risk of misstatement due to irregularities including fraud and tailored our procedures according to this risk assessment.

The key procedures we undertook to detect irregularities including fraud during the course of the audit included:

- Identifying and testing journal entries and the overall accounting records, in particular those that were significant and unusual.
- Reviewing the financial statement disclosures and determining whether accounting policies have been appropriately applied.
- Assessing the extent of compliance, or lack of, with the relevant laws and regulations.
- Testing key income lines, in particular cut-off, for evidence of management bias.
- Performing a physical verification of key fixed assets and stock.

# CHURCH COMMUNITIES UK

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

- Assessing the validity of the classification of income, expenditure, assets and liabilities between unrestricted, designated and restricted funds.
- Obtaining third-party confirmation of material bank and loan balances.
- Documenting and verifying all significant related party transactions.
- Reviewing documentation such as the charity board minutes, correspondence with solicitors, for discussions of irregularities including fraud.
- Testing all material consolidation adjustments.
- Reviewing and challenging the assumptions and judgements used by management in their significant accounting estimates

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements even though we have properly planned and performed our audit in accordance with auditing standards. The primary responsibility for the prevention and detection of irregularities and fraud rests with the trustees of the charity.

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at: <http://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 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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the 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.

*Azets Audit Services Limited*

**Michelle Wilkes (Senior Statutory Auditor)**  
**for and on behalf of Azets Audit Services Limited**

First Floor  
River House  
1 Maidstone Road  
Sidcup  
Kent  
DA14 5RH

Date: 7 November 2024

**CHURCH COMMUNITIES UK**  
**(A COMPANY LIMITED BY GUARANTEE)**

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 31 MARCH 2024**  
**COMPANY NUMBER: 00455366**

	Notes	Unrestricted funds £	Designated funds £	Total funds 2024 £	Unrestricted funds £	Designated funds £	Total funds 2023 £
<b>Income from:</b>							
Donations and legacies	2	7,132,210	-	7,132,210	3,906,257	-	3,906,257
Charitable activities	3	21,580,462	-	21,580,462	22,422,676	-	22,422,676
Other trading activities	4	94,949	-	94,949	191,142	-	191,142
Investment income	5	23,744	-	23,744	4,360	-	4,360
<b>Total Income</b>		<b>28,831,365</b>	<b>-</b>	<b>28,831,365</b>	<b>26,524,435</b>	<b>-</b>	<b>26,524,435</b>
<b>Expenditure on:</b>							
Charitable activities	6	25,028,431	-	25,028,431	26,738,702	-	26,738,702
Tax	10	22,193	-	22,193	17,492	-	17,492
<b>Total expenditure</b>		<b>25,050,624</b>	<b>-</b>	<b>25,050,624</b>	<b>26,756,194</b>	<b>-</b>	<b>26,756,194</b>
<b>Net income/(expenditure)</b>		<b>3,780,741</b>	<b>-</b>	<b>3,780,741</b>	<b>(231,759)</b>	<b>-</b>	<b>(231,759)</b>
Transfers between funds	19	(3,177,839)	3,177,839	-	2,164,375	(2,164,375)	-
Currency translation adjustment		(9,094)	-	(9,094)	41,597	-	41,597
<b>Net movement in funds</b>		<b>593,808</b>	<b>3,177,839</b>	<b>3,771,647</b>	<b>1,974,213</b>	<b>(2,164,375)</b>	<b>(190,162)</b>
Fund balances at 1 April 2023		8,142,364	31,614,647	39,757,011	6,168,151	33,779,022	39,947,173
<b>Fund balances at 31 March 2024</b>	<b>20</b>	<b>8,736,172</b>	<b>34,792,486</b>	<b>43,528,658</b>	<b>8,142,364</b>	<b>31,614,647</b>	<b>39,757,011</b>

All amounts derive from continuing activities.

