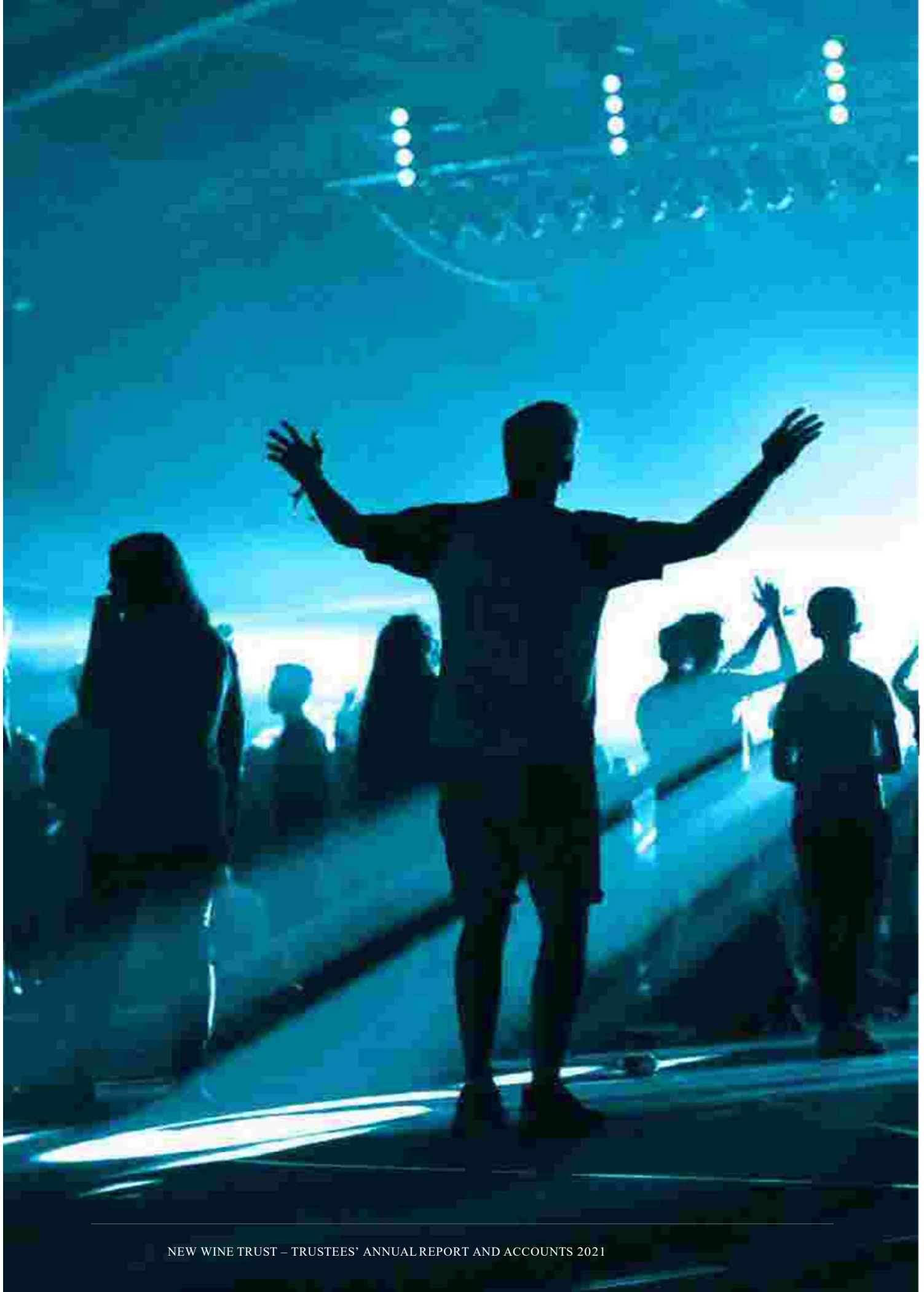


New Wine Trust

Trustees Annual Report and Accounts for year ended 31 December 2021.



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Our Vision is to see local churches changing nations

The vision and reason for New Wine has always been to equip the local Church to release confident, Spirit-filled disciples of Jesus. We want to see:

- Churches filled with the presence and power of God, overflowing with love and hope to their communities;
- Individual Christians who know how to move in the power of the Spirit, making God known in their streets and workplaces; and,
- Relationally generous individuals and churches, giving away as much as they have received from God.

We are committed to making this vision a reality through:

- Prayer;
- Training people in Holy Spirit ministry;
- A network of church leaders and practitioners who model our values and generously give away what they have received from God;
- Gathering around a rhythm of yearly festival including national, regional and local events focussed on Spirit renewal, presence-filled worship and biblical teaching; and,
- Individual, church, charity and business partners that financially support our charity so that our work can continue.

New Wine does not insist on or promote one way of doing things nor advise everyone to use the same materials. Instead, we acknowledge our similarities and teach principles, allowing others to decide the most appropriate way to apply them in their areas of mission.

TRUSTEES' REPORT

The trustees, who are also directors of the charity for the purposes of company law, present their annual report and the audited consolidated financial statements for the year from 1 January 2021 to 31 December 2021.

The financial statements comply with the Companies Act 2006, the Charities Act 2011, the Charity's Memorandum and Articles and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK (FRS102) effective from 1 January 2019. The group results combine the results of the charitable company with the results of New Wine Resources Limited, a wholly owned subsidiary, which runs the trading activities of the trust. The subsidiary is not a registered charity.

REFERENCE AND ADMINISTRATION

TRUSTEES

Rev Preb John Coles (Chair)

Mr Robert Camp

Rt Revd Dr Jill Duff

Mr Patrick Dixon (Appointed 23 June 2021)

Mrs Elizabeth Fell

Mrs Christine Fuller

Mr David Lynch (Retired 15 December 2021)

Mrs Sarah McHardie

Rev Canon Ian Parkinson

Bishop Mike Royal

COMPANY SECRETARY

Andrew Scott

LEADERSHIP TEAM

There are various leadership groupings under the direction of the National Leader: National Leadership Team, Regional Directors, and Heads of Ministry. These groups meet regularly separately, and altogether once a year. For more information see below under structure and governance.

