

Charity registration number NIC107211

Company registration number NI666902 (Northern Ireland)

OPEN ARMS CHURCH LIMITED

(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JANUARY 2024

OPEN ARMS CHURCH LIMITED
(A COMPANY LIMITED BY GUARANTEE)
LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr R S Foster	
	Mr B J Milligan	(Appointed 1 September 2023)
	Mr A Barr	(Appointed 1 September 2023)
Charity number	NIC107211	
Company number	NI666902	
Registered office	16a Harford Street Portadown Craigavon Co Armagh BT62 3AA	
Independent examiner	GMcG PORTADOWN 17 Mandeville Street Portadown Craigavon Co Armagh BT62 3PB	
Bankers	Co-Operative Bank Delf House Southway Skelmersdale WN8 6WT	

OPEN ARMS CHURCH LIMITED
(A COMPANY LIMITED BY GUARANTEE)
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OPEN ARMS CHURCH LIMITED
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 JANUARY 2024

The trustees present their report and financial statements for the year ended 31 January 2024.

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 charitable company's Articles of Association, 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 2019).

Objectives and activities

The objectives of the charitable company are set out in the Memorandum of Association of Open Arms Church Limited. They include:-

- To advance the Christian faith.
- To relieve persons who are in conditions of need or hardship or who are aged or sick and to relieve the distress caused thereby.
- To advance education in accordance with Christian principals.
- To promote and fulfil such other charitable purposes beneficial to the community.

The trustees have paid due regard to guidance issued by the Charity Commission for Northern Ireland in deciding what activities the charitable company should undertake.

Achievements and performance

During the year to 31 January 2024 the charitable company received donations and undertook the promotion of their above objectives.

Activities included:-

- Sunday morning worship and Children's Sunday School.
- a holiday bible club for children across the community with volunteers running minibuses to transport children to and from the premises.
- an outreach team of volunteers to help teenagers, addicts and homeless, specifically around the Bann Boulevard in the evenings.
- Friday lunch for the local community, those in need and the homeless in the area.
- operation of a helpline from the church to offer help to the local community as needed.
- volunteers cleaning up the streets around the church removing litter, weeds which had grown in alleyways between houses and removing graffiti from neighbouring houses by painting gable walls.

Financial review

The charitable company's financial results are set out in detail on pages 5-13.

There was an overall surplus for the year of £6,632 (2023 - deficit of £7,736). Unrestricted funds at 31 January 2024 were £23,012 (2023 - £16,380). The charitable company has no restricted funds.

Reserves

The level of reserves will be reviewed annually and built up in stages consistent with the charitable company's overall financial position and its need to maintain its charitable activities. The trustees consider a level of £30,000 to be appropriate.

Structure, governance and management

The charitable company is a company limited by guarantee, governed by its Memorandum and Articles of Association dated 10 January 2020. The charitable company is registered with the Charity Commission for Northern Ireland. The charitable company is controlled by its trustees who are directors of the company for the purposes of company law.

OPEN ARMS CHURCH LIMITED
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 JANUARY 2024

The trustees who served during the period and up to the date of signature of the financial statements were:

Mr R S Foster	
Dr A J Hamilton	(Resigned 1 September 2023)
Mr L A McBride	(Resigned 1 September 2023)
Mr B J Milligan	(Appointed 1 September 2023)
Mr A Barr	(Appointed 1 September 2023)

Under the requirement of the Memorandum and Articles of Association, one third of the directors retire from office each year. The minimum number of directors is three and is not subject to any maximum.

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

Organisation

The day to day running of the charitable company is overseen by the trustees.

In preparing this report, the trustees have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

Registered Office:
16a Hartford Street
Portadown
Craigavon
Co Armagh
BT62 3AA

Company Registration No: NI666902
Charity Registration No: NIC107211

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


Mr B J Milligan
Trustee

Dated: 17/10/2024

**OPEN ARMS CHURCH LIMITED
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT EXAMINER'S REPORT
TO THE TRUSTEES OF OPEN ARMS CHURCH LIMITED**

I report to the trustees on my examination of the financial statements of Open Arms Church Limited (the charitable company) for the year ended 31 January 2024.

