

**THE GENERAL ASSEMBLY OF THE TRUE JESUS
CHURCH, UNITED KINGDOM**

FINANCIAL STATEMENTS

FOR

30 SEPTEMBER 2019

Charity No: 1161556

WHITELAW WELLS

Statutory Auditor
9 Ainslie Place
Edinburgh
EH3 6AT

THE GENERAL ASSEMBLY OF THE TRUE JESUS CHURCH, UNITED KINGDOM

FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2019

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THE GENERAL ASSEMBLY OF THE TRUE JESUS CHURCH, UNITED KINGDOM

GENERAL ASSEMBLY BOARD ANNUAL REPORT

YEAR ENDED 30 SEPTEMBER 2019

The General Assembly Board members have pleasure in presenting their report for the year ended 30 September 2019.

The financial statements comply with the General Assembly's constitution, the Charities Act 2011, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

OBJECTIVES AND ACTIVITIES OF THE GENERAL ASSEMBLY OF THE TRUE JESUS CHURCH, UNITED KINGDOM

Purpose

The objectives of the General Assembly are:

- to co-ordinate the local churches, prayer houses and places of worship of the True Jesus Church in the UK to worship the one true God;
- to proclaim the complete gospel of salvation of Jesus Christ, and to keep the teachings of the Bible;
- to prepare for the second coming of the Lord Jesus.

Aims and Activities

These objectives are met through regular meetings to discuss the needs within each local community and co-ordinating all the affiliated churches. In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit.

Grant Making Policy

The General Assembly Board operates a policy to contribute a proportion of its income to the International Assembly of the True Jesus Church. The level of this contribution is suggested by the International Assembly on an annual basis. Other donations are made by identifying projects and organisations they wish to support and are discussed before any donation is made.

ACHIEVEMENTS AND PERFORMANCE

The General Assembly has increased in membership and has generally strengthened the faith of its members in line with the objectives outlined above by such activities as seminars, fellowships, religious teachings, convocations and publications.

The organisation serves all the communities in the UK, although most members are from the Chinese Community.

After a thorough discussion at the annual Church Delegate Conference held in November 2017, a project for the development and construction of an administrative building of the General Assembly and a chapel on the Longbenton site in Newcastle was approved. The organisation completed the first round of fundraising from local churches for this building project at the end of May 2018 and are continuing with the fundraising. However, discussions with the local council in Newcastle are still ongoing. The building committee under the General Assembly Board has therefore been considering other options to expedite the completion of this project.

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GENERAL ASSEMBLY BOARD ANNUAL REPORT

YEAR ENDED 30 SEPTEMBER 2019

FINANCIAL REVIEW

Allocated offerings received during the year totalled £390,233 (2018: £364,036) and voluntary donations totalled £1,374,507 (2018: £204,026). Total income for the year was £1,781,766 (2018: £576,939), with expenditure of £381,418 (2018: £344,098) leaving a surplus for the year of £1,400,348 (2018: £232,841). At the balance sheet date the unrestricted reserves were £771,011 (2018: £689,892), including designated funds of £232,866 (2018: £226,686) with £2,162,901 (2018: £843,672) in restricted funds.

Investment Policy

The reserves are currently held in cash, which the General Assembly Board feels is appropriate given the continuing volatility of the stock market. The General Assembly Board will keep this policy under review.

Risk Management

The General Assembly Board has assessed the major risks to which the General Assembly is exposed and are satisfied that systems are in place to mitigate the exposure to the major risks. The principal risks and uncertainties facing the General Assembly are:

Financial Risk

The ongoing capital development project is a significant additional risk to the organisation. However, the project will not commence until sufficient funding to complete the project is available. The risk of negative cash flow has been mitigated by a significant fundraising programme.

Other Risks

Internal control risks are minimised by procedures for authorisation of all transactions.

