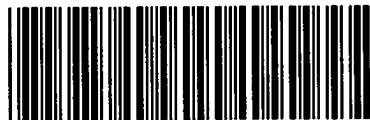


REGISTERED COMPANY NUMBER: 00355737 (England and Wales)
REGISTERED CHARITY NUMBER: 250851

REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022
FOR
NATIONAL SPIRITUAL ASSEMBLY OF THE
BAHA'IS OF THE UNITED KINGDOM

TUESDAY



AC6LIJIA

A16

27/06/2023

#57

COMPANIES HOUSE

**NATIONAL SPIRITUAL ASSEMBLY OF THE
BAHA'IS OF THE UNITED KINGDOM**

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Page
Report of the Trustees	1 to 7
Report of the Independent Auditors	8 to 11
Statement of Financial Activities	12
Statement of Financial Position	13 to 14
Statement of Cash Flows	15
Notes to the Statement of Cash Flows	16
Notes to the Financial Statements	17 to 32

**NATIONAL SPIRITUAL ASSEMBLY OF THE
BAHA'IS OF THE UNITED KINGDOM**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2022**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2022. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The objects of the charity are:

- Sharing the ideals and assisting the efforts of the Bahá'ís to establish, uphold and promote the spiritual, educational and humanitarian teachings of human brotherhood, radiant faith, exalted character and selfless love revealed in the lives and utterances of all the Prophets and Messengers of God, Founders of the world's revealed religions, and given renewed creative energy and universal application to the conditions of this age in the life and utterances of Bahá'u'lláh.
- To administer the affairs of the faith of Bahá'u'lláh for the benefit of the Bahá'ís of the United Kingdom and the wider community according to the principles of the Bahá'í Faith, created and established by Bahá'u'lláh, defined and explained by 'Abdu'l-Bahá, interpreted and amplified by Shoghi Effendi, and supplemented and applied by the Universal House of Justice, which Bahá'u'lláh described in His Writings as the supreme body of the Bahá'í religion.

Over the past 25 years, the worldwide Bahá'í community had embarked on a series of plans, directed by the Universal House of Justice. A particular focus had been to raise the capacity of individuals to contribute to the spiritual, material and social advancement of their communities and to create a just and prosperous society. In this connection much focus had been given to developing a training institute with a sequence of courses that aims to build the needed capacities in individuals to carry out the many tasks that such an enterprise entails. In 2022, the community has embarked on a new series of plans, the first of these, a Nine-Year Plan launched on 21 April with a series of conferences across the United Kingdom drawing on the experience of the last 25 years and focused on Building Vibrant Communities.

PUBLIC BENEFIT

The trustees have had regard to the guidance issued by the Charity Commission and are satisfied that the charity is for public benefit. Its primary objective is the advancement of religion and its current activities, such as its study circles, devotional meetings, classes for the spiritual education of children, programme for the spiritual empowerment of junior-youth, youth and other activities contribute to the spiritual and social development of communities and are open to all.

NATIONAL SPIRITUAL ASSEMBLY OF THE BAHA'IS OF THE UNITED KINGDOM

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

ACHIEVEMENT AND PERFORMANCE

Since the launch of the Nine-Year Plan in April 2022, there have been numerous messages received from the Universal House of Justice which clearly articulate the goals and aspirations of the worldwide Bahai community. At Ridván 2022, the House of Justice stated:

As societies experience stresses of various kinds, the followers of the Abhá Beauty must stand out more and more for their qualities of resilience and rationality, for their standard of conduct and their adherence to principle, and for the compassion, detachment, and forbearance they demonstrate in their pursuit of unity.

ADVANCING THE GOALS OF THE NINE-YEAR PLAN

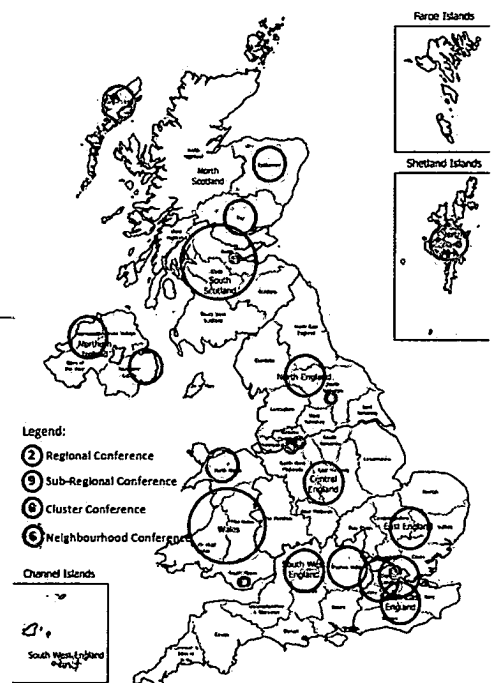
The extraordinary impetus of a world-wide wave of conferences to launch the Nine-Year Plan around the world began in April 2022, continued into the summer, and witnessed an unprecedented engagement of Bahá'ís and the wider community in responding to the call of the Universal House of Justice.

Some 4,200 souls participated in these conferences at the regional, sub regional, cluster, and neighbourhood levels in the UK. Afghans, East Timorese, Ethiopian, Iranian, and Nepalese were among some of the people from specific receptive populations that participated.

Significant guests such as head teachers, interfaith ministers, representatives from the police force, representatives from various charity organisations, and local activists were also in attendance.

The conferences were also an opportunity for the community to raise its capacity to:

- Engage large numbers of friends of the Faith in studying the guidance of the Universal House of Justice and thinking about how to apply it in their communities;
- Swiftly organise large events that cater for families, children, junior youth, and youth; and to be ready to respond to various language needs;
- Converse with thousands of friends and invite them to a conference about society building;
- Reach out to Bahá'ís who had not recently been engaged in community life;
- And use the arts to bring joy and enhance understanding.



