

Charity registration number 528419

Company registration number 00679901 (England and Wales)

**CENTRE MINISTRIES**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2023**

# CENTRE MINISTRIES

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	A.P. Boulter P. McElroy S. McKellen J. Longbone M. Beatty D Walker K D Jones	(Appointed 14 November 2023)
<b>Secretary</b>	H. Baxter	
<b>Chief Executive Officer</b>	H. Baxter	
<b>Charity number</b>	528419	
<b>Company number</b>	00679901	
<b>Registered office</b>	Quinta Hall Weston Rhyn Oswestry Shropshire SY10 7LR	
<b>Auditor</b>	Huxley Johnston Ltd Aqua House Hampton Heath Industrial Estate Malpas Cheshire SY14 8LY	
<b>Bankers</b>	Danske Bank Downpatrick Branch Northern Ireland	
<b>Solicitors</b>	Ellis Fermor & Negus 2 Devonshire Avenue Beeston Nottingham NG9 1BS	

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# CENTRE MINISTRIES

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# CENTRE MINISTRIES

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 30 SEPTEMBER 2023

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The trustees present their annual report and financial statements for the year ended 30 September 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016)

### 1. Reference and administration information

Centre Ministries, formerly known as Cloverley Hall Limited (date of change: 17 January 2007) is a company limited by guarantee and was formed in 1961, registration number 679901. It is a registered charity, charity number 528419.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

A.P. Boulter

P. McElroy

S. McKellen

M. Rosser

(Deceased 23 October 2023)

J. Rosser

(Resigned 14 November 2023)

J. Longbone

M. Beatty

D Walker

K D Jones

(Appointed 14 November 2023)

Three of the above trustees were re-elected on 18th October 2022; J Rosser, M Rosser and M Beatty. David Walker, having been adopted onto the Board mid-term, was formally elected.

#### Chief Executive Officer

H. Baxter

### 2. Structure, governance and management

#### 2.1. Governing Document

The charity is governed by its Memorandum and Articles of Association dated 6th January 1961.

#### 2.2. Structure and Relationship

The Charity of Charles Edward Price (charity 528419/1) [hitherto referred to as The Price Trust].

Centre Ministries is the corporate trustee of The Price Trust which governs the use of the property known as 'The Quinta'. Centre Ministries holds this as an endowed designated property. This is governed by a conveyance to Centre Ministries dated 13th November 1985. The Charity Commission made a "Uniting Order" (July 2009) to treat The Price Trust as forming part of Centre Ministries for the purposes of Part VI (registration) and Part VIII (accounting) of the Charities Act 2011.

#### 2.3. Organisational Management

The trustees, all of whom are directors, meet three times a year, circulatory e-mail correspondence being maintained between meetings. The day to day management of the charity is delegated to H. Baxter (Chief Executive Officer). Each of the charity's centres has a nominated trustee who liaises between the board, the executive and the centre on the general affairs of that centre and with regard to the welfare of both its guests and employees. One trustee takes special responsibility for safeguarding across the charity. All major expenditure is subject to approval at a trustees meeting.

# **CENTRE MINISTRIES**

## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)**

***FOR THE YEAR ENDED 30 SEPTEMBER 2023***

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### **2.4. Recruitment and Training of Trustees**

The directors are also trustees of the charity and these are appointed by a trustees' meeting. They hold office for a period of three years and then are subject to re-election. No individual training options have been taken this year, however the CEO provides regular information on governance role.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

### **2.5. Risk Management**

2.5.1. The Trustees are responsible for the management of the risks faced by the charity. Risks are identified, assessed and controls established throughout the year. The key controls used by the charity include:

- Formal agendas for all Board activity, including conflict of interest statements
- Comprehensive strategic planning and budgeting and financial forecasting
- Established organisational structure and lines of reporting
- Formal written policies
- Clear authorisation and approval levels
- Vetting procedures as required by law for the protection of the vulnerable
- Formal quarterly Health and Safety Inspection regime

2.5.2. Through the risk management processes established for the charity, the Trustees are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

## **3. Objects, Aims, Objective and Activities**

### **3.1. Charitable Objects**

The charity's objects, as set out in the Memorandum and Articles of Association, are the running of conference centres for the advancement of the Christian faith in accordance with the principles of Holy Scripture and to support various other Christian charities and projects as the trustees see fit. Within these objects the charity also has to maintain its buildings in fit and useful condition. The policies adopted in furtherance of these objects are set out within the accounts and there has been no change in these during the year.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

### **3.2. Aims and Intended Impact**

Our centres quietly promote our faith with its theological and ethical perspectives. Whilst one centre does cater more for adult and church family groups, overall our facilities and modus operandi have a bias to young people and students. All benefit greatly from the residential experience and the range of activities associated with our centres. There is additionally a bias to those from less well-off sectors of society. Our centres also serve other Christian Charities who use our venues for conferences and work with their constituent groups, again often young people. A number of schools and colleges use our centres for educational residential experiences and our input to their programme is an important aspect of our work.