NATIONAL LEADER

Paul Harcourt

EXECUTIVE DIRECTOR

Jules Morgan



National Leadership Conference – Harrogate, March 2020

REGISTERED OFFICE AND PROFESSIONAL ADVISERS

REGISTERED AND PRINCIPAL OFFICE

4a Ridley Avenue
Ealing
London
W13 9XW

SOLICITORS

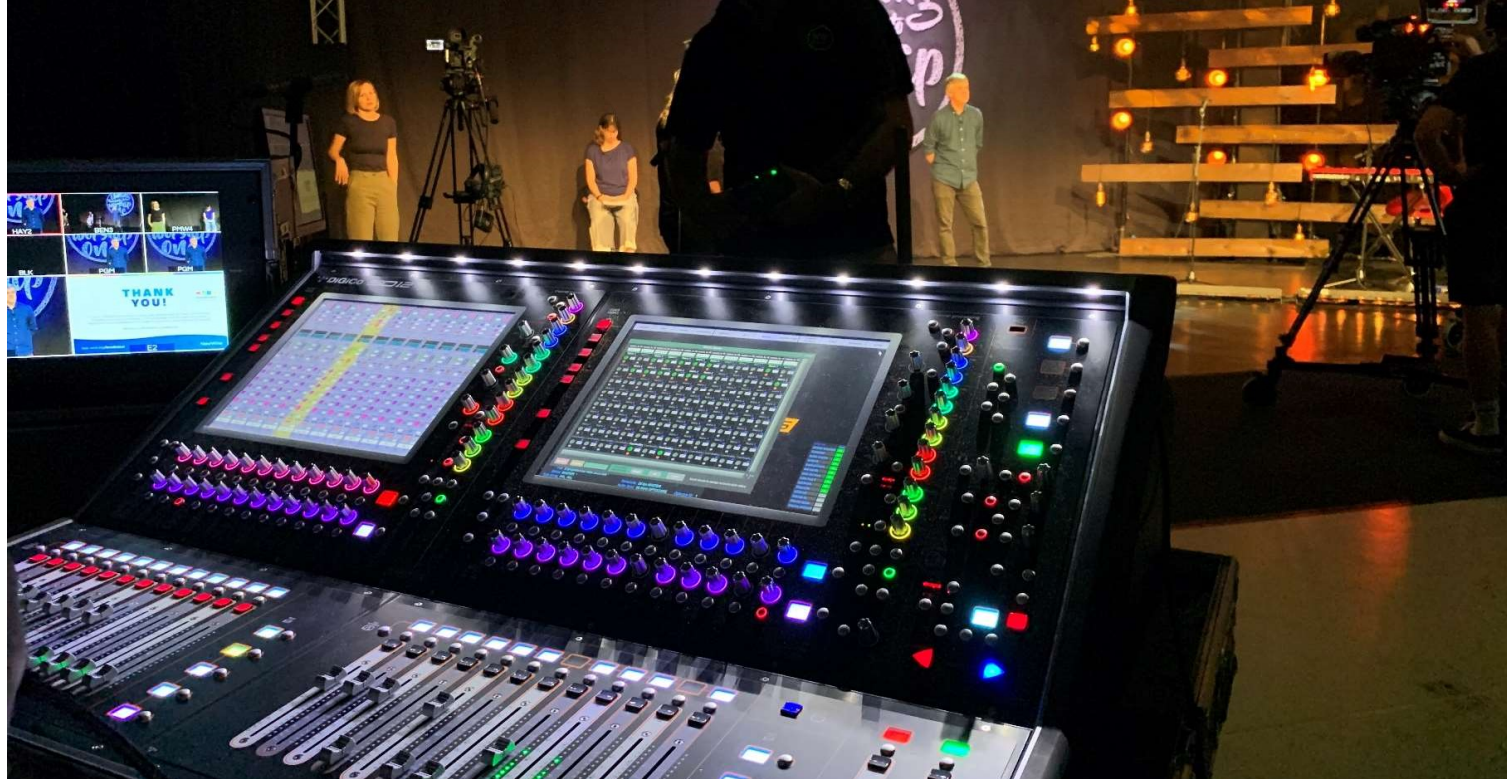
Morgan Lewis & Bockius
Condor House
5-10 St Paul's Churchyard
London EC4M 8AL

AUDITORS

Summers Morgan
Sheraton House
Lower Road
Chorleywood
Hertfordshire WD3 5LH

BANKERS

Barclays Bank plc
Pall Mall Corporate Banking Centre,
50 Pall Mall,
London SW1A 1QA



United Breaks Out, July/August 2020

STRUCTURE, GOVERNANCE AND MANAGEMENT

GOVERNING DOCUMENT

New Wine Trust is a registered charity no. 1084415 and a company limited by guarantee, governed by a memorandum and articles of association. The charitable company's registration number is 04126583. It was incorporated on 12th December 2000 and registered as a charity on 9th January 2001.

TRUSTEES

The trustees are all non-executive and are elected by the members. None of the trustees had any interest in the charity or its subsidiary. The trustees are conscious of the need for the trustee body to embrace a broad variety of skills and new trustees are considered in the light of their ability to contribute to the work of the trust. They are appointed by the members in accordance with the Trust Deed and are provided with such background

and training as is agreed to be appropriate on an individual basis. The Trust welcomed one new trustee during the year as part of its trustee rotation plans and to progress the vision of a trustee body which is more representative of the network we serve on the basis of gender, geographical location, ethnicity and churchmanship.

A finance and investment committee oversees the charity's investments. It also reviews the financial policies and key financial plans prior to submission to the trustee board.

CHARITY GOVERNANCE CODE

Trustees are committed to the principles of the Charity Governance Code and the charity's governance arrangements follow the recommendations, so far as is possible, in respect of all aspects of good practice in governance for larger charities.



ORGANISATION

The charity is overseen by the non-executive Board of Trustees shown above which decides upon strategic and policy matters. Trustees meet around five times each year with one meeting usually on-site at one of the United National Gatherings. For 2020 and 2021, all Trustee meetings were held via videoconference.

The full-time Executive Director reports to the National Leader. Both of these key posts are supported by:

- A non-executive National Leadership Team (NLT) who oversee and make operational and strategic decisions on the trust's principal activities – conferences, leadership and network events, training and overseas activities;
- An NLT executive committee;
- Six Regional Directors who meet approximately six times through the year;
- Several Heads of Ministry who focus on their key ministry area across all the regions, liaising with the Regional Directors; and
- A staff Senior Management Team who directly support the Executive Director in managing the operational activities of the charity; and,
- The employed staff team, managed by the Executive Director through members of the Senior Management Team, who work to deliver the objectives and activities.

At the start of each year these individuals, except for the wider employed staff team, together with the Trustees participate in a strategic review and planning meeting as part of a two-day retreat. The same group also participate in a mid-year review meeting to monitor progress and consider any changes or corrective actions for the strategic priorities and direction of the charity.



RELATED PARTIES

New Wine has no formal association with other charities but works closely with several other Christian charities to share best practice.

PAY POLICY FOR SENIOR STAFF

The pay of senior staff is reviewed annually, along with that of the whole staff team and any pay rises take account of a range of factors including cost of living increases. Salaries have been benchmarked against pay levels within similar sized charities in Greater London. New Wine has a remuneration principles and policy statement which was last updated and approved by trustees in December 2019. The statement is in accordance with the recommendations of the National Council for Voluntary Organisations (of which New Wine has membership). A People and Remuneration sub-committee reviews all staff remuneration, contracting and welfare. Of material relevance for 2021, all staff, including senior staff, received a 0.5% pay award and the organizational pay ratio of highest to median salary is 2.2:1.

RISK FACTORS

The trustees consider the major risks to which the charity is exposed and ensure that adequate systems are in place to mitigate exposure to these risks. The strategic risk register is updated and reviewed annually, alongside procedures to ensure they continue to meet the needs of the charity.

The following are the key risks assessed as the most significant for the charity:

1. Loss of key staff. We do not hold key person insurance. However, we do structure ourselves so that responsibilities are spread across a wide number of key positions. Staff contracts are generally on two months' notice to allow a smooth handover and some more senior key staff contracts require three months' notice. The Executive Director's contract has been increased to six months' notice and the National Leader is on a 3-year renewable term of office allowing for good succession planning. Desktop procedure documentation in key functions is constantly updated to mitigate this risk.
2. Risks posed by the increasing role of IT in all aspects of the trust's activities. We carry out a full risk assessment and impact analysis each year with actions put in place to mitigate high risk areas.



3. Cancellation of the United Gatherings at short notice due to unforeseen circumstances. The global Coronavirus pandemic brought this into sharp relief, with powers given to Local Authorities to prevent or close events on grounds of public health or impact on key services, compounded by insurance policies excluding cover for such events. The current reserves policy requires the trust to hold sufficient funds to cover committed costs in the unlikely occurrence that we would have to cancel our summer events and issue refunds.

4. Longevity of suppliers and volunteers. During 2019 and 2020, a complete review and update of contracts and service level agreements with suppliers was conducted to ensure that services were still fit for purpose, and contracting was sufficiently robust. This has been maintained and updated through 2021. Similarly, volunteer agreements were updated and issued, and volunteer policies and training were improved and updated.

The trustees acknowledge that they are responsible for the maintenance of an effective system of internal control. However, no system of internal financial control can provide absolute assurance against material misstatement or loss. The trustees have considered the major business risks and control objectives relevant to the trust and controls were found to be appropriate and generally satisfactory. As part of an overall and continuing drive for quality, an ongoing review of internal controls is addressing those areas where controls may be improved. The trust's control objectives include:

- the maintenance of the Christian community's confidence in the trust's relevance, integrity and status;
- the identification and evaluation of business risks, through regular risk assessment and review, and the direction of the operating and financial strategy. Operating strategy includes its relationship with employees, Network Leaders and members, delegates and business partners and the charity's position in the wider community, both Christian and secular;
- the nurturing of high ethical standards, effective communications and a strong overall control environment; and,
- the safeguarding of the assets of the trust and the effective use of resources.

SUBSIDIARY

New Wine Resources Limited is a 100% owned subsidiary of New Wine Trust and was incorporated on 17th October 2001. It exists to manage the commercial activities linked to the charity (including publishing books, music and the spoken word, selling advertising space in the conference programmes, running cafes and renting space in the Market Place at conferences). It also provides a jobs board for organisations wishing to recruit new staff. The subsidiary pays all of its profits to the charity by way of a gift aid donation.