**NATIONAL SPIRITUAL ASSEMBLY OF THE
BAHA'IS OF THE UNITED KINGDOM**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2022**

FINANCIAL REVIEW

FINANCIAL POSITION

At the beginning of 2022, the National Spiritual Assembly hosted a Northern Europe Institutional meeting with some 190 people attending in person and the series of worldwide conferences in the United Kingdom also took place. These gave tremendous impetus to the community to launch the Nine-Year Plan and placed significant demand on the National Fund in the coming year. There were also summer intensive training programmes that took place across the United Kingdom, which also included a wonderful opportunity for participants to engage in a number of service projects to supplement their learning.

In the beginning of 2023, fund gatherings took place with all trustees attending and facilitating at least one, with a focus of strengthening the relationship of the friends with the Funds of the Faith. Regarding the various investments of the National Assembly, the markets fell dramatically at the beginning of 2022 due to the war in Europe, and the Investment Committee of the National Spiritual Assembly chose not to disinvest and to ride the market volatility. At the beginning of 2023 it was recommended to invest in money markets to take advantage of the higher interest rates.

It is noted that reserves were drawn on heavily during 2022, and a number of strategies have now been implemented to try and reverse the outflow of funds:

- Strengthening the capacity for planning and budgeting at all levels;
- Reviewing budgets line-by-line to analyse where small savings can be made;
- Considering how tasks can be carried forward by a larger body of volunteers;
- Reflecting on the use of properties for all activities; and
- Ways to reduce the costs of camps that support growth.

PRINCIPAL SOURCE OF INCOME AND USE OF FUNDS RAISED

In accordance with the Teachings of the Bahá'í Faith, only Bahá'ís may contribute to Bahá'í funds. Thus the primary source of income is from the Bahá'í community in the United Kingdom. The National Spiritual Assembly also benefits from tax rebates received from gift-aided contributions. Other sources of income include rents receivable and deposit interest income.

Given the objectives and activities outlined above, the National Spiritual Assembly has engaged in a focussed attempt to ensure that all of its expenditures and its assets support the primary objectives which have been set.

Investment policy and objectives

In accordance with the guidance issued by the charities commission, the National Spiritual Assembly implemented a policy for investing any surplus assets to secure the best financial return (within the appropriate level of risk) to be used to achieve the goals of the Faith. The Investment committee follow a Terms of Reference which highlights the types of investments and proposed strategic asset allocation which the National Spiritual has adopted.

Each quarter the current holdings are assessed, both to ensure that the Asset Allocation is within tolerance of the suggested strategy and to ensure that any specific assets are achieving the level of growth or income that the National Assembly deems reasonable - within the agreed risk tolerance.

Although it is recognised that it is not practical to target a level of returns each year, given the nature of certain investments, the National Spiritual Assembly makes every endeavour to meet a net return across the investment portfolio of 5-7% per annum. In 2022, the investment strategy generated a loss of 9.91%.

Any equities suggested to be held within the portfolio continue to be screened as best as possible to ensure that the underlying holdings are not outside of the ethical framework congruent with the principles of the Faith.

**NATIONAL SPIRITUAL ASSEMBLY OF THE
BAHA'IS OF THE UNITED KINGDOM**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2022**

**FINANCIAL REVIEW
RESERVES POLICIES**

In addition to the general funds the National Assembly considers it prudent to have a general reserve to cover its working capital requirement (i.e. the day to day inflows and outflows of income and expenditure). An amount equal to £900,000 or 6 months of the annual salary bill - whichever is the greater - will therefore be set aside (to be held in accessible funds) as a general reserve. At 31 December 2022 the balance of free reserves was £13,168 plus the general reserve of £900,751. The reserves are reviewed at the beginning of each accounting year in line with the budgets. It is anticipated that 2022 will see an increase in the salary bill but not such that the general reserve will need to be increased.

In view of the portfolio of properties held, the charity holds a property maintenance reserve to provide funds for significant renovations and repairs; the minimum target amount for this reserve is £350,000. At 31 December 2022 the balance was £350,000. Due to the expected increase in Growth expenditure to launch the Nine-Year Plan, the National Assembly will focus contributions to the National Fund and to reach the target for the Temple Land Fund.

Total funds as at the year-end were £12,226,212 of which £3,461,373 is held in Restricted Funds.

During the year, the National Spiritual Assembly held the amounts invested in equities of £5,768,806 which decreased to £4,789,813 due to the sudden war in Europe and subsequent inflationary pressures, however the investments remain in line with the strategic asset allocation of the National Assembly and they will continue to be closely monitored.

ASSETS HELD BY THE ASSEMBLY AS TRUSTEE ON BEHALF OF OTHERS

Afnan Library Trust, share in Bridge House, Tonbridge	£333,923
Afnan Library Trust - other funds	£466
Bridge House reserve	£39,667
Continental Pioneer Committee	£191,239
Various LSA funds	£981,730
Dr Khosrow Taheri	£114,474
International collaboration fund	£86,254
Baha'I International Fund	£819,855
Huququ'llah	£11,310
Payam-i-Bahai	£19,118
Other funds	£9,077

FUTURE PLANS

The coming year sees the community move into the second year of the Nine-Year Plan, and there are plans underway to have another year of intensive training along a large youth conference planned for the summer. The Trustees will therefore continue to focus on the strategies noted earlier to try and increase the net inflow into the Funds by encouraging a significant increase in contributions to the National Fund, and to encourage the spiritual principles of Sacrifice and Universal Participation.

**STRUCTURE, GOVERNANCE AND MANAGEMENT
GOVERNING DOCUMENT**

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

**NATIONAL SPIRITUAL ASSEMBLY OF THE
BAHÁ'IS OF THE UNITED KINGDOM**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2022**

The National Spiritual Assembly of the Bahá'ís of the United Kingdom is a company limited by guarantee governed by its Memorandum and Articles of Association dated 5 August 1939 and amended to allow for current governance arrangements on 25 March 1950, 21 October 1994, 16 September 1995 and 14 May 1999. It is registered as a charity with the Charity Commission and with the Scottish Charities Office. Every Member of the National Spiritual Assembly undertakes to contribute such amounts as may be required not exceeding £1.00 to the National Assembly's assets if it should be wound up while he is a Member or within one year if he ceases to be a Member, for payment of National Spiritual Assembly's debts and liabilities contracted before he ceased to be a Member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories among themselves.