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

The Statement of Financial Activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

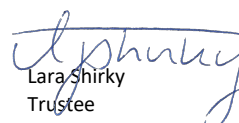
CHURCH COMMUNITIES UK  
(A COMPANY LIMITED BY GUARANTEE)

CONSOLIDATED AND CHARITY STATEMENT OF FINANCIAL POSITION  
FOR THE YEAR ENDED 31 MARCH 2024  
COMPANY NUMBER: 00455366

	Notes	Group 2024 £	2023 £	Charity 2024 £	2023 £
<b>Fixed assets</b>					
Tangible fixed assets	11	29,358,767	26,333,990	28,049,628	24,725,975
Programme related investments	12	6,742,858	6,888,672	6,742,858	6,888,672
Total tangible assets		36,101,625	33,222,662	34,792,486	31,614,647
Investments in subsidiaries	13	-	-	3,677,680	1,677,681
Total Fixed Assets		36,101,625	33,222,662	38,470,166	33,292,328
<b>Current assets</b>					
Stocks	15	4,757,292	4,227,957	44,236	52,787
Debtors	16	2,270,314	1,636,287	3,187,891	4,055,312
Cash at bank and in hand		2,573,223	4,526,888	1,085,689	1,590,758
Total Current Assets		9,600,829	10,391,132	4,317,816	5,698,857
<b>Liabilities</b>					
Creditors: amounts falling due within one year	17	2,173,796	2,915,342	471,722	480,019
Net current assets		7,427,033	7,475,790	3,846,094	5,218,838
Total assets less current liabilities		43,528,658	40,698,452	42,316,260	38,511,166
Creditors: amounts falling due after more than one year	18	-	941,441	-	-
Net assets		43,528,658	39,757,011	42,316,260	38,511,166
<b>Income funds</b>					
Unrestricted funds:					
Designated funds		34,792,486	31,614,647	34,792,486	31,614,647
Other charitable funds		8,736,172	8,142,364	7,523,774	6,896,519
Total Funds	19	43,528,658	39,757,011	42,316,260	38,511,166

The accounts were approved by the Board of Trustees on 25 October 2024...

  
Darlene Keiderling  
Trustee

  
Lara Shirky  
Trustee

**CHURCH COMMUNITIES UK**  
**(A COMPANY LIMITED BY GUARANTEE)**

**CONSOLIDATED CASHFLOW STATEMENT**  
**FOR THE YEAR ENDED 31 MARCH 2024**  
**COMPANY NUMBER: 00455366**

	Notes	2024 £	2023 £
<b>Cash flows from operating activities:</b>			
<b>Net cash provided by operating activities</b>	<b>23</b>	<b>3,785,808</b>	<b>1,122,875</b>
<b>Cash flows from investing activities:</b>			
Interest received	<b>23,744</b>	4,360	
Payments to acquire tangible fixed assets	<b>(4,518,169)</b>	(1,180,437)	
Payments to acquire programme related investments	<b>(12,446)</b>	(1,680,838)	
Receipts from sales of tangible fixed assets	<b>137,527</b>	3,550,927	
<b>Net cash (used) received in investing activities</b>		<b>(4,369,344)</b>	<b>694,013</b>
<b>Cash flows from financing activities:</b>			
Repayment of borrowings	<b>(1,368,544)</b>	(401,411)	
<b>Net cash (used)/ received in financing activities</b>		<b>(1,368,544)</b>	<b>(401,411)</b>
<b>Changes in Cash and Cash Equivalents in the Reporting Period</b>		<b>(1,952,080)</b>	<b>1,415,477</b>
<b>Effect of exchange rate changes on cash</b>		<b>(1,585)</b>	<b>22,930</b>
<b>Movement in net cash</b>		<b>(1,953,665)</b>	<b>1,438,407</b>
<b>Cash and Cash Equivalents Brought Forward</b>		<b>4,526,888</b>	<b>3,088,481</b>
<b>Cash and Cash Equivalents Carried Forward</b>		<b>2,573,223</b>	<b>4,526,888</b>



## 1 Accounting policies

### Company information

Church Communities UK is a private charitable company limited by guarantee incorporated in England and Wales. The registered office is Darvell, Brightling Road, Robertsbridge, East Sussex, TN32 5DR.

### 1.1 Basis of preparation

The accounts have been prepared under the historical cost convention and in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"), "Accounting and Reporting by Charities" the Statement of Recommended Practice for charities applying FRS 102, the Companies Act 2006. The Charity is a Public Benefit Entity as defined by FRS 102.

The accounts are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The Charity is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this charity, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The Charity has therefore taken advantage of exemptions from the following disclosure requirements for parent charity information presented within the consolidated financial statements:

- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures.
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument.

