

REGISTERED COMPANY NUMBER: 07308725 (England and Wales)
REGISTERED CHARITY NUMBER: 1139291

Report of the Trustees and
Financial Statements for the Year Ended 31 May 2019
for
KHARIS MINISTRIES
(A COMPANY LIMITED BY GUARANTEE)

Richard Samson
Chartered Accountant
21 Coldharbour Lane
London
SE5 9NR

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for the Year Ended 31 May 2019**

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**Report of the Trustees
for the Year Ended 31 May 2019**

The Trustees who are also directors of the charity for the purposes of Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 May 2017. The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, 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) (effective January 2015).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The objects of the charity are to advance the Christian faith in accordance with the teachings of the Bible and to further the gospel of the Lord Jesus Christ by any and all means possible; and the relief of poverty, sickness and distress primarily but not exclusively in Africa by the provision of food, clothes and shelter and the relief of persons who are victims of natural disasters of war.

Significant activities

Activities which further the objectives include preaching the Word of God through regular Thursday and Sunday church meetings and Friday community based meetings held at the homes of members of the church congregation.

The charity is actively engaged in providing wholistic support to many disadvantaged individuals from all walks of life. This support is provided in many different forms including fellowship, worship, education, training and practical application of Christian principles.

The charity encourages members of the church congregation to practice the belief that all activities of their lives must be guided and directed aright by the Word of God, which is the Bible.

There are also special one-off programmes such as conventions where visiting ministers are invited to preach and minister the Word of God. Members of the church congregation are also trained to live morally upright lives and be good examples in the communities in which they live.

The charity serves to provide a means through which people can seek God and lead lives based on sound Christian doctrine.

The main church has a choir that spreads the Gospel of Jesus Christ through Gospel concerts and singing during regular Church services.

STRATEGIC REPORT

Financial position

The trustees are pleased with the financial position of the charity at the balance sheet date despite the reduction in funds resulting from required accounting adjustments and provisions for previously unrecognised liabilities and charges.

Principal funding sources

The charity is maintained and operated by means of contributions from members of the congregation, private individuals, organisations or associations that share the objectives and aspirations of the charity and from revenues derived from its assets or business. All donations and contributions are non-refundable and shall be disbursed as the trustees see fit.

**Report of the Trustees
for the Year Ended 31 May 2019**

STRATEGIC REPORT

Financial review

Investment policy and objectives

The trustees are of the opinion that the performance of the charity from a financial standpoint is in line with their expectations and plans for the charity.

The charity does not currently hold any investments.

Reserves policy

The charity does not currently analyse its funds into different classes or categories. All the funds are maintained in a single general fund.

Future plans

The trustees plan to grow the membership from its present level and will continue to focus on refining and developing existing operations to the highest possible standards.

Regarding the financial position of the charity, the trustees are pleased both at the balance sheet date and at the date of the trustees' report. The outlook for the continued operations of the charity remains good.

The Trustees confirm that in their opinion: -

Adequate assets are available to fulfil the obligations of the charity, having regard to any likely delays or shortfalls in realising assets into cash.

No commitments or guarantees have been undertaken, other than those disclosed in the accounts.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The governing document of the charity is the Memorandum and Articles of Association of the company, limited by guarantee 'Kharis Ministries'.

Organisational structure

The charity is managed and controlled by the trustees. Currently all trustees are also directors of the company limited by guarantee.

Trustees meet regularly to make management and policy decisions.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

07308725 (England and Wales)

Registered Charity number

1139291

Registered office

2a Orchard Road
Belvedere
Kent
DA17 5BP

**Report of the Trustees
for the Year Ended 31 May 2019**

Trustees

I Gogo Consultant - Legal Project Manager (appointed 10.1.19)

P Afful-Mensah Solicitor (appointed 10.1.19)

J N Y Darbo (appointed 18.4.19)

T D Owusu-Lane (appointed 10.1.19)

Rev C Paintsil Postal Worker

D Bediako Civil Servant (resigned 8.1.19)

Reverend S K B Fuakye Reverend Minister (resigned 8.1.19)

L A A Yeboah Teacher (resigned 8.1.19)

Independent Examiner

Richard Samson

Chartered Accountant

21 Coldharbour Lane

London

SE5 9NR

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 28 March 2020 and signed on the board's behalf by:

P Afful-Mensah - Trustee

Independent Examiner's Report to the Trustees of Kharis Ministries

Independent examiner's report to the trustees of Kharis Ministries ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 May 2019.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of ICAEW which is one of the listed bodies.