APPOINTMENT OF TRUSTEES

The Trustees, who are also known as the Members and directors, consist of nine persons chosen from among the Bahá'ís of the United Kingdom who have attained the age of 21 and who are elected by such Bahá'ís in a manner provided in its Articles of Association, and who shall remain Members and continue in office for the period of one year, or until their successors are elected and, on failure to be re-elected to the National Spiritual Assembly, shall cease to be a Member.

The officers of the National Spiritual Assembly consist of Chairman, Vice-chairman, Secretary and Treasurer, and such other officers as may be found necessary for the proper conduct of its affairs. The officers are elected by majority vote of all Members taken by secret ballot.

ORGANISATIONAL STRUCTURE

The Assembly or board of trustees of nine members administers the charity. The Assembly meets approximately every month. There are agencies, committees and councils which meet regularly. A Secretary is elected by the Assembly as its executive officer to manage the day to day operations of the charity. A Treasurer is elected by the trustees to manage its financial affairs.

TRUSTEE INDUCTION AND TRAINING

New Members undergo an orientation to brief them on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the Assembly's decision making processes and its current plans and activities. During the induction they meet key employees and other Members. Members are encouraged to attend appropriate external training events where they believe this will assist in the fulfilment of their role.

The charity adopts a pay scale structure which is benchmarked to other charities and is updated every three years using the Towers Watson salary criteria.

The charity encourages individuals to consider how they can serve the Faith and many offer their time sacrificially. The Trustees are grateful for their time and contributions to advance the Cause.

RISK STATEMENT

The Members have examined the major operational risks which the charitable company faces and confirm that systems have been established so that the necessary steps can be taken to reduce these risks.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
00355737 (England and Wales)

Registered Charity number
250851

**NATIONAL SPIRITUAL ASSEMBLY OF THE
BAHA'IS OF THE UNITED KINGDOM**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2022**

Registered office

27 Rutland Gate
London
SW7 1PD

Trustees

Trustees information

Viv Craig	Retired 22/04/2022
Wendi Momen	
Patrick O'Mara	(Secretary)
Dr Vafa Ram	
Darren Smith	(Treasurer)
OlingaTahzib	(Chair)
Robert Weinberg	
Dr Shirin Fozdar-Foroudi	(Vice Chair)
Dr Ronnie Yousefzadeh-Bindra	
Marco Milone	Elected 23/04/2022

Company Secretary

P O'Mara

Auditors

DNG Dove Naish LLP, Statutory Auditor
Eagle House
28 Billing Road
Northampton
NN1 5AJ

Day to day management of the charity is entrusted to its chief executive officer, the Secretary, Patrick O'Mara, and the Treasurer, Darren Smith.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of National Spiritual Assembly of the Baha'is of the United Kingdom for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

**NATIONAL SPIRITUAL ASSEMBLY OF THE
BAHA'IS OF THE UNITED KINGDOM**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2022**

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

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

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, DNG Dove Naish LLP, Statutory Auditor, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on **06 June 2023** and signed on its behalf by:



.....
P O'Mara - Trustee

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
NATIONAL SPIRITUAL ASSEMBLY OF THE
BAHA'IS OF THE UNITED KINGDOM**

Opinion

We have audited the financial statements of National Spiritual Assembly of the Baha'is of the United Kingdom (the 'charitable company') for the year ended 31 December 2022 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
NATIONAL SPIRITUAL ASSEMBLY OF THE
BAHA'IS OF THE UNITED KINGDOM**

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements 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; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

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

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
NATIONAL SPIRITUAL ASSEMBLY OF THE
BAHA'IS OF THE UNITED KINGDOM**

Our responsibilities for the audit of the financial statements

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

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

We obtained an understanding of the legal and regulatory frameworks within which the charity operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Charities Act 2011, United Kingdom Generally Accepted Accounting Practice and relevant Taxation legislation.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be the override of controls by management and the understatement of revenue. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing meeting minutes, regulatory correspondence and professional fees, detailed substantive testing on the completeness of income, and reviewing accounting estimates for biases. We will also review the regulatory correspondence with the Charity Commission.

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. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

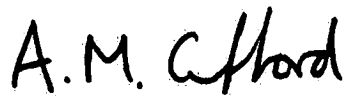
These inherent limitations are particularly significant in the case of misstatement resulting from fraud as this may involve sophisticated schemes designed to avoid detection, including deliberate failure to record transactions, collusion or the provision of intentional misrepresentations.

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

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
NATIONAL SPIRITUAL ASSEMBLY OF THE
BAHA'IS OF THE UNITED KINGDOM**

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.



Andrew Clifford (Senior Statutory Auditor)
for and on behalf of DNG Dove Naish LLP, Statutory Auditor
Eagle House
28 Billing Road
Northampton
NN1 5AJ