OBJECTIVES AND ACTIVITIES

CHARITABLE OBJECTS AND PUBLIC BENEFIT

New Wine has three core charitable objectives which are:

1. to promote for the public benefit the advancement of the Christian Religion in England and, where invited, throughout the world;
2. to equip churches to see Jesus' Kingdom grow; and
3. to see the nation changed through Christians and churches being filled with the Spirit, alive with the joy of knowing and worshipping Jesus Christ, living out his word, and doing the works of the Kingdom of God.

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

We achieve these objectives by encouraging lives dedicated to expressing God's love to individuals and communities throughout the country, and

through like-minded groups in other countries as well. Through the outworking of these activities, we see lives changed for good in spiritual, moral, ethical and practical ways. This includes relationships restored (within families and marriages), healing, both physical and spiritual, encouragement and support when experiencing difficulties, comfort to the bereaved or grieving, hope generated and a framework for life. We see people turning away and freed from damaging lifestyles including drug and alcohol dependency, pornography, gambling, bitterness and resentment, anger and violence, depression and despair and new life being generated in their place.

The United Gatherings are New Wine's major annual activity. At these, amongst other things the charity;

- provides teaching in Leadership, Family and Relationship Matters, Social Justice and Ethics, Youth and Kids' Work, Mission, Spiritual Growth and Worship;
- runs programmes for those with special needs including adults with additional needs;
- provides sign language facilities for the deaf and runs a conference stream for deaf delegates;



- offers a number of free and discounted places to those who would like, but cannot afford, to come as part of our focus on Urban Priority / Inner City Areas (at the last United summer physical gathering in 2019, New Wine funded these places at a cost of some £39,000);
- builds relationships and community amongst the delegates both within and outside the church groups with which they come; and,
- helps approximately 2,000 volunteers to gain new skills through working on teams, speaking, participating in musical worship and learning to work with and care for others and take responsibility.



1,644

delegates of online Leadership
Conference in 2021
(1,500+ attended National Leadership
Conference in Harrogate, 2020)

In other areas New Wine offers:

- a network for Church Leaders which offers support and encouragement and works together to see churches renewed, strengthened and others planted, living out the Word of God in every aspect of life;
- alongside training conferences, we run a wide variety of events for groups of leaders including kids' leaders, youth leaders, women in leadership roles, those working specifically in rural environments, inner city areas or with those with special needs;
- weekends of encouragement for young adults who are part of our discipleship year training programme;
- practitioner-led training days in subjects such as healing, worship, prayer ministry;
- worship hubs which gather local worship leaders together for spiritual refreshment and teaching;
- online training resources, recorded seminars and live worship and prophecy events offered through the New Wine Online platform; and,
- grants towards new church plants to encourage and grow local churches.



ACHIEVEMENTS AND PERFORMANCE

VOLUNTEERS

New Wine derives benefit from the services of unpaid volunteers whether the time is given by its' trustees and members of the leadership team, or by the large number of individuals who assist with the running of conferences and other events. The United Gatherings in particular rely on many thousand volunteer team members, helping out in the areas of children and youth work, stewarding, hospitality and in a number of smaller specialised teams. We are so grateful for all those that use their gifts to support our work in these ways.

We estimate that more than 250,000 hours of volunteer work are contributed each year to help make our events a success. As there are children at the United Gatherings, we use the Disclosure and Barring Service and reference checks to screen volunteers and provide safeguarding training to all volunteers working with children and vulnerable individuals under a safeguarding policy which has an annual review.

REVIEW OF ACTIVITIES

The vision statement 'Local churches, Changing Nations' directs our strategy and planning. Its simplicity and challenge has caught the attention of both historic denominations and new church leaders; we are networking with an expanding breadth of denominations, knowing that only by working together can we achieve this vision.

Jesus is the hope of the world and we believe the only way our communities will get to see, understand and receive that hope is through the local Church - as we live out his new life in our everyday lives!

With the prayers and support of our New Wine family throughout 2021, we've seen acceleration of church planting; church leaders supported and released to lead renewal in their churches; and generous investment into our future with increased provision for emerging young leaders as we seek to better serve the move of God across

'My local Leaders Network gather, share, discuss, encourage and pray for one another. We really value and appreciate New Wine's input into our lives, specifically the care and support of our Regional Development Manager.'

the nation, and further bursary places for urban churches and missionaries.

Our success is measured through engagement of the local church, as delegates at conferences and users of content provided online, and as members of active networks. Key metrics for 2021 are included below.

The United gathering in 2021 was hosted online for the second year running, between 29 July and 3 August. 'United Breaks Out' (UBO) was broadcast live and livestreamed via YouTube. All main celebrations, our youth and children's programmes and our Accessible Church stream were made available without charge.

We saw over 20,000 unique online visitors during the course of the event, plus another 3,000 for our youth event, 'Luminosity Streaming Live'. Over 700 young people joined the Luminosity mailing list and received a free event wristband and prayer card.

As restrictions were lifted to allow public gatherings during the time of the event, the total number of people joining UBO was far greater than the number of visitors to the website, due to communal viewing by families, churches and whole communities. We connected and resourced over 200 'Uniters' before the event – representatives from local churches responsible for gathering people around the event.

We also offered a programme of seminars as part of UBO, which were available with paid membership to our online platform, New Wine Online. We saw 587 new members from 1 July – 3 Aug.

Due to the on-going impacts of the global pandemic, most events had to be cancelled or postponed in 2021. The events that could be held were:

- Two one-day conferences for women held at the end of the year;
- A Leadership conference held online in March 2021 which gathered more than 1,600 church leaders from across the UK;
- Numerous local digital gatherings across the regional networks to facilitate leadership support and equipping during the challenging season of the pandemic.

New Wine receives many testimonies of the impact these events have on both the individual delegates and their local churches, when they return refreshed, energised and more aware of God's plan for their role in the local church.

'In the 6 days of United Breaks Out there have been many highlights. God has spoken powerfully and we've experienced his real and present presence. Some of the words the Holy Spirit gave the hosts have not just reinforced what had been said - but have been a catalyst to allow the Holy Spirit to take many of us further and deeper in Him. Thank you.'

(United Breaks Out 2021)

'I'd been told I needed to have an operation soon and had been feeling scared and under a big dark cloud because of it. The United Breaks Out worship sessions on YouTube were a real source of encouragement and of being lifted into the presence and the love of God. Thank you so much.'

(United Breaks Out 2021)



5,751

Views of United Kids online sessions



201

Uniters connecting members of local churches during online summer gathering



20k+

Joining United Breaks Out online summer gathering



3,000+

Youth & youth groups joining Luminosity online event



1,644

Delegates at our online Leadership Conference 2021



65+

charities and missional organisations represented at New Wine online events



'Reset' Women's Day, 2021

The church leaders' network continues to flourish with over 2,070 active members; New Wine is providing invaluable support to local church leaders in their own contexts through the local area network groups as well as networking opportunities at larger conferences or gatherings.



2,074

active members of
the
New Wine
Leadership Network



55

Leadership
Network area
gatherings



83

Discipleship Year students
in 14 hubs

Our Discipleship Year programme now has 14 centres using the programme for interns in 2021/22. This programme continues to be extremely well received by churches and students alike. International ministry has been encouraged via an International Forum with 23 countries represented.

Other achievements during 2021 include:

- a re-envisioning of the charity's fundraising strategy, supported by revised and clearer messaging across all communication channels, with a focus on releasing Spirit-filled disciples;
- strengthening the delivery platform for New Wine Online and internal capacity to ensure it continues to provide the best user experience as it continues to evolve.



'United Breaks Out' 2021 Children's content

FUNDRAISING

New Wine raises funds from regular givers, major donors, offerings at conferences and one-off gifts and these represent the principal funding sources for the charity, alongside delegate fees for conferences run in the financial period. The Trust is registered with The Fundraising Regulator but does not use a professional fundraiser or commercial participator for this activity, other than in an advisory capacity.

New Wine does not approach members of the general public for donations but periodically runs appeals to supporters of the conferences and other individuals on opt-in mailing lists. In 2021, a Christmas Appeal was run to support New Wine's activities.

Our summer conference programme could not be run at the East of England Showground in 2021. A number of delegates generously donated the fees paid for the year in lieu of refunds or transfers to a future event.