Reserves Policy

The free reserves are the total unrestricted funds less the amount designated for the acquisition of church buildings, and equate to £538,145 (2018: £463,206). The General Assembly Board, and indeed the True Jesus Church in general, adopt a very conservative financial management strategy and would not normally borrow funds from commercial financial institutions. Hence the General Assembly Board has accumulated a large surplus of free reserves but such a reserve is held for the purpose of capital expenditure when necessary e.g. purchase of properties by affiliated churches or when large programmes need to be undertaken requiring resources larger than the normal operating budget.

In addition, it is not unusual to lend funds to affiliated churches upon their request when they in turn require to incur capital expenditure. In such cases, money would be lent at zero rate of interest and be repaid when the affiliated church was capable to do so.

There are significant restricted reserves being built up as the General Assembly is looking to purchase and build a new administrative building and chapel in Newcastle.

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PLANS FOR FUTURE PERIODS

The General Assembly is to undertake further evangelism to promote the gospel as well as spiritual convocations, seminars and theological training courses to encourage members to grow in to the stature of Christ in line with its stated objectives.

The organisation is also looking at plans to develop a new administrative building in Newcastle and has been continuing to raising funds to allow this development to go ahead.

Due to the unprecedented Coronavirus pandemic which began in early 2020, a number of national seminars and fellowships organised by the organisation have been cancelled. These arrangements will, however, be reviewed regularly in accordance with Government guidance. In addition to the live-streamed weekday and Sabbath services already provided by local churches, the organisation has also coordinated with them to organise online Bible studies, evangelistic services and religious education for the members in the UK.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Status of Charity and Governing Document

The General Assembly of the True Jesus Church, United Kingdom is registered as a charity with the Charity Commission with the charity number 1161556. The General Assembly is governed by its By-laws, Rules and Regulations and Trust Deed dated 14 April 2015. The Trust Deed was updated on 10 September 2018.

The General Assembly acts as an “umbrella organisation” for the local churches, prayer houses and places of worship of the True Jesus Church in the UK, these bodies being affiliated but independent of the General Assembly. In order to achieve its objectives, the General Assembly co-operates, assists and works in collaboration with the various local churches, prayer houses and places of worship.

Organisational Structure

The organisation is formed by all the local churches and prayer houses of the True Jesus Church in the UK. Each church sends delegates to the annual Church Delegate Conferences. They in turn elect the General Assembly Board triennially. The General Assembly Board, with the exception of the salaried full-time divine workers employed by the General Assembly, are appointed Charity Trustees. Following the election held in November 2019, the General Assembly Board consists of 15 members who will serve for a term of three years and are eligible for re-election. The General Assembly Board is the highest executive body in the organisation and executes resolutions passed by the Church Delegate Conferences as well as carrying out the day to day running of the General Assembly.

Trustees' Training

The current Trustees have held their posts for several years and are fully conversant with the work of the charity. Should a Trustee leave between Church Delegate Conferences, the remaining Trustees will meet to appoint a new Trustee based on their skills and experience. The existing Trustees will mentor the new Trustee until they are familiar with the day to day workings and aims of the charity, and they will be given the opportunity to contribute fully to any management issues that are brought to the attention of the General Assembly Board.

Related Parties

The General Assembly is affiliated to the International Assembly of the True Jesus Church but

THE GENERAL ASSEMBLY OF THE TRUE JESUS CHURCH, UNITED KINGDOM

GENERAL ASSEMBLY BOARD ANNUAL REPORT

YEAR ENDED 30 SEPTEMBER 2019

remains an independent charity.

Pay Policy for Senior Staff

The General Assembly consider the board members to be the key management personnel of the charity. The pay of all staff is reviewed annually and normally increased in accordance with the UKGA Pay Scale and the Retail Price Index published by the government.