### 1.2 Basis of consolidation

The consolidated accounts of the Group incorporate the accounts of Church Communities UK and its subsidiary undertakings Ashdowne Resources Limited, Brightling Services Limited, Community Products (UK) Limited, and Community Playthings Deutschland GmbH, a German subsidiary of Community Products (UK) Limited. The subsidiaries have been consolidated on a line by line basis in accordance with section 9 of FRS 102. A separate Statement of Financial Activities (SoFA) for the Charity excluding consolidated organisations is not presented as the Order has taken advantage of the provisions of section 408 of the Companies Act.

### 1.3 Going concern

At the time of approving the accounts, the Trustees have a reasonable expectation that the Group and the Charity have adequate resources to continue in operational existence for the foreseeable future, as the trading subsidiary has continued to provide the Charity with sufficient income to cover its activities. Thus the Trustees' continue to adopt the going concern basis of accounting in preparing the accounts.

### 1.4 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Designated funds are reserves for which no specific use was specified by a third party, but for which the trustees have allocated to a particular charitable purpose as deemed appropriate.

NOTES TO THE ACCOUNTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2024

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**1.5 Income**

Income is recognised when the Charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the Charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Trading income is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

**1.6 Expenditure**

Expenditure is recognised on an accruals basis. Support and governance costs represent central establishment costs.

Grants payable are accounted for when the Trustees have accepted a legal or constructive obligation to make a donation.

Costs are allocated to their relevant activity based on management's assessment of which activities were primarily responsible for incurring those costs.

**1.7 Tangible fixed assets and depreciation**

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Tangible fixed assets with a cost of £2,000 or more are capitalised and are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation of assets less estimated residual value of each asset on a straight-line basis over its expected useful life as follows:

Land	not depreciated
Assets in course of construction	not depreciated
Freehold property	2% straight line
Plant and machinery	between 10% and 50% straight line
Motor vehicles	between 10% and 25% straight line
Utilities (included within freehold property)	between 2% and 50% straight line
Roads (included within freehold property)	between 2% and 7% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

**1.8 Investments**

Investments in subsidiary companies are held at cost less accumulated impairment losses.

A subsidiary is an entity controlled by the charity. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

Programme related investments are comprised of overseas properties owned by the Charity and licensed to local organisations whose objects match those of the charity. The value of such investments is shown on the balance sheet at historic cost less any depreciation or impairment.

### 1.9 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in Statement of Financial Activity for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

### 1.10 Stock and work in progress

Stock and work in progress are stated at the lower of cost and net realisable value except finished goods which are valued at 60% of sales price in order to incorporate an element of fixed and variable overheads. Cost includes all direct costs incurred in bringing the stocks to their present location and condition.

The purchase cost of raw materials is calculated on a first in first out basis. Net realisable value is based on estimated selling price less further costs expected to be incurred to completion and disposal.

### 1.11 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts.

### 1.12 Financial instruments

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset in the financial statements, with the net amounts presented in the accounts when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

NOTES TO THE ACCOUNTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2024

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**1.12 Financial instruments (Continued)**

**Basic financial liabilities**

Basic financial liabilities, including trade and other payables, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

**1.13 Foreign exchange**

Transactions denominated in foreign currencies are recorded at the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. All differences are taken to the Statement of Financial Activities.

**1.14 Deferred tax**

Deferred tax is provided in full on timing differences which result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the accounts. Deferred tax is not provided on timing differences arising from the revaluation of fixed assets where there is no commitment to sell the assets. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is charged or credited in the Statement of Financial Activity, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

**1.15 Critical accounting estimates and judgements**

In the application of the charity's accounting policies, required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. 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 period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The judgements and estimates made include depreciation, valuation of programme related investments, stock valuation and provisions for doubtful debts. The Trustees do not believe there to be further judgements or estimates that would be considered critical to the financial statements.

**NOTES TO THE ACCOUNTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2024**

**2 Donations and legacies**

	Unrestricted funds £	Restricted funds £	Total 2024 £	Unrestricted funds £	Restricted funds £	Total 2023 £
	Current Period		Current Period	Current Period		Current Period
Incoming donations from members	478,804	-	478,804	342,850	-	342,850
Other incoming donations	6,653,406	-	6,653,406	3,563,407	-	3,563,407
	<b>7,132,210</b>	<b>-</b>	<b>7,132,210</b>	<b>3,906,257</b>	<b>-</b>	<b>3,906,257</b>

**3 Charitable activities**

As stated in the Objects, productive labour is a vital aspect of church community life and is, in this context, a religious activity. The Charity is the sole shareholder of Community Products (UK) Limited, a business in which the community members carry out primary purpose trading: manufacture and sale of high quality educational equipment and furniture. This subsidiary distributes its taxable profits to the Charity each year under a deed of covenant. Its trading results for the year, as extracted from the audited financial statements, are summarized below.