No complaints were received during the year in relation to these fundraising activities.

The funds raised support the development activities aligned to raising generations and church planting, maintaining the church leaders' networks and meeting the operational costs of running the charity and its associated ministries.

'I arrived at Reset exhausted and in desperate need of an encounter with God. I enjoyed every aspect of the day - the anointed worship, the prophetic visualisation, the tangible presence of the Holy Spirit. I had encouraging words for people I knew and others I had never met before. I had a nagging pain in the bottom of my left heel from running which I was worried was the start of a more serious condition. When Anne Coles asked if anyone had been healed during the day I realised that the pain was gone and it hasn't come back!'

(Reset Women's Day 2021)

FINANCIAL REVIEW

RESULTS

The results for the financial year are shown on page 22. The group's net movement in funds shows a deficit of £515,707 (2020: deficit of £276,546 (restated)). The charity's operating performance is summarised on pages 23 to 25. The trustees' responsibilities for the financial statements are described on page 18.

A deficit was anticipated and planned for in anticipation of the ongoing effect of the global pandemic. The cancellation of the summer conference for the second year has maintained income at reduced levels for the period. New Wine was extremely grateful that many delegates chose to donate part or all of the fees paid to support the ongoing work of the charity. Through their support, it was possible to provide a digital conference online "free to air" on the YouTube platform with other seminars offered on a paid basis, as well as a digital conference for church leaders. The costs of production are captured within the conference expenditures, alongside deposits and cancellation payments made to our suppliers. The government's Coronavirus Job Retention Scheme continued to be available for part of the year and was drawn upon to avoid the need for staff reductions, which would seriously impede the ability to plan and deliver future conferences.

REVIEW OF FINANCIAL POSITION

The trust continues to maintain a sound financial position, with cash reserves within the range considered by the trustees to be adequate for the group's overall operations. In 2021 the net deficit before transfers and revaluations on unrestricted funds was £589,513 (2020 restated: £308,098). Unrestricted undesignated income of £1,119,445 (2020: £1,768,062) arose as detailed in notes 2 to 5 – largely from conference fees – and unrestricted undesignated expenditure totalling £1,701,458 (2020: £2,076,160) was made during the year (note 10).

The unrestricted fund includes items designated by the trustees for particular purposes – notably fixed assets and funds for the future development of New Wine including church planting, the move to new conference sites and investing in the next generation of leaders.

Note 19 details the restricted and designated fund movements. The balance on restricted funds at the start of 2021 was £4,399 and on designated funds £685,520. The closing balances are £4,399 and £478,258 respectively. A restricted fund donation was received in 2021 towards the costs of a seminar series, which was fully expended in the year.

There was a very generous collection for the benefit of New Wine in 2021 at the United Breaks Out digital event. The closing balance on unrestricted, undesignated reserves was £226,263 (2020 restated: £534,698).

The trustees consider that the market value of the assets and liabilities in the balance sheet are not materially different from those stated.

The trust's subsidiary company, New Wine Resources Limited, traded profitably throughout the year and contributed £56,236 to the trust during the year (2020: £10,791).

Following publication of the 2020 accounts, an error was identified in the calculation of deferred income, resulting in a reduction of the charity's reserves at the 2020 balance sheet date of £204,581. The comparative accounts have therefore been restated. More detail is given in note 3.

RESERVES POLICY

New Wine is under a legal duty to apply charitable funds within a reasonable time of receiving them. It is also under an obligation to ensure that it is able to meet all its financial obligations as they fall due. In balancing these considerations, the trustees are aware that New Wine regularly commits itself to substantial expenditure for future conferences and events some time before they take place. They have formally adopted a policy to retain funds at a level that is sufficient to ensure that the charity's financial commitments in promoting forthcoming conferences and events are fully covered at all times, together with a minimum of 3 months' general office running costs.

GRANTS

The majority of grants paid out relate to restricted income and are distributed as soon as conveniently possible. No grants were paid out during 2021. The restricted income is derived from offerings taken at a number of the conferences or individual donations which are to benefit other charities or to further the mission of New Wine and launch new initiatives.

INVESTMENT POLICY

The charity's memorandum provides the Board with the power to invest monies not immediately required for its purposes in such investments, securities or property as maybe thought fit, subject to any conditions and with such sanction as may be required by law.

In view of the significant cash flow variations that arise due to the seasonal nature of the trust's activities, the trust holds its surplus funds on short term deposit with its. The trustees have also decided that up to £1million can be held in charitable investment funds with an expectation of a minimum 5 year term.

In selection of the funds, the investment committee consider and balance risks attached to asset managers, asset class and individual stocks. The ethical stance of the charity is also a primary consideration in selection of the investment manager and funds.

GOING CONCERN

New Wine anticipated a financial deficit for 2021, due to the ongoing effect of the global pandemic that commenced in 2020. Expenditures have been managed to limit exposure to losses in the event of cancelling events, and on-line conferences have used a mix of free-to-view and paid content to provide a modest income stream. Significant balances have been held as prepayments for future events and Trustees have regard to these alongside in-year deficits when reviewing going concern and sustainability.

Whilst the 2022 United events were successful by a range of performance measures, the number of attendees at the summer conference was significantly lower than expected which put further strain on the charity's finances.

In July 2022, New Wine Trust was informed that the charity will not be able to hold a camping event at the East of England Showground in the summer of 2023, because of plans to develop the site. As a result of this, the launch of a United event for 2023 has been delayed, with a consequential detrimental effect on cash flow (since the charity traditionally relies on income from bookings paid in advance to fund both recurring expenditure and the cost of future events). The charity therefore instigated a major fundraising exercise in 2022 which has raised donations in excess of £0.9m to date and received additional substantial commitments of future support.

The impact of the pandemic and the current economic crisis has reduced our income and increased our costs. Significant donations were received in 2022 and New Wine is going through a period of restructuring which will impact both future income streams and future costs. At the time of preparation of the financial statements, the restructuring process has not been completed which creates a material uncertainty in relation to:

- the income from a summer conference, in the absence of a finalised contract for a venue;
- the reduction in expenditure that will be achieved and the timescale.

The Trustees consider these to be timing issues as plans are progressing as part of New Wine's discernment process.

The charity remains confident in its role supporting the network of churches and event delegates throughout the year, not just for the summer conference.

Sustainability and going concern are monitored carefully at a number of levels:

- an annual budget, set within the context of a three year planning horizon, is agreed by the Trustees and managed by the Executive Director. Detailed budgets delegate resources to budget managers, who monitor and control their expenditures on a daily basis, and report to the Executive Director.
- cash flow and cash balances are monitored and controlled on a daily basis, and the Trustees and Finance and Investment Committee consider cash and investments twice a year. Any potential cash shortfall would be identified with sufficient time for the charity to take appropriate action.
- bookings for New Wine conferences and events are tracked and reported to the senior management team on a weekly basis through the year, in order that corrective action may be taken promptly, if needed.

PLANS FOR FUTURE PERIODS

In addition to its usual programme of conferences and educational events, New Wine intends to continue to focus development in the following areas:

- invest into the next generation including leaders;
- strengthen the support available to Network Churches, through our Regional Managers by co-ordinating networking and resources;
- extend our catalogue of resources, especially those online;
- raise funds to aid church planting initiatives;
- work to support an increased number of New Wine “Regional and Local” events;
- refresh our communications, including introducing a new Customer Relationship Management system to improve the way we engage with supporters;
- continue to monitor and assess the impact of changes in the spiritual climate and needs in the UK and respond appropriately;
- expand our Nation Changers, from individuals to include churches.

As noted above, plans are in place to ensure that summer conferences can be run in 2023 and beyond. These plans may require future investment in infrastructure at the selected site to support the numbers of delegates and will incur costs of relocating equipment during 2022 or 2023. No provision for these costs has been made in these financial statements.

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The charity trustees (who are also directors of the New Wine Trust for the purposes of company law) are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (UK GAAP). Company law requires the trustees to prepare such financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the financial activities of the group for that period and which comply with UK GAAP, the Companies Act 2006 and the Statements of Recommended Practice issued by the Charity Commission in England and Wales. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed; and
- prepare the financial statements on a 'going concern' basis unless it is inappropriate to assume that the charitable company will continue in operation for the foreseeable future.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company, for taking reasonable steps for the prevention and detection of fraud and other irregularities and for the preparation of a trustees' report which complies with the requirements of the Companies Act 2006.