LEGAL AND ADMINISTRATIVE INFORMATION

Charity Name	The General Assembly of the True Jesus Church, United Kingdom (known as TJC UKGA)	
Charity Number	1161556	
General Assembly Board	Silas Ah Yee Chan	(Chairman until 19 November 2019, Vice-chairman from 19 November 2019) (Elgin) *
	Ezra (Kon Fah) Chong	(Vice- Chairman until 19 November 2019, Chairman from 19 November 2019) (London)*
	Chung Pok (Sam) Chan	(Head of Department of Religious Affairs until 19 November 2019) (Edinburgh)*
	Fook Fah Chong	(Head of Department of Religious Affairs from 19 November 2019) (UKGA Preacher) #
	Simon (Tin Wan) Ho	(Head of Department of General Affairs) (Newcastle)
	Ling Tao (Ah Chang) Shek	(Head of Department of Financial Affairs) (Edinburgh) *
	Michael Sheung Chun Hsu	(Head of Department of Literary Ministry from 19 November 2019) (Edinburgh) *
	Michael Chi Wing Chan	(Head of Department of Training from 19 November 2019) (UKGA Preacher)#
	Nehemiah (Kenneth) Zhou	(London) *
	Stephen (Tin Loi) Sek	(Elgin)*
	Stephen (Tak Fai) Ho	(Newcastle) *
	Michael Parrett	(Forest Hill) *
	Kuo Zhang	(Portsmouth) *
	Nathan (Anthony) Tang	(Appointed 19 November 2019) (Newcastle)
	Johnny Koon Wong Lui	(Appointed 19 November 2019) (UKGA Preacher) #
	Chung Sung (Chat Yau) Chan	(Resigned 19 November 2019) (Gifford Park) *
	Haggai (Chi Wai) Liu	(Resigned 19 November 2019) (Leicester) *
	Isaac (Sam Tai) Chan	(Resigned 19 November 2019) (Sunderland) *
	Yuk Kong Tang	(Resigned 19 November 2019) (Leicester) *

* signifies board member is also a trustee of the local church

#signifies board member is not a trustee of the General Assembly

Secretary Simon (Tin Wan) Ho

Principal Address Boyd Street
Shieldfield, Newcastle upon Tyne
England, NE2 1AP

Independent Auditor Whitelaw Wells
Chartered Accountants & Statutory Auditors
9 Ainslie Place, Edinburgh, EH3 6AT

Bankers The Royal Bank of Scotland
Edinburgh West End Office Branch
142-144 Princes Street, Edinburgh, EH2 4EQ

THE GENERAL ASSEMBLY OF THE TRUE JESUS CHURCH, UNITED KINGDOM

GENERAL ASSEMBLY BOARD ANNUAL REPORT

YEAR ENDED 30 SEPTEMBER 2019

RESPONSIBILITIES OF THE GENERAL ASSEMBLY BOARD

The General Assembly Board are responsible for preparing the General Assembly Board's Report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the General Assembly Board to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, of the charity for that period. In preparing the financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures that must be disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

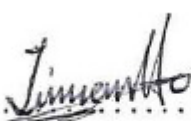
The General Assembly Board are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the constitution. They are also responsible for safeguarding the assets of the charity and taking reasonable steps for the prevention and detection of fraud and other irregularities.

The General Assembly Board are responsible for the maintenance and integrity of the charity and financial information included on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.

Statement as to Disclosure of Information to Auditors

So far as the General Assembly Board are aware, there is no relevant audit information (as defined by the Charities Act 2011) of which the charity's auditors are unaware, and each members of the board has taken all steps he ought to have as a member of the board in order to make himself aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Approved by the General Assembly Board on 15 June 2020 and signed on their behalf by:

.....
Simon (Tin Wan) Ho
Secretary

THE GENERAL ASSEMBLY OF THE TRUE JESUS CHURCH, UNITED KINGDOM

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES

YEAR ENDED 30 SEPTEMBER 2019

Opinion

We have audited the financial statements of General Assembly of the True Jesus Church for the year ended 30 September 2019, which comprise the Statement of Financial Activities (incorporating the Income and Expenditure Account), the Balance Sheet, the Cash Flow Statement and the related notes. 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 Principles) 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 (FRS102) (effective 1 January 2015).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 30 September 2019 and of 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 Charities Act 2011 (the Charities Act).