Date: 13 June 2023

**NATIONAL SPIRITUAL ASSEMBLY OF THE
BAHA'IS OF THE UNITED KINGDOM**

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	2,695,895	4,164,896	6,860,791	8,251,812
Charitable activities	5				
Guardian's Resting Place		-	19,927	19,927	9,084
Plot fees		42,186	-	42,186	46,042
Other trading activities	3	20,493	-	20,493	28,927
Investment income	4	85,905	1,079	86,984	90,475
Total		<u>2,844,479</u>	<u>4,185,902</u>	<u>7,030,381</u>	<u>8,426,340</u>
EXPENDITURE ON					
Raising funds	6	27,829	-	27,829	43,005
Charitable activities	7				
International funds		978,815	3,239,534	4,218,349	5,467,076
Guardian's Resting Place		-	160,159	160,159	58,128
Conferences		473,601	-	473,601	-
Schools		-	216,067	216,067	335,386
Regional activities - teaching and training		510,227	60	510,287	537,929
Community development		40,626	-	40,626	32,106
Organisation of community activities		620,908	(19,649)	601,259	735,233
External affairs		95,004	-	95,004	129,679
Property costs		576,681	31,458	608,139	640,498
Depreciation		133,156	14,049	147,205	147,206
Auditors remuneration		15,610	-	15,610	15,121
Local Spiritual Assemblies		-	193,762	193,762	405,461
Deputisation		-	-	-	26,938
Total		<u>3,472,457</u>	<u>3,835,440</u>	<u>7,307,897</u>	<u>8,573,766</u>
Net gains/(losses) on investments		<u>(1,252,278)</u>	<u>(4,846)</u>	<u>(1,257,124)</u>	<u>560,511</u>
NET INCOME/(EXPENDITURE)		<u>(1,880,256)</u>	<u>345,616</u>	<u>(1,534,640)</u>	<u>413,085</u>
Transfers between funds	21	<u>(30,114)</u>	<u>30,114</u>	<u>-</u>	<u>-</u>
Net movement in funds		<u>(1,910,370)</u>	<u>375,730</u>	<u>(1,534,640)</u>	<u>413,085</u>
RECONCILIATION OF FUNDS					
Total funds brought forward		10,675,209	3,085,643	13,760,852	13,347,767
TOTAL FUNDS CARRIED FORWARD		<u>8,764,839</u>	<u>3,461,373</u>	<u>12,226,212</u>	<u>13,760,852</u>

The notes form part of these financial statements

**NATIONAL SPIRITUAL ASSEMBLY OF THE
BAHA'IS OF THE UNITED KINGDOM**

**STATEMENT OF FINANCIAL POSITION
31 DECEMBER 2022**

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
FIXED ASSETS					
Tangible assets	13	4,377,142	614,949	4,992,091	5,139,296
Investments					
Investments	14	3,544,997	1,341,856	4,886,853	5,855,422
Investment property	15	<u>1,953,323</u>	<u>717,828</u>	<u>2,671,151</u>	<u>2,670,000</u>
		9,875,462	2,674,633	12,550,095	13,664,718
CURRENT ASSETS					
Stocks	16	62,801	-	62,801	50,176
Debtors	17	149,142	-	149,142	838,925
Cash at bank and in hand		<u>1,577,962</u>	<u>793,481</u>	<u>2,371,443</u>	<u>2,703,401</u>
		1,789,905	793,481	2,583,386	3,592,502
CREDITORS					
Amounts falling due within one year	18	(2,900,528)	(6,741)	(2,907,269)	(3,121,368)
NET CURRENT ASSETS		<u>(1,110,623)</u>	<u>786,740</u>	<u>(323,883)</u>	<u>471,134</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		8,764,839	3,461,373	12,226,212	14,135,852
CREDITORS					
Amounts falling due after more than one year	19	-	-	-	(375,000)
NET ASSETS		<u>8,764,839</u>	<u>3,461,373</u>	<u>12,226,212</u>	<u>13,760,852</u>
FUNDS	21				
Unrestricted funds				8,764,839	10,675,209
Restricted funds				<u>3,461,373</u>	<u>3,085,643</u>
TOTAL FUNDS				<u>12,226,212</u>	<u>13,760,852</u>

The notes form part of these financial statements

**NATIONAL SPIRITUAL ASSEMBLY OF THE
BAHA'IS OF THE UNITED KINGDOM**

**STATEMENT OF FINANCIAL POSITION - continued
31 DECEMBER 2022**

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on
06 June 2023 and were signed on its behalf by:



.....
P O'Mara - Trustee



.....
D Smith - Trustee

The notes form part of these financial statements

**NATIONAL SPIRITUAL ASSEMBLY OF THE
BAHA'IS OF THE UNITED KINGDOM**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Notes	2022 £	2021 £
Cash flows from operating activities			
Cash generated from operations	1	<u>90,885</u>	<u>(206,898)</u>
Net cash provided by/(used in) operating activities		<u>90,885</u>	<u>(206,898)</u>
Cash flows from investing activities			
Purchase of fixed asset investments		(16,052)	(602,733)
Acquisition of investment property		(275,000)	-
Sale of fixed asset investments/property		1,346	-
Interest received		873	1,670
Dividends received		<u>3,118</u>	<u>3,733</u>
Net cash used in investing activities		<u>(285,715)</u>	<u>(597,330)</u>
Change in cash and cash equivalents in the reporting period		<u>(194,830)</u>	<u>(804,228)</u>
Cash and cash equivalents at the beginning of the reporting period	2	<u>2,566,273</u>	<u>3,370,501</u>
Cash and cash equivalents at the end of the reporting period	2	<u><u>2,371,443</u></u>	<u><u>2,566,273</u></u>

The notes form part of these financial statements

**NATIONAL SPIRITUAL ASSEMBLY OF THE
BAHA'IS OF THE UNITED KINGDOM**

**NOTES TO THE STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022**

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

	2022 £	2021 £
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(1,534,640)	413,085
Adjustments for:		
Depreciation charges	147,205	147,206
Losses/(gain) on investments	1,257,124	(560,511)
Interest received	(873)	(1,670)
Dividends received	(3,118)	(3,733)
(Increase)/decrease in stocks	(12,625)	23,160
Decrease/(increase) in debtors	689,783	(735,172)
(Decrease)/increase in creditors	(451,971)	510,737
Net cash provided by/(used in) operations	<u>90,885</u>	<u>(206,898)</u>

2. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2022 £	2021 £
Cash in hand	187	2,294
Notice deposits (less than 3 months)	2,371,256	2,701,107
Overdrafts included in bank loans and overdrafts falling due within one year	-	(137,128)
Total cash and cash equivalents	<u>2,371,443</u>	<u>2,566,273</u>

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/1/22 £	Cash flow £	At 31/12/22 £
Net cash			
Cash at bank and in hand	2,703,401	(331,958)	2,371,443
Bank overdraft	(137,128)	137,128	-
	<u>2,566,273</u>	<u>(194,830)</u>	<u>2,371,443</u>
Total	<u>2,566,273</u>	<u>(194,830)</u>	<u>2,371,443</u>

The notes form part of these financial statements

**NATIONAL SPIRITUAL ASSEMBLY OF THE
BAHA'IS OF THE UNITED KINGDOM**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

National Spiritual Assembly of the Baha'is of the UK is a charity, registered in England and Wales. The charity's number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

The trustees have considered a period of 12 months from the date of approval of these financial statements and have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Income

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

Expenditure

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

Allocation and apportionment of costs

Costs are allocated on an activity basis.