# CENTRE MINISTRIES

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

**FOR THE YEAR ENDED 30 SEPTEMBER 2023**

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### **4. Public Benefit**

#### **4.1. Principal Benefits**

4.1.1. The history of religious residential "time out" is long and extensive and not unique to the Christian faith. For the Jews it was clearly established thousands of years ago in the ancient Feast of Tabernacles, still celebrated today. This concept was further developed in the Christian faith: from Christ's 40 days in the wilderness, through a variety of approaches, to the modern Christian Conference, Retreat, Holiday or Activity Centre. The provision of residential facilities is a key element in this process enabling over one million people to enjoy a Christian residential experience in the UK each year. Centre Ministries plays a significant role in this by providing three centres with approximately 620 bed spaces. In 2022-23, the importance of our work was highlighted as we welcomed many groups, who hadn't been able to enjoy residential trips for the previous two or three years.

4.1.2. Our centres are used to provide residential venues for a wide range of processes and activities that develop the physical, emotional and spiritual well-being of groups and individuals. These include: training and teaching; reflection and prayer; the enjoyment and appreciation of nature in beautiful rural environments; relaxation; recreation and social interaction

#### **4.2. Detriment or Harm**

4.2.1. We are not aware of any significant detriment or harm caused by our activities. We are aware of the difficulties with regard to bringing large numbers of people, especially young people, into rural environments but we believe these to be managed exceptionally well. Our 'spin-off' benefits, which included some community access to our facilities and a significant contribution to the local economies of our centres, far outweigh this intrusion.

4.2.2. In our pluralist society some are suspicious of us as we fulfil our objects which are specifically Christian. The Charity takes great care in managing the inherent conflict between exclusion and inclusion: to deal with the paradox of making a 'closed shop' an 'open house'. [See "Who benefits" below.] In our positive and open approach to this tension we see great benefit.

#### **4.3. Who Benefits**

4.3.1. The centres are not open to the general public but take organised groups from the Christian constituency defined by our objects. Within this our aim is to serve all people whilst avoiding support for theological and ethical perspectives that are contrary to those of our objects. Where teaching takes place, we expect this to align with our statement of faith, adopted from the Evangelical Alliance Basis of Faith and shared by over two million Christians in the UK. We therefore gently restrict use of our centres by being clear about our objects in our publicity material and ensuring centre managers are aware of our policy.

4.3.2. Schools and colleges traditionally find the environment we provide to be trustworthy, safe, secure and ideal in fulfilling their objectives for residential experiences. Alongside all the educational and activity resources we can provide, they welcome the contribution we make to their programmes from our Christian perspective to meeting their educational objectives in Personal, Social and Religious Education.

4.3.3. Two of our centres have a particular bias to the needs of children, young people and students. One hosts a large annual conference for Christian student leaders. In 2023, this attracted well over 1,000 people. Over 100 universities and colleges from the UK and Ireland are represented.

## **CENTRE MINISTRIES**

### **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)**

***FOR THE YEAR ENDED 30 SEPTEMBER 2023***

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4.3.4. Naturally the majority of our groups are composed of UK nationals but there is a fair measure of ethnic diversity. In a typical year we would welcome groups that are predominately made up of the following national groups: Chinese, Thai, Indian, Egyptian, Iranian, Zimbabwean, Nigerian, German, American, Filipino and Irish. In addition a variety of ethnic minority churches and specialist groups where there is significant ethnic representation and a good number of individuals from other parts of Europe and further afield have visited our centres.

4.3.5. At all our centres some provision is made for people with disabilities within the limitations of our buildings. Similarly, we have a concern for people with special needs.

4.3.6. Our centres are well placed geographically. Castlewellan Castle, our centre in Northern Ireland, is the largest centre of its kind in Northern Ireland. It is in a forest park adjacent to the national arboretum within easy reach of Belfast. Our other two centres provide ready access to the Midlands, the North and the North West. Being in the Midlands they are also used for national conferences.

4.3.7. We are a fee charging charity but we keep our fees so low that maintaining viability is a constant issue. Our full board adult per head rates for 24 hours in 2023 ranged from £47 to £70 [the latter incl.en-suite]. There are lower rates for children. The rates for self-catering ranged from £22.50 to £30.50. These prices include VAT. Some of our constituent churches and organisations work in quite challenging environments and some bring to our centres people, whom they will sometimes subsidise, from physically and/or socially/emotionally disadvantaged circumstances. Our centres offer a heavily discounted rate on a late booking basis to Christian ministers and people working in Christian charities / organisations.