Responsibilities of trustees and examiner

As the trustees of the charitable company (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

It is my responsibility to:

- examine the financial statements under section 65 of the Charities Act (Northern Ireland) 2008;
- follow the procedures laid down in the general Directions given by the Charity Commission for Northern Ireland under section 65(9)(b) of the Act; and
- state whether particular matters have come to my attention.

Basis of independent examiner's report

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charitable company as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

OPEN ARMS CHURCH LIMITED
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT EXAMINER'S REPORT (CONTINUED)
TO THE TRUSTEES OF OPEN ARMS CHURCH LIMITED

Independent examiner's statement

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.



Gillian Johnston ACA

GMcG PORTADOWN

17 Mandeville Street
Portadown
Craigavon
Co Armagh
BT62 3PB

Dated: 17 OCTOBER 2024

OPEN ARMS CHURCH LIMITED
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 JANUARY 2024

	Notes	Unrestricted funds 2024 £	Unrestricted funds 2023 £
<u>Income from:</u>			
Donations and legacies	3	32,430	27,601
<u>Expenditure on:</u>			
Charitable activities	4	25,798	35,337
Net income/(expenditure) for the year/ Net movement in funds		6,632	(7,736)
Fund balances at 1 February 2023		16,380	24,116
Fund balances at 31 January 2024		<u>23,012</u>	<u>16,380</u>

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.

OPEN ARMS CHURCH LIMITED
(A COMPANY LIMITED BY GUARANTEE)
BALANCE SHEET

AS AT 31 JANUARY 2024

	Notes	2024 £	£	2023 £	£
Fixed assets					
Tangible assets	8		8,781		13,356
Current assets					
Debtors	9	1,398		596	
Cash at bank and in hand		15,143		5,150	
		<u>16,541</u>		<u>5,746</u>	
Creditors: amounts falling due within one year	10	<u>(2,310)</u>		<u>(2,722)</u>	
Net current assets			14,231		3,024
Total assets less current liabilities			<u>23,012</u>		<u>16,380</u>
Income funds					
Unrestricted funds			23,012		16,380
			<u>23,012</u>		<u>16,380</u>

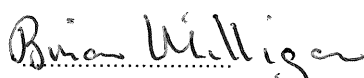
The charitable company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 January 2024.

The trustees acknowledge their responsibilities for ensuring that the charitable company keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the trustees on 17/10/2024



Mr B J Milligan
Trustee

Company Registration No. NI666902

OPEN ARMS CHURCH LIMITED
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2024

1 Accounting policies

Charity information

Open Arms Church Limited is a private company limited by guarantee incorporated in Northern Ireland. The registered office is 16a Harford Street, Portadown, Craigavon, Co Armagh, BT62 3AA.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charitable company's Memorandum of Association, 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 charitable company is a Public Benefit Entity as defined by FRS 102.

The charitable company has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charitable company. 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 charitable company 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 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 charitable company.

1.4 Incoming resources

Income is recognised when the charitable company 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 charitable company 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 charitable company 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.

OPEN ARMS CHURCH LIMITED
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JANUARY 2024

1 Accounting policies (Continued)

1.5 Resources expended

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity.

(i) Charitable activities

This comprises all the resources applied by the charitable company in undertaking its work to meet its charitable objectives.

(ii) Governance costs

Governance costs include the costs of governance arrangements which relate to the general running of the charitable company.

(iii) Support costs

Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with use of the resources.

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 is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold improvements	Over 5 years
Furniture and equipment	20% reducing balance

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.

1.7 Impairment of fixed assets

At each reporting end date, the charitable company 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).

1.8 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.

1.9 Financial instruments

The charitable company 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 charitable company's balance sheet when the charitable company 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.

OPEN ARMS CHURCH LIMITED
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JANUARY 2024

1 Accounting policies (Continued)

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.

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 charitable company's contractual obligations expire or are discharged or cancelled.

