THE APOSTOLIC CHURCH

England & Wales · Charity number 284789

Details

Status	Registered
Legal form	Other
Registered	1961-05-01
Register	View on the Charity Commission register

Contact

Address	The Apostolic Church Head Office Suite 105 & 110 Crystal House New Bedford Road Luton LU1 1HS
Phone	02075871802
Email	admin@apostolic-church.org
Website	www.apostolic-church.org

Activities

Objects: THE PREACHING OF THE GOSPEL OF OUR LORD AND SAVIOUR JESUS CHRIST ACCORDING TO THE HOLY SCRIPTURES.THE PROMOTION OF ANY OTHER CHARITABLE PURPOSE CONSISTENT WITH THE CHRISTIAN MISSION OF THE CHURCH AND IN PARTICULAR THE RELIEF OF THE SICK, ELDERLY AND POOR.

Activities: The aim of The Apostolic Church is to spread the Christian gospel within the United Kingdom through its network of local churches. This includes traditional Sunday services and a variety of local church activities involving children, youth and adults. Also the Church provides regular financial support to missionaries in a number of other countries.

Classification

- **How:** Provides Human Resources, Other Charitable Activities
- **What:** The Prevention Or Relief Of Poverty, Religious Activities
- **Who:** The General Public/mankind

Downloaded from opencharities.uk/ew/284789

Geography

- Angola
- Belgium
- Brazil
- Burma
- Chile
- Hungary
- India
- Kenya
- Latvia
- Malawi
- Mozambique
- Namibia
- Pakistan
- Romania
- Scotland
- South Africa
- Sri Lanka
- Vietnam
- Zimbabwe
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£6,374,393	£5,983,776	£21,516,054	81
2024-03-31	£6,395,698	£5,920,059	£21,645,437	85
2023-03-31	£5,787,427	£5,389,958	£21,015,733	77
2022-03-31	£5,542,740	£4,886,812	£20,104,200	86
2021-03-31	£5,411,208	£4,395,669	£19,224,760	93

Downloaded from opencharities.uk/ew/284789

Trustees

Name	Role	Appointed
Rev Ivan Parker	Chair	2014-05-14
Dominic Jason Bird		2019-11-19
Rev Alan Skene		2023-04-18
Rev Alistair Matheson		2019-11-19
Rev Craig Hopkins		2019-11-19
Rev Phelim Doherty		2022-11-28

Downloaded from opencharities.uk/ew/284789

THE APOSTOLIC CHURCH

England & Wales - Charity number 284789

Accounts

CHARITY REGISTRATION NUMBER: 284789
OSCR REGISTRATION NUMBER: SC037835

The Apostolic Church

Financial Statements

31 March 2025

BURGESS HODGSON AUDIT LIMITED
Chartered accountants & statutory auditor
Camburgh House
27 New Dover Road
Canterbury
Kent
CT1 3DN

The Apostolic Church

Financial Statements

Year ended 31 March 2025

	Page
Trustees' annual report	1
Independent auditor's report to the members	9
Statement of financial activities	13
Statement of financial position	14
Statement of cash flows	15
Notes to the financial statements	16

The Apostolic Church

Trustees' Annual Report

Year ended 31 March 2025

The trustees present their report and the financial statements of the charity for the year ended 31 March 2025.

Introduction

On behalf of the Trustees of The Apostolic Church UK, I am pleased to present this report for the period from 1st April 2024 to 31st March 2025.

This has been another year of significant advancement for the Movement. We have experienced spiritual, numerical, and financial growth—clear indications of fresh momentum within our fellowship, which, remarkably, will celebrate its 110th anniversary in 2026.

The extensive work undertaken over the past twelve months to adapt our structures and practices, combined with a renewed commitment to our core objectives, has brought about a pronounced phase of renewal. This has resulted in new expressions of ministry, strengthened organisational capacity, and continued expansion across The Apostolic Church UK.

As Trustees, we are deeply grateful to every employee, officer, volunteer, and member for their dedication, service, and passion to see the Church advance—for the glory of God.

In the following pages, the Trustees seek to outline a picture of the national church at work from April 2024 to March 2025. We do so with hearts grateful to God for His faithfulness to His people for their labours in His Name and for His Glory.

Rev I Parker
National Leader

Reference and administrative details

Registered charity name	The Apostolic Church
Charity registration number	284789
Principal office	105 Crystal House New Bedford Road Luton LU1 1HS

The trustees

Rev P Doherty
Rev A Matheson
Rev D Bird
Rev C Hopkins
Rev A Skene
Rev I Parker
Rev S Taylor

Auditor	Burgess Hodgson Audit Limited Chartered accountants & statutory auditor Camburgh House 27 New Dover Road Canterbury Kent CT1 3DN
Bankers	The Royal Bank of Scotland PLC 13-14 Walter Road Swansea SA1 5NG Barclays Bank (UK) PLC Luton George Street 2 Leicester LE87 2BB
Solicitors	Waldrons Wychbury Court Brierley Hill DY5 1TA Quinn Legal The Beacon 176 St Vincent Street Glasgow G2 5SG

Structure, governance and management

The charity is an unincorporated organisation governed by a constitution, the last amendment of which was approved in 2018.

The activities of the charity are overseen by Trustees, appointed for a period consistent with that of the National Leader. Trustees carry responsibility for the spiritual life of the church as well as the business and financial activities that undergird its ministry. The range of activities is extensive, the geographical reach is vast, and the level of complexity increases year by year.

The Trustees are supported by the ministry of apostolic leaders who share the spiritual burden of leadership, and a team responsible for the administrative and financial business of the charity.

As previously reported the Trustees have decided that the present unincorporated structure is no longer the most appropriate legal structure.

The church functions as a single entity with diverse expressions throughout the country. The diversity of expression is determined by the skillsets of the leaders and congregations, the nature of the community in which a local church may serve and the extent to which they are able to use their available resources.

Local churches relate to each other through an apostolic leader of their choice and relate to the national entity by means of a range of reporting features that take account of key business and administrative indicators.

Each local church, though empowered to be creative and innovative, even unique in its expression, remains committed to a primary task, that of communicating the Gospel to its community and seeking to disciple believers towards Christian maturity.

The church at national level, through its leadership functions, remains responsible for accrediting ministers, reviewing performance, appointing officials and staff, developing policy, managing our property portfolio, overseeing staff, legal issues, maintaining corporate standards and determining, shaping and monitoring our financial and business practices, etc.

Public Benefit

The Church conducts its activities in the belief that it serves a public benefit by virtue of its mission to advance the Christian faith and relieve suffering and that its activities meet the Charity Commission's guidance in respect of Public Benefit.

Objectives and activities

The charity (the church) exists as a legal entity in which the church conducts its legal affairs as it seeks to fulfil its missional mandate in the UK and beyond.

In human terms, leadership is paramount, and the church seeks to prepare, encourage and support leaders as they seek to bring the ministry of Christ to various villages, towns and cities across the UK.

The church is made up of many congregations, each with its own mission field, and each with its resources and strengths. Our key strategy is to provide a support mechanism for leaders as they seek to support those they lead. Mission drift is always possible and the church endeavours to state and restate its primary purpose so that any drift is arrested early.

The primary objective of the church is to reveal Christ to the nation through a network of local churches. Our main activities are those associated with the local church - praying, preaching, worshipping, learning, serving, and witnessing in many ways. The church will, in addition, advocate for the wellbeing of the poor and disadvantaged, care for the sick and lonely and address issues that may have social relevance. The church will seek to use the platform provided by the Gospel to communicate Christ to the nation.

Achievements and performance

The National Leadership Team and National Office have continued to focus on strengthening the local church. We have enhanced administrative support to assemblies, ensuring compliance with governance and financial responsibilities.

Safeguarding has remained a priority. Our policies and procedures have been updated in collaboration with external specialists, ensuring that training is at its highest level and that oversight across the Movement is greatly improved. The elimination of non-compliance remains a key focus.

Leadership development has once again been central this year. Acts Divinity, our two-year leadership training course, commenced in September 2024 with an initial cohort of twenty culturally diverse men and women, each with the potential to shape the future of The Apostolic Church UK for many years to come.

The Vision Glorious, also launched last year, has now been widely adopted by many of our sister Movements in Europe, Africa, and further afield.

A brand-new AC Discipleship Programme was also launched during this financial year. Early uptake has been highly encouraging, and much more material is being developed as we continue to strengthen our AC identity and family values.

In our desire to bring value to the local church, we continue to invest in our staff and volunteers. Both our Youth and Children's Directors have continued to strengthen leaders at a local level. Preparations were made for visits to the four nations of the UK to provide greater clarity, information, and inspiration, with the goal of equipping and empowering today's youth and children's workers. The Focus Tour is set to commence in May 2026.

Our annual leaders 'gathering, ACMC, held in Bristol in April 2024, was a significant moment of unity, encouragement, and equipping. We believe it has played an important role in the renewed momentum experienced across the Movement in the past year. This event was well attended, and the feedback from our staff has been heartening.

Plans for an induction weekend and a Long Service Retreat were initiated for 2025. The induction weekend is designed to connect new staff with each other and the Movement, for what we trust will be a long and fruitful journey over many years. Informing, equipping, and signposting are all important aspects of this new programme.

On the other hand, the Long Service Retreat is designed to honour many years of service for longstanding staff and their spouses. Held in relaxed surroundings, with plenty of free time, we'll mutually appreciate the pain and privilege of ministry and look to the future when retirement eventually comes. Helpful conversations about planning for the emotional upheaval and the freedom that comes with retirement will take place, with the help of expertise brought in to share insights into these matters.

It's been a decade since our last general conference, and so a decision was made in June 2024 by the NLT/Trustees to plan for a General Conference in 2026. Called Re-Union, this general conference will celebrate our longevity (110-year Anniversary), our family (gathering all ages from across the Movement), and our destiny (what's next for ACUK). This event is booked and will take place from 8th to 10th April 2026.

The CIO

The decision to transition from an unincorporated charity to a Charitable Incorporated Organisation (CIO) was made some time ago. This change will provide greater flexibility, resilience, and agility to enable growth and development.

Although the transfer was not completed within this financial year, considerable progress has been made. While the process is complex, our committed National Office staff continue to prioritise this important work, and we anticipate completion in the coming year.

As part of our commitment to continue to bring value to being part of ACUK, the National Office has undergone some restructuring to deliver greater flexibility, efficiency, and improvement to the administrative needs of our growing Movement. In this financial year, longstanding members of staff retired or moved on, and new staff were appointed, creating a window of opportunity for reshaping. As Trustees, we really appreciate the smoothness of that transition, despite the significant challenges. We We commend the office for their incredible work.

Overseas trips and field development

The Apostolic Church ReACh groups have continued to strengthen apostolic and missional expression across their regions of responsibility. Visits have been undertaken to Laos, Kenya, Benin, Malawi, South Africa, Sri Lanka, Hungary, Denmark, Italy, and beyond.

Relationships with indigenous Movements have been strengthened and deepened, with greater opportunities for collaboration emerging organically.

ACUK has significantly invested in reconnecting meaningfully with the AC Worldwide Movement.

As the very first, you might say the source of the AC Worldwide Network, ACUK has, for a number of years, sadly experienced a measure of disconnect. It has been important to recognise this and intentionally make amends to the considerable brokenness that has contributed to the dysfunction of our AC Worldwide family. These efforts have resulted in the healing and strengthening of these vital relationships.

We are truly grateful to our AC Worldwide family for the renewed relationship and the newfound functionality and increased opportunities as a Worldwide Family. These important developments represent the beginnings of a great missional renaissance for the Apostolic Church—a Movement committed to serving the nations and reaching the lost, wherever they may be found.

Training

ACUK's training strategy over the previous four years has been to intensify leadership development and fill a leadership vacuum by offering two distinct training pathways, the Baton Course and the Leadership Academy. Both were excellent courses and between them they delivered over 150 graduates, many now recognised ministers, some church planters, and many officers of the church.

In 2023 the decision was made to take a fresh approach to our leadership development and further extend and capitalise on the great opportunities for equipping leaders in collaboration with our newly formed ReACh groups, seeking to train, or facilitate training overseas.

Dr Jonathan Black and a small team have been working hard to deliver the new training program, ACTS Divinity, a two-year course that is entirely built to amplify AC DNA, doctrinal distinctives, culture and practice, in a relevant and nurturing environment.

ACTS Divinity was launched in September 2024, and 20 students have begun this course. Courses will begin in Africa next year, and we believe this training format will continue to reach and impact other regions of the world also.

Safeguarding

An incredible effort from our Safeguarding team during this year delivered revised policies, increased training and greater compliance right across the charity; as a result ACUK is a safer community for all.

Safeguarding continues to be a major area of focus, as we seek to continually demonstrate best practice.

Communication

We have continued to invest in media and communication platforms, ensuring stronger internal and external engagement. Staff and volunteers are now producing high-quality content across multiple formats, freely available for all generations.

Partners

Collaboration remains at the heart of our mission. A significant development this year has been the establishment of a partnership with Youth for Christ (YFC).

YFC is an outstanding organisation that has been impacting young lives in the UK and internationally for over two decades. Our developing relationship with YFC reflects a shared commitment to meeting the challenge of the “Quiet Revival,” which has seen thousands of young people come to faith across the UK. We look forward with anticipation to the fruit this significant partnership will bear—for the glory of God.

Financial review

The trustees report that the accounts for the year ended 31 March 2025 show a deficit of £115,915 (2024: £629,704 surplus). This is stated after the actuarial losses of £520,000 (2024: £148,000) incurred on the defined benefit pension schemes. The church had healthy year end reserves of £21,516,054 (2024: £21,645,437).

The trustees are content that whilst there may be some local difficulties in some local churches the church overall is able to meet its obligations, make provision for reserves, achieve a small surplus and ensure that as much income as possible remains available for local churches to conduct their ministry in and from their local communities.

Investment policy

The Church's policy is to hold excess funds and reserves in cash, short and medium-term investments. As has been the case for some time, properties which are surplus to requirements are sold. The proceeds of the sale of manses are used to meet our historical obligations. Others are used to strengthen and enhance the ministry locally and nationally.

Risk management

The Trustees regularly review the risks faced by the Church as it conducts its various events and activities. Risk is managed by developing and implementing policies in respect of major risks associated with people and property management. People-related risks are managed through policies like DBS registration, safeguarding and data protection. The Church has partnered with Thirtyone:eight as a training provider to extend specialist safeguarding training on a bespoke basis for all our ministerial and Christian workers.

Our property management policies include appropriate caretaking and security of buildings, and a range of appropriate insurance arrangements to cover foreseeable risks.

Plans for future periods

Registration of the new CIO is now finalised with the Charity Commission and preparation is now in progress to arrange the transfer of undertakings into the new legal entity. We anticipate and are working towards the new legal entity becoming operational from 1 April 2026.

Last year we reported that the closed AC Final Salary Pension scheme was to be transferred to an external provider. This work advanced during the year 2023-24. We expect in 2025/26 for an external provider to sign a buy-in contract for both the Final Salary and 6/7ths scheme.

Trustees' responsibilities statement

The trustees are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England, Wales and Scotland requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, of the charity for that period.

In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, Charities and Trustees Investments (Scotland) Act 2005, the Charity Accounts (Scotland) Regulations 2006 (as amended), and the provisions of the Trust Deed. 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.

The trustees' annual report was approved on ..... and signed on behalf of the board of trustees by:

Rev I Parker
National Leader

The Apostolic Church

Independent Auditor's Report to the Members of The Apostolic Church

Year ended 31 March 2025

Opinion

We have audited the financial statements of The Apostolic Church (the 'charity') for the year ended 31 March 2025 which comprise the statement of financial activities, statement of financial position, statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2025 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;
- have been prepared in accordance with the requirements of the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

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

Conclusions relating to going concern

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

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

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

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. 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 and the Charity Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- the information given in the trustees' report is inconsistent in any material respect with the financial statements; or
- proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and the returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's 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 an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we have considered; the nature of the industry, control environment and business performance with particular reference to the Company's remuneration policies, key drivers for directors' remuneration, bonus levels and performance targets.

Throughout the audit testing we are considering the incentives that may exist within the organisation for fraud. Key areas include timing of recognising income around the year end, posting of unusual journals and manipulating the Company's performance measures to meet targets. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We ensure we have an understanding of the relevant laws and regulations and remain alert to possible non-compliance throughout the audit. Despite proper planning and audit work in accordance with auditing standards there are inherent limitations and unavoidable risk that we may not detect some irregularities and material misstatements in the financial statements. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.

- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charity's members, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act, and Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Robert Field FCA CTA (Senior Statutory Auditor)

For and on behalf of
Burgess Hodgson Audit Limited
Chartered accountants & statutory auditor
Camburgh House
27 New Dover Road
Canterbury
Kent
CT1 3DN

The Apostolic Church

Statement of Financial Activities

Year ended 31 March 2025

	Note	2025 Unrestricted funds £	2025 Restricted funds £	2025 **Total funds** £	2024 Total funds £
Income and endowments					
Donations and legacies	**4**	–	6,295	**6,295**	–
Charitable activities	**5**	5,176,161	504,187	**5,680,348**	5,213,699
Investment income	**6**	368,226	–	**368,226**	331,348
Other income	**7**	319,524	–	**319,524**	850,651
Total income		5,863,911	510,482	**6,374,393**	6,395,698
Expenditure					
Expenditure on charitable activities	**8,9**	5,396,937	586,839	**5,983,776**	5,920,059
Total expenditure		5,396,937	586,839	**5,983,776**	5,920,059
Net gains on investments	**11**	–	–	**–**	6,065
Net income		466,974	(76,357)	**390,617**	481,704
Transfers between funds		(62,889)	62,889	**–**	–
Other recognised gains and losses					
Actuarial (losses)/gains on defined benefit pension schemes		(520,000)	–	**(520,000)**	148,000
Net movement in funds		(115,915)	(13,468)	**(129,383)**	629,704
Reconciliation of funds					
Total funds brought forward		18,264,518	3,380,919	**21,645,437**	21,015,733
Total funds carried forward		18,148,603	3,367,451	**21,516,054**	21,645,437

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The Apostolic Church

Statement of Financial Position

31 March 2025

	Note	2025 £	2024 £
Fixed assets			
Tangible fixed assets	**16**	**12,212,884**	12,687,179
Current assets			
Debtors	**18**	**20,291**	411,486
Cash at bank and in hand		**9,883,571**	9,642,884
		9,903,862	10,054,370
Creditors: amounts falling due within one year	**19**	**75,646**	178,972
Net current assets		**9,828,216**	9,875,398
Total assets less current liabilities		**22,041,100**	22,562,577
Creditors: amounts falling due after more than one year	**20**	**762,046**	978,140
Net assets excluding defined benefit pension plan asset		**21,279,054**	21,584,437
Defined benefit pension plan liability	**21**	**(237,000)**	(61,000)
Net assets including defined benefit pension plan asset		**21,516,054**	21,645,437
Funds of the charity			
Restricted funds		**3,367,451**	3,380,919
Unrestricted funds:			
Defined benefit pension reserve		**237,000**	61,000
Other unrestricted income funds		**17,911,603**	18,203,518
Total unrestricted funds		**18,148,603**	18,264,518
Total charity funds	**22**	**21,516,054**	21,645,437

These financial statements were approved by the board of trustees and authorised for issue on ....., and are signed on behalf of the board by:

Rev I Parker
National Leader

The Apostolic Church

Statement of Cash Flows

Year ended 31 March 2025

	2025 £	2024 £
Cash flows from operating activities		
Net income	**390,617**	481,704
Adjustments for:		
Depreciation of tangible fixed assets	**105,506**	120,083
Net gains on investments	**–**	(6,065)
Dividends, interest and rents from investments	**(368,226)**	(331,348)
Interest payable and similar charges	**200,283**	340,962
Gains on disposal of tangible fixed assets	**(194,649)**	(850,651)
Defined benefit pension plan employer contributions	**(882,000)**	(1,345,000)
Accrued income	**(518)**	(86,862)
Changes in:		
Trade and other debtors	**391,195**	(399,361)
Trade and other creditors	**(49,159)**	49,532
Cash generated from operations	**(406,951)**	(2,027,006)
Interest paid	**(14,283)**	(11,962)
Net cash used in operating activities	**(421,234)**	(2,038,968)
Cash flows from investing activities		
Dividends, interest and rents from investments	**368,226**	331,348
Purchase of tangible assets	**(251,822)**	(613,173)
Proceeds from sale of tangible assets	**815,260**	1,176,000
Proceeds from sale of other investments	**–**	136,070
Net cash from investing activities	**931,664**	1,030,245
Cash flows from financing activities		
Proceeds from borrowings	**(269,743)**	(53,499)
Net cash used in financing activities	**(269,743)**	(53,499)
Net increase/(decrease) in cash and cash equivalents	**240,687**	(1,062,222)
Cash and cash equivalents at beginning of year	**9,642,884**	10,705,106
Cash and cash equivalents at end of year	**9,883,571**	9,642,884

The notes on pages 16 to 31 form part of these financial statements.

The Apostolic Church

Notes to the Financial Statements

Year ended 31 March 2025

1. General information

The charity is a public benefit entity and a registered charity in England, Wales and Scotland and is unincorporated. The address of the principal office is Suite 105, Crystal House, New Bedford Road, Luton, LU1 1HS.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Charities Act 2011, Charities and Trustee Investment (Scotland) Act 2005 and the Charity Accounts (Scotland) Regulations 2006 (as amended).

3. Accounting policies

Basis of preparation

Fund Accounting

General funds are unrestricted funds which are available for use at the discretion of the Finance Committee in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Finance Committee for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Going concern

Based on the charity's current financial position and ongoing nature of its activities there are no material uncertainties about the charity's ability to continue.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

3. Accounting policies ***(continued)***

Judgements and key sources of estimation uncertainty ***(continued)***

Significant judgements

The judgements (apart from those involving estimations) that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements are as follows:

Control of assembly assets and funds

The Trustees delegate powers for local authority to local Pastors and Leading Elders in relation to various matters including day to day financial control, however the assets and funds held by the local assemblies are all controlled by the Church as a whole and incorporated into the Financial Statements.

Key sources of estimation uncertainty

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

- Legacy income

The Charity recognises legacy income when the receipt is probable and the entitlement has been established. Estimates of legacy income due are based on correspondence received from solicitors acting on behalf of estates where a legacy payment to the Charity is notified during the year.

- Impairment of fixed assets

The Charity considers whether assets held are impaired. Where an indication of impairment is identified the estimation of recoverable value requires estimation of the recoverable value. The Trustees evaluate this based on available evidence and reports from relevant experts as appropriate.

- Investment valuation

The Charity carries investments held at Market Value. The valuation of fixed asset investment properties has to be estimated and the Trustees base their estimates on expert valuations and market conditions. Listed investments are valued based on their listed market values.

- Defined benefit pension scheme

The Charity has obligations to pay pension benefits to certain employees. The cost of these benefits and the present value of the obligation depend on a number of factors, including; life expectancy, asset valuations and the discount rate on investments. Management estimates these factors in determining the net pension obligation in the balance sheet. The assumptions reflect historical experience and current trends.

3. Accounting policies *(continued)*

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.

- legacy income is recognised when receipt is probable and entitlement is established.

- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.

- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.

- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.

- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Tangible assets

All fixed assets are initially recorded at cost. Certain properties are carried at amounts relating to historical insured values. Capital expenditure of less than £5,000 is treated as revenue expenditure.

3. Accounting policies *(continued)*

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Freehold property	-	167/50 years straight line
Long leasehold property	-	50 years straight line
Fixtures and fittings	-	20% straight line

Investments

Unlisted equity investments are initially recorded at cost, and subsequently measured at fair value. If fair value cannot be reliably measured, assets are measured at cost less impairment.

Listed investments are measured at fair value with changes in fair value being recognised in income or expenditure.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

Financial instruments

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

3. Accounting policies *(continued)*

Defined benefit plans

The company recognises a defined net benefit pension asset or liability in the statement of financial position as the net total of the present value of its obligations and the fair value of plan assets out of which the obligations are to be settled. The defined benefit liability is measured on a discounted present value basis using a rate determined by reference to market yields at the reporting date on high quality corporate bonds. Defined benefit obligations and the related expenses are measured using the projected unit credit method. Plan surpluses are recognised as a defined benefit asset only to the extent that the surplus is recoverable either through reduced contributions in the future or through refunds from the plan.

Changes in the net defined benefit asset or liability arising from employee service are recognised in income or expenditure as a current service cost where it relates to services in the current period and as a past service cost where it relates to services in prior periods. Costs relating to plan introductions, benefit changes, curtailments and settlements are recognised in income or expenditure in the period in which they occur.