The trustees are responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities and that, where appropriate, the Director of Operations and their direct line reports are responsible for the maintenance and integrity of the corporate and financial information included on the company's website.

STATEMENT OF DISCLOSURE TO AUDITORS

In so far as the trustees are aware at the time of our approving the trustees' annual report:

- there is no relevant information, being information needed by the auditor in connection with preparing their report, of which the group's auditor is unaware, and
- each trustee has taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

A market-test and tendering exercise was conducted in 2021, from which the Trustees decided that the charity should change auditors in order to demonstrate good governance. A resolution proposing that Buzzacott LLP be appointed as auditors of the company will be presented to the Annual General Meeting.

On behalf of the Board of Trustees



John Coles (Chair) Dated: 21 October 2022

INDEPENDENT AUDITOR'S REPORT

OPINION

We have audited the Group financial statements of New Wine Trust for the year ended 31 December 2021, which comprise the Group Statement of Financial Activities, the Group and the Charity Balance Sheets, the Group and the Charity Statement of Cashflows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Group and parent Charity's affairs as at 31 December 2021 and of the Group's incoming resources and application of resources including its income and expenditure in the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of section 415 of the Companies Act 2006.

Basis for opinion

We have 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 Group 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.

Material uncertainty relating to going concern

We draw attention to note 1.1 Basis of preparation in the financial statements, which explains that the charity has

not yet identified a suitable site for running summer conferences in 2023.

As stated in Note 1.1 and in the going concern section of the Trustee report, this fact along with other matters as set forth in Note 1.1, indicate that a material uncertainty exists that may cast significant doubt on the charity's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report (incorporating the strategic report and the directors' report) has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual 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;
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not obtained all the information and explanations for the purposes of our audit.

Responsibilities of the trustees

As explained more fully in the trustees' responsibilities statement set out on page 18, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they 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 Group and 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 Group or Charity or to cease operations, or have no realistic alternative but to do so.

Our 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 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charitable company through communications with trustees and other management, and from our knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including the Companies Act 2006, the Charities Act 2011, taxation and employment legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting any reading the minutes of the board of the trustees; and
- identified laws and regulations were communicated within the audit team and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of the board of trustees; and
- enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the members and management and the inspection of regulatory and legal correspondence, if any.

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 auditor's report.

Use of our report

This report is made solely to the Charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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's members as a body, for our audit work, for this report, or for the opinions we have formed.

Nicholas Corden ACA (Senior Statutory auditor)



For and on behalf of
Summers Morgan, Statutory Auditor

Chartered Accountants **Registered Auditor**
Sheraton House, Lower Road, Chorleywood
Hertfordshire
WD3 5LH

Dated:

25 October 2022

Summers Morgan is eligible to act as an auditor under section 1212 of the Companies Act 2006

Accounts



NEW WINE TRUST

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (including consolidated income and expenditure account) FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Unrestricted Funds (restated) £	Restricted Funds £	Total 2020 (restated) £
Income from:							
Donations, grants and legacies							
Donations	2	636,150	7,500	643,650	1,210,865	-	1,210,865
Love offerings at conferences		36,140	-	36,140	19,886	-	19,886
		672,290	7,500	679,790	1,230,751	-	1,230,751
Income from charitable activities							
Conferences & networks	3,19	131,144	-	131,144	373,102	-	373,102
Income from other trading activities							
Commercial trading operations	4	293,008	-	293,008	137,540	-	137,540
Investment income	5	15,503	-	15,503	26,669	-	26,669
		1,111,945	7,500	1,119,445	1,768,062	-	1,768,062
Total income							
Expenditure on:							
Raising funds							
Commercial trading operations	4	236,807	-	236,807	127,511	-	127,511
Fundraising and publicity costs	8	13,533	-	13,533	8,562	-	8,562
		250,340	-	250,340	136,073	-	136,073
Charitable activities:							
Conferences & networks	7	1,451,118	7,500	1,458,618	1,935,087	-	1,935,087
Grants payable	6	-	-	-	5,000	-	5,000
		1,451,118	7,500	1,458,618	1,940,087	-	1,940,087
Total expenditure		1,701,458	7,500	1,708,958	2,076,160	-	2,076,160
Net outgoing \ resources before transfers and revaluations (net income / expenditure for the year)		(589,513)	-	(589,513)	(308,098)	-	(308,098)
Net gains/(losses) on investment assets	13	73,806	-	73,806	31,552	-	31,552
Net movement in funds		(515,707)	-	(515,707)	(276,546)	-	(276,546)
Transfers between funds		-	-	-	-	-	-
		(515,707)	-	(515,707)	(276,546)	-	(276,546)
Reconciliation of funds							
Fund balances at 1 January		1,220,218	4,399	1,224,617	1,496,764	4,399	1,501,163
Fund balances at 31 December	18,19	704,511	4,399	708,910	1,220,218	4,399	1,224,617

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities. See note 10 for detail of prior year Statement of Financial Activities.

NEW WINE TRUST

CONSOLIDATED AND CHARITY BALANCE SHEET FOR THE YEAR ENDED 31 DECEMBER 2021

		Group		Charity	
	Notes	2021 £	2020 restated £	2021 £	2020 restated £
Fixed Assets					
Tangible assets	12	32,560	94,539	32,560	94,539
Investments	13	594,103	520,297	594,105	520,299
		626,663	614,836	626,665	614,838
Current assets					
Stocks	14	14,535	21,667	-	-
Debtors	15	196,841	163,153	288,896	553,145
Cash at bank and in hand		942,837	912,868	622,978	442,399
		1,154,213	1,097,688	911,874	995,544
Creditors: amounts falling due within one year	16,19	1,071,966	487,907	885,866	396,556
Net current assets		82,247	609,781	26,008)	598,988
Net assets		708,910	1,224,617	652,673	1,213,826
Income funds					
Restricted funds		4,399	4,399	4,399	4,399
Unrestricted funds:					
General funds		226,253	534,698	170,016	523,907
Designated funds		478,258	685,520	478,258	685,520
Total funds	18,19	708,910	1,224,617	652,673	1,213,826

The trustees have prepared group accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011. These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006.

The notes on pages 26 to 43 form part of these accounts.

The accounts were approved by the Board on 21 October 2022.

.....
Sarah McHardie – Trustee
21 October 2022

NEW WINE TRUST

CONSOLIDATED AND CHARITY STATEMENT OF CASHFLOWS FOR THE YEAR ENDED 31 DECEMBER 2021

		Group		Charity	
		2021	2020	2021	2020
	Notes	£	£	£	£
Statement of cash flows					
Cash flows from operating activities					
Net cash provided by/(used in) operating activities	22	40,849	(993,102)	191,495	(911,709)
Cash flow from investing activities					
Interest from investments		15,503	26,669	15,467	25,906
Purchase of fixed assets		(26,383)	(41,047)	(26,383)	(41,047)
Proceeds from the sale of investments		-	655,000	-	655,000
Net cash provided by/(used in) investing activities		(10,880)	640,622	(10,916)	639,859
Change in cash, cash equivalents and net debt in the reporting period					
		29,969	(352,480)	180,579	(271,850)
Cash and cash equivalents at 1 January		912,868	1,265,348	442,399	714,249
Cash and cash equivalents at 31 December		942,837	912,868	622,978	442,399

1. Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation in the financial statements are as follows:

1.1. Basis of preparation

The financial statements comply with the

- Companies Act 2006,
- Charities Act 2011,
- Charity's Memorandum and Articles,
- Statement of Recommended Practice applicable to charities preparing the accounts in accordance with the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS102) (Charities SORP FRS 102) effective from 1 January 2019, and
- Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS102)

New Wine Trust meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The functional currency is Pound Sterling and all financial results are reported in Pound Sterling.

The accounts have been prepared on a going concern basis and the Trustees consider New Wine to be a going concern. As explained more fully in the Trustees' Report on page 16, the Trustees acknowledge that there is material uncertainty in relation to the future income and expenditure streams beyond 2022 due to the lack of a confirmed site for a summer conference in 2023 and the completion of a restructuring exercise.