	Community Products (UK) Ltd and subsidiary £	Charitable trading £	Total 2024 £	Community Products (UK) Ltd and subsidiary £	Charitable trading £	Total 2023 £
<b>Turnover</b>						
Sales of goods	21,461,426	95,753	21,557,179	22,237,921	167,803	22,405,724
Plough publications	-	23,283	23,283	-	16,952	16,952
Turnover	<b>21,461,426</b>	<b>119,036</b>	<b>21,580,462</b>	<b>22,237,921</b>	<b>184,755</b>	<b>22,422,676</b>

	Group 2024 £	2023 £	Charity 2024 £	2023 £
Turnover analysed by geographical area is as follows:				
USA	16,330	79,174	-	-
UK	15,539,030	16,299,415	119,036	184,755
Rest of the World	6,025,102	6,044,087	-	-
	<b>21,580,462</b>	<b>22,422,676</b>	<b>119,036</b>	<b>184,755</b>

**4 Other trading activities**

	Charitable trading £	Total 2024 £	Total 2023 £
Exchange rate (loss)/ gain	-	-	65,808
Other income	94,949	94,949	125,334
	<b>94,949</b>	<b>94,949</b>	<b>191,142</b>

CHURCH COMMUNITIES UK  
NOTES TO THE ACCOUNTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2023

5 Investment income

	Unrestricted funds	Total 2024	Unrestricted funds	Total 2023
	£	£	£	£
Interest income	23,744	23,744	4,360	4,360
	<u>23,744</u>	<u>23,744</u>	<u>4,360</u>	<u>4,360</u>

6 Expenditure on Charitable Activities

	Community life	Charitable work & mission	Primary purpose trading	Total 2024
	£	£	£	£
<b>Activities undertaken directly</b>				
General living costs	3,415,968	-	-	3,415,968
Property improvements	172,540	-	-	172,540
School and education	595,492	-	-	595,492
Travel	855,325	-	-	855,325
Other charitable activities	-	455,097	-	455,097
Cost of sales	-	-	14,531,386	14,531,386
Distribution costs	-	-	2,643,566	2,643,566
Administrative expenses	-	-	721,016	721,016
Depreciation	1,106,950	-	-	1,106,950
(Gain)/ loss on disposal of assets	3,680	-	-	3,680
	<u>6,149,954</u>	<u>455,097</u>	<u>17,895,968</u>	<u>24,501,019</u>
<b>Grant funding of activities</b>				
Grants to institutions (see page 21)	-	271,309	-	271,309
	-	<u>271,309</u>	-	<u>271,309</u>
<b>Share of governance costs</b>	45,212	-	-	45,212
<b>Share of support costs</b>	210,891	-	-	210,891
	<u>6,406,057</u>	<u>726,406</u>	<u>17,895,968</u>	<u>25,028,431</u>

	Community life	Charitable work & mission	Primary purpose trading	Total 2023
	£	£	£	£
<b>Prior Year Activities undertaken directly</b>				
General living costs	3,101,825	-	-	3,101,825
Property improvements	250,944	-	-	250,944
School and education	523,616	-	-	523,616
Travel	856,638	-	-	856,638
Other charitable activities	-	335,526	-	335,526
Cost of sales	-	-	13,498,792	13,498,792
Distribution costs	-	-	2,424,149	2,424,149
Administrative expenses	-	-	799,660	799,660
Depreciation	1,185,107	-	-	1,185,107
(Gain)/ loss on disposal of assets	(232,967)	-	-	(232,967)
	<u>5,685,163</u>	<u>335,526</u>	<u>16,722,601</u>	<u>22,743,290</u>
<b>Grant funding of activities</b>				
Grants to institutions	-	3,774,159	-	3,774,159
(see page 20)	-	<u>3,774,159</u>	-	<u>3,774,159</u>
<b>Share of governance costs</b>	58,450	-	-	58,450
<b>Share of support costs</b>	162,803	-	-	162,803
	<u>5,906,417</u>	<u>4,109,685</u>	<u>16,722,601</u>	<u>26,738,702</u>