Net interest is determined by multiplying the net defined benefit liability by the discount rate, both as determined at the start of the reporting period, taking account of any changes in the net defined benefit liability during the period as a result of contribution and benefit payments. Net interest is recognised in income or expenditure.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

4. Donations and legacies

	Restricted Funds £	**Total Funds 2025 £**	Restricted Funds £	Total Funds 2024 £
Grants				
Grants income	6,295	**6,295**	–	–

5. Charitable activities

	Unrestricted Funds £	Restricted Funds £	**Total Funds 2025 £**
Donations, giving and similar income	4,596,408	57,009	**4,653,417**
Legacy income	61,948	–	**61,948**
Fundraising for buildings	–	219,139	**219,139**
Other charitable activity	517,805	228,039	**745,844**
Conference income	–	–	**–**
	5,176,161	504,187	**5,680,348**

5. Charitable activities *(continued)*

	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £
Donations, giving and similar income	4,329,671	54,577	4,384,248
Legacy income	184	–	184
Fundraising for buildings	–	220,830	220,830
Other charitable activity	505,016	102,324	607,340
Conference income	–	1,097	1,097
	4,834,871	378,828	5,213,699

6. Investment income

	Unrestricted Funds £	**Total Funds 2025 £**	Unrestricted Funds £	Total Funds 2024 £
Property income	288,014	**288,014**	292,940	292,940
Investment income and interest received	80,212	**80,212**	38,408	38,408
	368,226	**368,226**	331,348	331,348

7. Other income

	Unrestricted Funds £	**Total Funds 2025 £**	Unrestricted Funds £	Total Funds 2024 £
Gain on disposal of tangible fixed assets held for charity's own use	194,649	**194,649**	850,651	850,651
Gain on revaluation of tangible fixed assets held for charity's own use	124,875	**124,875**	–	–
	319,524	**319,524**	850,651	850,651

8. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	**Total Funds 2025 £**
Missionary	2,487	119,898	**122,385**
Ministerial	3,624,702	337,119	**3,961,821**
Other	330,764	129,822	**460,586**
Church admin	183,947	–	**183,947**
Support costs	1,255,037	–	**1,255,037**
	5,396,937	586,839	**5,983,776**

	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £
Missionary	7,703	120,158	127,861
Ministerial	3,366,655	291,503	3,658,158
Other	335,514	130,675	466,189
Church admin	204,301	–	204,301
Support costs	1,463,550	–	1,463,550
	5,377,723	542,336	5,920,059

9. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	**Total funds 2025 £**	Total fund 2024 £
Missionary	122,385	–	**122,385**	127,861
Ministerial	3,961,821	954,484	**4,916,305**	4,693,717
Other	460,586	–	**460,586**	466,189
Church admin	183,947	–	**183,947**	204,301
Governance costs	–	300,553	**300,553**	427,991
	4,728,739	1,255,037	**5,983,776**	5,920,059

Apportionment of costs between activity types has been allocated on an actual basis.

10. Analysis of support costs

	Missionary £	Ministerial £	Other £	Church admin £	**Total 2025 £**	Total 2024 £
Staff costs	–	612,737	–	–	**612,737**	610,054
Premises	–	187,333	–	–	**187,333**	270,619
Finance costs	–	14,283	–	–	**14,283**	11,962
Governance costs	7,048	227,996	54,927	10,586	**300,557**	427,991
Other expenses	–	140,131	–	–	**140,131**	141,261
Travel and accommodation	–	–	–	–	**–**	1,663
	7,048	1,182,480	54,927	10,586	**1,255,041**	1,463,550

10. Analysis of support costs *(continued)*

Support costs above relate to specifically identifiable support activities.

11. Net gains on investments

	Unrestricted Funds	**Total Funds 2025**	Unrestricted Funds	Total Funds 2024
	£	**£**	£	£
Gains/(losses) on listed investments	–	**–**	6,065	6,065

12. Net income

Net income is stated after charging/(crediting):

	2025	2024
	£	£
Depreciation of tangible fixed assets	**105,506**	120,083
Gains on disposal of tangible fixed assets	**(194,649)**	(850,651)

13. Auditors remuneration

	2025	2024
	£	£
Fees payable for the audit of the financial statements	**25,000**	24,000

During the year, the company's auditor changed from Burgess Hodgson LLP to Burgess Hodgson Audit Limited following a change in legal structure of the audit firm. The responsible individual remains the same.

14. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2025	2024
	£	£
Wages and salaries	**2,569,814**	2,501,321
Employer contributions to pension plans	**71,596**	67,242
	2,641,410	2,568,563

The average head count of employees during the year was 131 (2024: 131). The average number of full-time equivalent employees during the year is analysed as follows:

	2025	2024
	No.	No.
Number of staff	**81**	85

No employee received employee benefits of more than £60,000 during the year (2024: Nil).

15. Trustee remuneration and expenses

Payments to Trustees

No remuneration was paid to any individual in connection with their services as Trustee.

The remuneration payments made relate entirely to the work carried out as full or part time pastors of churches in line with the standard fees authorised by the charity's governing document. The level of salary received is independently determined by the local church leadership team in line with the guidance issued by the Finance Committee and salary review board. There is a weighting according to geographic location and congregation size.

The Charity also makes pension contributions as part of the defined contribution pension scheme in place. The totals paid to Trustees in relation to their roles as ministers were as follows:

Gross Salary

	2025	2024
	£	£
A Matheson	21,232	30,637
D Bird	-	-
C Hopkins	43,329	40,677
I Parker	39,225	37,484
S Taylor	45,983	42,102
P Doherty	20,612	19,778
	170,381	**170,678**

Employer Pension Contributions

	2025	2024
	£	£
A Matheson	2,032	4,125
D Bird	-	-
C Hopkins	4,241	4,104
I Parker	1,137	1,072
S Taylor	4,420	4,336
P Doherty	3,293	3,393
	15,123	**17,030**

In addition to the above payments, certain Trustees are provided with living accommodation by reason of their employment as pastors. This is in line with customary practice for ministers of religion to enable their duties to be better performed. Those who are not provided with living accommodation receive a housing allowance as part of their salary in lieu of the church providing a manse. The housing allowances are included in the gross salaries above.

Reimbursed expenses

The following expenses were reimbursed during the year:

	2025	2024
	£	£
A Matheson	1,138	592
D Bird	557	449
C Hopkins	627	440
I Parker	3,474	5,080
S Taylor	457	3,341
P Doherty	857	1,931
	7,110	**11,833**

16. Tangible fixed assets

	Freehold property £	Long leasehold property £	Fixtures and fittings £	**Total £**
Cost				
At 1 April 2024	13,550,314	128,927	532,089	**14,211,330**
Additions	240,000	–	11,822	**251,822**
Disposals	(813,994)	–	–	**(813,994)**
Revaluations	124,875	–	–	**124,875**
At 31 March 2025	13,101,195	128,927	543,911	**13,774,033**
Depreciation				
At 1 April 2024	1,007,844	12,551	503,756	**1,524,151**
Charge for the year	86,849	2,579	16,078	**105,506**
Disposals	(68,508)	–	–	**(68,508)**
At 31 March 2025	1,026,185	15,130	519,834	**1,561,149**
Carrying amount				
At 31 March 2025	12,075,010	113,797	24,077	**12,212,884**
At 31 March 2024	12,542,470	116,376	28,333	12,687,179

On transition to FRS102 the assets have been included in the financial statements on a historic cost basis.

Certain property additions incurred by the assemblies between 1992 and 2010 are not included within the accounts as the accounts prepared during these years did not include the income and expenditure for the assembly data.

17. Investments

	Total £
Carrying amount	
At 31 March 2025	**–**
At 31 March 2024	–

All investments shown above are held at valuation.

18. Debtors

	2025	2024
	£	£
Prepayments and accrued income	**11,770**	7,154
Other debtors	**8,521**	404,332
	20,291	411,486

19. Creditors: amounts falling due within one year

	2025	2024
	£	£
Bank loans and overdrafts	**26,900**	80,549
Trade creditors	**373**	–
Accruals and deferred income	**48,373**	48,891
Social security and other taxes	**–**	43,272
Other creditors	**–**	6,260
	75,646	178,972

20. Creditors: amounts falling due after more than one year

	2025	2024
	£	£
Bank loans and overdrafts	**762,046**	978,140

Various bank loans are secured against properties held by the Church throughout the UK.

21. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £71,596 (2024: £67,242).

21. Pensions and other post retirement benefits *(continued)*

Defined benefit plans

The charity operates two defined benefit pension schemes:

- The Apostolic Church Unfunded 6/7th Scheme (the "Unfunded Scheme")
- The Apostolic Church Staff Pension Scheme (the "Funded Scheme")

Unfunded Scheme

This is an informal top up pension arrangement providing benefits based on a standard minimum fee and reduced for other pension income received by the individual. Under the scheme, the employees are entitled to retirement benefits on reaching retirement age. There are no scheme assets held separately from those of the charity. The scheme is closed to new members. Spouses of the former employees are also entitled to the same level of benefit upon the death of the former employee within the scheme.

Pensions are paid to the beneficiaries on a monthly basis directly from the charity's assets. The value of the liabilities at the reporting date has been determined on a member by member basis based on data used by the previous actuary in preparing last year's disclosures and with allowance for member movements over the year. A valuation of the scheme has been carried out as at 31 March 2025 by a qualified independent actuary.

Funded Scheme

This scheme provides members with pensions in retirement and death benefits. Pension benefits are linked to a member's final salary and their length of service, at 30 June 2005 or earlier date of leaving. Since 30 June 2005 the Funded Scheme has been closed to new employees.

The Funded Scheme is a registered scheme under UK legislation, is subject to the funding requirements outlined in this legislation and was contracted into the State Second Pension.

The Funded Scheme was established from 1 July 1981 under trust and is governed by the Funded Scheme's trust deed and rules. The charity is responsible for the operation and governance of the Funded Scheme, including making decisions regarding the Funded Scheme's funding and investment strategy.

The liabilities of the scheme shown below have been estimated by updating the results of this actuarial valuation to allow for the passage of time, benefits paid out of the scheme and changes in actuarial assumptions.

The statement of financial position net defined benefit asset is determined as follows:

	Unfunded Scheme		Funded Scheme		**Total**	
	2025	2024	**2025**	2024	**2025**	2024
	£	£	£	£	**£**	£
Present value of defined benefit obligations	(341,000)	(839,000)	(2,555,000)	(2,862,000)	**(2,896,000)**	(3,701,000)
Fair value of plan assets	311,000	–	2,822,000	3,762,000	**3,133,000**	3,762,000
	(30,000)	(839,000)	267,000	900,000	**237,000**	61,000

21. Pensions and other post retirement benefits *(continued)*

Changes in the present value of the defined benefit obligations are as follows:

	Unfunded Scheme £	Funded Scheme £	**Total £**
At 1 April 2024	839,000	2,862,000	**3,701,000**
Interest expense	36,000	124,000	**160,000**
Benefits paid	(67,000)	(130,000)	**(197,000)**
Remeasurements:			
Actuarial gains and losses	(467,000)	(301,000)	**(768,000)**
At 31 March 2025	341,000	2,555,000	**2,896,000**

Changes in the fair value of plan assets are as follows:

	Unfunded Scheme £	Funded Scheme £	**Total £**
At 1 April 2024	–	3,762,000	**3,762,000**
Interest income	–	176,000	**176,000**
Benefits paid	(67,000)	(130,000)	**(197,000)**
Contributions by employer	378,000	504,000	**882,000**
Administrative costs	–	(202,000)	**(202,000)**
Remeasurements:			
Return on plan assets, excluding amount included in interest income	–	(1,288,000)	**(1,288,000)**
At 31 March 2025	311,000	2,822,000	**3,133,000**

The total costs for the year in relation to defined benefit plans are as follows:

	Unfunded Scheme		Funded Scheme		**Total**	
	2025 £	2024 £	**2025** £	2024 £	**2025 £**	2024 £
Recognised in income or expenditure:						
Net interest income	36,000	42,000	(52,000)	(23,000)	**(16,000)**	19,000
Administrative costs	–	–	202,000	102,000	**202,000**	102,000
	36,000	42,000	150,000	79,000	**186,000**	121,000
Recognised in other recognised gains and losses:						
Experience gain (loss) arising on scheme liabilities	–	–	(65,000)	(26,000)	**(65,000)**	(26,000)
Remeasurement of the liability:						
Actuarial gains and losses	(467,000)	(104,000)	(236,000)	14,000	**(703,000)**	(90,000)
Return on plan assets, excluding amounts included in net interest	–	–	1,288,000	(32,000)	**1,288,000**	(32,000)
	(467,000)	(104,000)	987,000	(44,000)	**520,000**	(148,000)

21. Pensions and other post retirement benefits *(continued)*

The fair value of the major categories of plan assets are as follows:

	Funded Scheme	
	2025	2024
	%	%
Cash and cash equivalents	9.46	4.15
Insured annuities percentage	90.54	11.24
Net current assets percentage	–	84.61

The return on plan assets are as follows:

	Funded Scheme	
	2025	2024
	£	£
Return on assets of benefit plan	(1,112,000)	173,000

The principal actuarial assumptions as at the statement of financial position date were:

	Unfunded Scheme		Funded Scheme	
	2025	2024	**2025**	2024
	%	%	%	%
Discount rate	5.40	4.45	5.40	4.45
Expected rate of increase in pensions	–	–	3.00	3.00
Inflation assumption	2.20	2.25	2.20	2.25
Mortality rates:				
Current pensioners at 65 - male	86.20	86.30	86.20	86.30
Current pensioners at 65 - female	88.80	88.70	88.80	88.70
Future pensioners at 65 - male	87.20	87.20	87.20	87.20
Future pensioners at 65 - female	89.90	89.90	89.90	89.90

22. Analysis of charitable funds

Unrestricted funds

	At 1 Apr 2024	Income	Expenditure	Transfers	Gains and losses	**At 31 Mar 2025**
	£	£	£	£	£	**£**
General funds	18,203,518	4,805,911	(5,034,937)	(62,889)	–	**17,911,603**
Defined benefit pension schemes	61,000	1,058,000	(362,000)	–	(520,000)	**237,000**
	18,264,518	5,863,911	(5,396,937)	(62,889)	(520,000)	**18,148,603**

	At 1 Apr 2023	Income	Expenditure	Transfers	Gains and losses	At 31 Mar 2024
	£	£	£	£	£	£
General funds	18,639,887	4,530,870	(4,907,723)	(65,581)	6,065	18,203,518
Defined benefit pension schemes	(1,103,000)	1,486,000	(470,000)	–	148,000	61,000
	17,536,887	6,016,870	(5,377,723)	(65,581)	154,065	18,264,518

22. Analysis of charitable funds *(continued)*

Restricted funds

	At 1 Apr 2024 £	Income £	Expenditure £	Transfers £	Gains and losses £	**At 31 Mar 2025 £**
Missionary fund	–	57,009	(119,898)	62,889	–	**–**
Building funds	2,340,961	219,139	(324,819)	–	–	**2,235,281**
Other restricted income	1,039,958	234,334	(142,122)	–	–	**1,132,170**
	3,380,919	510,482	(586,839)	62,889	–	**3,367,451**

	At 1 Apr 2023 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 Mar 2024 £
Missionary fund	–	54,577	(120,158)	65,581	–	–
Building funds	2,411,634	220,830	(291,503)	–	–	2,340,961
Other restricted income	1,067,212	103,421	(130,675)	–	–	1,039,958
	3,478,846	378,828	(542,336)	65,581	–	3,380,919

Missionary fund

The missionary fund comprises restricted income which is related to missionary work under the Action Overseas banner, within the total fund are amounts attributable to specific ongoing projects. The Church has increased spending on missionary activities to increase awareness which has caused the fund to move into a deficit position. The trustees have decided to transfer funds from unrestricted reserves to clear the deficit.

Restricted building funds

Represents various building funds managed on a local and national level in relation to various building projects ongoing at specific individual assemblies.

Other restricted funds

Represents various restricted income and expenditure items managed on a local level at specific individual assemblies.

23. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	**Total Funds 2025 £**
Tangible fixed assets	11,321,615	891,269	**12,212,884**
Current assets	7,427,680	2,476,182	**9,903,862**
Creditors less than 1 year	(75,646)	–	**(75,646)**
Creditors greater than 1 year	(762,046)	–	**(762,046)**
Defined benefit pension	237,000	–	**237,000**
Net assets	18,148,603	3,367,451	**21,516,054**

	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £
Tangible fixed assets	11,787,160	900,019	12,687,179
Investments	–	–	–
Current assets	7,573,470	2,480,900	10,054,370
Creditors less than 1 year	(178,972)	–	(178,972)
Creditors greater than 1 year	(978,140)	–	(978,140)
Defined benefit pension	61,000	–	61,000
Net assets	18,264,518	3,380,919	21,645,437

24. Financial instruments

The fair values of the listed investments are determined by reference to the quoted market price.

The remaining financial assets and financial liabilities of the Charity qualify as basic financial instruments. These are initially recognised in the Statement of Financial Position at transaction value and subsequently measured at their settlement value.

25. Analysis of changes in net debt

	At 1 Apr 2024 £	Cash flows £	**At 31 Mar 2025 £**
Cash at bank and in hand	9,642,884	240,687	**9,883,571**
Debt due within one year	(80,549)	53,649	**(26,900)**
Debt due after one year	(978,140)	216,094	**(762,046)**
	8,584,195	510,430	**9,094,625**

THE APOSTOLIC CHURCH

England & Wales - Charity number 284789

Accounts

CHARITY REGISTRATION NUMBER: 284789
OSCR REGISTRATION NUMBER: SC037835

The Apostolic Church

Financial Statements

31 March 2024

BURGESS HODGSON LLP
Chartered accountants & statutory auditor
Camburgh House
27 New Dover Road
Canterbury
Kent
CT1 3DN

The Apostolic Church

Financial Statements

Year ended 31 March 2024

	Page
Trustees' annual report	1
Independent auditor's report to the members	9
Statement of financial activities	13
Statement of financial position	14
Statement of cash flows	15
Notes to the financial statements	16

The Apostolic Church

Trustees' Annual Report

Year ended 31 March 2024

The trustees present their report and the financial statements of the charity for the year ended 31 March 2024.

Introduction

I am delighted to present on behalf of the Trustees of the charity (The Apostolic Church UK) their report for the period April 1st 2023 to March 31st 2024.

There have been extraordinary changes in our world, politically, culturally, even our climate has been changing. However, one thing has not changed, just as He promised, Jesus has been building His church!

Our extensive repositioning and restructuring as a charity over the past three years has enabled us to be robust enough to rise to the challenges and flexible enough to pivot towards the great opportunities.

In the following pages, the Trustees seek to outline a picture of the national church at work from April 2023 to March 2024. We do so with hearts grateful to God for His faithfulness to His people for their labours in His Name and for His Glory.

Rev I Parker
National Leader

The Apostolic Church

Trustees' Annual Report *(continued)*

Year ended 31 March 2024

Reference and administrative details

Registered charity name	The Apostolic Church
Charity registration number	284789
Principal office	105 Crystal House New Bedford Road Luton LU1 1HS

The trustees

	Rev P Doherty
	Rev A Matheson
	Rev D Bird
	Rev C Hopkins
	Rev A Skene (Appointed 18 April 2023)
	Rev I Parker
	Rev S Taylor

Auditor	Burgess Hodgson LLP Chartered accountants & statutory auditor Camburgh House 27 New Dover Road Canterbury Kent CT1 3DN
Bankers	The Royal Bank of Scotland PLC 13-14 Walter Road Swansea SA1 5NG Barclays Bank (UK) PLC Luton George Street 2 Leicester LE87 2BB
Solicitors	Waldrons Wychbury Court Brierley Hill DY5 1TA Quinn Legal The Beacon 176 St Vincent Street Glasgow G2 5SG

Structure, governance and management

The charity is an unincorporated organisation governed by a constitution, the last amendment of which was approved in 2018.

The activities of the charity are overseen by Trustees, appointed for a period consistent with that of the National Leader. Trustees carry responsibility for the spiritual life of the church as well as the business and financial activities that undergird its ministry. The range of activities is extensive, the geographical reach is vast, and the level of complexity increases year by year.

The Trustees are supported by the ministry of apostolic leaders who share the spiritual burden of leadership, and a team responsible for the administrative and financial business of the charity.

As previously reported the Trustees have decided that the present unincorporated structure is no longer the most appropriate legal structure.

The church functions as a single entity with diverse expressions throughout the country. The diversity of expression is determined by the skillsets of the leaders and congregations, the nature of the community in which a local church may serve and the extent to which they are able to use their available resources.

Local churches relate to each other through an apostolic leader of their choice and relate to the national entity by means of a range of reporting features that take account of key business and administrative indicators.

Each local church, though empowered to be creative and innovative, even unique in its expression, remains committed to a primary task, that of communicating the Gospel to its community and seeking to disciple believers towards Christian maturity.

The church at national level, through its leadership functions, remains responsible for accrediting ministers, reviewing performance, appointing officials and staff, developing policy, managing our property portfolio, overseeing staff, legal issues, maintaining corporate standards and determining, shaping and monitoring our financial and business practices, etc.

Public Benefit

The Church conducts its activities in the belief that it serves a public benefit by virtue of its mission to advance the Christian faith and relieve suffering and that its activities meet the Charity Commission's guidance in respect of Public Benefit.

Objectives and activities

The charity (the church) exists as a legal entity in which the church conducts its legal affairs as it seeks to fulfil its missional mandate in the UK and beyond.

In human terms, leadership is paramount, and the church seeks to prepare, encourage and support leaders as they seek to bring the ministry of Christ to various villages, towns and cities across the UK.

The church is made up of many congregations, each with its own mission field, and each with its resources and strengths. Our key strategy is to provide a support mechanism for leaders as they seek to support those they lead. Mission drift is always possible and the church endeavours to state and restate its primary purpose so that any drift is arrested early.

The primary objective of the church is to reveal Christ to the nation through a network of local churches. Our main activities are those associated with the local church - praying, preaching, worshipping, learning, serving, and witnessing in many ways. The church will, in addition, advocate for the wellbeing of the poor and disadvantaged, care for the sick and lonely and address issues that may have social relevance. The church will seek to use the platform provided by the Gospel to communicate Christ to the nation.

Achievements and performance

The Trustees believe we are a stronger entity, having learned, and still continuing to learn, the lessons from the pandemic, Black Lives Matter (BLM) and other cultural and economic shifts. We are not only stronger, we are also healthier as we've risen to our true raison d'etre, which is mission - with a refreshed missional focus and an intergenerational, intercultural community of faith.

The undergirding of the local church is an absolute priority, as without the local church there would be no National Church. We are investing in a national team without burdening the local church with further costs. This is being done through the rental of surplus properties and means the local churches get much more value for their contribution than ever before. The National Church now provides:

- An increasingly agile and adept National Office for the support of local assemblies.

- Additional national roles including a safeguarding officer, operations director, multimedia communications specialist, national directors of Youth work and Children's work, a director of training, and overseas administrative support for ReACh groups

- Training and Leadership Development is delivered through Next Sessions, theological training via Acts Divinity, and dedicated teaching video resources.

- Conferences and gatherings for strengthening and networking.

The benefit of these changes is being felt in growing local churches.

The CIO

One of the major areas of change for The Apostolic Church, was the decision to reconstitute from an unincorporated charity to an incorporated charity, affording us a unique opportunity to further restructure delivery of our mission.

Overseas trips and field development

The newly formed AC ReACh groups have all begun the process of collaborating and envisioning apostolic missional expression in each of the regions of the world for which they are responsible. This has meant the activity of intentionally reconnecting with existing fields and the pioneering of fresh missional connections and expression through ReACh groups has begun in earnest. Small teams have been travelling widely and initial results are very encouraging.

Examples of this collaboration and facilitation, are our ongoing relationships with the Hungary and Malawi Apostolic churches, bringing relief in times of real crisis. In collaboration with other European churches we have delivered, through the church in Hungary, aid for those suffering in Ukraine. In Malawi, relief money was donated to help with the crisis following the annual cyclone season which inflicted flooding and devastation across the nation, causing loss of life and the widespread destruction of property and crops. Famine became a major issue and so our partnership enabled the Malawi AC to buy food for starving families using funds generously given by ACUK churches.

Training

ACUK's training strategy over the previous four years has been to intensify leadership development and fill a leadership vacuum by offering two distinct training pathways, the Baton Course and the Leadership Academy. Both were excellent courses and between them they delivered over 150 graduates, many now recognised ministers, some church planters, and many officers of the church.

In 2023 the decision was made to take a fresh approach to our leadership development and further

extend and capitalise on the great opportunities for equipping leaders in collaboration with our newly formed ReACh groups, seeking to train, or facilitate training overseas.