1.2. Basis of consolidation

These financial statements consolidate the results of the charity and its wholly-owned subsidiary, New Wine Resources Ltd (a company registered in England and Wales under number 04306296) on a line-by-line basis. A separate Statement of Financial Activities, or Income and Expenditure account, for the charity itself is not presented because the charity has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006.

1.3. Income and expenditure

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the items of income have been met, it is probable the income will be received, and the amount can be measured reliably. Specifically:

- 1.3.1 Income from fees, licenses, sale of goods, royalties, commissions and interest is taken to the Statement of Financial Activities on an accruals basis.
- 1.3.2 Collection and gift income is taken to the Statement of Financial Activities on a cash basis. Income tax recoverable in relation to donations received under Gift Aid is recognised at the time of the donation.
- 1.3.3 Expenditure, which includes irrecoverable VAT, is taken to Statement of Financial Activities on an accruals basis.

NEW WINE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2021

1.4. Donated services

Donated services and facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of the economic benefit from the use by the charity of the items is probable and that economic benefit can be measure reliably. In accordance with the Charities SORP (FRS 102) the volunteer time from the many thousands of volunteers noted in the trustees report is not recognised.

Professional services are received ad hoc from our solicitors and this is recognised at the amount the charity would have been willing to pay to obtain services of equivalent economic benefit on the open market; a corresponding amount is also recognised in expenditure.

1.5. Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost less depreciation. Assets costing less than £1,000 are expensed rather than capitalised. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life as follows:

Leasehold Improvements	10% per annum on cost (over the term of the lease)
Plant and machinery	33% and 50%

1.6. Investment policy

The trustees can invest surplus funds and they have decided that up to £1million can be held in charitable investment funds with an expectation of a minimum 5 year term. In selection of the funds, the investment committee consider and balance risks attached to asset managers, asset class and individual stocks. The ethical stance of the charity will also be a consideration. The trust also holds surplus funds on fixed term deposit with its bankers on the money market as current assets.

1.7. Stocks

Stocks are valued at the lower of cost and net realisable value.

1.8. Cash at bank and in hand

This includes cash in hand and short term highly liquid deposits with a short maturity of three months or less from the date of acquisition.

1.9. Fund accounting

1.9.1 Unrestricted general funds can be used in accordance with the charitable objects at the discretion of the trustees. Designated funds are unrestricted but have been set aside at the discretion of the trustees for specific purposes; these are set out in the notes to the accounts. In 2014, a fixed asset reserve was created to indicate that the fixed assets are not available for other purposes as it gives a more appropriate interpretation of the results.

1.9.2 Restricted funds are subject to specific conditions by donors as to how they may be used, which are set out in the notes to the accounts.

1.10. Support costs

Support costs are allocated between the principal activities of the trust for charitable activities, generating income and governance. Where costs are not directly attributable, the allocation is based on an estimation of the time spent or by reference to the income generated on the various activities.

NEW WINE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2021

1.11. Pensions

The charity auto-enrolled employees into the People's Pension – a Defined Contribution Scheme (DCS) in April 2015 and a re-enrolment exercise was undertaken in 2020. Employer contributions are accounted for on an accruals basis.

1.12. Financial instruments

The trust 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.

2. Income from donations and grants (there were no legacies)

	2021	2020
	£	£
Unrestricted donations	448,673	994,068
Grants received	219,867	236,683
Designated donations	3,750	-
Restricted donations	7,500	-
Total donations	<u>679,790</u>	<u>1,230,751</u>

Included in the above amounts is £50,539 (2020: £51,981) gift aid recoverable. The majority of the donations are from individuals and are below £5,000 each. Love offerings received at conferences, other than the specific charities restricted collections, are classified as unrestricted funds.

Grants receivable included £144,867 from the government Coronavirus Job Retention Scheme (£2020: £111,683), and a grant with restricted purposes from a charitable body sharing common objectives with New Wine (two unrestricted grants were received in 2020).

3. Income from charitable activities

	2021	2020 (restated)
	£	£
National gatherings	397	184,512
Less free of charge places and discounted places offered	-	-
Net National Gatherings	<u>397</u>	<u>184,512</u>
Other conferences	98,149	146,037
Training	<u>32,598</u>	<u>42,553</u>
	<u>131,144</u>	<u>373,102</u>

Free of charge and discounted places are made available under the New Wine Urban Bursary Fund to delegates and missionaries who may otherwise not be able to afford to attend the summer conference. No in-person events took place in the year; accordingly no such contributions were payable for the years under review.

The Fees from National gatherings for 2020 have been restated to correct a prior period error. Fees collected for certain cancelled conferences scheduled for 2021 were erroneously included within fees for the period. A total of £204,581 has been adjusted, transferring the sum into current liabilities (income received in advance) and the unrestricted reserves balance at 31 December 2020 have been reduced by this sum. (See also Note 18)

NEW WINE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2021

4. Income earned from other activities

Commercial trading activities of trading subsidiary

The charity owns 2 shares of £1 each in its wholly owned subsidiary New Wine Resources Ltd, which is incorporated in the United Kingdom, publishes Christian music and other resources and pays all of its profits to the charity by way of Gift Aided donation. A summary of the trading results is set out below:

	2021 £	2020 £
Summary profit and loss account		
Turnover	293,008	137,540
Cost of sales and administrative expenses	(236,807)	(127,511)
Interest receivable	36	762
Net income from trading	56,237	10,791
Donation to the Charity	(56,237)	(10,791)
Retained in the subsidiary	-	-
The assets and liabilities of the subsidiary were:		
Fixed assets	-	-
Current assets	397,546	578,889
Creditors: amounts falling due within one year	(397,544)	(578,887)
	2	2
Total net assets	2	2
Aggregate share capital and reserves		
	2	2

5. Investment income

	2021 £	2020 £
Interest receivable	75	3,318
Investment income	15,429	23,351
	15,503	26,669

NEW WINE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2021

6. Grants payable	2021 £	2020 £
Church Planting		
Eden, Stockton	-	5,000
	<u>-</u>	<u>5,000</u>

Grants payable are predominantly made out of restricted funds (see note 18). Attendees at the United Gatherings and some other conferences are invited to contribute to specific Christian charities selected by the Leadership Team. Those chosen have aims which are compatible with New Wine's overall objectives. No charities' collections were taken in 2021 nor 2020 due to the absence of a physical gathering in the summer.

Additional travel bursaries will typically be payable out of designated development funds in years that a summer conference takes place, meeting together on site. No such bursaries were payable for 2021 nor 2020.

7. Analysis of expenditure on charitable objectives

	National Gatherings £	Other Conferences £	Leadership Network & International Ministry £	Discipleship Year, Training & development of New Wine £	2021 Total £
Unrestricted funds					
Site costs/direct event costs	104,348	15,648	-	-	119,996
Teams & Activities	31,124	1,070	2,175	15,205	49,574
Marketing	15,062	-	174	237	15,473
Direct office costs	-	-	1,152	1,508	2,660
Governance Costs	31,287	3,475	728	3,523	39,013
Support costs	770,063	85,522	10,410	86,706	952,701
Total unrestricted	951,884	105,715	14,639	107,179	1,179,417
Designated funds					
Salaries and related costs	-	-	244,751	25,000	269,751
Teams & Activities	-	-	-	1,950	1,950
Support costs	-	-	-	-	-
Total designated	-	-	244,751	26,950	271,701
Subtotal – General funds	951,884	105,715	259,390	134,129	1,451,118
Restricted funds					
Support costs	-	-	7,500	-	7,500
Total	951,884	105,715	266,890	134,129	1,458,618

NEW WINE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2021

7. Analysis of expenditure on charitable objectives (cont.)

	National Gatherings £	Other Conferences £	Leadership Network & International Ministry £	Discipleship Year, Training & development of New Wine £	2020 Total £
Unrestricted funds					
Site costs/direct event costs	270,485	120,444	-	-	390,929
Teams & Activities	276,825	4,530	15,158	23,929	320,442
Marketing	16,752	85	7,785	199	24,821
Direct office costs	-	-	5,821	1,141	6,962
Governance Costs	34,669	7,687	1,768	1,553	45,677
Support costs	675,626	149,794	34,453	30,267	890,140
Total unrestricted	1,274,357	282,540	64,985	57,089	1,678,971
Designated funds					
Salaries and related costs	-	-	232,366	23,750	256,116
Support costs	-	-	-	-	-
Total designated	-	-	232,366	23,750	256,116
Subtotal – General funds	1,274,357	282,540	297,351	80,839	1,935,087
Restricted funds					
Support costs	-	-	-	-	-
Total	1,274,357	282,540	297,351	80,839	1,935,087

Costs are allocated directly to an activity where possible and otherwise in the same proportion as the direct costs. Designated fund developments include investing in younger leaders and encouraging church planting, urban development and other church growth initiatives.