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:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts 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 accounts 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)).

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 accounts to be reached.

Richard Samson
ICAEW
Richard Samson
London
SE5 9NR

28 March 2020

**Statement of Financial Activities
for the Year Ended 31 May 2019**

		2019 Unrestricted fund £	2018 Total funds £
INCOME AND ENDOWMENTS FROM	Notes		
Donations and legacies	2	969,923	889,806
Other trading activities	3	5,035	-
Investment income	4	346	341
Total		975,304	890,147
EXPENDITURE ON			
Charitable activities	5		
Ministry and evangelism		442,588	705,263
Alleviation of poverty and distress		6,279	25,570
Running costs		325,297	69,795
Total		774,164	800,628
NET INCOME		201,140	89,519
RECONCILIATION OF FUNDS			
Total funds brought forward		519,124	429,605
TOTAL FUNDS CARRIED FORWARD		720,264	519,124

The notes form part of these financial statements

Balance Sheet
31 May 2019

	Notes	2019 Unrestricted fund £	2018 Total funds £
FIXED ASSETS			
Tangible assets	12	162,426	147,945
CURRENT ASSETS			
Debtors	13	4,600	2,600
Cash at bank and in hand		940,772	747,824
		945,372	750,424
CREDITORS			
Amounts falling due within one year	14	(387,534)	(379,245)
NET CURRENT ASSETS		557,838	371,179
TOTAL ASSETS LESS CURRENT LIABILITIES		720,264	519,124
NET ASSETS		720,264	519,124
FUNDS	16		
Unrestricted funds		720,264	519,124
TOTAL FUNDS		720,264	519,124

The charitable company is entitled to exemption from audit under Section 479A of the Companies Act 2006 relating to subsidiary charitable companies for the year ended 31 May 2019.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 May 2019 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each 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 notes form part of these financial statements

Balance Sheet - continued
31 May 2019

The financial statements were approved by the Board of Trustees on 28 March 2020 and were signed on its behalf by:

P Afful-Mensah - Trustee

The notes form part of these financial statements

Cash Flow Statement
for the Year Ended 31 May 2019

	Notes	2019 £	2018 £
Cash flows from operating activities			
Cash generated from operations	1	270,641	193,729
Interest element of hire purchase payments paid		(385)	(32)
Net cash provided by operating activities		270,256	193,697
Cash flows from investing activities			
Purchase of tangible fixed assets		(68,631)	(67,520)
Interest received		346	341
Net cash used in investing activities		(68,285)	(67,179)
Cash flows from financing activities			
Capital repayments in year		(9,023)	17,433
Net cash (used in)/provided by financing activities		(9,023)	17,433
Change in cash and cash equivalents in the reporting period		192,948	143,951
Cash and cash equivalents at the beginning of the reporting period		747,824	603,873
Cash and cash equivalents at the end of the reporting period		940,772	747,824

The notes form part of these financial statements

**Notes to the Cash Flow Statement
for the Year Ended 31 May 2019**

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2019	2018
	£	£
Net income for the reporting period (as per the Statement of Financial Activities)	201,140	89,519
Adjustments for:		
Depreciation charges	54,150	49,314
Interest received	(346)	(341)
Interest element of hire purchase and finance lease rental payments	385	32
Increase in debtors	(2,000)	-
Increase in creditors	17,312	55,205
	<hr/>	<hr/>
Net cash provided by operations	271,026	193,761
	<hr/> <hr/>	<hr/> <hr/>