4.3.8. In respect of The Quinta, there is benefit to Operation Mobilisation [Charity No 1008196] who have a full repairing lease to occupy an office block and sixteen units of accommodation. The low charge levied [£24,117 pa in 2023 - an amount determined largely by what it costs to help Centre Ministries to manage The Quinta Estate] greatly assists their mission and relief work by people of about 100 nationalities in around 100 countries. There is exciting congruence in the objects of Centre Ministries and those of Operation Mobilisation and this vicariously extends the global influence of Centre Ministries.

#### **4.4. Private Benefit**

We are not aware of anyone receiving private benefit from our activities except that which is incidental in making our facilities available where appropriate and possible to local community use and normally nominal fees are charged. One of our centres has a Certificated Location for the Caravan Club. The fees offset the estate management costs as does the grasskeep arrangement at one centre with 50 acres of land.

# CENTRE MINISTRIES

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

**FOR THE YEAR ENDED 30 SEPTEMBER 2023**

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### **5. Objectives, Strategies and Principal Activities for 2022-23**

The charity's priorities were focused on strengthening the charity to face the challenges of the future.

Other specific objectives were recorded as:

1. The current CEO will have been in post 10 years during this trading period. The Board undertakes to review the Executive structure and the associated operational model in consultation with the senior management team.
2. Expand schools work in Castelwellan with the newly appointed Schools Activity Coordinator, and in Cloverley with the help of local Christian agencies.
3. Seek to conclude lease negotiations at Castlewella and secure tenure for medium term.
4. Address impact of global economic pressures by exploring efficiencies in energy production & usage, and maximizing deployment of skilled staff.
5. Take active steps to recruit new Trustees to provide succession.

#### **Strategic report**

The description under the headings "Achievements and performance" and "Financial review" meet the company law requirements for the trustees to present a strategic report.

### **6. Review of Achievements and performance for 2022-23**

6.1 In the financial year 2022-23 the overall fee income recovered significantly, exceeding the last 'normal' year of trading (2018-19). Expenditure was maintained at a level significantly below 2018-19.

6.2 The progress made on the list of objectives for 2022-23 was as follows:

1. The Executive Review Group proposals were received by the Board and senior management implementation is on-going.
2. Whilst the expansion of school ministry has been encouraging, it remains difficult to achieve economic and resource viability. The Board has instructed a review of existing and potential school work throughout the Charity to ensure this model is sustainable.
3. The lease negotiations are at an advanced stage with good intention shown by both parties. We continue to enjoy tenancy under law.
4. Significant works have been carried out, where viable, to convert energy sources to more efficient types. We continue to review efficiency.
5. Several approaches have been made toward potential trustees, with one successful appointment to the Board.



# **CENTRE MINISTRIES**

## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)**

***FOR THE YEAR ENDED 30 SEPTEMBER 2023***

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### **Financial review 2022-23**

#### **7.1. Financial Results**

The results of the charity's activities are shown on page 12 of the financial statements. These show a deficit of £624,473 for the year compared to a surplus of £196,453 for the previous year. Income from charitable activities rose to 125% of 2021-22. Expenditure continues to be well managed and finished at 191% of 2021-22 figures due to a one-off impairment event of £759,548.

The impairment arose as a result of the Board's decision to examine the impact on asset value of deterioration to the property. A further review of on-going depreciation of assets will take place to prevent any recurrence of this event.

The recorded deficit, once adjusted for depreciation and impairment, points to an improvement of £243,013.

The charity did not carry out any significant fundraising activities during the year.

#### **7.2. Valuations**

The land and buildings were re-valued as of 30th September 2014 by A Boulter [FRICS, IRRV], of Underwoods [Property Consultants and Chartered Surveyors] and the trustees believe that these valuations adequately reflect the true position of their asset value.

#### **7.3. Reserves**

The policy was reviewed during the year, and now requires that the charity to hold a minimum cash reserve of £300,000 (3 months' operational costs if income streams ceased).

### **8. The Price Trust**

8.1 Centre Ministries has been enabled to fulfil not only the objects of The Price Trust but also to do this in a way that we believe would have delighted and thrilled our benefactor beyond his wildest dreams. We know, from an eye witness account, that Charles Price's sisters were critical of his decision to purchase The Quinta. From his Will we also know that if there was no appropriate use then the property was to be sold and the money given to world mission, with a particular emphasis on China. A biography of Thomas Barnes who built Quinta Hall in the Nineteenth Century has been published. It is almost certain that Thomas Barnes will have been an influential figure for the young Charles Price. The book records that one of the motives for the building of Quinta Hall was that Christian ministers could be entertained and given times of rest and refreshment.