**NOTES TO THE ACCOUNTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2023**

**6 Resources expended on charitable activities (continued)**

Direct activities include founding and maintaining church communities, which the Charity considers to be the most effective means of furthering its charitable objects. Grants were made from surplus funds, but in terms of strategic priorities, the Directors do not consider grant making to be a material component of the Charity's charitable activities. Grant funding for charitable work and mission was provided to organisations in the UK and abroad, to support their work for peace, justice, reconciliation and non-violence; the alleviation of poverty and suffering; the education of children and adults; and community and apostolic mission. Information on institutional grants made is available at <http://www.churchcommunities.org.uk/grants>.

**7 Governance and support costs**

	<b>Governance</b>		<b>Support</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Audit	<b>45,212</b>	58,450	-	-
Legal and professional	-	-	<b>41,944</b>	39,279
Administrative expenses	-	-	<b>123,093</b>	123,525
	<b>45,212</b>	58,450	<b>165,037</b>	162,804

Amounts payable to audit firm:

	<b>Group</b>		<b>Charity</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
Audit	<b>69,974</b>	60,027	<b>35,054</b>	37,745
Tax and other	<b>3,500</b>	8,161	<b>1,000</b>	4,500
	<b>73,474</b>	68,188	<b>36,054</b>	42,245

**8 Trustees**

None of the trustees (or any persons connected with them) received any remuneration during the year, nor were they reimbursed any expenses.

**9 Employees and employment costs**

**Number of employees**

The Charity had no employees during the year. (2023: No Employees)

Employee related costs for the subsidiary Ashdowne Resources Limited were as follows:

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Payroll	<b>343,656</b>	170,503
Pension and social security	<b>48,407</b>	23,806
	<b>392,063</b>	194,309

Ashdowne Resources Limited had an average staff number of 10 during the year (2023: 5).

**10 Tax on profit of ordinary activities**

Church Communities UK is a charity registered in the UK, charity number 229226. The charity has no liability to corporation tax. Corporate tax charges incurred by its subsidiaries are as shown in the Statement of Financial Activities.

NOTES TO THE ACCOUNTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2023

## 11 Tangible fixed assets

Group	Freehold Land & Buildings	Leasehold Improvements	Plant and machinery	Motor vehicles	Assets in course of construction	Total
	£		£	£	£	£
<b>Cost</b>						
At 1 April 2023	29,981,981	403,054	4,625,223	1,396,976	299,772	36,707,006
Additions	3,454,677	(15,179)	136,380	135,372	806,919	4,518,169
Transfers	222,480	-	12,081	-	(234,561)	-
Disposals	(34,147)	-	(905,233)	(55,251)	-	(994,631)
<b>At 31 March 2024</b>	<b>33,624,991</b>	<b>387,875</b>	<b>3,868,451</b>	<b>1,477,097</b>	<b>872,130</b>	<b>40,230,544</b>
<b>Depreciation</b>						
At 1 April 2023	6,720,245	3,359	2,661,637	987,775	-	10,373,016
Charge for the year	749,500	38,661	404,370	159,656	-	1,352,187
On disposals	(34,148)	-	(795,988)	(23,290)	-	(853,426)
<b>At 31 March 2024</b>	<b>7,435,597</b>	<b>42,020</b>	<b>2,270,019</b>	<b>1,124,141</b>	<b>-</b>	<b>10,871,777</b>
<b>Net book value</b>						
<b>At 31 March 2024</b>	<b>26,189,394</b>	<b>345,855</b>	<b>1,598,432</b>	<b>352,956</b>	<b>872,130</b>	<b>29,358,767</b>
At 31 March 2023	23,261,736	399,695	1,963,586	409,201	299,772	26,333,990