NEW WINE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2021

8. Allocation of governance and support costs

	Charitable Activities support costs	Fundraising & Publicity Costs	Charitable Activities Governance	2021 Total
	£	£	£	£
Audit	-	-	5,030	5,030
Other fees paid to auditor	-	-	-	-
Salaries and related costs	720,087	10,472	14,910	745,469
Depreciation	85,711	884	1,767	88,362
Office expenses & marketing	154,403	2,177	17,306	173,886
Total	960,201	13,533	39,013	1,012,747

	Charitable Activities support costs	Fundraising & Publicity Costs	Charitable Activities Governance	2020 Total
	£	£	£	£
Audit	-	-	9,948	9,948
Other fees paid to auditor	-	-	-	-
Salaries and related costs	614,977	6,340	12,680	633,997
Depreciation	83,617	862	1,724	86,203
Office expenses & marketing	191,546	1,360	21,325	214,231
Total	890,140	8,562	45,677	944,379

During the year the group paid their auditors £7,643 (2020: £14,983) for the audit of the group.
Other support costs are allocated on the basis of time use.

NEW WINE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2021

9. Summary analysis of expenditure and related income for charitable activities

This table shows the undesignated general fund costs of the four main charitable activities and sources of income directly to support those activities.

		National Gatherings	Other Conferences	Leadership Network & International Ministry	Discipleship Year Training & development of New Wine	2021 Total
Analysis of support	Note	£	£	£	£	£
Income	3	397	104,009	-	32,598	137,004
Costs	7	(951,884)	(105,715)	(22,139)	(107,179)	(1,186,917)
		<u>(951,487)</u>	<u>(1,706)</u>	<u>(22,139)</u>	<u>(74,581)</u>	<u>(1,049,913)</u>

		National Gatherings (restated)	Other Conferences	Leadership Network & International Ministry	Discipleship Year Training & development of New Wine	2020 Total (restated)
Analysis of support	Note	£	£	£	£	£
Income	3	389,093	146,037	-	42,553	577,683
Costs	7	(1,209,583)	(268,178)	(61,682)	(54,187)	(1,593,630)
		<u>(820,490)</u>	<u>(122,140)</u>	<u>(61,682)</u>	<u>(14,536)</u>	<u>(1,015,947)</u>

NEW WINE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2021

10. Detail of current year Statement of Financial Activities

	General funds £	Designated funds £	Total Unrestricted £	Restricted funds £	2021 Total funds £
Income from:					
Donations and legacies					
Donations	632,400	3,750	636,150	7,500	643,650
Love offerings at conferences	36,140	-	36,140	-	36,140
	668,540	3,750	672,290	7,500	679,790
Income from charitable activities					
Conferences & networks	131,144	-	131,144	-	131,144
Income from other trading activities					
Commercial trading operations	293,008	-	293,008	-	293,008
Investment income	15,503	-	15,503	-	15,503
Total income	1,108,195	3,750	1,111,945	7,500	1,119,445
Expenditure on:					
Raising funds					
Commercial trading operations	236,807	-	236,807	-	236,807
Fundraising and publicity costs	13,533	-	13,533	-	13,533
	250,340	-	250,340	-	250,340
Charitable activities:					
Conferences & networks	1,179,417	271,701	1,451,118	7,500	1,458,618
Grants payable	-	-	-	-	-
	1,179,417	271,701	1,451,118	7,500	1,458,618
Total expenditure	1,429,757	271,701	1,701,458	7,500	1,708,958
Net outgoing resources before transfers and revaluations (net income / expenditure for the year)	(321,562)	(267,951)	(589,513)	-	(589,513)
Transfer between funds	13,117	(13,117)	-	-	-
Net gains/(losses) on investment assets	-	73,806	73,806	-	73,806
Net movement in funds	(308,445)	(207,262)	(515,707)	-	(515,707)
Reconciliation of funds					
Fund balances at 1 January	534,698	685,520	1,220,218	4,399	1,224,617
Fund balances at 31 December	226,253	478,258	704,511	4,399	708,910

NEW WINE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2021

10. Detail of prior year Statement of Financial Activities (Restated)

	General funds £	Designated funds £	Total Unrestricted £	Restricted funds £	2020 Total funds £
Income from:					
Donations and legacies					
Donations	1,210,865	-	1,210,865	-	1,210,865
Love offerings at conferences	19,886	-	19,886	-	19,886
	1,230,751	-	1,230,751	-	1,230,751
Income from charitable activities					
Conferences & networks	373,102	-	373,102	-	373,102
Income from other trading activities					
Commercial trading operations	137,540	-	137,540	-	137,540
Investment income	26,669	-	26,669	-	26,669
Total income	1,768,062	-	1,768,062	-	1,768,062
Expenditure on:					
Raising funds					
Commercial trading operations	127,511	-	127,511	-	127,511
Fundraising and publicity costs	8,562	-	8,562	-	8,562
	136,073	-	136,073	-	136,073
Charitable activities:					
Conferences & networks	1,678,972	256,115	1,935,087	-	1,935,087
Grants payable	-	5,000	5,000	-	5,000
	1,678,972	261,115	1,940,087	-	1,940,087
Total expenditure	1,815,045	261,115	2,076,160	-	2,076,160
Net outgoing resources before transfers and revaluations (net income / expenditure for the year)	(46,983)	(261,115)	(308,098)	-	(308,098)
Transfer between funds	(31,063)	31,063	-	-	-
Net gains/(losses) on investment assets	-	31,552	31,552	-	31,552
Net movement in funds	(78,046)	(198,500)	(276,546)	-	(276,546)
Reconciliation of funds					
Fund balances at 1 January	612,744	884,020	1,496,764	4,399	1,501,163
Fund balances at 31 December	534,698	685,520	1,220,218	4,399	1,224,617

NEW WINE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2021

11. Staff costs

	2021	2020
Number of employees		
Average number of employees during the year	<u>30</u>	<u>33</u>
	£	£
Wages and salaries	873,908	953,761
Social security costs	73,558	80,264
Other pension costs	<u>85,827</u>	<u>86,475</u>
Total staff costs	<u>1,033,293</u>	<u>1,120,500</u>

There was one employee whose emoluments (gross pay excluding pension and national insurance) was over £60,000 (2020: one). The total employee benefits paid to key management personnel (of which there were 2 in 2021) amounted to £109,289 (2020: £94,706). In addition, New Wine makes donations to several churches in recognition of the involvement of their own staff in the wider leadership team of New Wine.

The charity operated a Defined Contribution Pension Scheme provided by the People's Pension. The charity contributes 10% of basic salary with no requirement for the employee to contribute. The total employer contributions to this scheme for the year were £85,827 (2020: £86,475) with the final month's contributions outstanding at the year end, totalling £6,468 (2020: £nil).

NEW WINE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2021

12. Tangible Fixed Assets

Summary for accounts	Tangible assets - Leasehold Improvements £	Tangible assets - Plant & machinery £	Total £
Cost			
At 1 January 2021	487,342	568,455	1,055,797
Additions	-	26,383	26,383
Disposals	-	(195,077)	(195,077)
Revaluations	-	-	-
At 31 December 2021	487,342	399,761	887,103
Depreciation			
At 1 January 2021	487,342	473,916	961,258
Charge for the year	-	88,362	88,362
Disposals	-	(195,077)	(195,077)
At 31 December 2021	487,342	367,201	854,543
Net book value			
At 31 December 2021	-	32,560	32,560
At 31 December 2020	-	94,539	94,539

The trading company did not own any fixed assets.

13. Fixed Asset investments

	2021 £	2020 £
CCLA investment fund		
Market value at 1 January	520,297	688,745
Disposal proceeds	-	(200,000)
Unrealised gains/(losses)	73,806	31,552
Market value at 31 December	594,103	520,297
Historic cost	261,226	368,745

New Wine Trust holds 2 shares of £1 each in its wholly owned trading subsidiary company New Wine Resources Ltd, which is incorporated in the United Kingdom. These are the only shares allotted, called up and fully paid. The activities and results of this company are summarized in note 4.