8.2 As already detailed (Public Benefit), The Quinta now not only serves the Christian church all over the UK but is also a centre of world mission. This demonstrates the spectacular fulfilment of the wider desires of our benefactor and, specifically, the fulfilment of the objects of The Price Trust through the work of Centre Ministries. It is the icing on the cake that, amongst the substantial number of guests, foreign nationals are well represented including many from China.

8.3 Both Centre Ministries and Operation Mobilisation continue to maintain and improve the buildings they use. The estate is well used by guests and kept in an attractive condition.

# **CENTRE MINISTRIES**

## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)**

***FOR THE YEAR ENDED 30 SEPTEMBER 2023***

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### **9. Future Plans for 2023-24**

9.1 The pattern of events arising from the pandemic rendered many of what would have been our immediate plans toward beneficiaries unachievable. The focus for the trustees has been to ensure that the Charity's resources are best protected for future use in line with the primary purpose of the Charity. The cessation of normal trading has presented both an opportunity and a perspective to assess the effectiveness and efficiency of the Charity beyond the pandemic.

The future plans for 2023-24 are as follows:

1. Begin the development of 5 year strategic plans for each centre.
2. Review school work across all centres to assess viability and resource capacity for sustaining, and further expanding this area of ministry.
3. Seek to conclude lease negotiations at Castlewellan and secure tenure for medium term.
4. Address immediate structural concerns relating to the degradation of windows at Quinta Hall.
5. Take active steps to recruit new Trustees to provide succession.

### **Disabled persons**

The charity's policy is to consult and discuss with employees, through unions, staff councils and at meetings, matters likely to affect employees' interests.

Information of matters of concern to employees is given through information bulletins and reports which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the group's performance.

## **10. Conclusion**

### **10.1. Volunteers**

The charity benefited again from the help of volunteers, especially at Cloverley Hall with help in looking after their grounds. Our structure includes a Support and Advice Group for each centre whose members are volunteers and who meet twice a year. During the year, a wide range of interested individuals gave up time to contribute to various consultations on how the Charity could best react to the difficulties being experienced. The Board of Trustees would like to take the opportunity to thank them for their continuing and valued support.

### **10.2. Staff**

The trustees wish to place on record their appreciation of the enormous contribution of all employees and those who give free advice and assistance to the charity.

# **CENTRE MINISTRIES**

## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)**

***FOR THE YEAR ENDED 30 SEPTEMBER 2023***

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### **Statement of trustees' responsibilities**

The trustees, who are also the directors of Centre Ministries for the purpose of company law, 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).

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

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 Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. 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 are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.

The trustees are to comply with the duty in section 17(5) of the Charities Act 2011 to have due regard to guidance published by the Charity Commission.

### **Disclosure of information to auditor**

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

### **Auditor**

In accordance with the company's articles, a resolution proposing that Huxley Johnston Ltd be reappointed as auditor of the company will be put at a General Meeting.

The trustees' report, including the strategic report, was approved by the Board of Trustees.

**A.P. Boulter**

Trustee

Dated: 20 June 2024

# CENTRE MINISTRIES

## INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF CENTRE MINISTRIES

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### Opinion

We have audited the financial statements of Centre Ministries (the 'charity') for the year ended 30 September 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 September 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 Companies Act 2006.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *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 contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

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

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

# **CENTRE MINISTRIES**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF CENTRE MINISTRIES**

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

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

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

- adequate accounting records have not been kept, 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.

### **Responsibilities of trustees**

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the 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 charitable company 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.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

### **Extent to which 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. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we 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. This included consideration of the risk of acts by the entity that were contrary to the applicable laws and regulations, including fraud.

# **CENTRE MINISTRIES**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF CENTRE MINISTRIES**

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### **Audit response to risk identified**

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings and those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to the material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. 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.