2 Critical accounting estimates and judgements

In the application of the charitable company'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.

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Fixed assets

The annual depreciation charge on fixed assets depends primarily on the estimated lives of each type of asset and estimates of residual values. The trustees regularly review these asset lives and change them as necessary to reflect current thinking on remaining lives in light of prospective economic utilisation and physical condition of the assets concerned. Changes in asset lives can have a significant impact on depreciation and amortisation charges for the period. Detail of the useful lives is included in the accounting policies.

OPEN ARMS CHURCH LIMITED
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JANUARY 2024

3 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2024	2023
	£	£
Donations	32,430	27,601

4 Charitable activities

	Unrestricted funds	Unrestricted funds
	2024	2023
	£	£
Rent	500	-
Heat and light	100	1,180
Website, media, music and sound expenses	1,010	887
Donations	356	336
Payments to Pastor	11,811	20,534
Insurance	562	522
Depreciation	4,804	4,981
GIVT fees	91	97
Relief Pastor	1,800	1,600
Printing and stationery	71	51
Outreach	1,032	315
Repairs	305	-
	<u>22,442</u>	<u>30,503</u>
Share of support costs (see note 5)	1,416	2,294
Share of governance costs (see note 5)	1,940	2,540
	<u>25,798</u>	<u>35,337</u>

OPEN ARMS CHURCH LIMITED
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JANUARY 2024

5 Support costs

	Support costs	Governance costs	2024	Support costs	Governance costs	2023
	£	£	£	£	£	£
Payments to Pastor	1,312	-	1,312	2,281	-	2,281
General expenses	104	-	104	13	-	13
Accountancy	-	1,940	1,940	-	2,540	2,540
	<u>1,416</u>	<u>1,940</u>	<u>3,356</u>	<u>2,294</u>	<u>2,540</u>	<u>4,834</u>
Analysed between						
Charitable activities	<u>1,416</u>	<u>1,940</u>	<u>3,356</u>	<u>2,294</u>	<u>2,540</u>	<u>4,834</u>

6 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charitable company during the year.

7 Employees

The average monthly number of employees during the year was:

2024	2023
Number	Number
<u>1</u>	<u>1</u>

OPEN ARMS CHURCH LIMITED
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JANUARY 2024

8 Tangible fixed assets

	Leasehold improvements £	Furniture and equipment £	Total £
Cost			
At 1 February 2023	19,333	7,878	27,211
Additions	-	229	229
	<hr/>	<hr/>	<hr/>
At 31 January 2024	19,333	8,107	27,440
	<hr/>	<hr/>	<hr/>
Depreciation and impairment			
At 1 February 2023	10,431	3,424	13,855
Depreciation charged in the year	3,867	937	4,804
	<hr/>	<hr/>	<hr/>
At 31 January 2024	14,298	4,361	18,659
	<hr/>	<hr/>	<hr/>
Carrying amount			
At 31 January 2024	5,035	3,746	8,781
	<hr/>	<hr/>	<hr/>
At 31 January 2023	8,902	4,454	13,356
	<hr/>	<hr/>	<hr/>

9 Debtors

	2024 £	2023 £
Amounts falling due within one year:		
Other debtors	400	-
Prepayments and accrued income	998	596
	<hr/>	<hr/>
	1,398	596
	<hr/>	<hr/>

10 Creditors: amounts falling due within one year

	2024 £	2023 £
Accruals and deferred income	2,310	2,722
	<hr/>	<hr/>

11 Explanatory notes to the funds

Unrestricted funds

This fund includes all core funding that the charitable company receives and is expendable at the discretion of the trustees for the general purposes of the charitable company.

OPEN ARMS CHURCH LIMITED
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JANUARY 2024

12 Related party transactions

Mr L A McBride, as a trustee for part of the year, received payment for non trustee related services provided in the period totalling £1,800 (2023 - £1,600). After resigning as trustee on 1 September 2023, Mr McBride became an employee of the charity.

During the year the trustees, as congregational members, made donations to the charity by way of general church offerings.