Tangible fixed assets

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

Freehold property - 2% on cost

Fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

Depreciation methods, useful lives and residual values are reviewed at each balance sheet date. The selection of these residual values and estimated lives requires the exercise of judgement. The directors are required to assess whether there is an indication of impairment to the carrying value of assets. In making that assessment, judgements are made in estimating value in use. The directors consider that the individual carrying values of assets are supportable by their value in use.

**NATIONAL SPIRITUAL ASSEMBLY OF THE
BAHA'IS OF THE UNITED KINGDOM**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

1. ACCOUNTING POLICIES - continued

Investments

Investments which are held for the long term are included in the financial statements at market value. Investments are held for the specific purpose of providing income to support the charity's work.

Investment property

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

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items. Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads. Net realisable value is based on estimated selling price less any further costs expected to be incurred to completion and disposal.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

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

Designated funds are amounts which have been set aside at the discretion of the trustees for specific but not legally binding purposes.

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

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Financial instruments

Cash and cash equivalents in the balance sheet comprise cash at banks and in hand and short term deposits with an original maturity date of three months or less.

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the statement of comprehensive income under administrative expenses.

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

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

**NATIONAL SPIRITUAL ASSEMBLY OF THE
BAHA'IS OF THE UNITED KINGDOM**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

1. ACCOUNTING POLICIES - continued

Financial instruments

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the statement of financial position date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Leasing commitments

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against income as incurred.

Pension costs and other post-retirement benefits

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

Significant judgements and estimates

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed within the individual accounting policies above.

2. DONATIONS AND LEGACIES

	2022	2021
	£	£
Donations	5,741,304	6,280,173
Gift aid	735,128	733,986
Legacies	<u>384,359</u>	<u>1,237,653</u>
	<u>6,860,791</u>	<u>8,251,812</u>

**NATIONAL SPIRITUAL ASSEMBLY OF THE
BAHA'IS OF THE UNITED KINGDOM**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

3. OTHER TRADING ACTIVITIES		
	2022	2021
	£	£
Sales from publishing division	<u>20,493</u>	<u>28,927</u>
4. INVESTMENT INCOME		
	2022	2021
	£	£
Rents received	82,993	85,072
Dividends received	3,118	3,733
Deposit account interest	<u>873</u>	<u>1,670</u>
	<u>86,984</u>	<u>90,475</u>
5. INCOME FROM CHARITABLE ACTIVITIES		
	2022	2021
	£	£
Guardian's Resting Place Activity	19,927	9,084
Plot fees Guardian's Resting Place	<u>42,186</u>	<u>46,042</u>
	<u>62,113</u>	<u>55,126</u>
6. RAISING FUNDS		
Other trading activities		
	2022	2021
	£	£
Purchases of literature for resale	<u>27,829</u>	<u>43,005</u>

**NATIONAL SPIRITUAL ASSEMBLY OF THE
BAHA'IS OF THE UNITED KINGDOM**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

7. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 8) £	Totals £
International funds	4,218,349	-	4,218,349
Guardian's Resting Place	160,159	-	160,159
Conferences	473,601	-	473,601
Schools	216,067	-	216,067
Regional activities - teaching and training	510,287	-	510,287
Community development	40,626	-	40,626
Organisation of community activities	16,563	584,696	601,259
External affairs	95,004	-	95,004
Property costs	608,139	-	608,139
Depreciation	147,205	-	147,205
Auditors remuneration	-	15,610	15,610
Local Spiritual Assemblies	193,762	-	193,762
	<u>6,679,762</u>	<u>600,306</u>	<u>7,280,068</u>

8. SUPPORT COSTS

	Management £	Finance £	Governance costs £	Totals £
Organisation of community activities	429,586	140,175	14,935	584,696
Auditors remuneration	-	-	15,610	15,610
	<u>429,586</u>	<u>140,175</u>	<u>30,545</u>	<u>600,306</u>

9. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2022 £	2021 £
Auditors' remuneration	15,610	15,120
Depreciation - owned assets	147,205	147,205
Other operating leases	-	229
	<u>-</u>	<u>229</u>

**NATIONAL SPIRITUAL ASSEMBLY OF THE
BAHA'IS OF THE UNITED KINGDOM**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

10. TRUSTEES' REMUNERATION AND BENEFITS

During the year £3,207 (2021: £8,610) was paid to R Bindra. This is permitted by the governing document of the charity.

Trustees' expenses

During the year 6 trustees (2021: 3), being directors of the charitable company, received £10,691 (2021 £2,880) for reimbursement of expenses for hotel and travel costs.

11. STAFF COSTS

	2022	2021
	£	£
Wages and salaries	1,142,333	1,138,914
Social security costs	95,882	99,589
Other pension costs	81,705	81,115
	<u>1,319,920</u>	<u>1,319,618</u>

The key management personnel are considered to be the Trustees only.