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 Auditors' responsibilities for the audit of financial statements in our report. We are independent of the company 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

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

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

Other information

The other information comprises the information in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES

YEAR ENDED 30 SEPTEMBER 2019

Other information

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

Responsibilities of the Trustees

As explained more fully in the Trustees' responsibilities statement set out on page 6, the Trustees are responsible for the preparation of financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine necessary to enable the preparation of the 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 Trust'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 intend to liquidate the Trust or cease operations, or has no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

We have been appointed as auditor under the Charities Act 2011 (the Charities Act) and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 a Report of the Auditors 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.

THE GENERAL ASSEMBLY OF THE TRUE JESUS CHURCH, UNITED KINGDOM

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES

YEAR ENDED 30 SEPTEMBER 2019

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

Use of our report

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

Other Matters

The comparative financial statements are unaudited.



Whitelaw Wells
Statutory Auditor
9 Ainslie Place
Edinburgh
EH3 6AT

Whitelaw Wells is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

15 June 2020

THE GENERAL ASSEMBLY OF THE TRUE JESUS CHURCH, UNITED KINGDOM

STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 30 SEPTEMBER 2019

	Note	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
Income and endowments from:					
Donations					
<i>Contributions from local churches</i>		390,233	1,374,507	1,764,740	568,062
Charitable activities					
<i>Hymm book sales</i>		1,470	-	1,470	1,398
<i>IYF fees</i>		6,057	-	6,057	-
Investment income		7,026	2,473	9,499	7,479
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total income	2	404,786	1,376,980	1,781,766	576,939
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
Expenditure on:					
Charitable activities	3	297,167	84,251	381,418	344,098
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total expenditure		297,167	84,251	381,418	344,098
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
Net income		107,619	1,292,729	1,400,348	232,841
Transfers between funds		(26,500)	26,500	-	-
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
Net movement in funds		81,119	1,319,229	1,400,348	232,841
Funds brought forward		689,892	843,672	1,533,564	1,300,723
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
Funds carried forward		771,011	2,162,901	2,933,912	1,533,564
		<u> </u>	<u> </u>	<u> </u>	<u> </u>

The General Assembly has no recognised gains or losses other than the results for the year as set out above.

All activities relate to continuing operations.

The notes on pages 13-21 form part of these financial statements.

THE GENERAL ASSEMBLY OF THE TRUE JESUS CHURCH, UNITED KINGDOM

BALANCE SHEET

30 SEPTEMBER 2019

	Note	£	2019 £	2018 £
FIXED ASSETS				
Tangible assets	6		133,825	133,825
CURRENT ASSETS				
Debtors: <i>amounts falling due in less than one year</i>	7	106,190		85,687
<i>amounts falling due in greater than one year</i>	8	125,460		123,114
Cash at bank and in hand		2,583,250		1,201,060
		2,814,900		1,409,861
CREDITORS: amounts falling due within one year				
	9	(14,813)		(10,122)
NET CURRENT ASSETS				
			2,800,087	1,399,739
TOTAL ASSETS LESS CURRENT LIABILITIES				
			2,933,912	1,533,564
FUNDS				
Unrestricted Funds	10		538,145	463,206
Designated Funds	10		232,866	226,686
Restricted Funds	10		2,162,901	843,672
			2,933,912	1,533,564

These financial statements were approved by the General Assembly Board and are signed on their behalf by:



Ling Tao (Ah Chang) Shek

Date: 15 June 2020

The notes on pages 13-21 form part of these financial statements.

THE GENERAL ASSEMBLY OF THE TRUE JESUS CHURCH, UNITED KINGDOM

STATEMENT OF CASH FLOWS

30 SEPTEMBER 2019

	2019 £	2018 £
Cash flows from operating activities:		
Net cash provided by operating activities	1,367,036	239,087
Cash flows from investing activities:		
<i>Interest</i>	5,828	3,195
<i>Loan repaid by other churches in the year</i>	9,326	9,773
Net cash provided by investing activities	15,154	12,968
Change in cash and cash equivalents in the year	1,382,190	252,055
Cash and cash equivalents at the beginning of the year	1,201,060	949,005
Cash and cash equivalents at the end of the year	2,583,250	1,201,060
RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES		
Net income for the year (as per the Statement of Financial Activities)	1,400,348	232,841
Adjustments for:		
Interest from investments	(5,828)	(3,195)
Finance income/ cost of loans	(3,671)	(4,284)
(increase)/decrease in debtors	(28,504)	14,394
Increase/(decrease) in creditors	4,691	(669)
Net cash provided by operating activities	1,367,036	239,087
ANALYSIS OF CASH AND CASH EQUIVALENTS		
Instant access bank deposits	2,583,250	1,201,060
Total cash and cash equivalents	2,583,250	1,201,060

