

Charity Registration No. 292082

UNIVERSAL PENTECOSTAL CHURCH

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

UNIVERSAL PENTECOSTAL CHURCH

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

REFERENCE AND ADMINISTRATIVE DETAILS

FOR THE YEAR ENDED 31 MARCH 2023

Trustees	Pastor Vaithialingam Rudran Sister Rachel George Brother John Nallathambi Thyagarajan Mrs Folasade Lawson Dr Bessy Joseph
President	Pastor Vaithialingam Rudran
Secretary	Sister Rachel George
Treasurer	Brother John Nallathambi Thyagarajan
Charity number	292082
Principal address	20 Acre Lane Brixton London SW2 5SG
Independent Auditors	Lake & Co Chartered Accountants and Registered Auditors 25A Kenton Park Parade Kenton Middlesex HA3 8DN
Bankers	Lloyds Bank plc 3 St Georges Road London SW19 8AQ
Property Solicitors	McGlennons Solicitors 157 Arthur Road London SW19 8AD
Legal & Constitutional matters	Bates Wells & Braithwaites Solicitors

UNIVERSAL PENTECOSTAL CHURCH

INDEX TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

PAGE NO.

1 - 6	TRUSTEES' ANNUAL REPORT
7 - 10	INDEPENDENT AUDITORS' REPORT
11	STATEMENT OF FINANCIAL ACTIVITIES
12	BALANCE SHEET
13	CASH FLOW STATEMENT
14 - 20	NOTES TO THE FINANCIAL STATEMENTS

UNIVERSAL PENTECOSTAL CHURCH

TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31 MARCH 2023

The trustees present their Annual Report together with the Financial Statements of the Charity for the year ended 31 March 2023. It contains the following items:

The Annual Report of the Charity explaining the activities undertaken in the year, how the Charity met its public benefit objectives and the way the church is managed.

The Annual Financial Statement for the year ended 31 March 2023, together with the related notes to the accounts.

The Financial Statements have been prepared in accordance with the accounting policies set out in Note 1 to the accounts and comply with the Charity's trust deed, Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard 102.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Charity is governed by the Governing Board of Trustees constituted in accordance with The Constitution of the Universal Pentecostal Church, filed with the Charity Commission.

The Governing Board of Trustees consists of three Ministers of the Church and two lay members appointed by the President.

According to the Constitution, the Ministers who serve the Church shall be men and women who have lived as believers with a good report in the Church, are Spirit-Baptised and have dedicated themselves to full time service in the Church. They have resigned from all secular employment and own no possessions. The Ministers shall do voluntary service, receiving no remuneration in the form of salary. The Ministers are maintained and looked after by the Church.

The lay members of the Church consist of such adults who have repented for their sins and received remission of sin and have taken immersion baptism at the hands of a Spirit-Baptised Minister and accept the Doctrines, Practices and Constitution of the Church. The two Trustees are appointed by the President, from among the lay members, based on their experience.

The Universal Pentecostal Church has its principal church in Brixton with six branches at North London, East London, Southall, Leicester, Liverpool and Newport. Each branch church is operated by a Minister appointed by the President to look after the spiritual welfare of its believers and to manage its operations at local level.

The governance and conduct of affairs of the Charity are vested in the Governing Board of Trustees. The Trustees are aware of their responsibilities as Charity Trustees and collectively get independent professional advice in areas such as governance, the law and finance. This is either on a pro-bono basis or at the Charity's expense if needed for the board of Trustees to discharge its duties.

UNIVERSAL PENTECOSTAL CHURCH

TRUSTEES' ANNUAL REPORT (Continued)

FOR THE YEAR ENDED 31 MARCH 2023

The Universal Pentecostal Church is an international church. The international headquarters is in India. Apart from India and Britain, it has established itself in other parts of Europe, America, Canada, Africa, the Far East and Australasia.

The major risks to which the Charity is exposed, as identified by the Trustees, have been reviewed, and procedures have been established to manage those risks.