Dr Jonathan Black and a small team have been working hard to deliver the new training program, ACTS Divinity, a two-year course that is entirely built to amplify AC DNA, doctrinal distinctives, culture and practice, in a relevant and nurturing environment.

ACTS Divinity was launched in September 2024, and 20 students have begun this course. Courses will begin in Africa next year, and we believe this training format will continue to reach and impact other regions of the world also.

Safeguarding

An incredible effort from our Safeguarding team during this year delivered revised policies, increased training and greater compliance right across the charity; as a result ACUK is a safer community for all. Safeguarding continues to be a major area of focus, as we seek to continually demonstrate best practice.

Communication

We continued to invest in developing our online platforms to strengthen both internal and external communications. This has set us on a trajectory for increased effort to use a variety of media platforms to increase our reach. Investment has had to be made, but we are already seeing the returns. There is still work to be done to further improve our communications, and so this continues to be an area of focus for the Church.

Partners

One of the positive effects of lockdown and restrictions was that our networking opportunities multiplied and like-minded partners reached out to one another. This year we have significantly strengthened our relationships with both the European and Worldwide Apostolic Churches and our interdenominational links. These partnerships will be vital as together we will be stronger, go further and achieve far greater results.

Financial review

The trustees report that the accounts for the year ended 31 March 2024 show a surplus of £629,704 (2023: £911,533). This is stated after the actuarial gains of £148,000 (2023: £521,000) incurred on the defined benefit pension schemes. The church had healthy year end reserves of £21,645,437 (2023: £21,015,733).

The trustees are content that whilst there may be some local difficulties in some local churches the church overall is able to meet its obligations, make provision for reserves, achieve a small surplus and ensure that as much income as possible remains available for local churches to conduct their ministry in and from their local communities.

Investment policy

The Church's policy is to hold excess funds and reserves in cash, short and medium-term investments. As has been the case for some time, properties which are surplus to requirements are sold. The proceeds of the sale of manses are used to meet our historical obligations. Others are used to strengthen and enhance the ministry locally and nationally.

Risk management

The Trustees regularly review the risks faced by the Church as it conducts its various events and activities. Risk is managed by developing and implementing policies in respect of major risks associated with people and property management. People-related risks are managed through policies like DBS registration, safeguarding and data protection. The Church has partnered with Thirtyone:eight as a training provider to extend specialist safeguarding training on a bespoke basis for all our ministerial and Christian workers.

Our property management policies include appropriate caretaking and security of buildings, and a range of appropriate insurance arrangements to cover foreseeable risks.

Plans for future periods

Registration of the new CIO is now finalised with the Charity Commission and preparation is now in progress to arrange the transfer of undertakings into the new legal entity. We anticipate and are working towards the new legal entity becoming operational from 1 April 2025.

Last year we reported that the closed AC Final Salary Pension scheme was to be transferred to an external provider. This work advanced during the year 2023-24. We expect in 2024/25 for an external provider to sign a buy-in contract for both the Final Salary and 6/7ths scheme.

Trustees' responsibilities statement

The trustees are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England, Wales and Scotland requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, of the charity for that period.

In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, Charities and Trustees Investments (Scotland) Act 2005, the Charity Accounts (Scotland) Regulations 2006 (as amended), and the provisions of the Trust Deed. 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.

The trustees' annual report was approved on .19/12/2024..... and signed on behalf of the board of trustees by:

Rev I Parker
National Leader

The Apostolic Church

Independent Auditor's Report to the Members of The Apostolic Church

Year ended 31 March 2024

Opinion

We have audited the financial statements of The Apostolic Church (the 'charity') for the year ended 31 March 2024 which comprise the statement of financial activities, statement of financial position, statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2024 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;
- have been prepared in accordance with the requirements of the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

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

Conclusions relating to going concern

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

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

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

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. 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 and the Charity Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- the information given in the trustees' report is inconsistent in any material respect with the financial statements; or
- proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and the returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's 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 an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we have considered; the nature of the industry, control environment and business performance with particular reference to the Company's remuneration policies, key drivers for directors' remuneration, bonus levels and performance targets.

Throughout the audit testing we are considering the incentives that may exist within the organisation for fraud. Key areas include timing of recognising income around the year end, posting of unusual journals and manipulating the Company's performance measures to meet targets. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We ensure we have an understanding of the relevant laws and regulations and remain alert to possible non-compliance throughout the audit. Despite proper planning and audit work in accordance with auditing standards there are inherent limitations and unavoidable risk that we may not detect some irregularities and material misstatements in the financial statements. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.

- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charity's members, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act, and Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Burgess Hodgson LLP

Robert Field FCA CTA (Senior Statutory Auditor)

19th December 2024

For and on behalf of
Burgess Hodgson LLP
Chartered accountants & statutory auditor
Camburgh House
27 New Dover Road
Canterbury
Kent
CT1 3DN

The Apostolic Church

Statement of Financial Activities

Year ended 31 March 2024

	Note	2024 Unrestricted funds £	2024 Restricted funds £	2024 **Total funds** £	2023 Total funds £
Income and endowments					
Charitable activities	**4**	4,834,871	378,828	**5,213,699**	4,981,965
Investment income	**5**	331,348	–	**331,348**	304,832
Other income	**6**	850,651	–	**850,651**	500,630
Total income		6,016,870	378,828	**6,395,698**	5,787,427
Expenditure					
Expenditure on charitable activities	**7,8**	5,377,723	542,336	**5,920,059**	5,389,958
Total expenditure		5,377,723	542,336	**5,920,059**	5,389,958
Net gains/(losses) on investments	**10**	6,065	–	**6,065**	(6,936)
Net income		645,212	(163,508)	**481,704**	390,533
Transfers between funds		(65,581)	65,581	–	–
Other recognised gains and losses					
Actuarial gains on defined benefit pension schemes		148,000	–	**148,000**	521,000
Net movement in funds		727,631	(97,927)	**629,704**	911,533
Reconciliation of funds					
Total funds brought forward		17,536,887	3,478,846	**21,015,733**	20,104,200
Total funds carried forward		18,264,518	3,380,919	**21,645,437**	21,015,733

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 16 to 32 form part of these financial statements.

The Apostolic Church

Statement of Financial Position

31 March 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible fixed assets	**15**	**12,687,179**	12,519,438
Investments	**16**	**–**	130,005
		12,687,179	12,649,443
Current assets			
Debtors	**17**	**411,486**	12,125
Cash at bank and in hand		**9,642,884**	10,705,106
		10,054,370	10,717,231
Creditors: amounts falling due within one year	**18**	**178,972**	221,484
Net current assets		**9,875,398**	10,495,747
Total assets less current liabilities		**22,562,577**	23,145,190
Creditors: amounts falling due after more than one year	**19**	**978,140**	1,026,457
Net assets excluding defined benefit pension plan asset		**21,584,437**	22,118,733
Defined benefit pension plan liability	**20**	**(61,000)**	1,103,000
Net assets including defined benefit pension plan asset		**21,645,437**	21,015,733
Funds of the charity			
Restricted funds		**3,380,919**	3,478,846
Unrestricted funds:			
Defined benefit pension reserve		**61,000**	(1,103,000)
Other unrestricted income funds		**18,203,518**	18,639,887
Total unrestricted funds		**18,264,518**	17,536,887
Total charity funds	**21**	**21,645,437**	21,015,733

These financial statements were approved by the board of trustees and authorised for issue on ..19/12/2024....., and are signed on behalf of the board by:

Rev I Parker
National Leader

The notes on pages 16 to 32 form part of these financial statements.

The Apostolic Church

Statement of Cash Flows

Year ended 31 March 2024

	2024 £	2023 £
Cash flows from operating activities		
Net income	**481,704**	390,533
Adjustments for:		
Depreciation of tangible fixed assets	**120,083**	124,881
Net gains/(losses) on investments	**(6,065)**	6,936
Dividends, interest and rents from investments	**(331,348)**	(304,832)
Interest payable and similar charges	**340,962**	79,947
Gains on disposal of tangible fixed assets	**(850,651)**	(344,536)
Defined benefit pension plan employer contributions	**(1,345,000)**	(290,000)
Accrued (income)/expenses	**(86,862)**	80,730
Changes in:		
Trade and other debtors	**(399,361)**	51,907
Trade and other creditors	**49,532**	(575)
Cash generated from operations	**(2,027,006)**	(205,009)
Interest paid	**(11,962)**	(11,947)
Net cash used in operating activities	**(2,038,968)**	(216,956)
Cash flows from investing activities		
Dividends, interest and rents from investments	**331,348**	304,832
Purchase of tangible assets	**(613,173)**	(2,647,202)
Proceeds from sale of tangible assets	**1,176,000**	672,514
Proceeds from sale of other investments	**136,070**	–
Net cash from/(used in) investing activities	**1,030,245**	(1,669,856)
Cash flows from financing activities		
Proceeds from borrowings	**(53,499)**	(98,291)
Net cash used in financing activities	**(53,499)**	(98,291)
Net decrease in cash and cash equivalents	**(1,062,222)**	(1,985,103)
Cash and cash equivalents at beginning of year	**10,705,106**	12,690,209
Cash and cash equivalents at end of year	**9,642,884**	10,705,106

The notes on pages 16 to 32 form part of these financial statements.

The Apostolic Church

Notes to the Financial Statements

Year ended 31 March 2024

1. General information

The charity is a public benefit entity and a registered charity in England, Wales and Scotland and is unincorporated. The address of the principal office is Suite 105, Crystal House, New Bedford Road, Luton, LU1 1HS.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Charities Act 2011, Charities and Trustee Investment (Scotland) Act 2005 and the Charity Accounts (Scotland) Regulations 2006 (as amended).

3. Accounting policies

Basis of preparation

Fund Accounting

General funds are unrestricted funds which are available for use at the discretion of the Finance Committee in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Finance Committee for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Going concern

Based on the charity's current financial position and ongoing nature of its activities there are no material uncertainties about the charity's ability to continue.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

3. Accounting policies *(continued)*

Judgements and key sources of estimation uncertainty *(continued)*

Significant judgements

The judgements (apart from those involving estimations) that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements are as follows:

Control of assembly assets and funds

The Trustees delegate powers for local authority to local Pastors and Leading Elders in relation to various matters including day to day financial control, however the assets and funds held by the local assemblies are all controlled by the Church as a whole and incorporated into the Financial Statements.

Key sources of estimation uncertainty

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

- Legacy income

The Charity recognises legacy income when the receipt is probable and the entitlement has been established. Estimates of legacy income due are based on correspondence received from solicitors acting on behalf of estates where a legacy payment to the Charity is notified during the year.

- Impairment of fixed assets

The Charity considers whether assets held are impaired. Where an indication of impairment is identified the estimation of recoverable value requires estimation of the recoverable value. The Trustees evaluate this based on available evidence and reports from relevant experts as appropriate.

- Investment valuation

The Charity carries investments held at Market Value. The valuation of fixed asset investment properties has to be estimated and the Trustees base their estimates on expert valuations and market conditions. Listed investments are valued based on their listed market values.

- Defined benefit pension scheme

The Charity has obligations to pay pension benefits to certain employees. The cost of these benefits and the present value of the obligation depend on a number of factors, including; life expectancy, asset valuations and the discount rate on investments. Management estimates these factors in determining the net pension obligation in the balance sheet. The assumptions reflect historical experience and current trends.

3. Accounting policies *(continued)*

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.

- legacy income is recognised when receipt is probable and entitlement is established.

- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.

- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.

- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.

- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Tangible assets

All fixed assets are initially recorded at cost. Certain properties are carried at amounts relating to historical insured values. Capital expenditure of less than £5,000 is treated as revenue expenditure.

3. Accounting policies *(continued)*

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Freehold property	-	167/50 years straight line
Long leasehold property	-	50 years straight line
Fixtures and fittings	-	20% straight line

Investments

Unlisted equity investments are initially recorded at cost, and subsequently measured at fair value. If fair value cannot be reliably measured, assets are measured at cost less impairment.

Listed investments are measured at fair value with changes in fair value being recognised in income or expenditure.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

Financial instruments

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

3. Accounting policies *(continued)*

Defined benefit plans

The company recognises a defined net benefit pension asset or liability in the statement of financial position as the net total of the present value of its obligations and the fair value of plan assets out of which the obligations are to be settled. The defined benefit liability is measured on a discounted present value basis using a rate determined by reference to market yields at the reporting date on high quality corporate bonds. Defined benefit obligations and the related expenses are measured using the projected unit credit method. Plan surpluses are recognised as a defined benefit asset only to the extent that the surplus is recoverable either through reduced contributions in the future or through refunds from the plan.

Changes in the net defined benefit asset or liability arising from employee service are recognised in income or expenditure as a current service cost where it relates to services in the current period and as a past service cost where it relates to services in prior periods. Costs relating to plan introductions, benefit changes, curtailments and settlements are recognised in income or expenditure in the period in which they occur.

Net interest is determined by multiplying the net defined benefit liability by the discount rate, both as determined at the start of the reporting period, taking account of any changes in the net defined benefit liability during the period as a result of contribution and benefit payments. Net interest is recognised in income or expenditure.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

4. Charitable activities

	Unrestricted Funds	Restricted Funds	**Total Funds 2024**
	£	£	**£**
Donations, giving and similar income	4,329,671	54,577	**4,384,248**
Legacy income	184	–	**184**
Fundraising for buildings	–	220,830	**220,830**
Other charitable activity	505,016	102,324	**607,340**
Conference income	–	1,097	**1,097**
	4,834,871	378,828	**5,213,699**

4. Charitable activities *(continued)*

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Donations, giving and similar income	4,117,802	71,831	4,189,633
Legacy income	107,862	–	107,862
Fundraising for buildings	–	73,491	73,491
Other charitable activity	425,405	184,364	609,769
Conference income	–	1,210	1,210
	4,651,069	330,896	4,981,965

5. Investment income

	Unrestricted Funds £	**Total Funds 2024 £**	Unrestricted Funds £	Total Funds 2023 £
Property income	292,940	**292,940**	290,103	290,103
Investment income and interest received	38,408	**38,408**	14,729	14,729
	331,348	**331,348**	304,832	304,832

6. Other income

	Unrestricted Funds £	**Total Funds 2024 £**	Unrestricted Funds £	Total Funds 2023 £
Gain on disposal of tangible fixed assets held for charity's own use	850,651	**850,651**	344,536	344,536
Gain on revaluation of tangible fixed assets held for charity's own use	–	**–**	156,094	156,094
	850,651	**850,651**	500,630	500,630

7. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	**Total Funds 2024 £**
Missionary	7,703	120,158	**127,861**
Ministerial	3,366,655	291,503	**3,658,158**
Other	335,514	130,675	**466,189**
Church admin	204,301	–	**204,301**
Support costs	1,463,550	–	**1,463,550**
	5,377,723	542,336	**5,920,059**

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Missionary	15,568	273,763	289,331
Ministerial	3,274,953	258,093	3,533,046
Other	205,027	113,473	318,500
Church admin	171,644	–	171,644
Support costs	1,077,437	–	1,077,437
	4,744,629	645,329	5,389,958

8. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	**Total funds 2024 £**	Total fund 2023 £
Missionary	127,861	–	**127,861**	289,331
Ministerial	3,658,158	1,035,559	**4,693,717**	4,439,946
Other	466,189	–	**466,189**	318,500
Church admin	204,301	–	**204,301**	171,644
Governance costs	–	427,991	**427,991**	170,537
	4,456,509	1,463,550	**5,920,059**	5,389,958

Apportionment of costs between activity types has been allocated on an actual basis.

9. Analysis of support costs

	Missionary £	Ministerial £	Other £	Church admin £	**Total 2024 £**	Total 2023 £
Staff costs	–	610,054	–	–	**610,054**	500,549
Premises	–	270,619	–	–	**270,619**	239,951
Finance costs	–	11,962	–	–	**11,962**	11,947
Governance costs	10,889	311,520	88,184	17,398	**427,991**	170,537
Other expenses	–	141,261	–	–	**141,261**	152,942
Travel and accommodation	–	1,663	–	–	**1,663**	1,511
	10,889	1,347,079	88,184	17,398	**1,463,550**	1,077,437

9. Analysis of support costs *(continued)*

Support costs above relate to specifically identifiable support activities.

10. Net gains/(losses) on investments

	Unrestricted Funds	**Total Funds 2024**	Unrestricted Funds	Total Funds 2023
	£	**£**	£	£
Gains/(losses) on listed investments	6,065	**6,065**	(6,936)	(6,936)

11. Net income

Net income is stated after charging/(crediting):

	2024	2023
	£	£
Depreciation of tangible fixed assets	**120,083**	124,881
Gains on disposal of tangible fixed assets	**(850,651)**	(344,536)

12. Auditors remuneration

	2024	2023
	£	£
Fees payable for the audit of the financial statements	**24,000**	24,000

13. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2024	2023
	£	£
Wages and salaries	**2,501,321**	2,441,708
Employer contributions to pension plans	**67,242**	75,438
	2,568,563	2,517,146

The average head count of employees during the year was 131 (2023: 125). The average number of full-time equivalent employees during the year is analysed as follows:

	2024	2023
	No.	No.
Number of staff	**85**	77

No employee received employee benefits of more than £60,000 during the year (2023: Nil).

14. Trustee remuneration and expenses

Payments to Trustees

No remuneration was paid to any individual in connection with their services as Trustee.

The remuneration payments made relate entirely to the work carried out as full or part time pastors of churches in line with the standard fees authorised by the charity's governing document. The level of salary received is independently determined by the local church leadership team in line with the guidance issued by the Finance Committee and salary review board. There is a weighting according to geographic location and congregation size.

The Charity also makes pension contributions as part of the defined contribution pension scheme in place. The totals paid to Trustees in relation to their roles as ministers were as follows:

Gross Salary

	2024 £	2023 £
P Howells	-	55,138
A Matheson	30,637	40,655
D Bird	-	-
C Hopkins	40,677	39,993
I Parker	37,484	34,562
S Taylor	42,102	41,525
P Doherty	19,778	21,257
	170,678	**233,130**

Employer Pension Contributions

	2024 £	2023 £
P Howells	-	3,210
A Matheson	4,125	4,003
D Bird	-	-
C Hopkins	4,104	3,957
I Parker	1,072	997
S Taylor	4,336	4,109
P Doherty	3,393	3,377
	17,030	**19,653**

In addition to the above payments, certain Trustees are provided with living accommodation by reason of their employment as pastors. This is in line with customary practice for ministers of religion to enable their duties to be better performed. Those who are not provided with living accommodation receive a housing allowance as part of their salary in lieu of the church providing a manse. The housing allowances are included in the gross salaries above.

Reimbursed expenses

The following expenses were reimbursed during the year:

	2024 £	2023 £
P Howells	-	1,207
A Matheson	592	1,117
D Bird	449	-
C Hopkins	440	-
I Parker	5,080	4,986
S Taylor	3,341	584
P Doherty	1,931	957
	11,833	**8,851**

15. Tangible fixed assets

	Freehold property £	Long leasehold property £	Fixtures and fittings £	**Total** **£**
Cost				
At 1 April 2023	13,293,954	128,927	532,089	**13,954,970**
Additions	613,173	–	–	**613,173**
Disposals	(356,813)	–	–	**(356,813)**
At 31 March 2024	13,550,314	128,927	532,089	**14,211,330**
Depreciation				
At 1 April 2023	941,953	12,551	481,028	**1,435,532**
Charge for the year	97,355	–	22,728	**120,083**
Disposals	(31,464)	–	–	**(31,464)**
At 31 March 2024	1,007,844	12,551	503,756	**1,524,151**
Carrying amount				
At 31 March 2024	12,542,470	116,376	28,333	**12,687,179**
At 31 March 2023	12,352,001	116,376	51,061	12,519,438

On transition to FRS102 the assets have been included in the financial statements on a historic cost basis.

Certain property additions incurred by the assemblies between 1992 and 2010 are not included within the accounts as the accounts prepared during these years did not include the income and expenditure for the assembly data.

16. Investments

	Listed investments £
Cost or valuation	
At 1 April 2023	**130,005**
Additions	**–**
Disposals	**(136,070)**
Fair value movements	**6,065**
At 31 March 2024	**–**
Impairment	
At 1 April 2023 and 31 March 2024	
Carrying amount	
At 31 March 2024	**–**
At 31 March 2023	130,005

All investments shown above are held at valuation.

Financial assets held at fair value

Listed investments

Fair value adjustments are processed in respect of the listed investments every 6 months in line with a report issued from the broker.

17. Debtors

	2024 £	2023 £
Prepayments and accrued income	**7,154**	6,340
Other debtors	**404,332**	5,785
	411,486	12,125

18. Creditors: amounts falling due within one year

	2024 £	2023 £
Bank loans and overdrafts	**80,549**	85,731
Accruals and deferred income	**48,891**	135,753
Social security and other taxes	**43,272**	–
Other creditors	**6,260**	–
	178,972	221,484

19. Creditors: amounts falling due after more than one year

	2024 £	2023 £
Bank loans and overdrafts	**978,140**	1,026,457

19. Creditors: amounts falling due after more than one year *(continued)*

Various bank loans are secured against properties held by the Church throughout the UK.

20. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £67,242 (2023: £75,438).

Defined benefit plans

The charity operates two defined benefit pension schemes:

- The Apostolic Church Unfunded 6/7th Scheme (the "Unfunded Scheme")
- The Apostolic Church Staff Pension Scheme (the "Funded Scheme")

Unfunded Scheme

This is an informal top up pension arrangement providing benefits based on a standard minimum fee and reduced for other pension income received by the individual. Under the scheme, the employees are entitled to retirement benefits on reaching retirement age. There are no scheme assets held separately from those of the charity. The scheme is closed to new members. Spouses of the former employees are also entitled to the same level of benefit upon the death of the former employee within the scheme.

Pensions are paid to the beneficiaries on a monthly basis directly from the charity's assets. The value of the liabilities at the reporting date has been determined on a member by member basis based on data used by the previous actuary in preparing last year's disclosures and with allowance for member movements over the year. A valuation of the scheme has been carried out as at 31 March 2023 by a qualified independent actuary.

Funded Scheme

This scheme provides members with pensions in retirement and death benefits. Pension benefits are linked to a member's final salary and their length of service, at 30 June 2005 or earlier date of leaving. Since 30 June 2005 the Funded Scheme has been closed to new employees.

The Funded Scheme is a registered scheme under UK legislation, is subject to the funding requirements outlined in this legislation and was contracted into the State Second Pension.

The Funded Scheme was established from 1 July 1981 under trust and is governed by the Funded Scheme's trust deed and rules. The charity is responsible for the operation and governance of the Funded Scheme, including making decisions regarding the Funded Scheme's funding and investment strategy.

The liabilities of the scheme shown below have been estimated by updating the results of this actuarial valuation to allow for the passage of time, benefits paid out of the scheme and changes in actuarial assumptions.