**Diane Margaret Johnston (Senior Statutory Auditor)**

**for and on behalf of Huxley Johnston Ltd**

**Chartered Certified Accountants**

**Statutory Auditor**

Aqua House

Hampton Heath Industrial Estate

Malpas

Cheshire

SY14 8LY

21st June 2024

# CENTRE MINISTRIES

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

**FOR THE YEAR ENDED 30 SEPTEMBER 2023**

	Notes	Unrestricted funds 2023 £	Endowment funds 2023 £	Total 2023 £	Total 2022 £
<b><u>Income and endowments from:</u></b>					
Voluntary income	3	42,470	-	42,470	45,344
Incoming resources from charitable activities	4	1,460,588	-	1,460,588	1,172,484
Investments	5	11,269	-	11,269	1,919
Other income	6	54,293	-	54,293	125,557
<b>Total income</b>		<b>1,568,620</b>	<b>-</b>	<b>1,568,620</b>	<b>1,345,304</b>
<b><u>Expenditure on:</u></b>					
Charitable activities	7	2,193,093	-	2,193,093	1,148,851
<b>Net (outgoing)/incoming resources before transfers</b>		<b>(624,473)</b>	<b>-</b>	<b>(624,473)</b>	<b>196,453</b>
Gross transfers between funds		698,403	(698,403)	-	-
<b>Net movement in funds</b>		<b>73,930</b>	<b>(698,403)</b>	<b>(624,473)</b>	<b>196,453</b>
Fund balances at 1 October 2022		3,264,758	3,048,404	6,313,162	6,116,709
<b>Fund balances at 30 September 2023</b>		<b>3,338,688</b>	<b>2,350,001</b>	<b>5,688,689</b>	<b>6,313,162</b>

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

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

# CENTRE MINISTRIES

## BALANCE SHEET

AS AT 30 SEPTEMBER 2023

		2023		2022	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Tangible assets	14		4,841,607		5,542,481
<b>Current assets</b>					
Stocks	15	40,186		39,508	
Debtors	16	101,946		129,744	
Cash at bank and in hand		905,940		804,232	
		1,048,072		973,484	
<b>Creditors: amounts falling due within one year</b>	17	200,990		202,803	
Net current assets			847,082		770,681
<b>Total assets less current liabilities</b>			5,688,689		6,313,162
<b>The funds of the charity</b>					
Endowment funds	19	2,350,001		3,048,404	
Unrestricted funds		3,338,688		3,264,758	
		5,688,689		6,313,162	

The financial statements were approved by the trustees on 20 June 2024

A.P. Boulter  
Trustee

Company registration number 00679901 (England and Wales)



# CENTRE MINISTRIES

## STATEMENT OF CASH FLOWS

**FOR THE YEAR ENDED 30 SEPTEMBER 2023**

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	Notes	2023 £	£	2022 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	24		257,053		266,780
<b>Investing activities</b>					
Purchase of tangible fixed assets		(166,614)		(75,619)	
Investment income received		11,269		1,919	
<b>Net cash used in investing activities</b>			(155,345)		(73,700)
<b>Net cash used in financing activities</b>			-		-
<b>Net increase in cash and cash equivalents</b>			101,708		193,080
Cash and cash equivalents at beginning of year			804,232		611,152
<b>Cash and cash equivalents at end of year</b>			905,940		804,232

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# CENTRE MINISTRIES

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2023

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### 1 Accounting policies

#### Charity information

Centre Ministries is a private company limited by guarantee incorporated in England and Wales. The registered office is Quinta Hall, Weston Rhyn, Oswestry, Shropshire, SY10 7LR. The members of the company are the trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

#### 1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

#### 1.4 Income

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

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

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Income from Government and other grants, whether 'capital' grants or 'revenue grants', is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

# CENTRE MINISTRIES

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2023

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### 1 Accounting policies

(Continued)

#### 1.5 Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be reclaimed, and is reported as part of the expenditure to which it relates.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its objectives. It includes both costs that can be allocated directly to such activities and the costs of an indirect nature necessary to support them. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

Support costs are those costs incurred directly in support of expenditure on the objects of the company and include project management carried out by the Group head office.

Governance costs include those costs associated with administering the charity and meeting the constitutional and statutory requirements of the charity and include audit fees and costs linked to the strategic movement of the charity.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attached are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment but not accrued as expenditure.

#### 1.6 Tangible fixed assets

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

##### Depreciation of tangible fixed assets

The freehold land and buildings have to be maintained in good working order. As such the estimated residual value of the buildings is not considered to be materially different to their carrying value. Therefore depreciation has been charged at nil%. The only exception to this is the land and buildings at Quinta which are owned by the Price Trust. The ownership of this property is conditional, however the trustees consider there to be no foreseeable circumstances where they could not continue to use the Quinta and as such consider a nil% depreciation rate to also be appropriate. Impairment reviews have so far confirmed that all properties service potential remains undiminished.