THE GENERAL ASSEMBLY OF THE TRUE JESUS CHURCH, UNITED KINGDOM

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2019

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared in accordance with 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 (FRS102) (effective 1 January 2015) - (Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

The General Assembly of the True Jesus Church, United Kingdom meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recorded at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The General Assembly Board is not aware of any factors that affect the charity's ability to continue as a going concern and as such have prepared the accounts under the going concern principle.

Income recognition

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Donations and income from charitable activities are included in the year in which they are receivable.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

Expenditure

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation to pay for expenditure. The General Assembly is not registered for VAT and accordingly is shown gross of irrecoverable VAT.

Expenditure on charitable activities includes those costs incurred by the charity in the delivery of its activities and services for its beneficiaries and governance costs. It includes both costs that can be allocated directly to activities and those costs of an indirect nature necessary to support them.

Support costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the independent examination fees and costs linked to the strategic management of the charity.

THE GENERAL ASSEMBLY OF THE TRUE JESUS CHURCH, UNITED KINGDOM

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2019

1. ACCOUNTING POLICIES (Continued)

Depreciation

Fixed assets are originally recorded at cost. Items are not capitalised if expenditure is less than £500. Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Freehold property – nil

Freehold property has not been depreciated, which is not in line with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015). The General Assembly Board do not feel that the freehold property is reducing in value and therefore have not applied any depreciation.

Loans

The provision for a multi-year loan debtor is recognised at its present value where settlement is due over more than one year from the date of the award, there are no conditions under the control of the General Assembly that would result in the debtor ceasing to make future payment(s), settlement is probable and the effect of discounting is material. The discount rate used is 3%, the General Assembly Board consider this to be appropriate.

Other Financial Instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Pensions

The charity contributes to the individual personal pensions of its employees. The annual contributions are charged to the income and expenditure account.

Restricted funds

Restricted funds are to be used for specific purposes as laid down by the donor.

Unrestricted funds

Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the charity without further specified purpose and are available as general funds.

Designated funds

Designated funds are funds designated by the General Assembly Board for a specific purpose.

THE GENERAL ASSEMBLY OF THE TRUE JESUS CHURCH, UNITED KINGDOM

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2019

2. INCOME

	Unrestricted Funds £	Restricted funds £	2019 Total £	2018 Total £
Donations				
Contributions from local churches	390,233	1,374,507	1,764,740	568,062
Charitable activities				
Hymn book sales	1,470	-	1,470	1,398
International Youth Fellowship fee	6,057	-	6,057	-
Investments				
Bank interest	3,355	2,473	5,828	3,195
Finance income	3,671	-	3,671	4,284
Total Income	404,786	1,376,980	1,781,766	576,939

Income was £1,781,766 (2018: £576,939) of which £404,786 (2018: £372,019) was unrestricted and £1,376,980 (2018: £204,920) was restricted.

3. TOTAL EXPENDITURE

	Note	Donations £	Church Activities £	Total 2019 £	Total 2018 £
Donations	4	90,251	-	90,251	76,401
Wages		-	230,342	230,342	220,182
Board travel expenses		-	23,229	23,229	18,776
Religious education		-	5,311	5,311	6,538
Religious affairs		-	20,060	20,060	18,739
Literary ministry		-	195	195	390
General affairs		-	1,902	1,902	116
Financial affairs		-	102	102	86
Finance costs		-	70	70	124
IYF fees		-	6,423	6,423	-
Support Costs:					
Accountancy fee paid to Auditor		-	248	248	886
Auditor/ Independent Examination fee		-	3,285	3,285	1,860
		90,251	291,167	381,418	344,098

Expenditure was £381,418 (2018: £344,098) of which £84,251 (2018: £64,401) was restricted and £297,167 (2018: £279,697) was unrestricted. Further breakdown of expenses is not undertaken as the Trustees believe there is only one main activity.