20. Pensions and other post retirement benefits *(continued)*

The statement of financial position net defined benefit asset is determined as follows:

	Unfunded Scheme		Funded Scheme		**Total**	
	2024	2023	**2024**	2023	**2024**	2023
	£	£	£	£	**£**	£
Present value of defined benefit obligations	(839,000)	(979,000)	(2,862,000)	(2,691,000)	**(3,701,000)**	(3,670,000)
Fair value of plan assets	–	**–**	3,762,000	2,567,000	**3,762,000**	2,567,000
	(839,000)	(979,000)	900,000	(124,000)	**61,000**	(1,103,000)

Changes in the present value of the defined benefit obligations are as follows:

	Unfunded Scheme	Funded Scheme	**Total**
	£	£	**£**
At 1 April 2023	979,000	2,691,000	**3,670,000**
Past service cost	–	208,000	**208,000**
Interest expense	42,000	118,000	**160,000**
Benefits paid	(78,000)	(143,000)	**(221,000)**
Remeasurements:			
Actuarial gains and losses	(104,000)	(12,000)	**(116,000)**
At 31 March 2024	839,000	2,862,000	**3,701,000**

Changes in the fair value of plan assets are as follows:

	Unfunded Scheme	Funded Scheme	**Total**
	£	£	**£**
At 1 April 2023	–	2,567,000	**2,567,000**
Interest income	–	141,000	**141,000**
Benefits paid	(78,000)	(143,000)	**(221,000)**
Contributions by employer	78,000	1,267,000	**1,345,000**
Administrative costs	–	(102,000)	**(102,000)**
Remeasurements:			
Return on plan assets, excluding amount included in interest income	–	32,000	**32,000**
At 31 March 2024	**–**	3,762,000	**3,762,000**

20. Pensions and other post retirement benefits *(continued)*

The total costs for the year in relation to defined benefit plans are as follows:

	Unfunded Scheme		Funded Scheme		**Total**	
	2024	2023	**2024**	2023	**2024**	2023
	£	£	£	£	**£**	£
Recognised in income or expenditure:						
Net interest expense	42,000	28,000	(23,000)	14,000	**19,000**	42,000
Administrative costs	–	–	102,000	26,000	**102,000**	26,000
	42,000	28,000	79,000	40,000	**121,000**	68,000
Recognised in other recognised gains and losses:						
Experience gain (loss) arising on scheme liabilities	–	–	(26,000)	87,000	**(26,000)**	87,000
Remeasurement of the liability:						
Actuarial gains and losses	(104,000)	(143,000)	14,000	(772,000)	**(90,000)**	(915,000)
Return on plan assets, excluding amounts included in net interest	–	–	(32,000)	307,000	**(32,000)**	307,000
	(104,000)	(143,000)	(44,000)	(378,000)	**(148,000)**	(521,000)

The fair value of the major categories of plan assets are as follows:

	Funded Scheme	
	2024	2023
	%	%
Cash and cash equivalents	4.15	7.56
Insured annuities percentage	11.24	17.45
Net current assets percentage	84.61	74.99

The return on plan assets are as follows:

	Funded Scheme	
	2024	2023
	£	£
Return on assets of benefit plan	173,000	(234,000)

20. Pensions and other post retirement benefits *(continued)*

The principal actuarial assumptions as at the statement of financial position date were:

	Unfunded Scheme		Funded Scheme	
	2024	2023	**2024**	2023
	%	%	%	%
Discount rate	4.45	4.50	4.45	4.50
Expected rate of increase in pensions	–	–	3.00	3.00
Inflation assumption	2.25	2.25	2.25	2.25
Mortality rates:				
Current pensioners at 65 - male	86.30	86.20	86.30	86.20
Current pensioners at 65 - female	88.70	88.70	88.70	88.70
Future pensioners at 65 - male	87.20	87.20	87.20	87.20
Future pensioners at 65 - female	89.90	89.80	89.90	89.80

21. Analysis of charitable funds

Unrestricted funds

	At 1 Apr 2023	Income	Expenditure	Transfers	Gains and losses	**At 31 Mar 2024**
	£	£	£	£	£	**£**
General funds	18,639,887	4,530,870	(4,907,723)	(65,581)	6,065	**18,203,518**
Defined benefit pension schemes	(1,103,000)	1,486,000	(470,000)	–	148,000	**61,000**
	17,536,887	6,016,870	(5,377,723)	(65,581)	154,065	**18,264,518**

	At 1 Apr 2022	Income	Expenditure	Transfers	Gains and losses	At 31 Mar 2023
	£	£	£	£	£	£
General funds	18,358,853	5,093,531	(4,603,629)	(201,932)	(6,936)	18,639,887
Defined benefit pension schemes	(1,846,000)	363,000	(141,000)	–	521,000	(1,103,000)
	16,512,853	5,456,531	(4,744,629)	(201,932)	514,064	17,536,887

21. Analysis of charitable funds *(continued)*

Restricted funds

	At 1 Apr 2023 £	Income £	Expenditure £	Transfers £	Gains and losses £	**At 31 Mar 2024 £**
Missionary fund	–	54,577	(120,158)	65,581	–	**–**
Building funds	2,411,634	220,830	(291,503)	–	–	**2,340,961**
Other restricted income	1,067,212	103,421	(130,675)	–	–	**1,039,958**
	3,478,846	378,828	(542,336)	65,581	–	**3,380,919**

	At 1 Apr 2022 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 Mar 2023 £
Missionary fund	–	71,831	(273,763)	201,932	–	–
Building funds	2,596,236	73,491	(258,093)	–	–	2,411,634
Other restricted income	995,111	185,574	(113,473)	–	–	1,067,212
	3,591,347	330,896	(645,329)	201,932	–	3,478,846

Missionary fund

The missionary fund comprises restricted income which is related to missionary work under the Action Overseas banner, within the total fund are amounts attributable to specific ongoing projects. The Church has increased spending on missionary activities to increase awareness which has caused the fund to move into a deficit position. The trustees have decided to transfer funds from unrestricted reserves to clear the deficit.

Restricted building funds

Represents various building funds managed on a local and national level in relation to various building projects ongoing at specific individual assemblies.

Other restricted funds

Represents various restricted income and expenditure items managed on a local level at specific individual assemblies.

22. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	**Total Funds 2024 £**
Tangible fixed assets	11,787,160	900,019	**12,687,179**
Investments	–	–	**–**
Current assets	7,573,470	2,480,900	**10,054,370**
Creditors less than 1 year	(178,972)	–	**(178,972)**
Creditors greater than 1 year	(978,140)	–	**(978,140)**
Defined benefit pension	61,000	–	**61,000**
Net assets	18,264,518	3,380,919	**21,645,437**

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Tangible fixed assets	11,612,909	906,529	12,519,438
Investments	130,005	–	130,005
Current assets	8,144,914	2,572,317	10,717,231
Creditors less than 1 year	(221,484)	–	(221,484)
Creditors greater than 1 year	(1,026,457)	–	(1,026,457)
Defined benefit pension	(1,103,000)	–	(1,103,000)
Net assets	17,536,887	3,478,846	21,015,733

23. Financial instruments

The carrying amount for each category of financial instrument is as follows:

	2024 £	2023 £
Financial assets measured at fair value through income and expenditure		
Listed investments	**–**	130,005

The fair values of the listed investments are determined by reference to the quoted market price.

The remaining financial assets and financial liabilities of the Charity qualify as basic financial instruments. These are initially recognised in the Statement of Financial Position at transaction value and subsequently measured at their settlement value.

24. Analysis of changes in net debt

	At 1 Apr 2023 £	Cash flows £	**At 31 Mar 2024 £**
Cash at bank and in hand	10,705,106	(1,062,222)	**9,642,884**
Debt due within one year	(85,731)	5,182	**(80,549)**
Debt due after one year	(1,026,457)	48,317	**(978,140)**
	9,592,918	(1,008,723)	**8,584,195**

A411 - Full Financial Statements 2024

Final Audit Report 2024-12-19

Created:	2024-12-19
By:	Burgess Hodgson (esign@burgesshodgson.co.uk)
Status:	Signed
Transaction ID:	CBJCHBCAABAAPwX7XmuLYq6IFivpg9gtEWiAHBwISMaq

"A411 - Full Financial Statements 2024" History

Document created by Burgess Hodgson (esign@burgesshodgson.co.uk)
2024-12-19 - 3:41:44 PM GMT- IP address: 80.88.222.146

Document emailed to mh2@burgesshodgson.co.uk for signature
2024-12-19 - 3:41:48 PM GMT

Email viewed by mh2@burgesshodgson.co.uk
2024-12-19 - 3:42:27 PM GMT- IP address: 104.47.11.62

Signer mh2@burgesshodgson.co.uk entered name at signing as Ivan Parker
2024-12-19 - 3:57:26 PM GMT- IP address: 80.235.211.162

Document e-signed by Ivan Parker (mh2@burgesshodgson.co.uk)
Signature Date: 2024-12-19 - 3:57:28 PM GMT - Time Source: server- IP address: 80.235.211.162

Agreement completed.
2024-12-19 - 3:57:28 PM GMT

Adobe Acrobat Sign

THE APOSTOLIC CHURCH

England & Wales - Charity number 284789

Accounts

CHARITY REGISTRATION NUMBER: 284789
OSCR REGISTRATION NUMBER: SC037835

The Apostolic Church

Financial Statements

31 March 2023

BURGESS HODGSON LLP
Chartered accountants & statutory auditor
Camburgh House
27 New Dover Road
Canterbury
Kent
CT1 3DN

The Apostolic Church

Financial Statements

Year ended 31 March 2023

	Page
Trustees' annual report	1
Independent auditor's report to the members	9
Statement of financial activities	13
Statement of financial position	14
Statement of cash flows	15
Notes to the financial statements	16

The Apostolic Church

Trustees' Annual Report

Year ended 31 March 2023

The trustees present their report and the financial statements of the charity for the year ended 31 March 2023.

Introduction

I am delighted to present on behalf of the Trustees of the charity (The Apostolic Church UK) their report for the period 1st April 2022 to 31st March 2023.

During this financial year the Apostolic Church has continued to make progress after the difficult circumstances of the worldwide Covid-19 pandemic. There have been encouraging signs from assemblies from all parts of the United Kingdom and Ireland. Many have not only recovered to pre-pandemic numbers, but have gone beyond and are now enjoying spiritual, numerical and financial increase.

As the charity prepares to reconstitute from an unincorporated entity to an incorporated one the Apostolic Church reset its missional mandate to reinvigorate missional enterprise as our primary function. This meant that apostles gathered more frequently in 2022 and the focus of both the Ascension Ministries Council and Ascension Ministries Conference for all staff was to underline this intentionality.

In the following pages, the trustees seek to outline a picture of the national church at work from April 2022 to March 2023. We do so with grateful hearts to God for His faithfulness to His people for their labours in His Name and for His Glory.

Rev I Parker
National Leader

The Apostolic Church

Trustees' Annual Report *(continued)*

Year ended 31 March 2023

Reference and administrative details

Registered charity name	The Apostolic Church
Charity registration number	284789
Principal office	105 Crystal House New Bedford Road Luton LU1 1HS

The trustees

Rev P Doherty	(Appointed 28 November 2022)
Rev P Howells	(Resigned 22 November 2022)
Rev A Matheson	
Rev D Bird	
Rev C Hopkins	
Rev I Parker	
Rev S Taylor	

Auditor	Burgess Hodgson LLP Chartered accountants & statutory auditor Camburgh House 27 New Dover Road Canterbury Kent CT1 3DN
Bankers	The Royal Bank of Scotland PLC 13-14 Walter Road Swansea SA1 5NG Barclays Bank (UK) PLC Luton George Street 2 Leicester E87 2BB
Solicitors	Waldrons Wychbury Court Brierley Hill DY5 1TA Quinn Legal The Beacon 176 St Vincent Street Glasgow G2 5SG

Structure, governance and management

The charity is an unincorporated organisation governed by a constitution, the last amendment of which was approved in 2018.

The activities of the charity are overseen by trustees, appointed for a period consistent with that of the National Leader. Trustees carry responsibility for spiritual life of the church as well as the business and financial activities that undergird its ministry. The range of activities is extensive, the geographical reach is vast, and the level of complexity increases year by year.

The trustees are supported by the ministry of apostolic leaders who share the spiritual burden of leadership, and a team responsible for the administrative and financial business of the charity.

The trustees have reviewed if the present unincorporated structure is the most appropriate legal structure to service the very diverse requirements of the church. A great deal of work has been done to progress this and we are grateful to the team of gifted and skilled individuals that do so diligently.

The church functions as a single entity with diverse expressions throughout the country. The diversity of expression is determined by the skillsets of the leaders and people, the nature of the community which a local church may serve and the extent to which they are able to use their available resources. Local churches relate to each other through an apostolic leader of their choice and relate to the national entity by means of a range of reporting features that take account of key business and administrative indicators.

Each local church, though empowered to be creative and innovative, even unique in its expression, remains committed to a single task, that of communicating the Gospel to its community and seeking to disciple believers towards Christian maturity.

The church at national level, through its leadership functions remains responsible for accrediting ministers, reviewing performance, making appointments, developing policy, managing our property portfolio, overseeing staff, legal issues, maintaining corporate standards and determining, shaping and monitoring our financial and business practices, etc.

Public Benefit

The Church conducts its activities in the belief that it serves a public benefit by virtue of its mission to advance the Christian faith and relieve suffering and that its activities meet the Charity Commission's guidance in respect of Public Benefit.

Objectives and activities

The charity (the church) exists as a legal entity in which the church conducts its legal affairs as it seeks to fulfil its missional mandate in the UK and beyond.

In human terms, leadership is paramount, and the church seeks to prepare, encourage and support leaders as they seek to bring the ministry of Christ to various villages, towns and cities across the UK.

The church is made up of many congregations, each with its own mission field, and each with its resources and strengths. Our key strategy is to provide a support mechanism for leaders as they seek to support those they lead. Mission drift is always possible and the church endeavours to state and restate its primary purpose so that any drift is arrested early.

The primary objective of the church is to reveal Christ to the nation through a network of local churches. Our primary activities are those associated with the local church, praying, preaching, worshipping, learning, serving, and witnessing in many ways. The church will, in addition, advocate for the wellbeing of the poor and disadvantaged, care for the sick and lonely and address issues that may have social and/or political relevance. The church will seek to use the platform provided by the Gospel to to communicate Christ to the nation.

Achievements and performance

Our flagship church in London completed a multi-million-pound state-of-the-art building refurbishment including multimedia facilities. The building now has an increased seating capacity, multi-purpose use and the ability to facilitate proclamation of the gospel, both in situ and to people's homes, whilst also meeting the needs of the local community.

Community involvement

As our contribution to alleviating the impact of current cost of living challenges, many of our churches have supported Warm Spaces Initiatives and provided warm places for people to keep warm during the winter months. We provide an army of dedicated volunteers who partner with food banks and other social enterprises seeking to help the poor and needy.

Church growth

Church attendance in many assemblies is returning to pre-pandemic levels. Several church plants continue to successfully reach into the communities around them. Two churches in the Scottish Highlands previously affiliated to the Apostolic Church have now fully incorporated into the church.

Ministerial development

Programs for discipleship, leadership enrichment, lifelong theological training and professional development were commissioned last year and are on-going. These new tools are mainly for leaders in the ministry and made available through our website and other platforms to ensure ease of access and promote clear understanding of ACUK's mission in the next phase of its history. This exciting program will clearly define the Apostolic Church, its beliefs and its vision for the generations to follow.

Re-organisation of Action Overseas

Hard decisions were also taken during the year to ensure the viable future of our overseas missional enterprise. It was decided that the department responsible for carrying out this task should be closed due to its funding crisis. In the last quarter of the year Action Overseas was officially closed and replaced by ReACh; local churches and ascension ministries collaborating together to network and facilitate missional enterprise with our partner indigenous churches in Asia, Europe and Africa.

Additionally, we made the appointment of an International Relations Apostle. This role is to ensure clear lines of communication with our partner movements globally and the UK leadership team. I look forward to reporting next year on the value of this appointment and relational progress achieved.

Unity and diversity

The Unity and Diversity forum established in 2020 for the Apostolic Church UK was formed to cultivate an intergenerational and culturally diverse intentionality within the Movement. The forum was given additional funding and new members added to bring additional strength and breadth. Although it has been slow progress to date, we believe the forum will deliver in the next twelve months a significant program for improvement in Unity and Diversity.

Other achievements

The investment in developing our online platforms to strengthen both internal and external communications continues. Already, we have felt the worth of this investment, which will continue to be a priority in the years to come.

I'm pleased to report that progress has been made in the following areas.

- An increasingly agile and adapt National Office for support.

- The appointment of an operations director
- Church Planting training, support and enabling.
- Leadership Training
- Youth Workers strategy and support
- Children's Workers strategy and support
- Safeguarding Training, strategy and support
- Technology and Communications Strategy and support

Partners

We have significantly strengthened our relationships with both European and Worldwide Apostolic Churches and our interdenominational links here in the UK. All our partnerships are vital, as together we are stronger, we can all go further, and achieve far greater.

Financial review

The trustees report that the accounts for the year ended 31 March 2023 show a surplus of £911,533 (2022: £879,440). This is stated after the actuarial gains of £521,000 (2022: £228,000) incurred on the defined benefit pension schemes. The church had healthy year end reserves of £21,015,733 (2022: £20,104,200).

The trustees are content that whilst there may be some local difficulties in some local churches the church overall is able to meet its obligations, make provision for reserves, achieve a small surplus and ensure that as much income as possible remains available for local churches to conduct their ministry in and from their local communities.

Investment policy

The Church's policy is to hold excess funds and reserves in cash, short and medium-term investments. As has been the case for some time, properties which are surplus to requirements are sold. The proceeds of the sale of manses are used to meet our historical obligations. Others are used to strengthen and enhance the ministry locally and nationally.

Risk management

The Trustees regularly review the risks faced by the Church as it conducts its various events and activities. Risk is managed by developing and implementing policies in respect of major risks associated with people and property management. People-related risks are managed through policies like DBS registration, safeguarding and data protection. The Church has partnered with Thirtyone:eight as a training provider to extend specialist safeguarding training on a bespoke basis for all our ministerial and Christian workers.

Our property management policies include appropriate caretaking and security of buildings, and a range of appropriate insurance arrangements to cover foreseeable risks.

Plans for future periods

Registration of the new CIO is now finalised with the Charity Commission and preparation is now in progress to arrange the transfer of undertakings into the new legal entity from 1 April 2024.

Due to changes in the economic climate, with increased annuity rates, we now see the opportunity to transfer the Apostolic Church Final Salary Scheme pension to an external provider. We are currently working with the Pension Trustees to meet the scheme deficit and take this forward.

Trustees' responsibilities statement

The trustees are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England, Wales and Scotland requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, of the charity for that period.

The Apostolic Church

Trustees' Annual Report *(continued)*

Year ended 31 March 2023

In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, Charities and Trustees Investments (Scotland) Act 2005, the Charity Accounts (Scotland) Regulations 2006 (as amended), and the provisions of the Trust Deed. 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.

The trustees' annual report was approved on Dec 21, 2023 and signed on behalf of the board of trustees by:

Rev I Parker
National Leader

The Apostolic Church

Independent Auditor's Report to the Members of The Apostolic Church

Year ended 31 March 2023

Opinion

We have audited the financial statements of The Apostolic Church (the 'charity') for the year ended 31 March 2023 which comprise the statement of financial activities, statement of financial position, statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2023 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;
- have been prepared in accordance with the requirements of the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

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

Conclusions relating to going concern

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

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

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

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. 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 and the Charity Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- the information given in the trustees' report is inconsistent in any material respect with the financial statements; or
- proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and the returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's 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 an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we have considered; the nature of the industry, control environment and business performance with particular reference to the Company's remuneration policies, key drivers for directors' remuneration, bonus levels and performance targets.

Throughout the audit testing we are considering the incentives that may exist within the organisation for fraud. Key areas include timing of recognising income around the year end, posting of unusual journals and manipulating the Company's performance measures to meet targets. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We ensure we have an understanding of the relevant laws and regulations and remain alert to possible non-compliance throughout the audit. Despite proper planning and audit work in accordance with auditing standards there are inherent limitations and unavoidable risk that we may not detect some irregularities and material misstatements in the financial statements. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.

- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charity's members, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act, and Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Burgess Hodgson LLP

Robert Field FCA CTA (Senior Statutory Auditor) 21st December 2023

For and on behalf of
Burgess Hodgson LLP
Chartered accountants & statutory auditor
Camburgh House
27 New Dover Road
Canterbury
Kent
CT1 3DN

The Apostolic Church

Statement of Financial Activities

Year ended 31 March 2023

	Note	2023 Unrestricted funds £	2023 Restricted funds £	2023 **Total funds** £	2022 Total funds £
Income and endowments					
Charitable activities	**4**	4,651,069	330,896	**4,981,965**	4,883,151
Investment income	**5**	304,832	–	**304,832**	257,811
Other income	**6**	500,630	–	**500,630**	401,778
Total income		5,456,531	330,896	**5,787,427**	5,542,740
Expenditure					
Expenditure on charitable activities	**7,8**	4,744,629	645,329	**5,389,958**	4,886,812
Total expenditure		4,744,629	645,329	**5,389,958**	4,886,812
Net losses on investments	**10**	(6,936)	–	**(6,936)**	(4,488)
Net income		704,966	(314,433)	**390,533**	651,440
Transfers between funds		(201,932)	201,932	–	–
Other recognised gains and losses					
Actuarial gains on defined benefit pension schemes		521,000	–	**521,000**	228,000
Net movement in funds		1,024,034	(112,501)	**911,533**	879,440
Reconciliation of funds					
Total funds brought forward		16,512,853	3,591,347	**20,104,200**	19,224,760
Total funds carried forward		17,536,887	3,478,846	**21,015,733**	20,104,200

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 16 to 32 form part of these financial statements.

The Apostolic Church

Statement of Financial Position

31 March 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible fixed assets	15	12,519,438	10,325,095
Investments	16	130,005	136,941
		12,649,443	10,462,036
Current assets			
Debtors	17	12,125	64,032
Cash at bank and in hand		10,705,106	12,690,209
		10,717,231	12,754,241
Creditors: amounts falling due within one year	18	221,484	148,906
Net current assets		10,495,747	12,605,335
Total assets less current liabilities		23,145,190	23,067,371
Creditors: amounts falling due after more than one year	19	1,026,457	1,117,171
Net assets excluding defined benefit pension plan liability		22,118,733	21,950,200
Defined benefit pension plan liability	20	1,103,000	1,846,000
Net assets including defined benefit pension plan liability		21,015,733	20,104,200
Funds of the charity			
Restricted funds		3,478,846	3,591,347
Unrestricted funds:			
Defined benefit pension reserve		(1,103,000)	(1,846,000)
Other unrestricted income funds		18,639,887	18,358,853
Total unrestricted funds		17,536,887	16,512,853
Total charity funds	21	21,015,733	20,104,200

These financial statements were approved by the board of trustees and authorised for issue on Dec 21, 2023....., and are signed on behalf of the board by:

Rev I Parker
National Leader

The notes on pages 16 to 32 form part of these financial statements.

The Apostolic Church

Statement of Cash Flows

Year ended 31 March 2023

	2023 £	2022 £
Cash flows from operating activities		
Net income	**390,533**	651,440
Adjustments for:		
Depreciation of tangible fixed assets	**124,881**	97,983
Net losses on investments	**6,936**	4,488
Dividends, interest and rents from investments	**(304,832)**	(257,811)
Interest payable and similar charges	**79,947**	76,777
Gains on disposal of tangible fixed assets	**(344,536)**	(280,421)
Defined benefit pension plan employer contributions	**(290,000)**	(296,000)
Accrued expenses	**80,730**	3,603
Changes in:		
Trade and other debtors	**51,907**	(51,305)
Trade and other creditors	**(575)**	(13,565)
Cash generated from operations	**(205,009)**	(64,811)
Interest paid	**(11,947)**	(9,777)
Net cash used in operating activities	**(216,956)**	(74,588)
Cash flows from investing activities		
Dividends, interest and rents from investments	**304,832**	257,811
Purchase of tangible assets	**(2,647,202)**	(106,433)
Proceeds from sale of tangible assets	**672,514**	957,892
Net cash (used in)/from investing activities	**(1,669,856)**	1,109,270
Cash flows from financing activities		
Proceeds from borrowings	**(98,291)**	(260,275)
Net cash used in financing activities	**(98,291)**	(260,275)
Net (decrease)/increase in cash and cash equivalents	**(1,985,103)**	774,407
Cash and cash equivalents at beginning of year	**12,690,209**	11,915,802
Cash and cash equivalents at end of year	**10,705,106**	12,690,209

The notes on pages 16 to 32 form part of these financial statements.

The Apostolic Church

Notes to the Financial Statements

Year ended 31 March 2023

1. General information

The charity is a public benefit entity and a registered charity in England, Wales and Scotland and is unincorporated. The address of the principal office is Suite 105, Crystal House, New Bedford Road, Luton, LU1 1HS.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Charities Act 2011, Charities and Trustee Investment (Scotland) Act 2005 and the Charity Accounts (Scotland) Regulations 2006 (as amended).

3. Accounting policies

Basis of preparation

Fund Accounting

General funds are unrestricted funds which are available for use at the discretion of the Finance Committee in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Finance Committee for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Going concern

Based on the charity's current financial position and ongoing nature of its activities there are no material uncertainties about the charity's ability to continue.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

3. Accounting policies *(continued)*

Judgements and key sources of estimation uncertainty *(continued)*

Significant judgements

The judgements (apart from those involving estimations) that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements are as follows:

Control of assembly assets and funds

The Trustees delegate powers for local authority to local Pastors and Leading Elders in relation to various matters including day to day financial control, however the assets and funds held by the local assemblies are all controlled by the Church as a whole and incorporated into the Financial Statements.

Key sources of estimation uncertainty

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

- Legacy income

The Charity recognises legacy income when the receipt is probable and the entitlement has been established. Estimates of legacy income due are based on correspondence received from solicitors acting on behalf of estates where a legacy payment to the Charity is notified during the year.

- Impairment of fixed assets

The Charity considers whether assets held are impaired. Where an indication of impairment is identified the estimation of recoverable value requires estimation of the recoverable value. The Trustees evaluate this based on available evidence and reports from relevant experts as appropriate.

- Investment valuation

The Charity carries investments held at Market Value. The valuation of fixed asset investment properties has to be estimated and the Trustees base their estimates on expert valuations and market conditions. Listed investments are valued based on their listed market values.