Charity	Freehold Land & Buildings	Leasehold Improvements	Plant and machinery	Motor vehicles	Assets in course of construction	Total
	£	£	£	£	£	£
<b>Cost</b>						
At 1 April 2023	29,981,981	-	2,349,492	1,363,442	290,582	33,985,497
Additions	3,454,677	-	79,758	136,635	790,156	4,461,226
Transfers	222,480	-	2,891	-	(225,371)	-
Disposals	(34,147)	-	(491,850)	(55,251)	-	(581,248)
<b>At 31 March 2024</b>	<b>33,624,991</b>	<b>-</b>	<b>1,940,291</b>	<b>1,444,826</b>	<b>855,367</b>	<b>37,865,475</b>
<b>Depreciation</b>						
At 1 April 2023	6,720,246	-	1,558,208	981,069	-	9,259,523
Charge for the year	749,500	-	197,279	155,606	-	1,102,385
On disposals	(34,149)	-	(488,621)	(23,291)	-	(546,061)
<b>At 31 March 2024</b>	<b>7,435,597</b>	<b>-</b>	<b>1,266,866</b>	<b>1,113,384</b>	<b>-</b>	<b>9,815,847</b>
<b>Net book value</b>						
<b>At 31 March 2024</b>	<b>26,189,394</b>	<b>-</b>	<b>673,425</b>	<b>331,442</b>	<b>855,367</b>	<b>28,049,628</b>
At 31 March 2023	23,261,736	-	791,284	382,373	290,582	24,725,975

The value of the land included in Freehold land and buildings above amounts to £5,450,824.



12 Programme related investments

	Group and Charity	
	2024	2023
	£	£
<b>Cost</b>		
At start of year	7,409,518	5,728,680
Additions	12,446	1,680,839
At end of year	7,421,964	7,409,518
<b>Net book value</b>		
At end of year	6,742,858	6,888,672
At start of year	6,888,672	5,362,694

13 Investments in subsidiaries

	Charity	
	2024	2023
	£	£
<b>Cost</b>		
At start of year	1,677,681	1,777,681
Additions	2,000,000	50,000
Disposals	(1)	(150,000)
At end of year	3,677,680	1,677,681
<b>Net book value</b>		
At end of year	3,677,680	1,677,681
At start of year	1,677,681	1,777,681

Church Communities UK has a £3,627,679 investment (2023: a 1,627,679 investment) in the shares of Community Products (UK) Limited (2023: 1,627,679), a wholly owned subsidiary and company registered in England no. 3498955. During the year, the Charity increased the share capital of its subsidiary by £2,000,000 in order to fund increased working capital needs and capital investments.

Church Communities UK has also a £50,000 investment (2023: £50,000) in the shares of Ashdowne Resources Limited, a wholly owned subsidiary and company registered in England no. 13970904.

On 16 April 2024 the wholly owned subsidiary Brightling Services Limited (company registered in England no. 10683230) completed winding down and striking off the registrar of companies. In February 2024 the entity had transferred its remaining cash to the Charity, and the Charity cancelled its remaining £1 share in the subsidiary.

Income from Community Products (UK) Limited is shown in the consolidated accounts as primary purpose trading, net of Deed of Covenant payable of £3,353,717 (2023: £4,870,498), rent expense of £436,320 (2023: £364,510) to Church Communities UK, and interest received of £15,136.35 (2023: £2,287l) which is included under the heading investment income.

Ashdowne Resources Limited's result below is shown net of a Deed of Covenant payable of £27,435 (2023: £6,774). Community Products (UK) Limited has a £89,199 investment in Community Playthings Deutschland GmbH, a wholly owned subsidiary registered in Germany. Results for the year are set out below translated into Sterling from Euros, its functional currency.

**NOTES TO THE ACCOUNTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2024**

**13 Investments in Subsidiaries (continued)****Subsidiary income and expenses:**

	<b>Community Products (UK) Limited</b>		<b>Brightling Services Limited</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Turnover	20,584,965	21,477,970	-	-
Cost of sales	(14,329,723)	(13,771,520)	-	-
Distribution costs	(1,919,269)	(1,766,976)	-	-
Administrative expenses	(4,410,011)	(5,603,989)	(763)	(2,574)
Other income/expenditure	12,658	(19,960)	-	2,898
Profit (loss) on ordinary activities before taxation	(61,380)	315,525	(763)	324

	<b>Community Playthings Deutschland GmbH</b>		<b>Ashdowne Resources Limited</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Turnover	5,546,712	3,794,153	461,601	233,686
Cost of sales	(4,615,710)	(3,354,940)	(398,511)	(194,349)
Distribution costs	(711,913)	(290,777)	-	(90)
Administrative expenses	(124,472)	(91,674)	(63,090)	(40,485)
Other income/expenditure	-	-	-	-
Profit (loss) on ordinary activities before taxation	94,617	56,762	-	(1,238)