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:

Freehold property	NIL for land and buildings and 12.5% straight line for biomass plant
Leasehold property improv's	Over remaining lease term (1 year)
Fixtures, fittings & equipment	10% straight line and 25% reducing balance
Computers	3 years straight line
Motor vehicles	25% reducing balance

Freehold land is not depreciated.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

# CENTRE MINISTRIES

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2023

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### 1 Accounting policies

(Continued)

#### 1.7 Impairment of fixed assets

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

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

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

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

#### 1.8 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

#### 1.9 Cash and cash equivalents

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

#### 1.10 Financial instruments

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

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

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

##### **Basic financial assets**

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

# CENTRE MINISTRIES

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2023

---

### 1 Accounting policies

(Continued)

#### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

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

#### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

#### **1.11 Employee benefits**

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### **1.12 Retirement benefits**

The charity operates a defined contributions pension scheme. Contributions payable to this scheme are charged to the statement of financial activities as they become payable in accordance of the rules of the scheme. These contributions are invested separately from the Charity's assets.

#### **1.13 The Price Trust**

The only income that might be considered to belong to The Price Trust is the rent from the buildings leased to Operation Mobilisation. However this rent is not set at commercial levels but is deliberately composed to be of no material benefit to Centre Ministries by the trustees in their role as trustees of The Price Trust. The use of those buildings by Operation Mobilisation fulfils the objects of The Price Trust.

The rent reflects a share of the cost of maintaining the condition of the land and services of the estate. It is revised annually, up or down, according to three factors: the number of people Operation Mobilisation have working at The Quinta, the Retail Price Index and the Average Earnings Index. Thus, over time, the rent is so close to costs that there is an assumption of no income or expenditure for The Price Trust apart from the rise or fall of the asset value.

#### **1.14 Employee costs of own work capitalised**

Employee costs arising directly from the construction or acquisition of fixed assets are identified by internal procedures and are capitalised out of staff costs (see note 11).

# CENTRE MINISTRIES

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2023

### 1 Accounting policies

(Continued)

#### 1.15 Fund accounting

- Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.
- Unrestricted funds include a revaluation reserve representing the restatement of land and buildings at market value.
- Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.
- Designated funds are general funds which have been set aside by the Trustees at their discretion for a specific purpose.
- Permanent endowment funds represent assets held by The Price Trust. Centre Ministries are trustees of The Price Trust and under a retrospective Uniting Direction granted by The Charity Commission on 28th July 2009 are able to show the asset held by The Price Trust (The Quinta) as Tangible Freehold Property in the accounts. This treatment allows Centre Ministries to account for the asset in a substance over legal form treatment in order to show a true and fair view. This asset is held as a permanent endowment designated property by The Price Trust and Centre Ministries are entitled to any income generated from its use providing it is used within the objects of The Price Trust which is "to advance the protestant evangelical christian religion in such ways the trustee thinks fit". Providing the asset is used for this purpose any income generated is treated as unrestricted income of Centre Ministries.

### 2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

### 3 Voluntary Income

	<b>Unrestricted funds 2023 £</b>	<b>Unrestricted funds 2022 £</b>
Donations and gifts	42,470	45,344

# CENTRE MINISTRIES

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2023

### 4 Incoming resources from charitable activities

	Fee income 2023 £	Fee income 2022 £
Sales within charitable activities	1,369,600	1,103,866
Ancillary trading income	2,668	307
Charitable rental income	22,649	21,226
Other income	65,671	47,085
	<u>1,460,588</u>	<u>1,172,484</u>

### 5 Income from investments

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Interest receivable	<u>11,269</u>	<u>1,919</u>

### 6 Other income

	Unrestricted funds 2023 £	Total 2022 £
Government grant income	39,545	64,396
Non-primary purpose income	5,894	58,894
Non-primary purpose rental income	8,854	2,267
	<u>54,293</u>	<u>125,557</u>

# CENTRE MINISTRIES

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2023

### 7 Charitable activities

	Charitable activities 2023 £	Charitable activities 2022 £
Staff costs	657,883	512,794
Depreciation and impairment	867,486	104,234
Guest accommodation maintenance	108,659	101,874
Purchases	172,088	128,448
Property insurance	30,272	32,237
Vehicle costs	6,788	4,528
Office expenses	20,038	20,034
Professional fees	3,781	2,012
Event costs	23,380	7,203
Marketing & advertising costs	952	353
Guest accommodation - utilities	220,024	157,758
Bank interest & fees	317	253
	<u>2,111,668</u>	<u>1,071,728</u>
Grant funding of activities (see note 8)	2,400	3,100
Share of support costs (see note 9)	64,164	59,409
Share of governance costs (see note 9)	14,861	14,614
	<u>2,193,093</u>	<u>1,148,851</u>
<b>Analysis by fund</b>		
Unrestricted funds	<u>2,193,093</u>	<u>1,148,851</u>

### 8 Grants payable

	Charitable activities 2023 £	Charitable activities 2022 £
Grants to individuals	2,400	3,100
	<u>2,400</u>	<u>3,100</u>

All of the grants and donations were made in the furtherance of the charity's objective.