- Defined benefit pension scheme

The Charity has obligations to pay pension benefits to certain employees. The cost of these benefits and the present value of the obligation depend on a number of factors, including; life expectancy, asset valuations and the discount rate on investments. Management estimates these factors in determining the net pension obligation in the balance sheet. The assumptions reflect historical experience and current trends.

3. Accounting policies *(continued)*

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Tangible assets

All fixed assets are initially recorded at cost. Certain properties are carried at amounts relating to historical insured values. Capital expenditure of less than £5,000 is treated as revenue expenditure.

3. Accounting policies *(continued)*

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Freehold property	-	167/50 years straight line
Long leasehold property	-	50 years straight line
Fixtures and fittings	-	20% straight line

Investments

Unlisted equity investments are initially recorded at cost, and subsequently measured at fair value. If fair value cannot be reliably measured, assets are measured at cost less impairment.

Listed investments are measured at fair value with changes in fair value being recognised in income or expenditure.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

Financial instruments

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

3. Accounting policies *(continued)*

Defined benefit plans

The company recognises a defined net benefit pension asset or liability in the statement of financial position as the net total of the present value of its obligations and the fair value of plan assets out of which the obligations are to be settled. The defined benefit liability is measured on a discounted present value basis using a rate determined by reference to market yields at the reporting date on high quality corporate bonds. Defined benefit obligations and the related expenses are measured using the projected unit credit method. Plan surpluses are recognised as a defined benefit asset only to the extent that the surplus is recoverable either through reduced contributions in the future or through refunds from the plan.

Changes in the net defined benefit asset or liability arising from employee service are recognised in income or expenditure as a current service cost where it relates to services in the current period and as a past service cost where it relates to services in prior periods. Costs relating to plan introductions, benefit changes, curtailments and settlements are recognised in income or expenditure in the period in which they occur.

Net interest is determined by multiplying the net defined benefit liability by the discount rate, both as determined at the start of the reporting period, taking account of any changes in the net defined benefit liability during the period as a result of contribution and benefit payments. Net interest is recognised in income or expenditure.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

4. Charitable activities

	Unrestricted Funds £	Restricted Funds £	**Total Funds 2023 £**
Donations, giving and similar income	4,117,802	71,831	**4,189,633**
Legacy income	107,862	–	**107,862**
Fundraising for buildings	–	73,491	**73,491**
Other charitable activity	425,405	184,364	**609,769**
Conference income	–	1,210	**1,210**
	4,651,069	330,896	**4,981,965**

4. Charitable activities *(continued)*

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Donations, giving and similar income	4,132,921	42,097	4,175,018
Legacy income	105,062	–	105,062
Fundraising for buildings	–	87,807	87,807
Other charitable activity	297,319	216,685	514,004
Conference income	–	1,260	1,260
	4,535,302	347,849	4,883,151

5. Investment income

	Unrestricted Funds £	**Total Funds 2023 £**	Unrestricted Funds £	Total Funds 2022 £
Property income	290,103	**290,103**	254,595	254,595
Investment income and interest received	14,729	**14,729**	3,216	3,216
	304,832	**304,832**	257,811	257,811

6. Other income

	Unrestricted Funds £	**Total Funds 2023 £**	Unrestricted Funds £	Total Funds 2022 £
Gain on disposal of tangible fixed assets held for charity's own use	344,536	**344,536**	280,421	280,421
Job retention scheme grant	–	**–**	121,357	121,357
Gain on revaluation of tangible fixed assets held for charity's own use	156,094	**156,094**	–	–
	500,630	**500,630**	401,778	401,778

7. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	**Total Funds 2023 £**
Missionary	15,568	273,763	**289,331**
Ministerial	3,274,953	258,093	**3,533,046**
Other	205,027	113,473	**318,500**
Church admin	171,644	–	**171,644**
Support costs	1,077,437	–	**1,077,437**
	4,744,629	645,329	**5,389,958**

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Missionary	28,828	342,778	371,606
Ministerial	2,791,453	170,819	2,962,272
Other	199,479	190,847	390,326
Church admin	164,533	–	164,533
Support costs	998,075	–	998,075
	4,182,368	704,444	4,886,812

8. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	**Total funds 2023 £**	Total fund 2022 £
Missionary	289,331	–	**289,331**	371,606
Ministerial	3,533,046	906,900	**4,439,946**	3,752,345
Other	318,500	–	**318,500**	390,326
Church admin	171,644	–	**171,644**	164,533
Governance costs	–	170,537	**170,537**	208,002
	4,312,521	1,077,437	**5,389,958**	4,886,812

Apportionment of costs between activity types has been allocated on an actual basis.

9. Analysis of support costs

	Missionary £	Ministerial £	Other £	Church admin £	**Total 2023 £**	Total 2022 £
Staff costs	–	500,549	–	–	**500,549**	469,760
Premises	–	239,951	–	–	**239,951**	239,090
Finance costs	–	11,947	–	–	**11,947**	9,777
Governance costs	9,658	124,804	30,345	5,730	**170,537**	208,002
Other expenses	–	152,942	–	–	**152,942**	69,926
Travel and accommodation	–	1,511	–	–	**1,511**	1,520
	9,658	1,031,704	30,345	5,730	**1,077,437**	998,075

9. Analysis of support costs *(continued)*

Support costs above relate to specifically identifiable support activities.

10. Net losses on investments

	Unrestricted Funds	**Total Funds 2023**	Unrestricted Funds	Total Funds 2022
	£	**£**	£	£
Gains/(losses) on listed investments	(6,936)	**(6,936)**	(4,488)	(4,488)

11. Net income

Net income is stated after charging/(crediting):

	2023	2022
	£	£
Depreciation of tangible fixed assets	**124,881**	97,983
Gains on disposal of tangible fixed assets	**(344,536)**	(280,421)

12. Auditors remuneration

	2023	2022
	£	£
Fees payable for the audit of the financial statements	**24,000**	23,000

13. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2023	2022
	£	£
Wages and salaries	**2,441,708**	2,251,067
Employer contributions to pension plans	**75,438**	76,649
	2,517,146	2,327,716

The average head count of employees during the year was 125 (2022: 127). The average number of full-time equivalent employees during the year is analysed as follows:

	2023	2022
	No.	No.
Number of staff	**77**	86

No employee received employee benefits of more than £60,000 during the year (2022: Nil).

14. Trustee remuneration and expenses

Payments to Trustees

No remuneration was paid to any individual in connection with their services as Trustee.

The remuneration payments made relate entirely to the work carried out as full or part time pastors of churches in line with the standard fees authorised by the charity's governing document. The level of salary received is independently determined by the local church leadership team in line with the guidance issued by the Finance Committee and salary review board. There is a weighting according to geographic location and congregation size.

The Charity also makes pension contributions as part of the defined contribution pension scheme in place. The totals paid to Trustees in relation to their roles as ministers were as follows:

Gross Salary

	2023	2022
	£	£
P Howells	55,138	23,243
A Matheson	40,655	39,471
C Hopkins	39,993	38,141
I Parker	34,562	34,000
S Taylor	41,525	39,866
P Doherty	21,257	19,741
	233,130	**194,462**

Employer Pension Contributions

	2023	2022
	£	£
P Howells	3,210	2,253
A Matheson	4,003	3,758
C Hopkins	3,957	3,683
I Parker	997	959
S Taylor	4,109	3,858
P Doherty	3,377	2,229
	19,653	**16,740**

In addition to the above payments, certain Trustees are provided with living accommodation by reason of their employment as pastors. This is in line with customary practice for ministers of religion to enable their duties to be better performed. Those who are not provided with living accommodation receive a housing allowance as part of their salary in lieu of the church providing a manse. The housing allowances are included in the gross salaries above.

Reimbursed expenses

The following expenses were reimbursed during the year:

	2023	2022
	£	£
P Howells	1,207	982
A Matheson	1,117	111
C Hopkins	-	329
I Parker	4,986	2,695
S Taylor	584	626
P Doherty	957	-
	8,851	**4,743**

15. Tangible fixed assets

	Freehold property £	Long leasehold property £	Fixtures and fittings £	**Total £**
Cost				
At 1 April 2022	11,088,710	128,927	482,208	**11,699,845**
Additions	2,597,321	–	49,881	**2,647,202**
Disposals	(548,171)	–	–	**(548,171)**
Revaluations	156,094	–	–	**156,094**
At 31 March 2023	13,293,954	128,927	532,089	**13,954,970**
Depreciation				
At 1 April 2022	906,478	9,972	458,300	**1,374,750**
Charge for the year	99,574	2,579	22,728	**124,881**
Disposals	(64,099)	–	–	**(64,099)**
At 31 March 2023	941,953	12,551	481,028	**1,435,532**
Carrying amount				
At 31 March 2023	12,352,001	116,376	51,061	**12,519,438**
At 31 March 2022	10,182,232	118,955	23,908	10,325,095

On transition to FRS102 the assets have been included in the financial statements on a historic cost basis.

Certain property additions incurred by the assemblies between 1992 and 2010 are not included within the accounts as the accounts prepared during these years did not include the income and expenditure for the assembly data.

16. Investments

	Listed investments £
Cost or valuation	
At 1 April 2022	**136,941**
Additions	**–**
Fair value movements	**(6,936)**
At 31 March 2023	**130,005**
Impairment	
At 1 April 2022 and 31 March 2023	
Carrying amount	
At 31 March 2023	**130,005**
At 31 March 2022	136,941

All investments shown above are held at valuation.

Financial assets held at fair value

Listed investments

Fair value adjustments are processed in respect of the listed investments every 6 months in line with a report issued from the broker.

17. Debtors

	2023 £	2022 £
Prepayments and accrued income	**6,340**	1,957
Other debtors	**5,785**	62,075
	12,125	64,032

18. Creditors: amounts falling due within one year

	2023 £	2022 £
Bank loans and overdrafts	**85,731**	93,308
Accruals and deferred income	**135,753**	55,023
Other creditors	**–**	575
	221,484	148,906

19. Creditors: amounts falling due after more than one year

	2023 £	2022 £
Bank loans and overdrafts	**1,026,457**	1,117,171

Various bank loans are secured against properties held by the Church throughout the UK.

20. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £75,438 (2022: £76,649).

Defined benefit plans

The charity operates two defined benefit pension schemes:

- The Apostolic Church Unfunded 6/7th Scheme (the "Unfunded Scheme")
- The Apostolic Church Staff Pension Scheme (the "Funded Scheme")

Unfunded Scheme

This is an informal top up pension arrangement providing benefits based on a standard minimum fee and reduced for other pension income received by the individual. Under the scheme, the employees are entitled to retirement benefits on reaching retirement age. There are no scheme assets held separately from those of the charity. The scheme is closed to new members. Spouses of the former employees are also entitled to the same level of benefit upon the death of the former employee within the scheme.

Pensions are paid to the beneficiaries on a monthly basis directly from the charity's assets. The value of the liabilities at the reporting date has been determined on a member by member basis based on data used by the previous actuary in preparing last year's disclosures and with allowance for member movements over the year. A valuation of the scheme has been carried out as at 31 March 2023 by a qualified independent actuary.

Funded Scheme

This scheme provides members with pensions in retirement and death benefits. Pension benefits are linked to a member's final salary and their length of service, at 30 June 2005 or earlier date of leaving. Since 30 June 2005 the Funded Scheme has been closed to new employees.

The Funded Scheme is a registered scheme under UK legislation, is subject to the funding requirements outlined in this legislation and was contracted into the State Second Pension.

The Funded Scheme was established from 1 July 1981 under trust and is governed by the Funded Scheme's trust deed and rules. The charity is responsible for the operation and governance of the Funded Scheme, including making decisions regarding the Funded Scheme's funding and investment strategy.

The liabilities of the scheme shown below have been estimated by updating the results of this actuarial valuation to allow for the passage of time, benefits paid out of the scheme and changes in actuarial assumptions.

20. Pensions and other post retirement benefits *(continued)*

The statement of financial position net defined benefit liability is determined as follows:

	Unfunded Scheme		Funded Scheme		**Total**	
	2023	2022	**2023**	2022	**2023**	2022
	£	£	£	£	£	£
Present value of defined benefit obligations	(979,000)	(1,184,000)	(2,691,000)	(3,425,000)	**(3,670,000)**	(4,609,000)
Fair value of plan assets	–	–	2,567,000	2,763,000	**2,567,000**	2,763,000
	(979,000)	(1,184,000)	(124,000)	(662,000)	**(1,103,000)**	(1,846,000)

Changes in the present value of the defined benefit obligations are as follows:

	Unfunded Scheme	Funded Scheme	**Total**
	£	£	£
At 1 April 2022	1,184,000	3,425,000	**4,609,000**
Interest expense	28,000	87,000	**115,000**
Benefits paid	(90,000)	(136,000)	**(226,000)**
Remeasurements:			
Actuarial gains and losses	(143,000)	(685,000)	**(828,000)**
At 31 March 2023	979,000	2,691,000	**3,670,000**

Changes in the fair value of plan assets are as follows:

	Unfunded Scheme	Funded Scheme	**Total**
	£	£	£
At 1 April 2022	–	2,763,000	**2,763,000**
Interest income	–	73,000	**73,000**
Benefits paid	(90,000)	(136,000)	**(226,000)**
Contributions by employer	90,000	200,000	**290,000**
Administrative costs	–	(26,000)	**(26,000)**
Remeasurements:			
Return on plan assets, excluding amount included in interest income	–	(307,000)	**(307,000)**
At 31 March 2023	–	2,567,000	**2,567,000**

20. Pensions and other post retirement benefits *(continued)*

The total costs for the year in relation to defined benefit plans are as follows:

	Unfunded Scheme		Funded Scheme		**Total**	
	2023	2022	**2023**	2022	**2023**	2022
	£	£	£	£	£	£
Recognised in income or expenditure:						
Net interest expense	28,000	19,000	14,000	17,000	**42,000**	36,000
Administrative costs	–	–	26,000	31,000	**26,000**	31,000
	28,000	19,000	40,000	48,000	**68,000**	67,000
Recognised in other recognised gains and losses:						
Other costs in other recognised gains/losses user defined 1	–	–	87,000	–	**87,000**	–
Remeasurement of the liability:						
Actuarial gains and losses	(143,000)	(39,000)	(772,000)	(293,000)	**(915,000)**	(332,000)
Return on plan assets, excluding amounts included in net interest	–	–	307,000	104,000	**307,000**	104,000
	(143,000)	(39,000)	(378,000)	(189,000)	**(521,000)**	(228,000)

The fair value of the major categories of plan assets are as follows:

	Funded Scheme	
	2023	2022
	%	%
Cash and cash equivalents	7.56	7.75
Insured annuities percentage	17.45	21.17
Net current assets percentage	74.99	71.08

The return on plan assets are as follows:

	Funded Scheme	
	2023	2022
	£	£
Return on assets of benefit plan	(234,000)	(50,000)

20. Pensions and other post retirement benefits *(continued)*

The principal actuarial assumptions as at the statement of financial position date were:

	Unfunded Scheme		Funded Scheme	
	2023	2022	**2023**	2022
	%	%	%	%
Discount rate	4.50	2.50	4.50	2.60
Expected rate of increase in pensions	–	–	3.00	3.60
Inflation assumption	2.25	3.50	2.25	2.95
Mortality rates:				
Current pensioners at 65 - male	86.20	86.80	86.20	86.80
Current pensioners at 65 - female	88.70	89.10	88.70	89.10
Future pensioners at 65 - male	87.20	87.80	87.20	87.80
Future pensioners at 65 - female	89.80	90.30	89.80	90.30

21. Analysis of charitable funds

Unrestricted funds

	At 1 Apr 2022	Income	Expenditure	Transfers	Gains and losses	**At 31 Mar 2023**
	£	£	£	£	£	**£**
General funds	18,358,853	5,093,531	(4,603,629)	(201,932)	(6,936)	**18,639,887**
Defined benefit pension schemes	(1,846,000)	363,000	(141,000)	–	521,000	**(1,103,000)**
	16,512,853	5,456,531	(4,744,629)	(201,932)	514,064	**17,536,887**

	At 1 Apr 2021	Income	Expenditure	Transfers	Gains and losses	At 31 Mar 2022
	£	£	£	£	£	£
General funds	17,880,499	4,844,891	(4,061,368)	(300,681)	(4,488)	18,358,853
Defined benefit pension schemes	(2,303,000)	350,000	(121,000)	–	228,000	(1,846,000)
	15,577,499	5,194,891	(4,182,368)	(300,681)	223,512	16,512,853

21. Analysis of charitable funds *(continued)*

Restricted funds

	At 1 Apr 2022 £	Income £	Expenditure £	Transfers £	Gains and losses £	**At 31 Mar 2023 £**
Missionary fund	–	71,831	(273,763)	201,932	–	–
Building funds	2,596,236	73,491	(258,093)	–	–	**2,411,634**
Other restricted income	995,111	185,574	(113,473)	–	–	**1,067,212**
	3,591,347	330,896	(645,329)	201,932	–	**3,478,846**

	At 1 Apr 2021 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 Mar 2022 £
Missionary fund	–	42,097	(342,778)	300,681	–	–
Building funds	2,679,248	87,807	(170,819)	–	–	2,596,236
Other restricted income	968,013	217,945	(190,847)	–	–	995,111
	3,647,261	347,849	(704,444)	300,681	–	3,591,347

Missionary fund

The missionary fund comprises restricted income which is related to missionary work under the Action Overseas banner, within the total fund are amounts attributable to specific ongoing projects. The Church has increased spending on missionary activities to increase awareness which has caused the fund to move into a deficit position. The trustees have decided to transfer funds from unrestricted reserves to clear the deficit.

Restricted building funds

Represents various building funds managed on a local and national level in relation to various building projects ongoing at specific individual assemblies.

Other restricted funds

Represents various restricted income and expenditure items managed on a local level at specific individual assemblies.

22. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	**Total Funds 2023 £**
Tangible fixed assets	11,612,909	906,529	**12,519,438**
Investments	130,005	–	**130,005**
Current assets	8,144,914	2,572,317	**10,717,231**
Creditors less than 1 year	(221,484)	–	**(221,484)**
Creditors greater than 1 year	(1,026,457)	–	**(1,026,457)**
Defined benefit pension	(1,103,000)	–	**(1,103,000)**
Net assets	17,536,887	3,478,846	**21,015,733**

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Tangible fixed assets	9,409,817	915,278	10,325,095
Investments	136,941	–	136,941
Current assets	10,078,172	2,676,069	12,754,241
Creditors less than 1 year	(148,906)	–	(148,906)
Creditors greater than 1 year	(1,117,171)	–	(1,117,171)
Defined benefit pension	(1,846,000)	–	(1,846,000)
Net assets	16,512,853	3,591,347	20,104,200

23. Financial instruments

The carrying amount for each category of financial instrument is as follows:

	2023 £	2022 £
Financial assets measured at fair value through income and expenditure		
Listed investments	**130,005**	136,941

The fair values of the listed investments are determined by reference to the quoted market price.

The remaining financial assets and financial liabilities of the Charity qualify as basic financial instruments. These are initially recognised in the Statement of Financial Position at transaction value and subsequently measured at their settlement value.

24. Analysis of changes in net debt

	At 1 Apr 2022 £	Cash flows £	**At 31 Mar 2023 £**
Cash at bank and in hand	12,690,209	(1,985,103)	**10,705,106**
Debt due within one year	(93,308)	7,577	**(85,731)**
Debt due after one year	(1,117,171)	90,714	**(1,026,457)**
	11,479,730	(1,886,812)	**9,592,918**

THE APOSTOLIC CHURCH

England & Wales - Charity number 284789

Accounts

CHARITY REGISTRATION NUMBER: 284789
OSCR REGISTRATION NUMBER: SC037835

The Apostolic Church

Financial Statements

31 March 2022

BURGESS HODGSON LLP
Chartered accountants & statutory auditor
Camburgh House
27 New Dover Road
Canterbury
Kent
CT1 3DN

The Apostolic Church

Financial Statements

Year ended 31 March 2022

	Page
Trustees' annual report	1
Independent auditor's report to the members	8
Statement of financial activities	12
Statement of financial position	13
Statement of cash flows	14
Notes to the financial statements	15

The Apostolic Church

Trustees' Annual Report

Year ended 31 March 2022

The trustees present their report and the financial statements of the charity for the year ended 31 March 2022.

Introduction

I am delighted to present on behalf of the Trustees of the charity (The Apostolic Church UK) their report for the period 1st April 2021 to 31st March 2022.

It's fair to say that the worldwide Covid-19 Pandemic significantly impacted our day-to-day operations. Many activities of local churches were conducted online until the relaxing of lockdown rules in early 2022. Looking back, we now see that most churches have emerged relatively intact, and some even grew stronger. However, there were some casualties, and some assemblies closed. Remarkably, our church planting program progressed and this has meant that we have also gained, which is incredible in the light of unprecedented difficulties, and we give thanks to God.

The pandemic was a steep learning curve on so many levels, reinforcing our awareness of the organisation's need to invest heavily in restructuring itself so as to advance fully into the new post-pandemic world.

In the following pages, the trustees seek to outline a picture of the national church at work from April 2021 to March 2022. We do so with grateful hearts to God for His faithfulness to His people for their labours in His Name and for His Glory.

Rev J Parker
National Leader

The Apostolic Church

Trustees' Annual Report *(continued)*

Year ended 31 March 2022

Reference and administrative details

Registered charity name	The Apostolic Church
Charity registration number	284789
Principal office	105 Crystal House New Bedford Road Luton LU1 1HS
The trustees	
	Rev P Howells Rev A Matheson Rev D Bird Rev C Hopkins Rev I Parker Rev S Taylor
Auditor	Burgess Hodgson LLP Chartered accountants & statutory auditor Camburgh House 27 New Dover Road Canterbury Kent CT1 3DN
Bankers	The Royal Bank of Scotland PLC 13-14 Walter Road Swansea SA1 5NG Barclays Bank (UK) PLC Luton George Street 2 Leicester LE87 2BB
Solicitors	Waldrons Wychbury Court Brierley Hill DY5 1TA Quinn Legal The Beacon 176 St Vincent Street Glasgow G2 5SG

Structure, governance and management

The charity is an unincorporated organisation governed by a constitution, the last amendment of which was approved in 2018.

The activities of the charity are overseen by trustees, appointed for a period consistent with that of the National Leader. Trustees carry responsibility for spiritual life of the church as well as the business and financial activities that undergird its ministry. The range of activities is extensive, the geographical reach is vast, and the level of complexity increases year by year.

The trustees are supported by the ministry of apostolic leaders who share the spiritual burden of leadership, and a team responsible for the administrative and financial business of the charity.

The trustees are reviewing if the present unincorporated structure is the most appropriate legal structure to service the very diverse requirements of the church. A great deal of work has been done to progress this and we are grateful to the team of gifted and skilled individuals that do so diligently.

The church functions as a single entity with diverse expressions throughout the country. The diversity of expression is determined by the skillsets of the leaders and people, the nature of the community which a local church may serve and the extent to which they are able to use their available resources.

Local churches relate to each other through an apostolic leader of their choice and relate to the national entity by means of a range of reporting features that take account of key business and administrative indicators.

Each local church, though it is empowered to be creative and innovative, even unique in its expression, remains committed to a single task, that of communicating the Gospel to its community and seeking to disciple believers towards Christian maturity.

The church at national level, through is leadership functions remains responsible for accrediting ministers, reviewing performance, making appointments, developing policy, managing our property portfolio, overseeing staff, legal issues, maintaining corporate standards and determining, shaping and monitoring our financial and business practices, etc.

Public Benefit

The Church conducts its activities in the belief that it serves a public benefit by virtue of its mission to advance the Christian faith and relieve suffering and that its activities meet the Charity Commission's guidance in respect of Public Benefit.

Objectives and activities

The charity (the church) exists as a legal entity in which the church conducts its legal affairs as it seeks to fulfil its missional mandate in the UK and beyond.

In human terms, leadership is paramount and the church seeks to prepare, encourage and support leaders as they seek to bring the ministry of Christ to various villages, towns and cities across the UK.

The church is made up of many congregations, each with its own mission field, and each with its resources and strengths. Our key strategy is to provide a support mechanism for leaders as they seek to support those they lead. Mission drift is always possible and the church endeavours to state and restate its primary purpose so that any drift is arrested early.

The primary objective of the church is to reveal Christ to the nation through a network of local churches. Our primary activities are those associated with the local church; praying, preaching, worshipping, learning, serving, and witnessing in many ways. The church will, in addition, advocate for the wellbeing of the poor and disadvantaged, care for the sick and lonely, address issues that may have social and/or political relevance. The church will seek to use the platform provided by the Gospel to to communicate Christ to the nation.