OBJECTIVES AND ACTIVITIES

Objects

The object of the Church as set out in The Constitution is furtherance of the Christian Faith through the spread of the Gospel of Jesus Christ as found in the Holy Bible and to provide good living by Christian values and knowledge.

Aims

In order to fulfill its objects, the Universal Pentecostal Church aims to :

Facilitate the worship of Almighty God through its services and the teachings of Jesus Christ and to provide for the needs of its believers.

Preserve the practice of Christianity found in the Gospel of Jesus Christ so that it will remain available to people everywhere.

Protect the standards and values of the Church.

Encourage peace, harmony and understanding between people regardless of their age or ethnic origin.

Make freely available information on the teachings of Jesus Christ.

Activities during the year

When planning our activities for the year the Trustees have considered the Charity Commission guidance on public benefit and in particular, the specific guidance on Charities for the Advancement of Religion.

The main activities during the year were its religious and spiritual services conducted by Ministers and lay members for the benefit of its believers, well wishers and the public.

The Church has regular gatherings for all on Saturday, Sunday and on other days of the week. These events are conducted in halls owned by the Church and other rented venues. At present, the Church owns halls at Brixton, Leicester, North London, Newport, Liverpool and Southall. All meetings are open to the public and we welcome people regardless of their beliefs or social status.

UNIVERSAL PENTECOSTAL CHURCH

TRUSTEES' ANNUAL REPORT (Continued)

FOR THE YEAR ENDED 31 MARCH 2023

House Groups

Every month the Church Minister conducts gatherings for isolated believers. The Church sees these ministries as an encouragement for the believers and an opportunity to plant a new full time ministry.

These meetings were put on hold because of the lockdown, but have now resumed.

Old Peoples Home Visits

The Ministers of the Church visit retirement homes, nursing homes and hospices regularly for the spiritual welfare of the residents and the staff there. These visits enable the elderly to feel that they are part of the community, and not cut-off from the outside world.

European Ministry

The Church has a regular programme to introduce its believers to those in other European countries and to conduct meetings there. They share the Good News of the Gospel and give personal testimonies of how the Lord Jesus has transformed their lives. Many who attend are in need of comfort and assurances that there is a living God who is alive and understands how they feel and answers their prayers. Some believers are lonely as they have had to flee their own countries, friends and relatives and are in need of the knowledge of the reality of the presence of God and His love for them.

The visits to Europe were cancelled due to the pandemic and ensuing travel restrictions, but however, this year all meetings were conducted as before.

Revival Meetings and Conventions

The Church organises Revival Meetings and Conventions annually to introduce Jesus Christ and His teachings to those who are not aware of His precious words of life and truth, of forgiveness and peace.

Religious Camps

During the year the Church organises: Young Adults Camp (ages 26 - 46), Youth and Teens Camp (ages 13 - 25) and Mini Camp (ages 8 - 12). The Camps conduct activities which are spiritual, religious and based on the Bible teachings. The camps and facilities are made available to everyone without any charge. This year each Branch Church was able to organise one-day Programmes for all three groups in their assembly.

UNIVERSAL PENTECOSTAL CHURCH

TRUSTEES' ANNUAL REPORT (Continued)

FOR THE YEAR ENDED 31 MARCH 2023

Sunday classes for various age groups

Each Sunday there are classes for children and youth (ages 3 - 25), young adults (ages 26 - 45) and for the adults. The Ministers impart knowledge on the Bible teachings, which include restoring Christian values and standards, with a desire that young people will grow up to be good examples to others and to be faithful citizens. This work continued unhindered and all the classes have been well attended.

Counselling

The Charity provides faith based counselling required within the family unit for youth and young adults. This proved very helpful in these distressing times.

Magazine Ministry

The Charity publishes and circulates quarterly magazines which contain spiritual articles, Bible studies and testimonial. The publication was temporarily on hold and will be resumed.