THE GENERAL ASSEMBLY OF THE TRUE JESUS CHURCH, UNITED KINGDOM

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2019

4. GRANTS & DONATIONS PAYABLE

	Unrestricted	Restricted	2019 £	2018 £
International Assembly	-	32,398	32,398	44,012
Africa & India Fund	-	11,853	11,853	20,389
Donations to international churches	6,000	-	6,000	12,000
Donations to East Paris Church	-	40,000	40,000	-
	<u>6,000</u>	<u>84,251</u>	<u>90,251</u>	<u>76,401</u>

Grants and donations payable were £90,251 (2018: £76,401) of which £6,000 (2018: £12,000) was unrestricted and £84,251 (2018: £64,401) was restricted.

5. STAFF COSTS

	2019	2018
The average number of staff during the year calculated on a head count basis was:	8	8
	<u>£</u>	<u>£</u>
Staff costs comprise:		
Salaries and wages	200,312	198,418
Social security costs	10,368	12,047
Pension costs	14,600	9,717
Living allowance	5,062	-
	<u>230,342</u>	<u>220,182</u>

The General Assembly considers its key management personnel to comprise the board members. The total employment benefits including employer pension contributions of the key management personnel were £62,175 (2018: £60,039). No employee was paid a salary of more than £60,000 per annum.

The General Assembly employs six full time preachers, a trainee preacher and a secretary. The preachers are not attached to any particular local church but their work is based on assignments coordinated by the Department of Religious Affairs. A preacher's annual schedule is confirmed by the General Assembly Board in the preceding year.

THE GENERAL ASSEMBLY OF THE TRUE JESUS CHURCH, UNITED KINGDOM

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2019

6. TANGIBLE FIXED ASSETS

	Freehold Property £	Total £
COST		
At 1 October 2018	133,825	133,825
	=====	=====
At 30 September 2019	133,825	133,825
	=====	=====
DEPRECIATION		
At 1 October 2018 & 30 September 2019	-	-
	=====	=====
NET BOOK VALUE		
At 30 SEPTEMBER 2019	133,825	133,825
	=====	=====
At 30 September 2018	133,825	133,825
	=====	=====

The original cost of the property was:

Apartment 5, The Embankment, Stranmillis: £133,825

The church building is rented to the Place of Worship in Belfast at no cost.

7. DEBTORS: Amounts due in less than one year

	2019 £	2018 £
Accrued income – contributions from affiliated churches receivable	94,843	76,340
Loans to affiliated churches	11,347	9,347
	=====	=====
	106,190	85,687
	=====	=====

THE GENERAL ASSEMBLY OF THE TRUE JESUS CHURCH, UNITED KINGDOM

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2019

8. DEBTORS: Amounts due in more than one year

	2019 £	2018 £
Loans to affiliated churches	125,460	123,114

Loans to affiliated churches comprise of a loan to the Place of Worship in Manchester and Cambridge Prayer House.

The loans were made towards the purchases of new church buildings. The loans are interest free and repayable in annual instalments of £9,347 and £2,000 respectively. At the year end the outstanding amounts before discounting were £126,807 and £10,000 respectively.

9. CREDITORS: Amounts falling due within one year

	2019 £	2018 £
Accruals	14,813	10,122

10. MOVEMENT IN FUNDS

	Balance at 01.10.18 £	Income £	Expenditure £	Transfers £	Balance at 30.09.19 £
<u>RESTRICTED FUNDS</u>					
Building fund: Belfast	133,825	-	-	-	133,825
UKGA Evangelical Fund	386,045	11,104	-	-	397,149
UKGA Building Fund	302,599	1,268,793	-	-	1,571,392
International Assembly	-	5,898	(32,398)	26,500	-
Africa & India Fund	21,203	10,411	(11,853)	-	19,761
Donations to East Parish Church	-	80,774	(40,000)	-	40,774
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total restricted funds	843,672	1,376,980	(84,251)	26,500	2,162,901
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