Achievements and performance

During this year, we have progressed on our restructuring journey to a Charitable Incorporated Organisation (CIO) and endeavoured to progress in the following missional areas: church planting, safeguarding structures and training, and inclusion, in the form of setting up a Unity and Diversity forum. The extensive research undertaken by the Unity and Diversity forum, established in 2020, has reinforced our awareness of the need for The Apostolic Church UK (ACUK) to be an intergenerational and culturally diverse community. The trustees are committed to pursuing this with passion, determination and intentionality. ACUK has set a course for healing, educating, mitigating and training so we might engage with renewed vigour with the world's under-served peoples and regions, with the gospel of Jesus Christ in both word and deed.

Financially, we were faced with three options: remain unchanged (not an option), ask local churches to increase their contribution to central costs, or find alternative income streams to fund our additional missions and governance activities.

In light of the economic climate, we did not feel local churches could carry increased costs, so the latter was the only plausible option. ACUK has been working hard to carefully look over the charity's assets to see if there are opportunities to generate additional revenue.

During the pandemic, we have sought to increase support for local churches, without additional cost to them, in the following areas:

o Help with risk assessments for churches that needed to return to in-person services

o The appointment of an operations director

o Leadership and Development Training courses - Academy, Baton, GROW and Next Sessions

o Church Planting training, support and enabling

o Youth Workers

o Children's Workers

o Safeguarding Training

o Information Technology

o Planning conferences and gatherings for re-establishing connections and networking

Overseas Trips and field development

Overseas trips were cancelled and postponed in 2021 due to the ongoing uncertainties and travel restrictions associated with the Covid-19 Pandemic, except for a few trips made according to regulations in force at the time. However, as with the rest of the world, international connections continued through virtual platforms such as Zoom and Teams. During the pandemic we began work on a new online training course, "GROW", working with churches in South-East Asia. The GROW course has enabled reach and influence in our Asia network to continue flourishing despite the pandemic's immense challenges.

We have invested in developing our online platforms to strengthen internal and external communications, including reviewing how we communicate generally. We realise what a huge task this is, and recognise the need for further resource and expertise in this area.

Partners

One of the positive effects of the lockdown and restrictions was that our networking opportunities multiplied and like-minded partners reached out to one another. This year, we have significantly strengthened our relationships with the European and Worldwide Apostolic Church and our interdenominational links. These partnerships will be vital as together we will be stronger, go further and achieve far greater.

Financial review

The trustees report that the accounts for the year ended 31 March 2022 show a surplus of £879,440 (2021: £908,978). This is stated after the actuarial gains of £228,000 (2021: £115,000 losses) incurred on the defined benefit pension schemes. The church had healthy year end reserves of £20,104,200 (2021: £19,224,760).

The trustees are content that whilst there may be some local difficulties in some local churches the church overall is able to meet its obligations, make provision for reserves, achieve a small surplus and ensure that as much income as possible remains available for local churches to conduct their ministry in and from their local communities.

Reserves policy

The trustees oversee a policy of building national reserves and are content that this process is under way. The trustees acknowledge that this a process of contact building and are working towards a goal where both local churches and the national church have adequate financial reserves which can be called upon when necessary.

Investment policy

The Church's policy is to hold excess funds and reserves in cash, short and medium-term investments. As has been the case for some time, properties which are surplus to requirements, are sold. The proceeds of the sale of manses are used to meet our historical obligations. Others are used to strengthen and enhance the ministry locally and nationally.

Risk management

The Trustees regularly review the risks faced by the Church as it conducts its various events and activities. Risk is managed by developing and implementing policies in respect of major risks associated with people and property management. People-related risks are managed through policies like DBS registration, safeguarding and data protection. In addition, our approach to supervision and management of leaders and workers who relate to people is critical in cultivating a low-risk environment.

Our property management policies include appropriate caretaking and security of buildings, and a range of appropriate insurance arrangements to cover foreseeable risks.

Plans for future periods

We see many opportunities for the gospel and are preparing to meet these by restructuring in a way that will enable us to separate the roles of spiritual leadership and governance. It will also allow us to increase our pool of expertise and the diversity of the organisational structure. This restructuring will be in the form of a move from an unincorporated organisation, in which the spiritual leaders (National Leadership Team) are, by default, the trustees, to an incorporated one, in which the roles are separated. We are working towards our ambition of achieving this by 1st April 2023. Currently we are looking at the implications for HR, Pensions, banking, property and future legacies.

Trustees' responsibilities statement

The trustees are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England, Wales and Scotland requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, of the charity for that period.

In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, Charities and Trustees Investments (Scotland) Act 2005, the Charity Accounts (Scotland) Regulations 2006 (as amended), and the provisions of the Trust Deed. 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.

The trustees' annual report was approved on 12th/12/2022 and signed on behalf of the board of trustees by:

Rev I Parker
National Leader

The Apostolic Church

Independent Auditor's Report to the Members of The Apostolic Church

Year ended 31 March 2022

Opinion

We have audited the financial statements of The Apostolic Church (the 'charity') for the year ended 31 March 2022 which comprise the statement of financial activities, statement of financial position, statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 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;
- have been prepared in accordance with the requirements of the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

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

Conclusions relating to going concern

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

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

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

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. 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Matters on which we are required to report by exeption

We have nothing to report in respect of the following matters where the Charities Act 2011 and the Charity Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- the information given in the trustees' report is inconsistent in any material respect with the financial statements; or
- proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and the returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's 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 an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we have considered; the nature of the industry, control environment and business performance with particular reference to the Company's remuneration policies, key drivers for directors' remuneration, bonus levels and performance targets.

Throughout the audit testing we are considering the incentives that may exist within the organisation for fraud. Key areas include timing of recognising income around the year end, posting of unusual journals and manipulating the Company's performance measures to meet targets. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We ensure we have an understanding of the relevant laws and regulations and remain alert to possible non-compliance throughout the audit. Despite proper planning and audit work in accordance with auditing standards there are inherent limitations and unavoidable risk that we may not detect some irregularities and material misstatements in the financial statements. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.

- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charity's members, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act, and Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Burgess Hodgson LLP
12th December 2022

Robert Field FCA CTA (Senior Statutory Auditor)

For and on behalf of
Burgess Hodgson LLP
Chartered accountants & statutory auditor
Camburgh House
27 New Dover Road
Canterbury
Kent
CT1 3DN

The Apostolic Church

Statement of Financial Activities

Year ended 31 March 2022

	Note	2022 Unrestricted funds £	2022 Restricted funds £	2022 Total funds £	2021 Total funds £
Income and endowments					
Charitable activities	**4**	4,535,302	347,849	**4,883,151**	4,319,894
Investment income	**5**	257,811	–	**257,811**	184,868
Other income	**6**	401,778	–	**401,778**	906,446
Total income		5,194,891	347,849	**5,542,740**	5,411,208
Expenditure					
Expenditure on charitable activities	**7,8**	4,182,368	704,444	**4,886,812**	4,395,669
Total expenditure		4,182,368	704,444	**4,886,812**	4,395,669
Net (losses)/gains on investments	**10**	(4,488)	–	**(4,488)**	8,439
Net income		1,008,035	(356,595)	**651,440**	1,023,978
Other recognised gains and losses					
Actuarial gains/(losses) on defined benefit pension schemes		228,000	–	**228,000**	(115,000)
Net movement in funds		1,236,035	(356,595)	**879,440**	908,978
Reconciliation of funds					
Total funds brought forward		15,577,499	3,647,261	**19,224,760**	18,315,782
Total funds carried forward		16,813,534	3,290,666	**20,104,200**	19,224,760

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 15 to 30 form part of these financial statements.

The Apostolic Church

Statement of Financial Position

31 March 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible fixed assets	15	**10,325,095**	10,994,116
Investments	16	**136,941**	141,429
		10,462,036	11,135,545
Current assets			
Debtors	17	**64,032**	12,727
Cash at bank and in hand		**12,690,209**	11,915,802
		12,754,241	11,928,529
Creditors: amounts falling due within one year	18	**148,906**	190,863
Net current assets		**12,605,335**	11,737,666
Total assets less current liabilities		**23,067,371**	22,873,211
Creditors: amounts falling due after more than one year	19	**1,117,171**	1,345,451
Net assets excluding defined benefit pension plan liability		**21,950,200**	21,527,760
Defined benefit pension plan liability	20	**1,846,000**	2,303,000
Net assets including defined benefit pension plan liability		**20,104,200**	19,224,760
Funds of the charity			
Restricted funds		**3,591,347**	3,647,261
Unrestricted funds:			
Defined benefit pension reserve		**(1,846,000)**	(2,303,000)
Other unrestricted income funds		**18,358,853**	17,880,499
Total unrestricted funds		**16,512,853**	15,577,499
Total charity funds	21	**20,104,200**	19,224,760

These financial statements were approved by the board of trustees and authorised for issue on ...12.12.2022... and are signed on behalf of the board by:

Rev I Parker
National Leader

The notes on pages 15 to 30 form part of these financial statements.

The Apostolic Church

Statement of Cash Flows

Year ended 31 March 2022

	2022 £	2021 £
Cash flows from operating activities		
Net income	**651,440**	1,023,978
Adjustments for:		
Depreciation of tangible fixed assets	**97,983**	95,107
Net (losses)/gains on investments	**4,488**	(8,439)
Dividends, interest and rents from investments	**(257,811)**	(184,868)
Interest payable and similar charges	**76,777**	96,820
Gains on disposal of tangible fixed assets	**(280,421)**	(444,482)
Defined benefit pension plan employer contributions	**(296,000)**	(249,000)
Accrued expenses/(income)	**3,603**	(715)
Changes in:		
Trade and other debtors	**(51,305)**	360,315
Trade and other creditors	**(13,565)**	(937)
Cash generated from operations	**(64,811)**	687,779
Interest paid	**(9,777)**	(11,820)
Net cash (used in)/from operating activities	**(74,588)**	675,959
Cash flows from investing activities		
Dividends, interest and rents from investments	**257,811**	184,868
Purchase of tangible assets	**(106,433)**	(114,284)
Proceeds from sale of tangible assets	**957,892**	1,075,774
Proceeds from sale of other investments	**–**	440,000
Net cash from investing activities	**1,109,270**	1,586,358
Cash flows from financing activities		
Proceeds from borrowings	**(260,275)**	(50,336)
Net cash used in financing activities	**(260,275)**	(50,336)
Net increase in cash and cash equivalents	**774,407**	2,211,981
Cash and cash equivalents at beginning of year	**11,915,802**	9,703,821
Cash and cash equivalents at end of year	**12,690,209**	11,915,802

The notes on pages 15 to 30 form part of these financial statements.

The Apostolic Church

Notes to the Financial Statements

Year ended 31 March 2022

1. General information

The charity is a public benefit entity and a registered charity in England, Wales and Scotland and is unincorporated. The address of the principal office is Suite 105, Crystal House, New Bedford Road, Luton, LU1 1HS.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Charities Act 2011, Charities and Trustee Investment (Scotland) Act 2005 and the Charity Accounts (Scotland) Regulations 2006 (as amended).

3. Accounting policies

Basis of preparation

Fund Accounting

General funds are unrestricted funds which are available for use at the discretion of the Finance Committee in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Finance Committee for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Going concern

Based on the charity's current financial position and ongoing nature of its activities there are no material uncertainties about the charity's ability to continue.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

3. Accounting policies *(continued)*

Judgements and key sources of estimation uncertainty *(continued)*

Significant judgements

The judgements (apart from those involving estimations) that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements are as follows:

Control of assembly assets and funds

The Trustees delegate powers for local authority to local Pastors and Leading Elders in relation to various matters including day to day financial control, however the assets and funds held by the local assemblies are all controlled by the Church as a whole and incorporated into the Financial Statements.

Key sources of estimation uncertainty

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

- Legacy income

The Charity recognises legacy income when the receipt is probable and the entitlement has been established. Estimates of legacy income due are based on correspondence received from solicitors acting on behalf of estates where a legacy payment to the Charity is notified during the year.

- Impairment of fixed assets

The Charity considers whether assets held are impaired. Where an indication of impairment is identified the estimation of recoverable value requires estimation of the recoverable value. The Trustees evaluate this based on available evidence and reports from relevant experts as appropriate.

- Investment valuation

The Charity carries investments held at Market Value. The valuation of fixed asset investment properties has to be estimated and the Trustees base their estimates on expert valuations and market conditions. Listed investments are valued based on their listed market values.

- Defined benefit pension scheme

The Charity has obligations to pay pension benefits to certain employees. The cost of these benefits and the present value of the obligation depend on a number of factors, including; life expectancy, asset valuations and the discount rate on investments. Management estimates these factors in determining the net pension obligation in the balance sheet. The assumptions reflect historical experience and current trends.

3. **Accounting policies** *(continued)*

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Tangible assets

All fixed assets are initially recorded at cost. Certain properties are carried at amounts relating to historical insured values. Capital expenditure of less than £5,000 is treated as revenue expenditure.

3. **Accounting policies** *(continued)*

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Freehold property	-	167/50 years straight line
Long leasehold property	-	50 years straight line
Fixtures and fittings	-	20% straight line

Investments

Unlisted equity investments are initially recorded at cost, and subsequently measured at fair value. If fair value cannot be reliably measured, assets are measured at cost less impairment.

Listed investments are measured at fair value with changes in fair value being recognised in income or expenditure.

Investment property

Investment properties are initially measured at cost including any transaction costs, and are revalued to fair value at each year end.

No depreciation is charged against any investment properties held.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

3. Accounting policies *(continued)*

Financial instruments

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Defined benefit plans

The company recognises a defined net benefit pension asset or liability in the statement of financial position as the net total of the present value of its obligations and the fair value of plan assets out of which the obligations are to be settled. The defined benefit liability is measured on a discounted present value basis using a rate determined by reference to market yields at the reporting date on high quality corporate bonds. Defined benefit obligations and the related expenses are measured using the projected unit credit method. Plan surpluses are recognised as a defined benefit asset only to the extent that the surplus is recoverable either through reduced contributions in the future or through refunds from the plan.

Changes in the net defined benefit asset or liability arising from employee service are recognised in income or expenditure as a current service cost where it relates to services in the current period and as a past service cost where it relates to services in prior periods. Costs relating to plan introductions, benefit changes, curtailments and settlements are recognised in income or expenditure in the period in which they occur.

Net interest is determined by multiplying the net defined benefit liability by the discount rate, both as determined at the start of the reporting period, taking account of any changes in the net defined benefit liability during the period as a result of contribution and benefit payments. Net interest is recognised in income or expenditure.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

4. Charitable activities

	Unrestricted Funds £	Restricted Funds £	**Total Funds 2022 £**
Donations, giving and similar income	4,132,921	42,097	**4,175,018**
Legacy income	105,062	–	**105,062**
Fundraising for buildings	–	87,807	**87,807**
Other charitable activity	297,319	216,685	**514,004**
Conference income	–	1,260	**1,260**
	4,535,302	347,849	**4,883,151**

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Donations, giving and similar income	3,822,944	54,560	3,877,504
Legacy income	56,936	–	56,936
Fundraising for buildings	–	103,097	103,097
Other charitable activity	180,959	100,118	281,077
Conference income	–	1,280	1,280
	4,060,839	259,055	4,319,894

5. Investment income

	Unrestricted Funds £	**Total Funds 2022 £**	Unrestricted Funds £	Total Funds 2021 £
Property income	254,595	**254,595**	177,805	177,805
Investment income and interest received	3,216	**3,216**	7,063	7,063
	257,811	**257,811**	184,868	184,868

6. Other income

	Unrestricted Funds £	**Total Funds 2022 £**	Unrestricted Funds £	Total Funds 2021 £
Gain on disposal of tangible fixed assets held for charity's own use	280,421	**280,421**	444,482	444,482
Job retention scheme grant	121,357	**121,357**	461,964	461,964
	401,778	**401,778**	906,446	906,446

7. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	**Total Funds 2022 £**
Missionary	28,828	342,778	**371,606**
Ministerial	2,791,453	170,819	**2,962,272**
Other	199,479	190,847	**390,326**
Church admin	164,533	–	**164,533**
Support costs	998,075	–	**998,075**
	4,182,368	704,444	**4,886,812**

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Missionary	19,170	250,621	269,791
Ministerial	2,652,170	151,721	2,803,891
Other	172,521	86,811	259,332
Church admin	158,642	–	158,642
Support costs	904,013	–	904,013
	3,906,516	489,153	4,395,669

8. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	**Total funds 2022 £**	Total fund 2021 £
Missionary	371,606	–	**371,606**	269,791
Ministerial	2,962,272	790,073	**3,752,345**	3,497,807
Other	390,326	–	**390,326**	259,332
Church admin	164,533	–	**164,533**	158,642
Governance costs	–	208,002	**208,002**	210,097
	3,888,737	998,075	**4,886,812**	4,395,669

Apportionment of costs between activity types has been allocated on an actual basis.

9. Analysis of support costs

	Missionary £	Ministerial £	Other £	Church admin £	**Total 2022 £**	Total 2021 £
Staff costs	–	469,760	–	–	**469,760**	435,667
Premises	–	239,090	–	–	**239,090**	187,193
Finance costs	–	9,777	–	–	**9,777**	11,820
Governance costs	18,009	143,555	38,464	7,974	**208,002**	210,097
Other expenses	–	69,926	–	–	**69,926**	57,843
Travel and accommodation	–	1,520	–	–	**1,520**	1,393
	18,009	933,628	38,464	7,974	**998,075**	904,013

9. Analysis of support costs *(continued)*

Support costs above relate to specifically identifiable support activities.

10. Net (losses)/gains on investments

	Unrestricted Funds	**Total Funds 2022**	Unrestricted Funds	Total Funds 2021
	£	**£**	£	£
Gains/(losses) on listed investments	(4,488)	**(4,488)**	8,439	8,439

11. Net income

Net income is stated after charging/(crediting):

	2022	2021
	£	£
Depreciation of tangible fixed assets	**97,983**	95,107
Gains on disposal of tangible fixed assets	**(280,421)**	(444,482)

12. Auditors remuneration

	2022	2021
	£	£
Fees payable for the audit of the financial statements	**23,000**	22,500

13. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2022	2021
	£	£
Wages and salaries	**2,251,067**	2,315,342
Employer contributions to pension plans	**76,649**	68,615
	2,327,716	2,383,957

The average head count of employees during the year was 127 (2021: 133). The average number of full-time equivalent employees during the year is analysed as follows:

	2022	2021
	No.	No.
Number of staff	**86**	93

No employee received employee benefits of more than £60,000 during the year (2021: Nil).

14. Trustee remuneration and expenses

Payments to Trustees

No remuneration was paid to any individual in connection with their services as Trustee.

The remuneration payments made relate entirely to the work carried out as full or part time pastors of churches in line with the standard fees authorised by the charity's governing document. The level of salary received is independently determined by the local church leadership team in line with the guidance issued by the Finance Committee and salary review board. There is a weighting according to geographic location and congregation size.

The Charity also makes pension contributions as part of the defined contribution pension scheme in place. The totals paid to Trustees in relation to their roles as ministers were as follows:

Gross Salary

	2022	2021
	£	£
P Howells	23,243	23,013
A Matheson	39,471	33,028
C Hopkins	38,141	38,619
I Parker	34,000	32,700
S Taylor	39,866	39,660
	174,721	**167,020**

Employer Pension Contributions

	2022	2021
	£	£
P Howells	2,253	2,231
A Matheson	3,758	3,153
C Hopkins	3,683	1,132
I Parker	959	950
S Taylor	3,858	3,810
	14,511	**11,276**

In addition to the above payments, certain Trustees are provided with living accommodation by reason of their employment as pastors. This is in line with customary practice for ministers of religion to enable their duties to be better performed. Those who are not provided with living accommodation receive a housing allowance as part of their salary in lieu of the church providing a manse. The housing allowances are included in the gross salaries above.

Reimbursed expenses

The following expenses were reimbursed during the year:

	2022	2021
	£	£
P Howells	982	110
A Matheson	111	231
C Hopkins	329	-
I Parker	2,695	528
S Taylor	626	98
D Bird	-	1,350
	4,743	**2,317**

15. Tangible fixed assets

	Freehold property £	Long leasehold property £	Fixtures and fittings £	Total £
Cost				
At 1 April 2021	11,975,845	128,927	472,229	**12,577,001**
Additions	89,165	–	17,268	**106,433**
Disposals	(976,300)	–	(7,289)	**(983,589)**
At 31 March 2022	11,088,710	128,927	482,208	**11,699,845**
Depreciation				
At 1 April 2021	1,122,951	7,393	452,541	**1,582,885**
Charge for the year	82,356	2,579	13,048	**97,983**
Disposals	(298,829)	–	(7,289)	**(306,118)**
At 31 March 2022	906,478	9,972	458,300	**1,374,750**
Carrying amount				
At 31 March 2022	10,182,232	118,955	23,908	**10,325,095**
At 31 March 2021	10,852,894	121,534	19,688	10,994,116

On transition to FRS102 the assets have been included in the financial statements on a historic cost basis.

Certain property additions incurred by the assemblies between 1992 and 2010 are not included within the accounts as the accounts prepared during these years did not include the income and expenditure for the assembly data.

16. Investments

	Listed investments £
Cost or valuation	
At 1 April 2021	**141,429**
Additions	**–**
Fair value movements	**(4,488)**
At 31 March 2022	**136,941**
Impairment	
At 1 April 2021 and 31 March 2022	
Carrying amount	
At 31 March 2022	**136,941**
At 31 March 2021	141,429

All investments shown above are held at valuation.

16. Investments *(continued)*

Financial assets held at fair value

Listed investments

Fair value adjustments are processed in respect of the listed investments every 6 months in line with a report issued from the broker.

17. Debtors

	2022	2021
	£	£
Prepayments and accrued income	**1,957**	12,656
Other debtors	**62,075**	71
	64,032	12,727

18. Creditors: amounts falling due within one year

	2022	2021
	£	£
Bank loans and overdrafts	**93,308**	125,303
Accruals and deferred income	**55,023**	51,420
Social security and other taxes	**–**	54
Other creditors	**575**	14,086
	148,906	190,863

19. Creditors: amounts falling due after more than one year

	2022	2021
	£	£
Bank loans and overdrafts	**1,117,171**	1,345,451

Various bank loans are secured against properties held by the Church throughout the UK.

20. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £76,649 (2021: £68,615).

20. Pensions and other post retirement benefits *(continued)*

Defined benefit plans

The charity operates two defined benefit pension schemes:

- The Apostolic Church Unfunded 6/7th Scheme (the "Unfunded Scheme")
- The Apostolic Church Staff Pension Scheme (the "Funded Scheme")

Unfunded Scheme

This is an informal top up pension arrangement providing benefits based on a standard minimum fee and reduced for other pension income received by the individual. Under the scheme, the employees are entitled to retirement benefits on reaching retirement age. There are no scheme assets held separately from those of the charity. The scheme is closed to new members. Spouses of the former employees are also entitled to the same level of benefit upon the death of the former employee within the scheme.

Pensions are paid to the beneficiaries on a monthly basis directly from the charity's assets. The value of the liabilities at the reporting date has been determined on a member by member basis based on data used by the previous actuary in preparing last year's disclosures and with allowance for member movements over the year. A valuation of the scheme has been carried out as at 31 March 2022 by a qualified independent actuary.

Funded Scheme

This scheme provides members with pensions in retirement and death benefits. Pension benefits are linked to a member's final salary and their length of service, at 30 June 2005 or earlier date of leaving. Since 30 June 2005 the Funded Scheme has been closed to new employees.

The Funded Scheme is a registered scheme under UK legislation, is subject to the funding requirements outlined in this legislation and was contracted into the State Second Pension.

The Funded Scheme was established from 1 July 1981 under trust and is governed by the Funded Scheme's trust deed and rules. The charity is responsible for the operation and governance of the Funded Scheme, including making decisions regarding the Funded Scheme's funding and investment strategy.

The liabilities of the scheme shown below have been estimated by updating the results of this actuarial valuation to allow for the passage of time, benefits paid out of the scheme and changes in actuarial assumptions.