Volunteers

All the charitable activities of the Universal Pentecostal Church are carried out by Ministers and members of the Church, who volunteer their services. They assist with the day to day operation of the Church, Conventions, Revival Meetings, Camps and various other spiritual activities and events taking place. The total number of Ministers are 31 in the UK..

ACHIEVEMENTS, PERFORMANCE, AND FINANCIAL REVIEW

Each branch Church manages its own financial affairs with income being derived from its believers by way of donations given freely. The Charity provides for the maintenance of its Churches and for the well-being of its Ministers and volunteers.

The Statement of Financial Activities shows net surplus for the year of £553,391 (2022: £954,993). The principal source of income is voluntary donations received from its believers and members of the Churches. The Church gave donations toward missionary work totalling £129,691 (2022: £183,404), principally to our sister Churches in Genoa, India and Kenya.

The Statement of Financial Activities and Income and Expenditure shows an overall net surplus for the year of £553,391 (2022: £954,993).

The total unrestricted funds at the year end amounted to £11,257,134 (2022 : £10,703,743).

During the year, the Church carried out major refurbishment works to its newly acquired property of the Southall Assembly. Works have been undertaken during the year at all Churches, so that the buildings continue to function and be compliant in accordance with statutory regulations.

UNIVERSAL PENTECOSTAL CHURCH

TRUSTEES' ANNUAL REPORT (Continued)

FOR THE YEAR ENDED 31 MARCH 2023

Reserves policy

Our reserves policy mandates an adequate level of funds to be held by all church branches. This is to ensure that the Church is able to discharge its financial commitments, day to day operations, sustain the upkeep of the Church properties and to provide for the needs of the Ministers and the volunteers over the short term. Surplus funds are passed on to the principal Church in Brixton as tithes or inter church donations. The Charity invests funds in short term deposits with the Bank which earns interest.

The Board of Trustees are mindful of the need to acquire additional halls suitable for its Ministers and members to practise their faith, and constantly review the adequacy of their buildings as places of worship. Accordingly, the West Drayton property was purchased for the Southall Assembly.

The Church continues to support its Churches abroad.

Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

Funding sources

Principal funding sources continue to be voluntary unrestricted donations from its members and donors.

It is the policy of the Charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three to six months expenditure. The Trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the Charity's current activities. The level of reserves has been maintained throughout the year.

Donations made under Gift Aid by tax paying members benefit the Charity with an extra £25 tax refund for every £100 donated. The tax recovered from the Gift Aid scheme amounted to £147,642 (2022: £153,562) out of total donations received of £1,524,648 (2022: £1,590,003) during the year.

Post Balance Sheet Events

On 30th May 2023, the Church sold 9 Molineux Avenue , Liverpool, Merseyside for £450,000.

UNIVERSAL PENTECOSTAL CHURCH

TRUSTEES' ANNUAL REPORT (Continued)

FOR THE YEAR ENDED 31 MARCH 2023

Statement of Trustees' responsibilities

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 requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources including the income and expenditure of the charity for that period. In preparing these financial statements, the Trustees are required to:

- a) select suitable accounting policies and apply them consistently;
- b) observe the methods and principles in the Charities SORP;
- c) make judgements and estimates that are reasonable and prudent;
- d) state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- e) 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 proper accounting records that 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, the Charity (Financial Statements and Reports) Regulations 2008. 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.

In so far as the Trustees are aware:

- i) there is no relevant audit information of which the Charity's auditors are unaware; and
- ii) The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

On behalf of the Board of Trustees

.....
Sister Rachel George

Secretary

Dated : 30th December 2023

UNIVERSAL PENTECOSTAL CHURCH

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF UNIVERSAL PENTECOSTAL CHURCH

Opinion

We have audited the financial statements of Universal Pentecostal Church (the "charity") for the year ended 31 March 2023 which comprise the Statement of financial activities, the Balance Sheet, the 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 Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the 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; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for Opinion

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

UNIVERSAL PENTECOSTAL CHURCH

INDEPENDENT AUDITOR'S REPORT (Continued)

TO THE TRUSTEES OF UNIVERSAL PENTECOSTAL CHURCH

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other Information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

In the light of our knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which Charities Act 2011 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

UNIVERSAL PENTECOSTAL CHURCH

INDEPENDENT AUDITOR'S REPORT (Continued)

TO THE TRUSTEES OF UNIVERSAL PENTECOSTAL CHURCH

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement set out on pages 1 - 6, 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.