THE GENERAL ASSEMBLY OF THE TRUE JESUS CHURCH, UNITED KINGDOM

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2019

10. MOVEMENT IN FUNDS (continued)

	Balance at 01.10.18 £	Income £	Expenditure £	Transfers £	Balance at 30.09.19 £
UNRESTRICTED FUNDS					
Church Building Development Fund	226,686	6,180		-	232,866
General funds	463,206	398,606	(297,167)	(26,500)	538,145
	_____	_____	_____	_____	_____
Total unrestricted funds	689,892	404,786	(297,167)	(26,500)	771,011
	=====	=====	=====	=====	=====

Building Fund: The building fund represents the cost of the church building held on behalf of the Place of Worship in Belfast.

UKGA Evangelical Fund (formerly UKGA Preaching Fund): Funds received for the specific purpose of preaching the gospel and implementing divine works for the church, especially in the pioneer areas where there is still no True Jesus Church.

UKGA Building Fund: Funds received from members for the future purchase of a building for use by the General Assembly Board.

The other restricted funds represent monies received from donors specified for particular purposes. Those funds are passed on to the organisations listed in Note 3.

Church Building Development Fund: funds designated to support affiliated churches in building or acquiring premises.

The transfer from general funds to the International Assembly fund represents amounts paid out in excess of the balance of the fund.

	Balance at 01.10.17 £	Income £	Expenditure £	Transfers £	Balance at 30.09.18 £
RESTRICTED FUNDS					
Building fund: Belfast	133,825	-	-	-	133,825
UKGA Evangelical Fund	372,282	13,763	-	-	386,045
UKGA Building Fund	149,256	153,343	-	-	302,599
International Assembly	-	11,630	(44,012)	32,382	-
Africa & India Fund	15,408	26,184	(20,389)	-	21,203
	_____	_____	_____	_____	_____
Total restricted funds	670,771	204,920	(64,401)	32,382	843,672
	=====	=====	=====	=====	=====

THE GENERAL ASSEMBLY OF THE TRUE JESUS CHURCH, UNITED KINGDOM

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2019

10. MOVEMENT IN FUNDS (continued)

	Balance at 01.10.17 £	Income £	Expenditure £	Transfers £	Balance at 30.09.18 £
UNRESTRICTED FUNDS					
Church Building Development Fund	186,590	5,971	-	34,125	226,686
General funds	443,362	336,048	(279,697)	(66,607)	463,206
	_____	_____	_____	_____	_____
Total unrestricted funds	629,952	372,019	(279,697)	(32,382)	689,892
	=====	=====	=====	=====	=====

11. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted £	Restricted £	2019 Total £
Fixed assets	-	133,825	133,825
Cash at bank and in hand	554,174	2,029,076	2,583,250
Other net current assets	216,837	-	216,837
	_____	_____	_____
At 30 September 2019	771,011	2,162,901	2,933,912
	=====	=====	=====

	Unrestricted £	Restricted £	2018 Total £
Fixed assets	-	133,825	133,825
Cash at bank and in hand	491,213	709,847	1,201,060
Other net current assets	198,679	-	198,679
	_____	_____	_____
At 30 September 2018	689,892	843,672	1,533,564
	=====	=====	=====

THE GENERAL ASSEMBLY OF THE TRUE JESUS CHURCH, UNITED KINGDOM

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2019

12. USE OF THE TRUE JESUS CHURCH, NEWCASTLE

The General Assembly operates from the True Jesus Church, Newcastle premises. No rental is paid for the use of premises.

13. RELATED PARTIES AND TRUSTEES' EXPENSES AND REMUNERATION

The General Assembly Board members received reimbursements for expenses incurred during the year of £7,364 (2018: £3,609) while working on behalf of the General Assembly. All trustees act gratuitously.

The General Assembly Board Members as noted on page 5 are also trustees of local True Jesus Churches.