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

	2022	2021
	54	49
Employed staff	<u>54</u>	<u>49</u>

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

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	2,739,625	5,512,187	8,251,812
Charitable activities			
Guardian's Resting Place	9,084	-	9,084
Plot fees	46,042	-	46,042
Other trading activities	28,927	-	28,927
Investment income	<u>81,176</u>	<u>9,299</u>	<u>90,475</u>
Total	<u>2,904,854</u>	<u>5,521,486</u>	<u>8,426,340</u>
EXPENDITURE ON			
Raising funds	43,005	-	43,005
Charitable activities			
International funds	1,084,397	4,382,679	5,467,076

**NATIONAL SPIRITUAL ASSEMBLY OF THE
BAHA'IS OF THE UNITED KINGDOM**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted funds £	Total funds £
Guardian's Resting Place	58,128	-	58,128
Schools	235	335,151	335,386
Regional activities - teaching and training	537,929	-	537,929
Community development	32,106	-	32,106
Organisation of community activities	713,918	21,315	735,233
External affairs	129,679	-	129,679
Property costs	370,095	270,403	640,498
Depreciation	133,157	14,049	147,206
Auditors remuneration	15,121	-	15,121
Local Spiritual Assemblies	-	405,461	405,461
Deputisation	-	26,938	26,938
Total	3,117,770	5,455,996	8,573,766
 Net gains on investments	 466,412	 94,099	 560,511
 NET INCOME	 253,496	 159,589	 413,085
Transfers between funds	(185,016)	185,016	-
 Net movement in funds	 68,480	 344,605	 413,085
 RECONCILIATION OF FUNDS			
Total funds brought forward	10,606,729	2,741,038	13,347,767
 TOTAL FUNDS CARRIED FORWARD	 10,675,209	 3,085,643	 13,760,852

13. TANGIBLE FIXED ASSETS

	Freehold property £
COST	
At 1 January 2022 and 31 December 2022	7,404,267
DEPRECIATION	
At 1 January 2022	2,264,971
Charge for year	147,205
At 31 December 2022	2,412,176
NET BOOK VALUE	
At 31 December 2022	4,992,091
At 31 December 2021	5,139,296

**NATIONAL SPIRITUAL ASSEMBLY OF THE
BAHA'IS OF THE UNITED KINGDOM**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

13. TANGIBLE FIXED ASSETS - continued

Included in cost or valuation of land and buildings is freehold land of £44,000 (2021 - £44,000) which is not depreciated.

The charitable company has taken advantage of the transitional provisions of FRS 102 in relation to tangible fixed assets. From the date of transition, assets previously accounted for on a revaluation basis are instead accounted for on a cost basis, using the net book value at transition as deemed cost.

In respect of assets stated at valuation, the comparable historic cost and depreciation values are as follows:

	Cost	Depreciation	NBV on historical cost basis	NBV based on revalued amounts
	£	£	£	£
Rutland Gate, London	735,744	529,737	206,007	2,100,000
3 Langdale Road, Liverpool	36,952	19,906	17,046	80,600
Willow Island (land)	500	-	500	8,000
Wideford Hill, St Ola, Orkney Isles (land)	<u>500</u>	<u>-</u>	<u>500</u>	<u>36,000</u>
	<u>773,696</u>	<u>549,643</u>	<u>224,053</u>	<u>2,224,600</u>

Properties held in trust for the Universal House of Justice:

99 Marshall's Close, New Southgate, London - stated at cost - £94,800

Properties held in trust for the Afnan Library Trust:

The Old Chapel, 14 Pleasant Place, Sandy - stated at cost £289,046

14. FIXED ASSET INVESTMENTS

	Listed investments	Unlisted investments	Totals
	£	£	£
MARKET VALUE			
At 1 January 2022	5,768,806	86,616	5,855,422
Additions	16,052	-	16,052
Disposals	(1,347)	-	(1,347)
Revaluations	<u>(993,698)</u>	<u>10,424</u>	<u>(983,274)</u>
At 31 December 2022	<u>4,789,813</u>	<u>97,040</u>	<u>4,886,853</u>
NET BOOK VALUE			
At 31 December 2022	<u>4,789,813</u>	<u>97,040</u>	<u>4,886,853</u>
At 31 December 2021	<u>5,768,806</u>	<u>86,616</u>	<u>5,855,422</u>

There were no investment assets outside the UK.

Unlisted investments are stated at market value at the year end. The cost of the investment is £56,542.

**NATIONAL SPIRITUAL ASSEMBLY OF THE
BAHA'IS OF THE UNITED KINGDOM**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

15. INVESTMENT PROPERTY

	£
FAIR VALUE	
At 1 January 2022	2,670,000
Additions	275,000
Revaluation	<u>(273,849)</u>
At 31 December 2022	<u>2,671,151</u>
NET BOOK VALUE	
At 31 December 2022	<u>2,671,151</u>
At 31 December 2021	<u>2,670,000</u>

Fair value at 31 December 2022 is represented by:

	£
Valuation in 2022	(273,849)
Valuation in 2018	1,312,964
Valuation in 2021	(357,024)
Cost	<u>1,989,060</u>
	<u>2,671,151</u>

The charity's main investment property was sold in January 2023 and the valuation has been updated to reflect the sale price.

16. STOCKS

	2022	2021
	£	£
Stocks	<u>62,801</u>	<u>50,176</u>

17. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Other debtors	30,920	33,395
VAT	-	552
Prepayments and accrued income	<u>118,222</u>	<u>804,978</u>
	<u>149,142</u>	<u>838,925</u>

**NATIONAL SPIRITUAL ASSEMBLY OF THE
BAHA'IS OF THE UNITED KINGDOM**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Bank loans and overdrafts (see note 20)	-	137,128
Trade creditors	155,252	302,180
Social security and other taxes	(223)	24,786
VAT	658	-
Other creditors	82,288	51,520
Funds held for others	2,607,113	2,575,453
Accruals and deferred income	62,181	30,301
	<u>2,907,269</u>	<u>3,121,368</u>

Included within Funds held for others (falling due within one year and over one year) are amounts received on behalf of other organisations or individuals not recognised in these accounts. Receipts for the year totalled £207,911, payments for the year totalled £145,064 and investment movements and other adjustments were -£406,187.

Deferred income relates to income received before the year end which relates to activities taking place in the next financial year.

	£
Balance as at 31 December 2021	9,200
Amount released to incoming resources	(9,200)
Amount deferred in year	<u>18,636</u>
Balance as at 31 December 2022	<u>18,636</u>

19. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2022	2021
	£	£
Funds held for others	<u>-</u>	<u>375,000</u>

20. LOANS

An analysis of the maturity of loans is given below:

	2022	2021
	£	£
Amounts falling due within one year on demand:		
Bank overdrafts	<u>-</u>	<u>137,128</u>

A technical bank overdraft arises where a fund is in deficit or where the fund comprises mainly non-cash assets. This is not indicative of an actual overdraft facility at the bank.