Auditors' 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 Auditors' 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.

Our responsibility is to audit and to express an opinion on the financial statements in accordance with applicable law and International Standard on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standard for Auditors, including "APB Ethical Standard - Provisions Available for Small Entities (Revised)", in the circumstances set out in note 13 to the financial statements.

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

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud
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. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISA's (UK).

UNIVERSAL PENTECOSTAL CHURCH

INDEPENDENT AUDITOR'S REPORT (Continued)

TO THE TRUSTEES OF UNIVERSAL PENTECOSTAL CHURCH

Use of our report

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

SATISH LAKHANI (Senior Statutory Auditor)
for and on behalf of
Lake & Co
Registered Auditors & Chartered Accountants
25A Kenton Park Parade, Kenton, Middx HA3 8DN

Date: 30th December 2023

Lake & Co is eligible for appointment as auditors of the charity by virtue of its ability for appointment as auditors of a company under Section 1212 of the Companies Act 2006.

UNIVERSAL PENTECOSTAL CHURCH

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Unrestricted Total 2023 £	Unrestricted Total 2022 £
<u>Incoming resources from generated funds</u>			
Donations and gifts	2	1,672,290	1,743,565
Investment income	3	590	366
		1,672,880	1,743,931
Other (expenses) resources	4	10,856	-
Total incoming resources		1,683,736	1,743,931
<u>Resources expended</u>			
Charitable activities			
Charitable activities expenditure	5	1,089,207	751,695
Governance costs	5	41,138	37,243
Total resources expended		1,130,345	788,938
Net incoming resources for the year		553,391	954,993
Net movement in funds	10	553,391	954,993
Reconciliation of Funds			
Fund balances at 1 April 2022		10,703,743	9,748,750
Fund balances at 31 March 2023	10	11,257,134	10,703,743

UNIVERSAL PENTECOSTAL CHURCH

BALANCE SHEET

AS AT 31 MARCH 2023

		2023	2022
	Notes	£	£
Fixed assets			
Tangible assets	6	10,308,544	7,657,546
Current assets			
Debtors	7	194,965	176,820
Cash at bank and in hand	8	781,125	2,929,860
		<u>976,090</u>	<u>3,106,680</u>
Creditors			
Amounts falling due within one year	9	<u>- 27,500</u>	<u>- 60,483</u>
Net current assets		<u>948,590</u>	<u>3,046,197</u>
Total assets less current liabilities		<u>11,257,134</u>	<u>10,703,743</u>
Income funds			
Unrestricted funds	10	<u>11,257,134</u>	<u>10,703,743</u>
Total Charity funds		<u>11,257,134</u>	<u>10,703,743</u>

Approved by the board of trustees on 30th December 2023

..... President
Pastor Vaithialingam Rudran

UNIVERSAL PENTECOSTAL CHURCH

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2023

	<u>Total funds</u>	<u>Prior Year funds</u>
	31/3/2023	31/3/2022
	£	£
Cash flows from operating activities:		
<i>Net cash provided by operating activities</i>	551,128	1,025,338
Cash flows from investing activities:		
Proceeds from sale of fixed assets	23,080	-
Purchase of property, plant & equipment	- 2,722,943	- 260,214
<i>Net cash provided by (used in) activities</i>	<u>- 2,148,735</u>	<u>765,124</u>
 <i>Change in cash and cash equivalents in the reporting period</i>	 <u>- 2,148,735</u>	 <u>765,124</u>
 Reconciliation of net income/(expenditure) to net cash flow from operating activities		
<i>Net income/(expenditure) for the reporting period as per statement of financial activities</i>	553,391	954,993
Adjustments for:		
Depreciation charges	59,721	59,557
Loss/(profit) on sale of fixed assets	- 10,856	-
(Increase)/decrease in debtors	- 18,145	- 24,348
Increase/(decrease) in creditors	- 32,983	35,136
 <i>Net cash provided by (used) in operating activities</i>	 <u>551,128</u>	 <u>1,025,338</u>