The notes form part of these financial statements

**Notes to the Financial Statements
for the Year Ended 31 May 2019**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Income

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

Expenditure

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

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Taxation

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

Fund accounting

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

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

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

Hire purchase and leasing commitments

The interest element of these obligations is charged to the Statement of Financial Activities over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Notes to the Financial Statements - continued
for the Year Ended 31 May 2019

2. DONATIONS AND LEGACIES

	2019	2018
	£	£
Donations	969,923	889,806

3. OTHER TRADING ACTIVITIES

	2019	2018
	£	£
T shirt sales	5,035	-

4. INVESTMENT INCOME

	2019	2018
	£	£
Deposit account interest	346	341

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Grant funding of activities (see note 6) £	Support costs (see note 7) £	Totals £
Ministry and evangelism	280,519	-	162,069	442,588
Alleviation of poverty and distress	-	6,279	-	6,279
Running costs	248,542	-	76,755	325,297
	529,061	6,279	238,824	774,164

6. GRANTS PAYABLE

	2019	2018
	£	£
Alleviation of poverty and distress	6,279	4,360

Notes to the Financial Statements - continued
for the Year Ended 31 May 2019

7. SUPPORT COSTS

	Management £	Finance £	Totals £
Ministry and evangelism	161,684	385	162,069
Running costs	70,125	6,630	76,755
	<u>231,809</u>	<u>7,015</u>	<u>238,824</u>

8. NET INCOME/(EXPENDITURE)

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

	2019 £	2018 £
Depreciation - owned assets	54,150	49,314
Hire of plant and machinery	1,497	1,497
	<u>55,647</u>	<u>50,811</u>

9. TRUSTEES' REMUNERATION AND BENEFITS

	2019 £	2018 £
Trustees' salaries	4,500	22,470
Trustees' social security	-	1,974
	<u>4,500</u>	<u>24,444</u>

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 May 2019 nor for the year ended 31 May 2018.

10. STAFF COSTS

	2019 £	2018 £
Wages and salaries	127,830	186,125
Social security costs	9,694	16,360
	<u>137,524</u>	<u>202,485</u>

Notes to the Financial Statements - continued
for the Year Ended 31 May 2019

10. STAFF COSTS - continued

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

	2019	2018
Ministerial	2	2
Ministerial support	8	7
	<u>10</u>	<u>9</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2019	2018
£60,001 - £70,000	1	1
	<u>1</u>	<u>1</u>

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £
INCOME AND ENDOWMENTS FROM	
Donations and legacies	889,806
Investment income	341
Total	<u>890,147</u>
EXPENDITURE ON	
Charitable activities	
Ministry and evangelism	705,263
Alleviation of poverty and distress	25,570
Running costs	69,795
Total	<u>800,628</u>
NET INCOME	<u>89,519</u>
RECONCILIATION OF FUNDS	
Total funds brought forward	429,605

Notes to the Financial Statements - continued
for the Year Ended 31 May 2019

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

Unrestricted
fund
£

**TOTAL FUNDS CARRIED
FORWARD**

519,124

12. TANGIBLE FIXED ASSETS

	Plant and machinery £	Fixtures and fittings £	Totals £
COST			
At 1 June 2018	484,922	6,042	490,964
Additions	68,631	-	68,631
	<u>553,553</u>	<u>6,042</u>	<u>559,595</u>
At 31 May 2019			
DEPRECIATION			
At 1 June 2018	337,846	5,173	343,019
Charge for year	53,926	224	54,150
	<u>391,772</u>	<u>5,397</u>	<u>397,169</u>
At 31 May 2019			
NET BOOK VALUE			
At 31 May 2019	161,781	645	162,426
	<u>147,076</u>	<u>869</u>	<u>147,945</u>
At 31 May 2018			

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Loan	3,600	1,600
Prepayments	1,000	1,000
	<u>4,600</u>	<u>2,600</u>