The statement of financial position net defined benefit liability is determined as follows:

	Unfunded Scheme		Funded Scheme		**Total**	
	2022	2021	**2022**	2021	**2022**	2021
	£	£	£	£	**£**	£
Present value of defined benefit obligations	(1,184,000)	(1,316,000)	(3,425,000)	(3,823,000)	**(4,609,000)**	(5,139,000)
Fair value of plan assets	–	–	2,763,000	2,836,000	**2,763,000**	2,836,000
	(1,184,000)	(1,316,000)	(662,000)	(987,000)	**(1,846,000)**	(2,303,000)

20. Pensions and other post retirement benefits *(continued)*

Changes in the present value of the defined benefit obligations are as follows:

	Unfunded Scheme £	Funded Scheme £	**Total £**
At 1 April 2021	1,316,000	3,823,000	**5,139,000**
Interest expense	19,000	71,000	**90,000**
Benefits paid	(112,000)	(176,000)	**(288,000)**
Remeasurements:			
Actuarial gains and losses	(39,000)	(293,000)	**(332,000)**
At 31 March 2022	1,184,000	3,425,000	**4,609,000**

Changes in the fair value of plan assets are as follows:

	Unfunded Scheme £	Funded Scheme £	**Total £**
At 1 April 2021	–	2,836,000	**2,836,000**
Interest income	–	54,000	**54,000**
Benefits paid	(112,000)	(176,000)	**(288,000)**
Contributions by employer	112,000	184,000	**296,000**
Administrative costs	–	(31,000)	**(31,000)**
Remeasurements:			
Return on plan assets, excluding amount included in interest income	–	(104,000)	**(104,000)**
At 31 March 2022	–	2,763,000	**2,763,000**

The total costs for the year in relation to defined benefit plans are as follows:

	Unfunded Scheme		Funded Scheme		**Total**	
	2022 £	2021 £	**2022** £	2021 £	**2022 £**	2021 £
Recognised in income or expenditure:						
Net interest expense	19,000	24,000	17,000	25,000	**36,000**	49,000
Administrative costs	–	–	31,000	36,000	**31,000**	36,000
	19,000	24,000	48,000	61,000	**67,000**	85,000
Recognised in other recognised gains and losses:						
Remeasurement of the liability:						
Actuarial gains and losses	(39,000)	223,000	(293,000)	275,000	**(332,000)**	498,000
Return on plan assets, excluding amounts included in net interest	–	–	104,000	383,000	**104,000**	383,000
	(39,000)	223,000	(189,000)	658,000	**(228,000)**	881,000

20. Pensions and other post retirement benefits *(continued)*

The fair value of the major categories of plan assets are as follows:

	Funded Scheme	
	2022	2021
	%	%
Cash and cash equivalents	7.75	5.50
Insured annuities percentage	21.17	23.73
Net current assets percentage	71.08	70.77

The return on plan assets are as follows:

	Funded Scheme	
	2022	2021
	£	£
Return on assets of benefit plan	(50,000)	439,000

The principal actuarial assumptions as at the statement of financial position date were:

	Unfunded Scheme		Funded Scheme	
	2022	2021	**2022**	2021
	%	%	%	%
Discount rate	2.50	1.50	2.60	1.90
Expected rate of increase in pensions	–	–	3.60	3.30
Inflation assumption	3.50	2.60	2.95	2.50
Mortality rates:				
Current pensioners at 65 - male	86.80	86.80	86.80	86.80
Current pensioners at 65 - female	89.10	89.10	89.10	89.10
Future pensioners at 65 - male	87.80	87.80	87.80	87.80
Future pensioners at 65 - female	90.30	90.20	90.30	90.20

21. Analysis of charitable funds

Unrestricted funds

	At 1 Apr 2021	Income	Expenditure	Transfers	Gains and losses	**At 31 Mar 2022**
	£	£	£	£	£	**£**
General funds	17,880,499	4,844,891	(4,061,368)	(300,681)	(4,488)	**18,358,853**
Defined benefit pension schemes	(2,303,000)	350,000	(121,000)	–	228,000	**(1,846,000)**
	15,577,499	5,194,891	(4,182,368)	(300,681)	223,512	**16,512,853**

	At 1 Apr 2020	Income	Expenditure	Transfers	Gains and losses	At 31 Mar 2021
	£	£	£	£	£	£
General funds	16,986,484	4,847,153	(3,765,516)	(196,061)	8,439	17,880,499
Defined benefit pension schemes	(2,352,000)	305,000	(141,000)	–	(115,000)	(2,303,000)
	14,634,484	5,152,153	(3,906,516)	(196,061)	(106,561)	15,577,499

21. Analysis of charitable funds *(continued)*

Restricted funds

	At 1 Apr 2021 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 Mar 2022 £
Missionary fund	–	42,097	(342,778)	300,681	–	–
Building funds	2,679,248	87,807	(170,819)	–	–	**2,596,236**
Other restricted income	968,013	217,945	(190,847)	–	–	**995,111**
	3,647,261	347,849	(704,444)	300,681	–	**3,591,347**

	At 1 Apr 2020 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 Mar 2021 £
Missionary fund	–	54,560	(250,621)	196,061	–	–
Building funds	2,727,872	103,097	(151,721)	–	–	2,679,248
Other restricted income	953,426	101,398	(86,811)	–	–	968,013
	3,681,298	259,055	(489,153)	196,061	–	3,647,261

Missionary fund

The missionary fund comprises restricted income which is related to missionary work under the Action Overseas banner, within the total fund are amounts attributable to specific ongoing projects. The Church has increased spending on missionary activities to increase awareness which has caused the fund to move into a deficit position. The trustees have decided to transfer funds from unrestricted reserves to clear the deficit.

Restricted building funds

Represents various building funds managed on a local and national level in relation to various building projects ongoing at specific individual assemblies.

Other restricted funds

Represents various restricted income and expenditure items managed on a local level at specific individual assemblies.

22. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	**Total Funds 2022 £**
Tangible fixed assets	9,409,817	915,278	**10,325,095**
Investments	136,941	–	**136,941**
Current assets	10,078,172	2,676,069	**12,754,241**
Creditors less than 1 year	(148,906)	–	**(148,906)**
Creditors greater than 1 year	(1,117,171)	–	**(1,117,171)**
Defined benefit pension	(1,846,000)	–	**(1,846,000)**
Net assets	16,512,853	3,591,347	**20,104,200**

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Tangible fixed assets	9,910,653	1,083,463	10,994,116
Investments	141,429	–	141,429
Current assets	9,364,731	2,563,798	11,928,529
Creditors less than 1 year	(190,863)	–	(190,863)
Creditors greater than 1 year	(1,345,451)	–	(1,345,451)
Defined benefit pension	(2,303,000)	–	(2,303,000)
Net assets	15,577,499	3,647,261	19,224,760

23. Financial instruments

The carrying amount for each category of financial instrument is as follows:

	2022 £	2021 £
Financial assets measured at fair value through income and expenditure		
Listed investments	**136,941**	141,429

The fair values of the listed investments are determined by reference to the quoted market price.

The remaining financial assets and financial liabilities of the Charity qualify as basic financial instruments. These are initially recognised in the Statement of Financial Position at transaction value and subsequently measured at their settlement value.

24. Analysis of changes in net debt

	At 1 Apr 2021 £	Cash flows £	**At 31 Mar 2022 £**
Cash at bank and in hand	11,915,802	774,407	**12,690,209**
Debt due within one year	(125,303)	31,995	**(93,308)**
Debt due after one year	(1,345,451)	228,280	**(1,117,171)**
	10,445,048	1,034,682	**11,479,730**

THE APOSTOLIC CHURCH

England & Wales - Charity number 284789

Accounts

CHARITY REGISTRATION NUMBER: 284789
OSCR REGISTRATION NUMBER: SC037835

The Apostolic Church

Financial Statements

31 March 2021

BURGESS HODGSON LLP
Chartered accountants & statutory auditor
Camburgh House
27 New Dover Road
Canterbury
Kent
CT1 3DN

The Apostolic Church

Financial Statements

Year ended 31 March 2021

	Page
Trustees' annual report	1
Independent auditor's report to the members	10
Statement of financial activities	14
Statement of financial position	15
Statement of cash flows	16
Notes to the financial statements	17

The Apostolic Church

Trustees' Annual Report

Year ended 31 March 2021

The trustees present their report and the financial statements of the charity for the year ended 31 March 2021.

Introduction

I am delighted to present on behalf of the trustees of the charity their report for the period 1 April 2020 to 31 March 2021.

The Apostolic Church has endured an unprecedented year in its history having radically adapted much of its working practice in the global pandemic. I can report that the charity continued to nurture, strengthen and even plant churches despite the great challenges. Adapting to fulfil the mandate of the head of the Church to "go and make disciples of all nations".

The charity has continued to serve communities throughout the United Kingdom in the COVID-19 crisis. For a number of assemblies, community expression increased to help alleviate the impact of the pandemic in their locality through initiatives like food banks, feeding stations, counselling and a myriad of creative and essential ways.

The challenges have been and continue to be great, but the trustees recognise that the opportunities are greater and believe the post COVID season to come present a remarkable window to intensify reach and influence in communities, sharing hope and direction to many struggling with the various effects of the pandemic.

Over the last twelve months the trustees have endeavoured to respond to the BLM movement, injustice and inequality through consultation and conversation and have commissioned a forum to survey the charity's leaders and members in order to respond and reform. We recognise that this process has taken time, however the outcome of the process should truly enhance our deep desire to be a house of "Unity in Diversity".

In the following pages, the trustees seek to outline a picture of the national church at work and does so with grateful hearts to God for His faithfulness and to His people for their labours in His Name and for His Glory.

Rev I Parker
National Leader

The Apostolic Church

Trustees' Annual Report *(continued)*

Year ended 31 March 2021

Reference and administrative details

Registered charity name	The Apostolic Church
Charity registration number	284789
Principal office	105 Crystal House New Bedford Road Luton LU1 1HS
The trustees	
	Rev P Howells Rev A Matheson Rev D Bird Rev C Hopkins Rev I Parker Rev S Taylor
Auditor	Burgess Hodgson LLP Chartered accountants & statutory auditor Camburgh House 27 New Dover Road Canterbury Kent CT1 3DN
Bankers	The Royal Bank of Scotland PLC 13-14 Walter Road Swansea SA1 5NG Barclays Bank (UK) PLC Luton George Street 2 Leicester LE87 2BB
Solicitors	Waldrons Wychbury Court Brierley Hill DY5 1TA Quinn Legal The Beacon 176 St Vincent Street Glasgow G2 5SG

Structure, governance and management

The charity is an unincorporated organisation governed by a constitution, the last amendment of which was approved in 2018.

The activities of the charity are overseen by trustees, appointed for a period consistent with that of the National Leader. Trustees carry responsibility for spiritual life of the church as well as the business and financial activities that undergird its ministry. The range of activities is extensive, the geographical reach is vast, and the level of complexity increases year by year. The trustees are supported by the ministry of apostolic leaders who share the spiritual burden of leadership, and a a team responsible for the administrative and financial business of the charity.

The trustees are reviewing if the present unincorporated structure is the most appropriate legal structure to service the very diverse requirements of the church

The church functions as a single entity with diverse expressions throughout the country. The diversity of expression is determined by the skillsets of the leaders and people, the nature of the community which a local church may serve and the extent to which they are able to use their available resources.

Local churches relate to each other through an apostolic leader of their choice and relate to the national entity by means of a range of reporting features that take account of key business and administrative indicators.

Each local church, though it is empowered to be creative and innovative, even unique in its expression, remains committed to a single task, that of communicating the Gospel to its community and seeking to disciple believers towards Christian maturity.

The church at national level, through is leadership functions remains responsible for accrediting ministers, reviewing performance, making appointments, developing policy, managing our property portfolio, overseeing staff, legal issues, maintaining corporate standards and determining, shaping and monitoring our financial and business practices, etc.

Public Benefit

The Church conducts its activities in the belief that it serves a public benefit by virtue of its mission to advance the Christian faith and relieve suffering and that its activities meet the Charity Commission's guidance in respect of Public Benefit.

Objectives and activities

The charity (the church) exists as a legal entity in which the church conducts its legal affairs as it seeks to fulfil its missional mandate in the UK and beyond.

In human terms, leadership is paramount and the church seeks to prepare, encourage and support leaders as they seek to bring the ministry of Christ to various villages, towns and cities across the UK.

The church is made up of many congregations, each with its own mission field, and each with its resources and strengths. Our key strategy is to provide a support mechanism for leaders as they seek to support those they lead. Mission drift is always possible and the church endeavours to state and restate its primary purpose so that any drift is arrested early.

The primary objective of the church is to reveal Christ to the nation through a network of local churches. Our primary activities are those associated with the local church; praying, preaching, worshipping, learning, serving, and witnessing in many ways. The church will, in addition, advocate for the wellbeing of the poor and disadvantaged, care for the sick and lonely, address issues that may have social and/or political relevance. The church will seek to use the platform provided by the Gospel to to communicate Christ to the nation.

Achievements and performance

The trustees acknowledge that the church continues to serve its mission in the United Kingdom in changing and challenging times. This year all our buildings were closed for public meetings and new innovative ways of serving our members and community needs needed to be found. To measure its progress, the trustees have access to some data that provides an insight into each location where the church has a presence. Data that is statistical and financial is helpful but are imperfect tools to measure activity. They do provide a point of beginning in our desire to understand how each church is doing. To this needs to be added an insight into the nature and context of each local setting, its challenges and the resources available to the local church.

Where strong local teams are built, this provides a great platform for the church to conduct its mission. The trustees are aware that there is strength in local churches throughout the UK.

In the Summer of 2019, Next Leadership Conference took place in Wolverhampton. This event proved to be of outstanding value in equipping, empowering and enabling leaders of all ability from right across the UK in their passion to advance the Kingdom.

The implementation of the new policy of the recognition of women as ascension ministries began in the autumn of 2019. The church, to date has duly fully recognised six women in their leadership capacity, with a number of others in training.

In September 2019, Ps Ivan Parker was appointed National Leader designate. Ps Tim Jack's four-year tenure was due to finish in May 2020. The planned period of transition was however cut short when the UK went into lockdown in March 2020. Ps Tim was forced to return to Australia before flights were suspended. As a national church we look back at Ps Tim's tenure with huge gratitude to God and to Ps Tim for the significance of Tim Jack's leadership through much transition and development, that brought significant momentum and growth to our movement.

Action Overseas

Action Overseas (AO) is the international "missions" agency that serves the church in the UK. The AO team deliver on behalf of the charity support and training to a number of nations we have partnered with for many years whilst venturing into new nations, breaking ground and forging relationships, and planting and establishing churches. This is in accordance with the Great Commission, understood by the church to be Jesus' command to share the Gospel around the world.

AO measures its progress by using the 2020 Vision, a goal to further reach into twenty nations (where we currently have no presence), planting 20,000 churches and making 200,000 disciples. The AO team seeks to engage and inspire local UK church members to pray, give and visit mission fields in various locations. From April 20 due to travel restrictions being imposed the majority of those working in this team have been furloughed and flexi-furloughed. This has obviously had an effect on mission activities and has meant reviewing and evaluating the way Action Overseas will engage with its missionary role in mission fields and inspiring and engaging local churches

International collaboration

Mission Pecs Hungary is the vision of one of the AO team, Nigel Bainbridge. He, his wife Rachel and their two adult children Emily and Joseph are relocating to Hungary in late 2021 to plant a new church in the City of Pecs. However, this isn't just a UK venture, it's in partnership with the Hungarian Apostolic Church also. This is the first of what we believe to be of many such collaborations across Europe and the wider world with Apostolic partners.

Liverpool

It is a delight to see the church plant at Liverpool continue in its journey of development, starting with a planting couple and progressing to reach to the local community in a range of activities and programmes. Rope Chapel (the church plant) has recently partnered with a Nigerian Apostolic Church

expression also based in Liverpool. This is an exciting development for both churches as they seek to reach the city of Liverpool together with the Good News of The Gospel.

Birmingham
We are pleased that our long-term efforts to release church planters to Birmingham are now in place and a couple are now established in the city. Once again collaboration has been key to the bedding down of our church planters. Kingdom partnerships are a priority for the Apostolic Church in the post-pandemic new season. We are confident that there are some great opportunities in large cities like Birmingham.

Training
We are aware of the great need for the wider church's ministry and influence in the UK in coming years. We are committed to the Apostolic Church fulfilling its missional mandate to extend the Kingdom of God through its influence as 'salt and light'. We understand that leadership is critical to the ongoing ministry of the church, both in its present and future. Accordingly, to complement the training of leaders that occurs in each local church, our national program of leadership training continues.

Our training platforms are the Baton Training Program, a high-level training program which operates under the leadership of Pastor Alistair Matheson. Baton trains emerging leaders and prepares them for the rigours of life as a leader both in the church and beyond.

The Leadership Academy provides training for emerging leaders and is built around AXX Global, a theological training program to which is added training in respect of leadership and the distinctive's associated with the Apostolic Church.

Both programs have continued to train despite the challenges of the restrictions due to the pandemic. It must be noted that many of our graduates are now involved in church planting or preparing for church planting.

Church Planting is an area we have invested in heavily and one dimension of that investment has been the creation of a Residency program based in Liverpool. This gives trainees the opportunity to live and work in a church plant scenario, whilst being trained, mentored and prepared to plant for themselves. I delighted that 2021's graduates are planting in London, and we are currently interviewing others for the residency intake for 2022.

Individuals will have successfully trained for leadership and ministry development either with Baton or Leadership Academy programs from 2017 to the end of the 2020 calendar year. Training opportunities in the local church remain a priority to the Apostolic Church, and are crucial to leadership and theological development for both local and national missional initiatives. We do so in order to address the entrepreneurial ministerial deficit, increase moment, extend reach and influence, both in the UK and the Nations.

National Youth
We remain committed to youth ministry being essential to the future of our movement of churches. Every local leader is expected to foster ministry to young people and endeavour to disciple young believers. The "National Youth Leader" has served as a resource to local pastors, youth leaders and the wider youth. However, it was felt that a redefining of the role to specifically come alongside youth leaders would deliver a greater impact.

The appointment of Ps Rachel Wellard as "National Youth Workers Director" has enabled the charity to specifically target the support, mentoring, developing and resourcing of youth leaders on the coal face. The creation of huddles for youth workers to network is one such initiative and we are already seeing the fruit of the strengthening of youth leaders.

Children's ministry
The church is committed to the next generation, and so not only have we invested in Youth leaders development we have also invested in Children's leaders and workers. The appointment of Ms. Marcia Ogunji has been a significant step to strengthening our church from the roots up. Children are not just the church of tomorrow, they are here today and deserve the best ministry we can deliver in order that we prepare them for the challenges ahead. Marcia's role exists to encourage and resource children's ministry in the various congregations around the country. We are thankful for those with who work tirelessly with children and young people at local level. We remain convinced that reaching young people for Christ is a great investment of our resources as it applies the focus and means to a demographic where, historically, more people come to Christ than any other age group.

National Conference Events
Due to Covid 19 we could not have a gathered conference. However, we were able to move the event online and have started regular online national events. This has been challenging and yet has afforded the opportunity to deliver world class conference speakers to encourage, equip and empower the church. Next Online delivers this bi-monthly and we recognise that not only has this served to support the UK church, but because it's online many have connected from around the world to take advantage of this innovation.

Staff, Leaders and People
The church is a 'people business' and we extend our appreciation to the many leaders and people who serve selflessly and tirelessly throughout the country. We are respectful and thankful for the variety of gifts and talents that are required to present the Gospel through many wide-ranging ministries.

Our trustees are thankful to our pastors, elders and local leaders. We convey appreciation to our various committees who oversee various areas of specific interest, and our untiring national office staff. We also acknowledge our missionaries to Malawi, Alan and Sandra Skene whose long and faithful service continues to bear amazing fruit.

Europe
We continue to play a role among the nations in Europe where the Apostolic Church has a presence. We note our particularly close association with the churches in France, Belgium, Italy, Ireland and Hungary and commit to our ongoing work of serving together to further establish the church in Spain, Portugal, Germany, Holland, Ukraine, Russia and other places where there are meaningful connections or prayerful aspirations.

Financial review

The trustees report that the accounts for the year ended 31 March 2021 show a surplus of £908,978 (2020: £702,236). This is stated after the actuarial losses of £115,000 (2020: £87,000) incurred on the defined benefit pension schemes. The church had healthy year end reserves of £19,224,760 (2020: £18,315,782).

The trustees are content that whilst there may be some local difficulties in some local churches the church overall is able to meet its obligations, make provision for reserves, achieve a small surplus and ensure that as much income as possible remains available for local churches to conduct their ministry in and from their local communities.

Due to church buildings being closed in places where income or the ability to work was considerably reduced and positions were no longer considered viable employees were placed on furlough using the Government's Job Retention Scheme.

Reserves policy

The trustees oversee a policy of building national reserves and are content that this process is under way. The trustees acknowledge that this a process of contact building and are working towards a goal where both local churches and the national church have adequate financial reserves which can be called upon when necessary.

Investment policy

The Church's policy is to hold excess funds and reserves in cash, short and medium-term investments. As has been the case for some time, properties which are surplus to requirements, are sold. The proceeds of the sale of manses are used to meet our historical obligations. Others are used to strengthen and enhance the ministry locally and nationally.

Risk management

The Trustees regularly review the risks faced by the Church as it conducts its various events and activities. Risk is managed by developing and implementing policies in respect of major risks associated with people and property management. People-related risks are managed through policies like DBS registration, safeguarding and data protection. In addition, our approach to supervision and management of leaders and workers who relate to people is critical in cultivating a low-risk environment.

Our property management policies include appropriate caretaking and security of buildings, and a range of appropriate insurance arrangements to cover foreseeable risks.

Plans for future periods

The Church is constant in its expectation that the church has a bright and positive future. It is evident that the church must change in changing times and its methods, structures, doctrines and culture must be rooted in Biblical understanding and expressed in ways appropriate to the various contexts in which it ministers. Fundamental to this understanding is that true apostolic leadership will support, enhance, strengthen and benefit each and every leader and all local churches.

We are conscious that our changing world abounds with opportunities to connect with other leaders and to plant and strengthen the church. We envisage this happening through the ministry of experienced leaders as well as young and developing leaders. Through our leaders, we seek to embrace the significant opportunities that are emerging at home and board.

Trustees' responsibilities statement

The trustees are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England, Wales and Scotland requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, of the charity for that period.

In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, Charities and Trustees Investments (Scotland) Act 2005, the Charity Accounts (Scotland) Regulations 2006 (as amended), and the provisions of the Trust Deed. 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.

The trustees' annual report was approved on Dec 7, 2021..... and signed on behalf of the board of trustees by:

Rev I Parker
National Leader

The Apostolic Church

Independent Auditor's Report to the Members of The Apostolic Church

Year ended 31 March 2021

Opinion

We have audited the financial statements of The Apostolic Church (the 'charity') for the year ended 31 March 2021 which comprise the statement of financial activities, statement of financial position, statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2021 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;
- have been prepared in accordance with the requirements of the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

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

Conclusions relating to going concern

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

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

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

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. 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Matters on which we are required to report by exeption

We have nothing to report in respect of the following matters where the Charities Act 2011 and the Charity Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- the information given in the trustees' report is inconsistent in any material respect with the financial statements; or
- proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and the returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's 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 an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we have considered; the nature of the industry, control environment and business performance with particular reference to the Company's remuneration policies, key drivers for directors' remuneration, bonus levels and performance targets.

Throughout the audit testing we are considering the incentives that may exist within the organisation for fraud. Key areas include timing of recognising income around the year end, posting of unusual journals and manipulating the Company's performance measures to meet targets. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We ensure we have an understanding of the relevant laws and regulations and remain alert to possible non-compliance throughout the audit. Despite proper planning and audit work in accordance with auditing standards there are inherent limitations and unavoidable risk that we may not detect some irregularities and material misstatements in the financial statements. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.

- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charity's members, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act, and Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Burgess Hodgson LLP

Robert Field FCA CTA (Senior Statutory Auditor) 7th December 2021.

For and on behalf of
Burgess Hodgson LLP
Chartered accountants & statutory auditor
Camburgh House
27 New Dover Road
Canterbury
Kent
CT1 3DN

The Apostolic Church

Statement of Financial Activities

Year ended 31 March 2021

	Note	2021 Unrestricted funds £	2021 Restricted funds £	2021 Total funds £	2020 Total funds £
Income and endowments					
Charitable activities	**4**	4,060,839	259,055	**4,319,894**	5,712,681
Investment income	**5**	184,868	–	**184,868**	310,840
Other income	**6**	906,446	–	**906,446**	171,503
Total income		5,152,153	259,055	**5,411,208**	6,195,024
Expenditure					
Expenditure on charitable activities	**7,8**	3,906,516	489,153	**4,395,669**	5,495,040
Total expenditure		3,906,516	489,153	**4,395,669**	5,495,040
Net gains on investments	**10**	8,439	–	**8,439**	2,252
Net income		1,254,076	(230,098)	**1,023,978**	702,236
Transfers between funds		(196,061)	196,061	–	–
Other recognised gains and losses					
Actuarial losses on defined benefit pension schemes		(115,000)	–	**(115,000)**	(87,000)
Net movement in funds		943,015	(34,037)	**908,978**	615,236
Reconciliation of funds					
Total funds brought forward		14,634,484	3,681,298	**18,315,782**	17,700,546
Total funds carried forward		15,577,499	3,647,261	**19,224,760**	18,315,782

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 17 to 33 form part of these financial statements.