NEW WINE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2021

14.	Stock	Group		Charity	
		2021	2020	2021	2020
		£	£	£	£
	Trading stock - books and resources	14,535	21,667	-	-

Stock is valued at the lower of acquisition cost and realisable value. All stock is owned by the subsidiary trading company.

15.	Debtors	Group		Charity	
		2021	2020	2021	2020
		£	£	£	£
	Trade Debtors	74,926	102,264	20,094	16,210
	Other debtors	5,191	10,043	5,191	6,544
	Prepayments and accrued income	116,724	50,846	113,881	50,146
	Amount due from subsidiary undertaking	-	-	149,730	480,245
		196,841	163,153	288,896	553,145

16.	Creditors - amounts falling due within one year	Group		Charity	
		2021	2020	2021	2020
		£	£	£	£
	Trade Creditors	39,965	19,828	26,458	15,583
	Other creditors and accruals	75,455	20,421	36,644	15,015
	Income in advance	926,937	424,418	796,687	342,718
	Taxation and social security costs	23,083	23,240	19,551	23,240
	Pensions	6,526	-	6,526	-
	Amount owing to subsidiary undertaking	-	-	-	-
		1,071,966	487,907	885,866	396,556

17. Deferred income - Group and Charity

Deferred income comprises advance fee income for conference and events in the subsequent financial year and charity partnerships extending over 12 months.

	2021	2020
	£	£
Total deferred income at 1 January	424,418	1,190,379
Amounts received/(refunds issued) in year	633,663	(392,859)
Amounts credited to statement of financial activities	(131,144)	(373,102)
Total deferred income at 31 December	926,937	424,418

NEW WINE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2021

18. Prior period error and adjustment of opening balances

As reported under note 3, a prior period error was discovered whereby fees presented for National gatherings in 2020 erroneously includes fees collected for certain conferences scheduled for 2021. A total of £204,581 has been adjusted, representing fees collected for 2021 events which had been cancelled by the time at which the 2020 accounts were drawn up. A prior period adjustment is recognised within these financial statements, reducing the 2020 National conference fees transferring the sum into current liabilities (income received in advance) and the unrestricted reserves balance at 31 December 2020 have been reduced by this sum.

	As originally reported 2020 £	Adjustment £	Restated balance 2020 £
Income from charitable activities:			
National gatherings	389,093	(204,581)	184,512
Other conferences	146,037	-	146,037
Training	42,553	-	42,553
Total	577,683	(204,581)	373,102
Creditors: amounts falling due within one year			
Trade Creditors	19,828	-	19,828
Other creditors and accruals	20,421	-	20,421
Income in advance	219,837	204,581	424,418
Taxation and social security costs	23,240	-	23,240
	283,326	204,581	487,907

NEW WINE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2021

19. Fund details and other notes	Balance at 1 Jan 2021 (restated) £	Income £	Expenditure £	Transfers and unrealised gains £	Balance at 31 Dec 2021 £
General funds	534,698	1,108,195	(1,429,757)	13,117	226,253
Designated funds					
Fixed assets	94,539	-	(88,362)	26,383	32,560
Development of New Wine	590,981	3,750	(183,339)	34,306	445,698
	685,520	3,750	(271,701)	60,689	478,258
Total unrestricted funds	1,220,218	1,111,945	(1,701,458)	73,806	704,511
Restricted funds					
Seed money	4,399	-	-	-	4,399
Course preparation	-	7,500	(7,500)	-	-
	4,399	7,500	(7,500)	-	4,399
	1,224,617	1,119,445	(1,708,958)	73,806	708,910

NEW WINE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2021

20. Analysis of consolidated net assets between funds	General Funds £	Designated Funds £	Restricted Funds £	2021 Total Funds £
Fund balances at 31 December 2021 are represented by:				
Fixed Assets	594,103	32,560	-	626,663
Current assets	704,116	445,698	4,399	1,154,213
Creditors: amounts falling due within one year	(1,071,966)	-	-	(1,071,966)
	<u>226,253</u>	<u>478,258</u>	<u>4,399</u>	<u>708,910</u>

	General Funds £	Designated Funds £	Restricted Funds £	2020 Total Funds £
Fund balances at 31 December 2020 are represented by:				
Fixed Assets	520,297	94,539	-	614,836
Current assets	502,308	590,981	4,399	1,097,688
Creditors: amounts falling due within one year	(487,907)	-	-	(487,907)
	<u>534,698</u>	<u>685,520</u>	<u>4,399</u>	<u>1,224,617</u>

21. Financial Commitments

At 31 December 2021 the company had outstanding commitments for future minimum lease payments under non-cancellable leases which fall as follows:

	2021 £	2020 £
Photocopiers		
Future minimum operating lease payments		
In less than one year	-	6,558
Between one and five years	<u>1,638</u>	<u>1,638</u>
Total	<u>1,638</u>	<u>8,196</u>
Land and Buildings		
Future minimum operating lease payments		
In less than one year	35,000	35,000
Between one and five years	<u>43,750</u>	<u>78,750</u>
Total	<u>78,750</u>	<u>113,750</u>

NEW WINE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2021

22. Reconciliation of movement in funds to net cashflow from operating activities

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Net expenditure for the reporting period	(515,707)	(326,956)	(561,153)	(291,070)
Add back depreciation	88,362	86,203	88,362	86,203
Gains on investments	(73,806)	(31,552)	(73,806)	(31,552)
Dividends, interest and rents	(15,503)	(26,669)	(15,467)	(25,907)
(Increase)/Decrease in stocks	7,132	6,447	-	-
(Increase)/Decrease in debtors	(33,688)	27,855	264,249	228,707
(Decrease)/Increase in creditors	584,059	(728,430)	489,310	(878,091)
Net cash provided by/(used in) operating activities	40,849	(993,102)	191,495	(911,710)

23. Notes to the consolidated cash flow movement

Analysis of the consolidated cash flow movement

	At 31 December 2020	Cash flows	At 31 December 2021
	£	£	£
Cash at bank and in hand	912,868	29,969	942,837
Total cash at bank and in hand	912,868	29,969	942,837

24. Trustees

None of the trustees received any remuneration during the year for services as trustee.

Travel and meeting expenses for all trustees amounted to £nil (2020: £nil); no trustee received expenses to reimburse travel costs (2020: no trustee incurred expenses). No trustee received honoraria for speaking at the United National Gatherings in the year or prior year.

At the year-end there were no outstanding payments to trustees and their related parties for services other than as a trustee (2020: £nil)

Aggregate donations received from the trustees or related parties without conditions was £1,590 (2020: £1,212)

NEW WINE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2021

25. Related party relationships and transactions

Royalty payments

During the year, royalty payments of £17 were payable to Rev J and Mrs Coles (2020: £nil) in connection with books authored by them.

Service provision

During the year, New Wine contracted with FreelyGive Ltd, a key supplier, for IT services. One of our trustees, David Lynch is a consultant for FreelyGive Ltd. He has declared an interest and excludes himself from any Trustee discussions related to this. In 2021 expenditure with FreelyGive Ltd was £45,840 (2020: £60,996).

During the year, a number of the Trustees purchased access to New Wine Online from the subsidiary company at the standard prices for this service.

26. Contingent Liabilities

No contingent liabilities were recognised at 31 December 2021 (2020: nil).

27. Events after the reporting date

Restrictions imposed in response to the global pandemic were being relaxed in the early months of 2022, allowing in-person conferences to take place again, with certain precautions being exercised. New Wine have reviewed the financial statements for 2021 and consider that these circumstances do not warrant any adjustment of values presented.

An error in the prior year accounts relating to deferred income was identified after the reporting date and a prior year adjustment prepared as described in note 18. Further in-year adjustments have been reflected within these accounts to correct the carrying values of liabilities at the balance sheet date.

Following the reporting date, the East of England Showground advised that New Wine will be unable to hold a camping event based at its site in 2023 or thereafter. The financial implications of a move of site will be recognised in future accounting periods. The planned events for 2022 were not affected by the change.

In response to the continued financial pressures, the Trustees are considering a proposed staff restructuring.