**Notes to the Financial Statements - continued
for the Year Ended 31 May 2019**

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019	2018
	£	£
Hire purchase (see note 15)	8,410	17,433
Gift Aid	251,269	251,269
Social security and other taxes	99,255	85,393
Other creditors	-	1,000
Accrued expenses	28,600	24,150
	<u>387,534</u>	<u>379,245</u>

15. LEASING AGREEMENTS

Minimum lease payments under hire purchase fall due as follows:

	2019	2018
	£	£
Net obligations repayable:		
Within one year	<u>8,410</u>	<u>17,433</u>

16. MOVEMENT IN FUNDS

	At 1.6.18	Net movement in funds	At
	£	£	31.5.19 £
Unrestricted funds			
General fund	519,124	201,140	720,264
	<u>519,124</u>	<u>201,140</u>	<u>720,264</u>
TOTAL FUNDS	<u>519,124</u>	<u>201,140</u>	<u>720,264</u>

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

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	975,304	(774,164)	201,140
	<u>975,304</u>	<u>(774,164)</u>	<u>201,140</u>
TOTAL FUNDS	<u>975,304</u>	<u>(774,164)</u>	<u>201,140</u>

Notes to the Financial Statements - continued
for the Year Ended 31 May 2019

16. MOVEMENT IN FUNDS - continued**Comparatives for movement in funds**

	At 1.6.17 £	Net movement in funds £	At 31.5.18 £
Unrestricted funds			
General fund	429,605	89,519	519,124
TOTAL FUNDS	<u>429,605</u>	<u>89,519</u>	<u>519,124</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	890,147	(800,628)	89,519
TOTAL FUNDS	<u>890,147</u>	<u>(800,628)</u>	<u>89,519</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.6.17 £	Net movement in funds £	At 31.5.19 £
Unrestricted funds			
General fund	429,605	290,659	720,264
TOTAL FUNDS	<u>429,605</u>	<u>290,659</u>	<u>720,264</u>

Notes to the Financial Statements - continued
for the Year Ended 31 May 2019

16. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,865,451	(1,574,792)	290,659
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>1,865,451</u>	<u>(1,574,792)</u>	<u>290,659</u>

17. RELATED PARTY DISCLOSURES

During the year under review Frank Bediako, the husband of Diana Bediako, a trustee, received an annual salary of £4,400 for part-time work related to charity operations.

KHARIS MINISTRIES**Detailed Statement of Financial Activities
for the Year Ended 31 May 2019**

	2019 £	2018 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	969,923	889,806
Other trading activities		
T shirt sales	5,035	-
Investment income		
Deposit account interest	346	341
Total incoming resources	975,304	890,147
EXPENDITURE		
Charitable activities		
Advertising	3,593	9,873
Ministry and evangelism	480,876	454,863
Donations to other charities	44,592	33,254
Grants to individuals	6,279	4,360
	535,340	502,350
Support costs		
Management		
Trustees' salaries	4,500	22,470
Trustees' social security	-	1,974
Wages	123,330	163,655
Social security	9,694	14,386
Hire of plant and machinery	1,497	1,497
Insurance	999	966
Telephone	9,354	11,113
Postage and stationery	1,931	-
Sundries	2,746	4,534
Travelling expenses	10,640	3,593
Repairs and maintenance	3,637	1,734
Accountancy fees	7,200	9,950
Information and communications technology	2,131	6,915
Carried forward	177,659	242,787

This page does not form part of the statutory financial statements

**Detailed Statement of Financial Activities
for the Year Ended 31 May 2019**

	2019 £	2018 £
Management		
Brought forward	177,659	242,787
Legal fees	-	135
Plant and machinery	53,926	49,025
Fixtures and fittings	224	289
	<hr/> 231,809	<hr/> 292,236
Finance		
Bank charges	6,630	6,010
Hire purchase	385	32
	<hr/> 7,015	<hr/> 6,042
Total resources expended	<hr/> 774,164	<hr/> 800,628
Net income	<hr/> 201,140	<hr/> 89,519

This page does not form part of the statutory financial statements