**NATIONAL SPIRITUAL ASSEMBLY OF THE
BAHA'IS OF THE UNITED KINGDOM**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

21. MOVEMENT IN FUNDS

	At 1/1/22 £	Net movement in funds £	Transfers between funds £	At 31/12/22 £
Unrestricted funds				
General fund	790,033	(1,198,772)	653,379	244,640
Social Action Fund	5,832	181	-	6,013
Property maintenance fund	350,000	(81,257)	39,613	308,356
General reserve	900,000	(87,841)	88,592	900,751
Capital projects	-	21,911	(15,611)	6,300
Growth fund	3,175,445	67,172	(990,002)	2,252,615
Guardian's Resting Place	340,382	(141,876)	-	198,506
UK Temple Fund - Designated Fund	715,186	(162,274)	-	552,912
Faroos Centre Fund	109,510	-	-	109,510
Funds representing properties held	<u>4,288,821</u>	<u>(297,500)</u>	<u>193,915</u>	<u>4,185,236</u>
	10,675,209	(1,880,256)	(30,114)	8,764,839
Restricted funds				
Deputisation	5,409	51,214	-	56,623
UK Temple Fund	993,189	550,734	-	1,543,923
Guardian's Resting place	1,103,567	(140,232)	-	963,335
Paul Malcolm Booth Fund	6,274	220	-	6,494
Baha'i Institute of Higher Education	38	(38)	-	-
International Funds	91,770	(91,770)	-	-
Faroos Centre Fund	250,100	19,694	-	269,794
Residential Centre reserve	238,890	(4,977)	-	233,913
Department of Health	6,298	(43)	-	6,255
Royal York Crescent Apartment	<u>390,108</u>	<u>(39,186)</u>	<u>30,114</u>	<u>381,036</u>
	<u>3,085,643</u>	<u>345,616</u>	<u>30,114</u>	<u>3,461,373</u>
TOTAL FUNDS	<u>13,760,852</u>	<u>(1,534,640)</u>	<u>-</u>	<u>12,226,212</u>

**NATIONAL SPIRITUAL ASSEMBLY OF THE
BAHA'IS OF THE UNITED KINGDOM**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

21. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	2,369,230	(3,070,445)	(497,557)	(1,198,772)
Social Action Fund	181	-	-	181
Property maintenance fund	1,084	(41,936)	(40,405)	(81,257)
General reserve	2,786	-	(90,627)	(87,841)
Capital projects	21,911	-	-	21,911
Growth fund	375,673	(20,675)	(287,826)	67,172
Guardian's Resting Place	7,355	-	(149,231)	(141,876)
UK Temple Fund - Designated Fund	14,311	-	(176,585)	(162,274)
Funds representing properties held	<u>51,948</u>	<u>(339,401)</u>	<u>(10,047)</u>	<u>(297,500)</u>
	2,844,479	(3,472,457)	(1,252,278)	(1,880,256)
Restricted funds				
Deputation	51,214	-	-	51,214
UK Temple Fund	550,734	-	-	550,734
Guardian's Resting place	19,927	(160,159)	-	(140,232)
Paul Malcolm Booth Fund	220	-	-	220
Baha'i Institute of Higher Education	216,029	(216,067)	-	(38)
International Funds	3,152,610	(3,239,534)	(4,846)	(91,770)
Faroos Centre Fund	1	19,693	-	19,694
Residential Centre reserve	-	(4,977)	-	(4,977)
Derby Mulifaith Project	60	(60)	-	-
Department of Health	1	(44)	-	(43)
Local Spiritual Assemblies	193,762	(193,762)	-	-
Royal York Crescent Apartment	<u>1,344</u>	<u>(40,530)</u>	<u>-</u>	<u>(39,186)</u>
	<u>4,185,902</u>	<u>(3,835,440)</u>	<u>(4,846)</u>	<u>345,616</u>
TOTAL FUNDS	<u>7,030,381</u>	<u>(7,307,897)</u>	<u>(1,257,124)</u>	<u>(1,534,640)</u>

**NATIONAL SPIRITUAL ASSEMBLY OF THE
BAHA'IS OF THE UNITED KINGDOM**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

21. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1/1/21 £	Net movement in funds £	Transfers between funds £	At 31/12/21 £
Unrestricted funds				
General fund	1,424,514	(709,408)	74,927	790,033
Social Action Fund	5,572	260	-	5,832
Property maintenance fund	350,000	-	-	350,000
General reserve	900,000	-	-	900,000
Capital projects	-	27,313	(27,313)	-
Growth fund	2,172,023	1,003,422	-	3,175,445
Revaluation	2,068,449	-	(2,068,449)	-
Guardian's Resting Place	379,482	(39,100)	-	340,382
UK Temple Fund - Designated Fund	611,941	103,245	-	715,186
Belfast Temple Funds	91,248	5,945	(97,193)	-
Belfast Centre Fund	369,378	(142,271)	(227,107)	-
Residential Centre reserve	2,010,747	(41,035)	(1,969,712)	-
Royal York Crescent	113,865	45,125	(158,990)	-
Faroes Centre Fund	109,510	-	-	109,510
Funds representing properties held	-	-	4,288,821	4,288,821
	10,606,729	253,496	(185,016)	10,675,209
Restricted funds				
Deputisation	5,409	-	-	5,409
UK Temple Fund	738,424	254,765	-	993,189
Guardian's Resting place	1,064,700	96,809	(57,942)	1,103,567
Paul Malcolm Booth Fund	6,114	160	-	6,274
Baha'i Institute of Higher Education	5,631	(5,593)	-	38
International Funds	-	91,770	-	91,770
Faroes Centre Fund	271,415	(21,315)	-	250,100
Residential Centre reserve	243,867	(14,154)	9,177	238,890
Department of Health	6,298	-	-	6,298
Royal York Crescent Apartment	399,180	(242,853)	233,781	390,108
	2,741,038	159,589	185,016	3,085,643
TOTAL FUNDS	13,347,767	413,085	-	13,760,852