**Subsidiary assets, liabilities and reserves:**

	<b>Community Products (UK) Limited</b>		<b>Brightling Services Limited</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Assets	9,241,346	9,700,504	-	9,080
Liabilities	(4,851,973)	(7,249,750)	-	(1,513)
Subsidiary reserves	4,389,373	2,450,754	-	7,567

	<b>Community Playthings Deutschland GmbH</b>		<b>Ashdowne Resources Limited</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Assets	1,454,033	1,290,693	220,460	150,266
Liabilities	(898,818)	(785,049)	(171,698)	(101,504)
Subsidiary reserves	555,215	505,644	48,762	48,762

**NOTES TO THE ACCOUNTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2023**

**14 Financial Instruments**

	<b>Group</b>		<b>Charity</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Carrying amount of financial assets	<b>2,005,222</b>	1,358,220	<b>3,111,868</b>	4,029,671
Carrying amount of financial liabilities	<b>2,173,796</b>	2,915,342	<b>457,792</b>	460,384

**15 Stocks**

	<b>Group</b>		<b>Charity</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Raw materials and consumables	<b>3,609,521</b>	3,159,605	<b>44,236</b>	52,787
Work in progress	<b>464,049</b>	414,623	-	-
Finished goods and goods for resale	<b>683,722</b>	653,729	-	-
	<b>4,757,292</b>	4,227,957	<b>44,236</b>	52,787

**16 Debtors**

	<b>Group</b>		<b>Charity</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade debtors	<b>1,956,753</b>	1,284,151	-	-
Amounts owed by group undertakings	-	-	<b>3,068,547</b>	3,983,475
Other debtors	<b>48,469</b>	74,069	<b>43,321</b>	46,196
Prepayments and accrued income	<b>265,092</b>	278,067	<b>76,023</b>	25,641
	<b>2,270,314</b>	1,636,287	<b>3,187,891</b>	4,055,312

Included in debtors are the following amounts due after one year:

Other Debtors	<b>22,332</b>	27,063	<b>15,655</b>	20,125
	<b>22,332</b>	27,063	<b>15,655</b>	20,125

**NOTES TO THE ACCOUNTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2024**

17	Creditors: amounts falling due within one year	Group		Charity	
		2024	2023	2024	2023
		£	£	£	£
	Bank Loans	-	427,103	-	-
	Payments received on account	384,605	320,958	11,835	18,013
	Trade creditors	1,343,631	1,789,413	369,469	393,814
	Taxes	298,136	255,105	-898	(571)
	Accruals	115,382	99,065	77,386	49,128
	Amounts owed to group undertakings	-	-	13,930	19,635
	Payroll Liabilities	32,042	23,698	-	-
		<b>2,173,796</b>	<b>2,915,342</b>	<b>471,722</b>	<b>480,019</b>

The reversal of the timing differences will not result in a tax charge, due to the covenanting of profits.

18	Creditors: amounts falling due after one year	Group		Charity	
		2024	2023	2024	2023
		£	£	£	£
	Bank Loans	-	941,441	-	-

19	Unrestricted funds	Movement in funds				
		Balance at 1 April 2023	Income	Expenditure	Transfers	Balance at 31 March 2024
		£	£	£	£	£
	<b>Designated funds:</b>					
	Fixed asset fund	31,614,647	-	-	3,177,839	34,792,486
	<b>Total for Designated funds</b>	<b>31,614,647</b>	<b>-</b>	<b>-</b>	<b>3,177,839</b>	<b>34,792,486</b>
	<b>Other charitable funds</b>	<b>8,142,364</b>	<b>28,831,365</b>	<b>(25,050,624)</b>	<b>(3,177,839)</b>	<b>8,736,172</b>
	<b>Total Unrestricted funds</b>	<b>39,757,011</b>	<b>28,831,365</b>	<b>(25,050,624)</b>	<b>-</b>	<b>43,528,658</b>