UNIVERSAL PENTECOSTAL CHURCH

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

1 ACCOUNTING POLICIES

1.1 Accounting conventions and basis of preparation

The accounts have been prepared in accordance with:

(a) FRS102, The Financial Reporting Standard applicable in the UK, The Statement of Recommended Practice applicable to charities preparing their accounts with Financial Reporting Recommended Standard in the UK (FRS102) and Charities SORP (FRS102).

(b) The Charities Act 2011

(c) The historic cost basis of accounting, as modified by the revaluation of certain financial assets and liabilities measured at fair value through income and expenditure.

The financial statements are prepared in Sterling which is the functional currency of the entity.

1.2 Fund accounting

Unrestricted funds are funds that can be used for any purpose within the Charity's objectives or at the discretion of the Trustees in furtherance of the general objectives of the charity.

Restricted funds are subject to restrictions on their expenditure imposed by the donor. The charity has not received restricted funds during the year.

1.3 Incoming resources

Incoming resources are included in the Statement of Financial Activities when the Charity is entitled to the income and it can be quantified with reasonable certainty. No amounts are included in the financial statements for services donated by the volunteers.

Voluntary income

Voluntary income is received by way of donations, gifts and grants and are accounted for when funds are received. Grants where entitlement is not conditional on the delivery of a specific performance of the Charity are recognised when the Charity becomes unconditionally entitled to the grant.

Gift Aid is included in the financial statements based on amounts recoverable at the balance sheet date.

Investment income

Investment income is accounted for on an accruals basis.

Other incoming resources

Profit on sale of fixed assets has been recognised on exchange of a non-conditional contract.

UNIVERSAL PENTECOSTAL CHURCH

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 MARCH 2023

1.4 Resources expended

Expenditure is accounted for on an accrual basis and is classified under the relevant activity within the Statement of Financial Activities. Irrecoverable VAT is included within the expense item to which it relates. Resources expended comprise of:

Costs of generating funds

The cost of generating voluntary income represent central support costs, directly attributable overheads and those costs of an indirect nature necessary to support them. Missionary work expenses and donations includes support for the churches abroad and where such support is then returned, this is off set against cost in the year of receipt.

Governance costs

Governance costs are costs associated with meeting the constitutional and statutory requirements of the charity including audit fees, professional fees and are linked to strategic management of the charity.

1.5 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land and building are stated at cost less depreciation. Only assets over £500 are capitalised. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Fixtures, fittings & equipment	15% per annum on reducing balance basis
Motor vehicles	25% per annum on reducing balance basis

No depreciation is provided on freehold land and building used for the Charity's activities. It is the Charity's policy to maintain these properties in continuous state of sound repair and to improve the properties from time to time, and accordingly, it is considered that the anticipated useful life of the properties is such that any charge for depreciation would be insignificant.

1.6 Taxation

The activities of the Charity are exempt from corporation tax under section 505 of the Income and Corporation Taxes Act 1988 to the extent that they are applied to the organisation's charitable objects.

UNIVERSAL PENTECOSTAL CHURCH

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 MARCH 2023

1.7 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 as a going concern.

1.8 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.