# CENTRE MINISTRIES

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2023

### 9 Support costs

	Support costs	Governance costs	2023	2022	Basis of allocation
	£	£	£	£	
Staff costs	48,412	7,035	55,447	52,892	Charitable activity in full
Office expenses	2,705	-	2,705	2,120	Charitable activity in full
Professional fees	7,784	-	7,784	7,469	Charitable activity in full
Insurance	3,277	-	3,277	2,156	Charitable activity in full
Marketing & advertising costs	23	-	23	219	Charitable activity in full
Guest accommodation- Bullfinch	1,440	-	1,440	1,200	Charitable activity in full
Bank interest & fees	523	-	523	409	Charitable activity in full
Audit fees	-	5,500	5,500	5,400	Governance
Trustee meeting costs & expenses	-	2,326	2,326	2,158	Governance
	<u>64,164</u>	<u>14,861</u>	<u>79,025</u>	<u>74,023</u>	
Analysed between Charitable activities	<u>64,164</u>	<u>14,861</u>	<u>79,025</u>	<u>74,023</u>	

### 10 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year, but 6 of them were reimbursed a total of £1,987 expenses (2022- £1,874).

# CENTRE MINISTRIES

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2023

### 11 Employees

#### Number of employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Running of conference centres	56	46
Management and administration of the charity	1	1
	<u>57</u>	<u>47</u>

#### Employment costs

	2023 £	2022 £
Wages and salaries	613,720	484,558
Other personnel costs	46,567	35,852
Capitalised labour	(15,218)	(23,485)
Social security costs	30,442	32,310
Other pension costs	37,819	36,451
	<u>713,330</u>	<u>565,686</u>

There were no employees whose annual remuneration was £60,000 or more.

### 12 Taxation

As a charity, Centre Ministries is exempt from tax on income and gains falling within Section 505 of the Taxes Act 1988 and 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

### 13 Impairments

Impairment tests have been carried out where appropriate and the following impairment losses have been recognised in profit or loss:

	2023 £	2022 £
In respect of:		
Freehold property	<u>759,548</u>	<u>-</u>

During the year the Trustees identified the need for a major capital renovation project at Quinta Hall. A valuation of Quinta Hall has therefore been performed and its carrying value in the accounts has been adjusted to reflect its fair value. This adjustment has resulted in an impairment loss in the year of £759,548.

# CENTRE MINISTRIES

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2023

### 14 Tangible fixed assets

	Freehold property	Leasehold property improv's	Fixtures, fittings & equipment	Computers	Motor vehicles	Total
	£	£	£	£	£	£
<b>Cost or valuation</b>						
At 1 October 2022	5,458,669	529,969	576,319	19,098	25,977	6,610,032
Additions	71,675	-	66,389	-	28,550	166,614
	<u>5,530,344</u>	<u>529,969</u>	<u>642,708</u>	<u>19,098</u>	<u>54,527</u>	<u>6,776,646</u>
<b>Depreciation and impairment</b>						
At 1 October 2022	164,139	463,725	401,789	18,559	19,340	1,067,552
Depreciation charged in the year	22,465	44,380	32,307	200	8,587	107,939
Impairment losses	759,548	-	-	-	-	759,548
	<u>946,152</u>	<u>508,105</u>	<u>434,096</u>	<u>18,759</u>	<u>27,927</u>	<u>1,935,039</u>
<b>Carrying amount</b>						
At 30 September 2023	<u>4,584,192</u>	<u>21,864</u>	<u>208,612</u>	<u>339</u>	<u>26,600</u>	<u>4,841,607</u>
At 30 September 2022	<u>5,294,529</u>	<u>66,245</u>	<u>174,531</u>	<u>539</u>	<u>6,637</u>	<u>5,542,481</u>

Land and buildings with a carrying amount of £4,584,192 were revalued on transition to SORP (FRS102) at 30th September 2014 by A Boulter [FRICS, IRRV], of Underwood's, a firm of independent valuers. Mr Boulter is also a trustee of the Charity. The valuation conforms to International Valuation Standards and was based on market transactions on arm's length terms for similar properties.

At 30 September 2023, had the revalued assets been carried at historic cost less accumulated depreciation and accumulated impairment losses, their carrying amount would have been approximately £3,029,028 (2022 - £3,739,366)

More information on the impairment arising in the year is given in note 13.