	Balance at 1 April 2022	Income	Movement in funds			Balance at 31 March 2023
			Expenditure	Transfers	Currency translation adjustment	
	£	£	£	£	£	£
	<b>Designated funds:</b>					
	Fixed asset fund	33,779,022	-	(2,164,375)	-	31,614,647
	<b>Total for Designated funds</b>	<b>33,779,022</b>	<b>-</b>	<b>(2,164,375)</b>	<b>-</b>	<b>31,614,647</b>
	<b>Other charitable funds</b>	<b>6,168,151</b>	<b>26,524,435</b>	<b>(26,756,194)</b>	<b>41,597</b>	<b>8,142,364</b>
	<b>Total Unrestricted funds</b>	<b>39,947,173</b>	<b>26,524,435</b>	<b>(26,756,194)</b>	<b>41,597</b>	<b>39,757,011</b>

The Fixed asset fund represents the net book value of the Order's tangible fixed assets, including programme related investments (overseas property) at the end of the year.

20	Analysis of net assets between funds	Unrestricted funds	Designated funds	Total 2024	Unrestricted funds	Designated funds	Total 2023
		£	£	£	£	£	£
	<b>Fund balances at 31 March 2024 are represented by:</b>						
	Tangible fixed assets	1,309,139	28,049,628	29,358,767	1,608,015	24,725,975	26,333,990
	Programme related investments	-	6,742,858	6,742,858	-	6,888,672	6,888,672
	Current assets	9,600,829	-	9,600,829	10,391,132	-	10,391,132
	Creditors	(2,173,796)	-	(2,173,796)	(3,856,783)	-	(3,856,783)
		<b>8,736,172</b>	<b>34,792,486</b>	<b>43,528,658</b>	<b>8,142,364</b>	<b>31,614,647</b>	<b>39,757,011</b>

21	<b>Related party transactions</b>
	All related party transactions are those disclosed in Note 13 (subsidiaries). There are no related party transactions with trustees.

22	<b>Share capital</b>
	The Charity is a Company registered in England and Wales limited by guarantee. There is no share capital.

**NOTES TO THE ACCOUNTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2024**

**23 Cash flow information for the group****(a) Net cash inflow from operating activities**

	2024	2023
	£	£
Reconciliation to net income:		
Net income	3,780,741	(231,759)
Adjusted for:		
Depreciation of tangible fixed assets	1,512,607	1,448,819
Interest received	(23,744)	(4,360)
Loss/(profit) on disposal of tangible fixed assets	3,680	(232,967)
Decrease/(increase) in stocks	(529,335)	(658,602)
Decrease/(increase) in debtors	(634,027)	1,234,046
Increase/(decrease) in creditors	(314,443)	(441,069)
Foreign exchange	(9,671)	8,767
Net cash provided by operating activities	3,785,808	1,122,875

**(b) Analysis of net cash**

	01 April 2023	Cash flow	31 March 2024
	£	£	£
Cash at bank and in hand	4,526,888	(1,953,665)	2,573,223
	<b>4,526,888</b>	<b>(1,953,665)</b>	<b>2,573,223</b>

**Prior Year Analysis of Net Cash**

	01-Apr-22	Cash flow	31-Mar-23
	£	£	£
Cash at bank and in hand	3,088,481	1,438,407	4,526,888
	<b>3,088,481</b>	<b>1,438,407</b>	<b>4,526,888</b>

**(c) Analysis of changes in net debt**

	01 April 2023	Cash flow	Other changes	31 March 2024
Cash in hand, at bank	4,526,888	(1,953,665)	-	2,573,223
Debt due within one year	(427,103)	-	427,103	-
Debt due after one year	(941,441)	-	941,441	-
Total	<b>3,158,344</b>	<b>(1,953,665)</b>	<b>1,368,544</b>	<b>2,573,223</b>

**(d) Reconciliation of net cash flow to movement in net debt**

	2023	2023
Increase (decrease) in cash in the period	(1,953,665)	1,438,407
Repayments of bank loans	1,368,544	401,411
Change in net debt	(585,121)	1,839,818
Net funds at start of year	3,158,344	1,318,526
Net funds at end of year	<b>2,573,223</b>	<b>3,158,344</b>

**24 Commitments under operating leases**

At 31 March 2024 the trading subsidiary, Community Products (UK) Limited, had financial commitments for the lease of office space for £20,000 per annum expiring within one year (2023: £20,000 per annum expiring within one year plus warehousing lease of £378,000 per year).