1.9 Foreign currencies

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

2 Donations and gifts: Unrestricted funds

	2023	2022
	£	£
Donations and gifts	1,524,648	1,590,003
Gift Aid donations	147,642	153,562
	<u>1,672,290</u>	<u>1,743,565</u>

3 Investment income

	2023	2022
	£	£
Interest receivable	<u>590</u>	<u>366</u>

4 Other incoming resources

	2023	2022
	£	£
Net Profit on disposal of fixed assets	<u>10,856</u>	<u>-</u>

UNIVERSAL PENTECOSTAL CHURCH

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 MARCH 2023

5 a) Total resources expended: Unrestricted funds

	Missionary work & donations £	Charitable expenditure £	Total 2023 £	Total 2022 £
Charitable activities				
<u>Charitable activities expenditure</u>				
Missionary work and donations (UK & overseas)	129,691	-	129,691	183,404
Activities undertaken directly (see below)	-	959,516	959,516	568,291
	129,691	959,516	1,089,207	751,695
Governance costs				
	-	41,138	41,138	37,243
	129,691	1,000,654	1,130,345	788,938

5 b) Total resources expended: Unrestricted funds (continued)

Direct charitable expenditure

	2023 £	2022 £
Faith Homes household expenses	229,663	124,714
Motor and travelling expenses	184,655	55,645
Rent & rates	246,333	111,710
Insurance	12,236	14,843
Repairs & renewals	128,655	131,548
Light & heat	69,500	42,653
Literature & publications	4,284	4,380
Printing, post and stationery	5,315	6,124
Telephone	18,474	16,779
Bank charges	680	338
Depreciation	59,721	59,557
	959,516	568,291

5 c) Governance costs

	2023 £	2022 £
Auditors Remuneration	26,880	24,000
Legal and professional fees	14,258	13,243
	41,138	37,243

UNIVERSAL PENTECOSTAL CHURCH

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 MARCH 2023

6 Tangible fixed assets

	Freehold land and buildings £	Fixtures, fittings & equipment £	Motor vehicles £	Total £
Cost:				
At 1 April 2022	7,370,477	485,148	197,685	8,053,310
Additions	2,675,914	24,131	22,898	2,722,943
Disposals	-	-	16,299	16,299
At 31 March 2023	10,046,391	509,279	204,284	10,759,954
Depreciation:				
At 1 April 2022	-	295,205	100,559	395,764
Charge for year	-	32,255	27,466	59,721
Disposals	-	-	4,075	4,075
At 31 March 2023	-	327,460	123,950	451,410
Net Book Value:				
At 31 March 2023	10,046,391	181,819	80,334	10,308,544
At 31 March 2022	7,370,477	189,943	97,126	7,657,546

The estimated current market value of the freehold land and buildings is £16,925,000 (2022 : £14,275,000).

7 Debtors

	2023 £	2022 £
Income tax recoverable	147,642	153,562
Prepayments and accrued income	47,323	23,258
	194,965	176,820

8 Cash at bank and in hand

	2023 £	2022 £
Bank deposit account	594,123	2,806,041
Bank current account	172,176	110,802
Cash in hand	14,826	13,017
	781,125	2,929,860

UNIVERSAL PENTECOSTAL CHURCH

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 MARCH 2023

9 Creditors: amounts falling due within one year

	2023	2022
	£	£
Other creditors	<u>27,500</u>	<u>60,483</u>

10 Funds

	2023
	£
Unrestricted Fund Reserves	
Balance as at 1 April 2022	10,703,743
Net movement of funds for the year	553,391
	<hr/>
Balance as at 31 March 2023	<u>11,257,134</u>

11 Capital commitments

	2023	2022
	£	£
At 31 March 2023 the Charity had capital commitments as follows:		
Expenditure contracted for but not provided in the accounts	<u>-</u>	<u>2,293,530</u>

12 Related parties

The Charity is controlled by the Board of Trustees.

There were no related party transactions for the year ended 31/3/23 (31/3/22 : £nil)

There was no remuneration for any of the Trustees other than the reimbursement of their expenses (31/3/22 : £nil)

13 Provision Available for Small Entities

In common with many other businesses of our size and nature we use our auditors to assist us with the preparation of the financial statements.

UNIVERSAL PENTECOSTAL CHURCH

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 MARCH 2023

14 Post Balance Sheet Events

On 30th May 2023, the Church sold 9 Molineux Avenue , Liverpool, Merseyside for £450,000.