The Apostolic Church

Statement of Financial Position

31 March 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible fixed assets	15	10,994,116	11,606,230
Investments	16	141,429	572,991
		11,135,545	12,179,221
Current assets			
Debtors	17	12,727	373,042
Cash at bank and in hand		11,915,802	9,703,821
		11,928,529	10,076,863
Creditors: amounts falling due within one year	18	190,863	182,721
Net current assets		11,737,666	9,894,142
Total assets less current liabilities		22,873,211	22,073,363
Creditors: amounts falling due after more than one year	19	1,345,451	1,405,581
Net assets excluding defined benefit pension plan liability		21,527,760	20,667,782
Defined benefit pension plan liability	20	2,303,000	2,352,000
Net assets including defined benefit pension plan liability		19,224,760	18,315,782
Funds of the charity			
Restricted funds		3,647,261	3,681,298
Unrestricted funds:			
Defined benefit pension reserve		(2,303,000)	(2,352,000)
Other unrestricted income funds		17,880,499	16,986,484
Total unrestricted funds		15,577,499	14,634,484
Total charity funds	21	19,224,760	18,315,782

These financial statements were approved by the board of trustees and authorised for issue on Dec 7, 2021....., and are signed on behalf of the board by:

Rev I Parker
National Leader

The notes on pages 17 to 33 form part of these financial statements.

The Apostolic Church

Statement of Cash Flows

Year ended 31 March 2021

	2021 £	2020 £
Cash flows from operating activities		
Net income	**1,023,978**	702,236
Adjustments for:		
Depreciation of tangible fixed assets	**95,107**	106,680
Net gains on investments	**(8,439)**	(2,252)
Dividends, interest and rents from investments	**(184,868)**	(310,840)
Interest payable and similar charges	**96,820**	101,593
Gains on disposal of tangible fixed assets	**(444,482)**	(171,503)
Defined benefit pension plan employer contributions	**(249,000)**	(245,000)
Accrued income	**(715)**	(14,228)
Changes in:		
Trade and other debtors	**360,315**	297,564
Trade and other creditors	**(937)**	(53,918)
Cash generated from operations	**687,779**	410,332
Interest paid	**(11,820)**	(20,593)
Net cash from operating activities	**675,959**	389,739
Cash flows from investing activities		
Dividends, interest and rents from investments	**184,868**	310,840
Purchase of tangible assets	**(114,284)**	(745,192)
Proceeds from sale of tangible assets	**1,075,774**	262,000
Proceeds from sale of other investments	**440,000**	–
Net cash from/(used in) investing activities	**1,586,358**	(172,352)
Cash flows from financing activities		
Proceeds from borrowings	**(50,336)**	(81,515)
Net cash used in financing activities	**(50,336)**	(81,515)
Net increase in cash and cash equivalents	**2,211,981**	135,872
Cash and cash equivalents at beginning of year	**9,703,821**	9,567,949
Cash and cash equivalents at end of year	**11,915,802**	9,703,821

The notes on pages 17 to 33 form part of these financial statements.

The Apostolic Church

Notes to the Financial Statements

Year ended 31 March 2021

1. General information

The charity is a public benefit entity and a registered charity in England, Wales and Scotland and is unincorporated. The address of the principal office is Suite 105, Crystal House, New Bedford Road, Luton, LU1 1HS.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Charities Act 2011, Charities and Trustee Investment (Scotland) Act 2005 and the Charity Accounts (Scotland) Regulations 2006 (as amended).

3. Accounting policies

Basis of preparation

Fund Accounting

General funds are unrestricted funds which are available for use at the discretion of the Finance Committee in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Finance Committee for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Going concern

Based on the charity's current financial position and ongoing nature of its activities there are no material uncertainties about the charity's ability to continue.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

3. Accounting policies *(continued)*

Judgements and key sources of estimation uncertainty *(continued)*

Significant judgements

The judgements (apart from those involving estimations) that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements are as follows:

Control of assembly assets and funds

The Trustees delegate powers for local authority to local Pastors and Leading Elders in relation to various matters including day to day financial control, however the assets and funds held by the local assemblies are all controlled by the Church as a whole and incorporated into the Financial Statements.

Key sources of estimation uncertainty

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

- Legacy income

The Charity recognises legacy income when the receipt is probable and the entitlement has been established. Estimates of legacy income due are based on correspondence received from solicitors acting on behalf of estates where a legacy payment to the Charity is notified during the year.

- Impairment of fixed assets

The Charity considers whether assets held are impaired. Where an indication of impairment is identified the estimation of recoverable value requires estimation of the recoverable value. The Trustees evaluate this based on available evidence and reports from relevant experts as appropriate.

- Investment valuation

The Charity carries investments held at Market Value. The valuation of fixed asset investment properties has to be estimated and the Trustees base their estimates on expert valuations and market conditions. Listed investments are valued based on their listed market values.

- Defined benefit pension scheme

The Charity has obligations to pay pension benefits to certain employees. The cost of these benefits and the present value of the obligation depend on a number of factors, including; life expectancy, asset valuations and the discount rate on investments. Management estimates these factors in determining the net pension obligation in the balance sheet. The assumptions reflect historical experience and current trends.

3. Accounting policies *(continued)*

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Tangible assets

All fixed assets are initially recorded at cost. Certain properties are carried at amounts relating to historical insured values. Capital expenditure of less than £5,000 is treated as revenue expenditure.

3. Accounting policies *(continued)*

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Freehold property	-	167/50 years straight line
Long leasehold property	-	50 years straight line
Fixtures and fittings	-	20% straight line

Investments

Unlisted equity investments are initially recorded at cost, and subsequently measured at fair value. If fair value cannot be reliably measured, assets are measured at cost less impairment.

Listed investments are measured at fair value with changes in fair value being recognised in income or expenditure.

Investment property

Investment properties are initially measured at cost including any transaction costs, and are revalued to fair value at each year end.

No depreciation is charged against any investment properties held.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

3. Accounting policies *(continued)*

Financial instruments

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Defined benefit plans

The company recognises a defined net benefit pension asset or liability in the statement of financial position as the net total of the present value of its obligations and the fair value of plan assets out of which the obligations are to be settled. The defined benefit liability is measured on a discounted present value basis using a rate determined by reference to market yields at the reporting date on high quality corporate bonds. Defined benefit obligations and the related expenses are measured using the projected unit credit method. Plan surpluses are recognised as a defined benefit asset only to the extent that the surplus is recoverable either through reduced contributions in the future or through refunds from the plan.

Changes in the net defined benefit asset or liability arising from employee service are recognised in income or expenditure as a current service cost where it relates to services in the current period and as a past service cost where it relates to services in prior periods. Costs relating to plan introductions, benefit changes, curtailments and settlements are recognised in income or expenditure in the period in which they occur.

Net interest is determined by multiplying the net defined benefit liability by the discount rate, both as determined at the start of the reporting period, taking account of any changes in the net defined benefit liability during the period as a result of contribution and benefit payments. Net interest is recognised in income or expenditure.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

4. Charitable activities

	Unrestricted Funds £	Restricted Funds £	**Total Funds 2021 £**
Donations, giving and similar income	3,822,944	54,560	**3,877,504**
Legacy income	56,936	–	**56,936**
Fundraising for buildings	–	103,097	**103,097**
Other charitable activity	180,959	100,118	**281,077**
Conference income	–	1,280	**1,280**
	4,060,839	259,055	**4,319,894**

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Donations, giving and similar income	4,252,349	75,374	4,327,723
Legacy income	342,738	–	342,738
Fundraising for buildings	–	417,352	417,352
Other charitable activity	308,877	314,551	623,428
Conference income	–	1,440	1,440
	4,903,964	808,717	5,712,681

5. Investment income

	Unrestricted Funds £	**Total Funds 2021 £**	Unrestricted Funds £	Total Funds 2020 £
Property income	177,805	**177,805**	294,432	294,432
Investment income and interest received	7,063	**7,063**	16,408	16,408
	184,868	**184,868**	310,840	310,840

The income from properties above includes both that from specific investment properties held by the charity, and income from properties held for the charity's own use where additional income is received from the hire of halls and other buildings to third parties.

6. Other income

	Unrestricted Funds £	**Total Funds 2021 £**	Unrestricted Funds £	Total Funds 2020 £
Gain on disposal of tangible fixed assets held for charity's own use	444,482	**444,482**	171,503	171,503
Job retention scheme grant	461,964	**461,964**	–	–
	906,446	**906,446**	171,503	171,503

7. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	**Total Funds 2021 £**
Annual convention and conferences	–	–	–
Missionary	19,170	250,621	**269,791**
Ministerial	2,652,170	151,721	**2,803,891**
Other	172,521	86,811	**259,332**
Church admin	158,642	–	**158,642**
Support costs	904,013	–	**904,013**
	3,906,516	489,153	**4,395,669**

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Annual convention and conferences	11,137	–	11,137
Missionary	1,903	345,333	347,236
Ministerial	3,135,918	279,686	3,415,604
Other	357,647	255,818	613,465
Church admin	171,373	–	171,373
Support costs	936,225	–	936,225
	4,614,203	880,837	5,495,040

8. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	**Total funds 2021 £**	Total fund 2020 £
Annual convention and conferences	–	–	–	11,137
Missionary	269,791	–	**269,791**	347,236
Ministerial	2,803,891	693,916	**3,497,807**	4,173,330
Other	259,332	–	**259,332**	613,465
Church admin	158,642	–	**158,642**	171,373
Governance costs	–	210,097	**210,097**	178,499
	3,491,656	904,013	**4,395,669**	5,495,040

Apportionment of costs between activity types has been allocated on an actual basis.

9. Analysis of support costs

	Missionary £	Ministerial £	Other £	Church admin £	**Total 2021 £**	Total 2020 £
Staff costs	–	435,667	–	–	**435,667**	390,708
Premises	–	187,193	–	–	**187,193**	208,658
Finance costs	–	11,820	–	–	**11,820**	20,593
Governance costs	14,432	131,093	56,086	8,486	**210,097**	178,499
Other expenses	–	59,324	–	–	**59,324**	130,924
Travel and accommodation	–	1,393	–	–	**1,393**	6,843
	14,432	826,490	56,086	8,486	**905,494**	936,225

Support costs above relate to specifically identifiable support activities.

10. Net gains on investments

	Unrestricted Funds £	**Total Funds 2021 £**	Unrestricted Funds £	Total Funds 2020 £
Gains/(losses) on listed investments	8,439	**8,439**	2,252	2,252

11. Net income

Net income is stated after charging/(crediting):

	2021 £	2020 £
Depreciation of tangible fixed assets	**95,107**	106,680
Gains on disposal of tangible fixed assets	**(444,482)**	(171,503)

12. Auditors remuneration

	2021 £	2020 £
Fees payable for the audit of the financial statements	**22,500**	24,000

13. Staff costs

The average head count of employees during the year was 133 (2020: 135). The average number of full-time equivalent employees during the year is analysed as follows:

	2021 No.	2020 No.
Number of staff	93	89

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

14. Trustee remuneration and expenses

Payments to Trustees

No remuneration was paid to any individual in connection with their services as Trustee.

The remuneration payments made relate entirely to the work carried out as full or part time pastors of churches in line with the standard fees authorised by the charity's governing document. The level of salary received is independently determined by the local church leadership team in line with the guidance issued by the Finance Committee and salary review board. There is a weighting according to geographic location and congregation size.

The Charity also makes pension contributions as part of the defined contribution pension scheme in place. The totals paid to Trustees in relation to their roles as ministers were as follows:

Gross Salary

	2021 £	2020 £
P Doherty (resigned 1 May 2020)	-	21,969
P Howells	23,013	22,452
M Chenery	-	35,705
A Matheson	33,028	32,141
C Hopkins	38,619	37,280
I Parker	32,700	28,000
T Jack (resigned 1 May 2020	-	35,623
A Abiodun (resigned 6 June 2019)	-	22,159
S Taylor	39,660	35,482
	167,020	**270,811**

Employer Pension Contributions

	2021 £	2020 £
P Doherty (resigned 1 May 2020)	-	659
P Howells	2,231	2,177
M Chenery (resigned 1 May 2020)	-	3,461
A Matheson	3,153	2,266
C Hopkins	1,132	1,117
I Parker	950	797
T Jack (resigned 1 May 2020)	-	10,181
A Abiodun (resigned 6 June 2019)	-	2,010
S Taylor	3,810	1,065
	11,276	**23,733**

In addition to the above payments, certain Trustees are provided with living accommodation by reason of their employment as pastors. This is in line with customary practice for ministers of religion to enable their duties to be better performed. Those who are not provided with living accommodation receive a housing allowance as part of their salary in lieu of the church providing a manse. The housing allowances are included in the gross salaries above.

Reimbursed expenses

The following expenses were reimbursed during the year:

	2021	2020
	£	£
P Doherty (resigned 1 May 2020)	-	1,151
P Howells	110	1,846
M Chenery (resigned 1 May 2020)	-	1,145
A Matheson	231	775
C Hopkins	-	80
I Parker	528	2,657
T Jack (resigned 1 May 2020)	-	3,413
A Abiodun (resigned 6 June 2019)	-	136
S Taylor	98	927
D Bird	1,350	-
	2,317	**12,130**

15. Tangible fixed assets

	Freehold property £	Long leasehold property £	Fixtures and fittings £	**Total £**
Cost				
At 1 April 2020	12,550,047	128,927	467,133	**13,146,107**
Additions	109,188	–	5,096	**114,284**
Disposals	(683,390)	–	–	**(683,390)**
At 31 March 2021	11,975,845	128,927	472,229	**12,577,001**
Depreciation				
At 1 April 2020	1,087,903	4,814	447,160	**1,539,877**
Charge for the year	87,147	2,579	5,381	**95,107**
Disposals	(52,099)	–	–	**(52,099)**
At 31 March 2021	1,122,951	7,393	452,541	**1,582,885**
Carrying amount				
At 31 March 2021	10,852,894	121,534	19,688	**10,994,116**
At 31 March 2020	11,462,144	124,113	19,973	11,606,230

15. Tangible fixed assets *(continued)*

On transition to FRS102 the assets have been included in the financial statements on a historic cost basis.

Certain property additions incurred by the assemblies between 1992 and 2010 are not included within the accounts as the accounts prepared during these years did not include the income and expenditure for the assembly data.

16. Investments

	Listed investments £	Investment properties £	**Total £**
Cost or valuation			
At 1 April 2020	132,991	440,000	**572,991**
Additions	–	–	**–**
Disposals	–	(440,000)	**(440,000)**
Fair value movements	8,438	–	**8,438**
At 31 March 2021	141,429	–	**141,429**
Impairment			
At 1 April 2020 and 31 March 2021			**–**
Carrying amount			
At 31 March 2021	141,429	–	**141,429**
At 31 March 2020	132,991	440,000	572,991

All investments shown above are held at valuation.

Financial assets held at fair value

Listed investments

Fair value adjustments are processed in respect of the listed investments every 6 months in line with a report issued from the broker.

17. Debtors

	2021 £	2020 £
Prepayments and accrued income	**12,656**	6,529
Other debtors	**71**	366,513
	12,727	373,042

18. Creditors: amounts falling due within one year

	2021	2020
	£	£
Bank loans and overdrafts	**125,303**	115,509
Accruals and deferred income	**51,420**	52,135
Social security and other taxes	**54**	54
Other creditors	**14,086**	15,023
	190,863	182,721

19. Creditors: amounts falling due after more than one year

	2021	2020
	£	£
Bank loans and overdrafts	**1,345,451**	1,405,581

Various bank loans are secured against properties held by the Church throughout the UK.

20. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £68,615 (2020: £76,247).

20. Pensions and other post retirement benefits *(continued)*

Defined benefit plans

The charity operates two defined benefit pension schemes:

- The Apostolic Church Unfunded 6/7th Scheme (the "Unfunded Scheme")
- The Apostolic Church Staff Pension Scheme (the "Funded Scheme")

Unfunded Scheme

This is an informal top up pension arrangement providing benefits based on a standard minimum fee and reduced for other pension income received by the individual. Under the scheme, the employees are entitled to retirement benefits on reaching retirement age. There are no scheme assets held separately from those of the charity. The scheme is closed to new members. Spouses of the former employees are also entitled to the same level of benefit upon the death of the former employee within the scheme.

Pensions are paid to the beneficiaries on a monthly basis directly from the charity's assets. The value of the liabilities at the reporting date has been determined on a member by member basis based on data used by the previous actuary in preparing last year's disclosures and with allowance for member movements over the year. A valuation of the scheme has been carried out as at 31 March 2021 by a qualified independent actuary.

Funded Scheme

This scheme provides members with pensions in retirement and death benefits. Pension benefits are linked to a member's final salary and their length of service, at 30 June 2005 or earlier date of leaving. Since 30 June 2005 the Funded Scheme has been closed to new employees.

The Funded Scheme is a registered scheme under UK legislation, is subject to the funding requirements outlined in this legislation and was contracted into the State Second Pension.

The Funded Scheme was established from 1 July 1981 under trust and is governed by the Funded Scheme's trust deed and rules. The charity is responsible for the operation and governance of the Funded Scheme, including making decisions regarding the Funded Scheme's funding and investment strategy.

The liabilities of the scheme shown below have been estimated by updating the results of this actuarial valuation to allow for the passage of time, benefits paid out of the scheme and changes in actuarial assumptions.

The statement of financial position net defined benefit liability is determined as follows:

	Unfunded Scheme		Funded Scheme		**Total**	
	2021	2020	**2021**	2020	**2021**	2020
	£	£	£	£	**£**	£
Present value of defined benefit obligations	(1,316,000)	(1,190,000)	(3,823,000)	(3,626,000)	**(5,139,000)**	(4,816,000)
Fair value of plan assets	–	–	2,836,000	2,464,000	**2,836,000**	2,464,000
	(1,316,000)	(1,190,000)	(987,000)	(1,162,000)	**(2,303,000)**	(2,352,000)

20. Pensions and other post retirement benefits *(continued)*

Changes in the present value of the defined benefit obligations are as follows:

	Unfunded Scheme	Funded Scheme	**Total**
	£	£	**£**
At 1 April 2020	1,190,000	3,626,000	**4,816,000**
Interest expense	24,000	81,000	**105,000**
Benefits paid	(121,000)	(159,000)	**(280,000)**
Remeasurements:			
Actuarial gains and losses	223,000	275,000	**498,000**
At 31 March 2021	1,316,000	3,823,000	**5,139,000**

Changes in the fair value of plan assets are as follows:

	Unfunded Scheme	Funded Scheme	**Total**
	£	£	**£**
At 1 April 2020	–	2,464,000	**2,464,000**
Interest income	–	56,000	**56,000**
Benefits paid	(121,000)	(159,000)	**(280,000)**
Contributions by employer	121,000	128,000	**249,000**
Administrative costs	–	(36,000)	**(36,000)**
Remeasurements:			
Return on plan assets, excluding amount included in interest income	–	383,000	**383,000**
At 31 March 2021	–	2,836,000	**2,836,000**

The total costs for the year in relation to defined benefit plans are as follows:

	Unfunded Scheme		Funded Scheme		**Total**	
	2021	2020	**2021**	2020	**2021**	2020
	£	£	£	£	**£**	£
Recognised in income or expenditure:						
Net interest expense	24,000	27,000	25,000	22,000	**49,000**	49,000
Administrative costs	–	–	36,000	32,000	**36,000**	32,000
	24,000	27,000	61,000	54,000	**85,000**	81,000
Recognised in other recognised gains and losses:						
Remeasurement of the liability:						
Actuarial gains and losses	223,000	(137,000)	275,000	(36,000)	**498,000**	(173,000)
Return on plan assets, excluding amounts included in net interest	–	–	383,000	260,000	**383,000**	260,000
	223,000	(137,000)	658,000	224,000	**881,000**	87,000

20. Pensions and other post retirement benefits *(continued)*

The fair value of the major categories of plan assets are as follows:

	Funded Scheme	
	2021	2020
	%	%
Cash and cash equivalents	5.50	5.12
Insured annuities percentage	23.73	26.05
Net current assets percentage	70.77	68.83

The return on plan assets are as follows:

	Funded Scheme	
	2021	2020
	£	£
Return on assets of benefit plan	439,000	(198,000)

The principal actuarial assumptions as at the statement of financial position date were:

	Unfunded Scheme		Funded Scheme	
	2021	2020	**2021**	2020
	%	%	%	%
Discount rate	1.50	2.10	1.90	2.30
Expected rate of increase in pensions	–	–	3.30	2.60
Inflation assumption	2.60	2.00	2.50	2.00
Mortality rates:				
Current pensioners at 65 - male	86.80	86.30	86.80	86.30
Current pensioners at 65 - female	89.10	88.20	89.10	88.20
Future pensioners at 65 - male	87.80	87.40	87.80	87.40
Future pensioners at 65 - female	90.20	89.50	90.20	89.50

21. Analysis of charitable funds

Unrestricted funds

	At 1 Apr 2020	Income	Expenditure	Transfers	Gains and losses	**At 31 Mar 2021**
	£	£	£	£	£	**£**
General funds	16,986,484	4,847,153	(3,765,516)	(196,061)	8,439	**17,880,499**
Defined benefit pension schemes	(2,352,000)	305,000	(141,000)	–	(115,000)	**(2,303,000)**
	14,634,484	5,152,153	(3,906,516)	(196,061)	(106,561)	**15,577,499**

	At 1 Apr 2019	Income	Expenditure	Transfers	Gains and losses	At 31 Mar 2020
	£	£	£	£	£	£
General funds	16,646,087	5,079,307	(4,471,203)	(269,959)	2,252	16,986,484
Defined benefit pension schemes	(2,429,000)	307,000	(143,000)	–	(87,000)	(2,352,000)
	14,217,087	5,386,307	(4,614,203)	(269,959)	(84,748)	14,634,484

21. Analysis of charitable funds *(continued)*

Restricted funds

	At 1 Apr 2020 £	Income £	Expenditure £	Transfers £	Gains and losses £	**At 31 Mar 2021 £**
Missionary fund	–	54,560	(250,621)	196,061	–	–
Building funds	2,727,872	103,097	(151,721)	–	–	**2,679,248**
Other restricted income	953,426	101,398	(86,811)	–	–	**968,013**
	3,681,298	259,055	(489,153)	196,061	–	**3,647,261**

	At 1 Apr 2019 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 Mar 2020 £
Missionary fund	–	75,374	(345,333)	269,959	–	–
Building funds	2,590,206	417,352	(279,686)	–	–	2,727,872
Other restricted income	893,253	315,991	(255,818)	–	–	953,426
	3,483,459	808,717	(880,837)	269,959	–	3,681,298

Missionary fund

The missionary fund comprises restricted income which is related to missionary work under the Action Overseas banner, within the total fund are amounts attributable to specific ongoing projects. The Church has increased spending on missionary activities to increase awareness which has caused the fund to move into a deficit position. The trustees have decided to transfer funds from unrestricted reserves to clear the deficit.

Restricted building funds

Represents various building funds managed on a local and national level in relation to various building projects ongoing at specific individual assemblies.

Other restricted funds

Represents various restricted income and expenditure items managed on a local level at specific individual assemblies.

22. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	**Total Funds 2021 £**
Tangible fixed assets	9,910,653	1,083,463	**10,994,116**
Investments	141,429	–	**141,429**
Current assets	9,364,731	2,563,798	**11,928,529**
Creditors less than 1 year	(190,863)	–	**(190,863)**
Creditors greater than 1 year	(1,345,451)	–	**(1,345,451)**
Defined benefit pension	(2,303,000)	–	**(2,303,000)**
Net assets	15,577,499	3,647,261	**19,224,760**

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Tangible fixed assets	10,512,661	1,093,569	11,606,230
Investments	572,991	–	572,991
Current assets	7,489,134	2,587,729	10,076,863
Creditors less than 1 year	(182,721)	–	(182,721)
Creditors greater than 1 year	(1,405,581)	–	(1,405,581)
Defined benefit pension	(2,352,000)	–	(2,352,000)
Net assets	14,634,484	3,681,298	18,315,782

23. Financial instruments

The carrying amount for each category of financial instrument is as follows:

	2021 £	2020 £
Financial assets measured at fair value through income and expenditure		
Listed investments	**141,429**	132,991

The fair values of the listed investments are determined by reference to the quoted market price.

The remaining financial assets and financial liabilities of the Charity qualify as basic financial instruments. These are initially recognised in the Statement of Financial Position at transaction value and subsequently measured at their settlement value.

24. Analysis of changes in net debt

	At 1 Apr 2020 £	Cash flows £	**At 31 Mar 2021 £**
Cash at bank and in hand	9,703,821	2,211,981	**11,915,802**
Debt due within one year	(115,509)	(9,794)	**(125,303)**
Debt due after one year	(1,405,581)	60,130	**(1,345,451)**
	8,182,731	2,262,317	**10,445,048**