**NATIONAL SPIRITUAL ASSEMBLY OF THE
BAHA'IS OF THE UNITED KINGDOM**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

21. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	1,865,549	(2,820,871)	245,914	(709,408)
Social Action Fund	260	-	-	260
Capital projects	27,313	-	-	27,313
Growth fund	926,855	(50,000)	126,567	1,003,422
Guardian's Resting Place	19,028	(58,128)	-	(39,100)
UK Temple Fund - Designated Fund	15,259	-	87,986	103,245
Belfast Temple Funds	-	-	5,945	5,945
Belfast Centre Fund	5,464	(147,735)	-	(142,271)
Residential Centre reserve	1	(41,036)	-	(41,035)
Royal York Crescent	45,125	-	-	45,125
	<u>2,904,854</u>	<u>(3,117,770)</u>	<u>466,412</u>	<u>253,496</u>
Restricted funds				
Deputisation	26,938	(26,938)	-	-
UK Temple Fund	254,765	-	-	254,765
Guardian's Resting place	2,710	-	94,099	96,809
Paul Malcolm Booth Fund	160	-	-	160
Baha'i Institute of Higher Education	329,558	(335,151)	-	(5,593)
International Funds	4,474,449	(4,382,679)	-	91,770
Faroos Centre Fund	-	(21,315)	-	(21,315)
Residential Centre reserve	25,967	(40,121)	-	(14,154)
Local Spiritual Assemblies	405,461	(405,461)	-	-
Royal York Crescent Apartment	1,478	(244,331)	-	(242,853)
	<u>5,521,486</u>	<u>(5,455,996)</u>	<u>94,099</u>	<u>159,589</u>
TOTAL FUNDS	<u>8,426,340</u>	<u>(8,573,766)</u>	<u>560,511</u>	<u>413,085</u>

Unrestricted, designated funds

The Social Action fund may be used at the discretion of the National Assembly for social action projects.

The Property Maintenance Fund is established as a reserve for major property maintenance costs.

The General Reserve is established to cover three months average expenditure.

The Growth Fund is established for the promotion and growth of the Bahá'í community.

The UK Temple Fund - Designated Fund represents funds which have been set aside by the trustees towards the cost of building a future Bahá'í Temple.

The Guardian's Resting Place - Designated Fund represents funds which have been set aside by the trustees for the upkeep of the Guardian's Resting Place.

**NATIONAL SPIRITUAL ASSEMBLY OF THE
BAHA'IS OF THE UNITED KINGDOM**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

21. MOVEMENT IN FUNDS - continued

The Residential Centre Reserve represents the balance of funds relating to the new national training centre in Lower Arncliffe, Bicester.

The Belfast Centre Fund and Belfast Temple Fund are established for the purpose of purchasing a Bahá'í Centre and Temple in Belfast.

The Royal York Crescent Apartment fund has been established for the refurbishment and upkeep of the property.

The Revaluation fund has been established due to the revaluation of 27 Rutland Gate and 3 Langdale road. A yearly adjustment for the depreciation is carried out.

The Funds representing properties held was created last year to amalgamate into one single designated fund the following individual designated funds; Royal York Crescent, Residential Centre reserve, Belfast Temple Funds, Belfast Centre Fund and Revaluation fund.

Restricted Funds

The UK Temple Fund is established towards the cost of building a future Bahá'í Temple.

The Paul Malcolm Booth Fund is to provide scholarships for Bahá'is and others on low income to enable them to attend summer and winter schools and other national and international gatherings.

The Deputisation Fund is established for the purpose of deputising teachers to teach the Faith.

The Guardian's Resting Place Fund is established for the upkeep of the Guardian's Resting Place.

The Residential Centre Reserve represents funds which have been obtained for the creation of a national training centre in Lower Arncliffe, Bicester.

The Faroes Centre Fund is established for the purpose of purchasing a Centre in the Faroe Islands.

The International Fund represents funds received for the Baha'is International Funds and other International Funds.

The Local Spiritual Assemblies fund represents funds received for Local Spiritual Assemblies.

The National Spiritual Assemblies fund represents funds received for National Spiritual Assemblies overseas.

The Royal York Crescent Apartment fund has been established for the purchase of the apartment and for the subsequent refurbishment and upkeep of the property.

The Baha'i Institute of Higher Education fund is used to provide scholarships for educational purposes.

The Department of health fund has been established for the completion of the Bahá'is Health Care Chaplaincy Support Project.

The Edinburgh fund has been established for the refurbishment and upkeep of the property.

**NATIONAL SPIRITUAL ASSEMBLY OF THE
BAHA'IS OF THE UNITED KINGDOM**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

21. MOVEMENT IN FUNDS - continued

Transfers between funds

The transfer from the designated Royal York Crescent fund to the restricted Royal York Crescent Apartment fund, which were created for the same purpose, was due to an overspend in the restricted fund.

The transfers between unrestricted and designated funds are to reallocate funds as determined necessary by the Trustees.

22. EMPLOYEE BENEFIT OBLIGATIONS

The charitable company operates a defined contribution pension scheme on behalf of its employees. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £81,705 (2021: £81,115).

23. RELATED PARTY DISCLOSURES

During the year R Weinberg and D Smith, Trustees, charged £nil (2021: £2,597) and £7,500 (2021: £6,479) respectively to the charity in respect of consultancy services provided.

During the year, AJ Tahzib, who is the wife of Trustee O Tahzib, received remuneration of £31,049 (2021: £30,579).

During the year, R Bindra, who is the wife of Trustee Dr R Yousefzadeh-Bindra, received remuneration of £26,835 (2021: £21,406).

Included in funds held for others at the year end is £334,389 (2021: £381,292) relating to funds that are held as agents on behalf of Afnan Library Trust. The spouses of two trustees and the National Spiritual Assembly of the Baha'is of the United Kingdom are trustees of the Afnan Library Trust.

24. OPERATING LEASES - LESSOR

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

	2022	2021
	£	£
Within one year	4,414	63,271
Between one and five years	-	17,914
In more than five years	-	-
	<u>4,414</u>	<u>81,185</u>