### 15 Stocks

	2023 £	2022 £
Shop stock and consumables	<u>40,186</u>	<u>39,508</u>

# CENTRE MINISTRIES

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2023

### 16 Debtors

	2023 £	2022 £
Amounts falling due within one year:		
Trade debtors	44,057	100,469
Prepayments and accrued income	57,889	29,275
	<u>101,946</u>	<u>129,744</u>

### 17 Creditors: amounts falling due within one year

	2023 £	2022 £
Other taxation and social security	91,703	77,434
Trade creditors	75,221	94,036
Other creditors	34,066	31,333
	<u>200,990</u>	<u>202,803</u>

### 18 Retirement benefit schemes

#### Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £37,819 (2022: £36,451).

# CENTRE MINISTRIES

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2023

### 19 Endowment funds

Endowment funds represent assets which must be held permanently by the charity. Income arising on the endowment funds can be used in accordance with the objects of the charity and is included as unrestricted income. Any capital gains or losses arising on the assets form part of the fund.

	Balance at 1 October 2022	Transfers	Balance at 30 September 2023
	£	£	£
<b>Permanent endowments</b>			
Freehold property- 'The Quinta'	2,663,191	(698,403)	1,964,788
Revaluation reserve	385,213	-	385,213
	<u>3,048,404</u>	<u>(698,403)</u>	<u>2,350,001</u>

The permanent endowment fund represents assets held by The Price Trust. Centre Ministries are trustees of The Price Trust and under a retrospective Uniting Direction granted by The Charity Commission on 28th July 2009 are able to show the asset held by The Price Trust (The Quinta) as tangible freehold property in the accounts using a substance over legal form treatment to show a true and fair view. Under The Price Trust Scheme of 1985 a power of sale was conferred in that if as trustees Centre Ministries judge that it is no longer viable to operate "The Quinta" and if they can demonstrate that no one could viably operate it in the furtherance of the objects then with the approval of The Charity Commission they could sell the asset. The proceeds from this sale would however continue to be held by Centre Ministries as a permanent endowment fund of The Price Trust.

Transfers to unrestricted funds of £698,403 relate to the fixed asset property 'The Quinta'. This represents the following transactions during the year:- An impairment loss of £759,548, less fixed asset property additions of £74,454 plus property depreciation of £13,309.

### 20 Restricted funds

The income funds of the charity included no restricted income during the year.

# CENTRE MINISTRIES

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2023

### 21 Unrestricted funds

	At 1 October 2022	Incoming resources	Resources expended	Transfers	At 30 September 2023
	£	£	£	£	£
Revaluation reserve	1,169,950	-	-	-	1,169,950
General funds	2,094,808	1,568,620	(2,193,093)	698,403	2,168,738
	<u>3,264,758</u>	<u>1,568,620</u>	<u>(2,193,093)</u>	<u>698,403</u>	<u>3,338,688</u>
<b>Previous year:</b>	<b>At 1 October 2021</b>	<b>Incoming resources</b>	<b>Resources expended</b>	<b>Transfers</b>	<b>At 30 September 2022</b>
	£	£	£	£	£
Revaluation reserve	1,169,950	-	-	-	1,169,950
General funds	1,898,708	1,345,304	(1,148,851)	(353)	2,094,808
	<u>3,068,658</u>	<u>1,345,304</u>	<u>(1,148,851)</u>	<u>(353)</u>	<u>3,264,758</u>

### 22 Analysis of net assets between funds

	Unrestricted funds 2023 £	Endowment funds 2023 £	Total 2023 £	Total 2022 £
Fund balances at 30 September 2023 are represented by:				
Tangible assets	2,491,606	2,350,001	4,841,607	5,542,481
Current assets/(liabilities)	847,082	-	847,082	770,681
	<u>3,338,688</u>	<u>2,350,001</u>	<u>5,688,689</u>	<u>6,313,162</u>

### 23 Related party transactions

#### Remuneration of key management personnel

The remuneration of key management personnel, is as follows.

	2023 £	2022 £
Aggregate compensation	<u>40,164</u>	<u>39,477</u>

# CENTRE MINISTRIES

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2023

24	Cash generated from operations	2023 £	2022 £
	(Deficit)/surplus for the year	(624,473)	196,453
	Adjustments for:		
	Investment income recognised in statement of financial activities	(11,269)	(1,919)
	Depreciation and impairment of tangible fixed assets	867,486	104,234
	Movements in working capital:		
	(Increase) in stocks	(678)	(10,102)
	Decrease/(increase) in debtors	27,798	(99,986)
	(Decrease)/increase in creditors	(1,811)	78,100
	<b>Cash generated from operations</b>	<b>257,053</b>	<b>266,780</b>