

Report of the Trustees and
Unaudited Financial Statements for the Year Ended 31 December 2018
for
Celebration Church United Kingdom
Limited

Celebration Church United Kingdom
Limited

Contents of the Financial Statements
for the Year Ended 31 December 2018

	Page
Reference and Administrative Details	1
Report of the Trustees	2 to 5
Statement of Trustees Responsibilities	6
Independent Examiner's Report	7
Statement of Financial Activities	8
Balance Sheet	9
Notes to the Financial Statements	10 to 14
Detailed Statement of Financial Activities	15

TRUSTEES	Samuel Nyamukapa (resigned 25.10.18) Gregory MacQueen Thomas Patrick Deuschle 111 Raphael Joseph Kamba Boden Dollie (appointed 17.9.18) Kudzanai Washington Moyo (appointed 17.9.18) Isaac Farai Nyanhi (appointed 25.11.18)
REGISTERED OFFICE	19 Titan Court Laporte Way Luton Bedfordshire LU4 8EF
REGISTERED COMPANY NUMBER	6342138 (England and Wales)
REGISTERED CHARITY NUMBER	1125784
INDEPENDENT EXAMINER	James Walsh FAIA FFA FFTA 19 Titan Court Laporte Way Luton Bedfordshire LU4 8EF
BANKERS	HSBC 26 Broad Street Reading Berkshire RG1 2BU
SECRETARY	King Street Secretaries Limited

Report of the Trustees
for the Year Ended 31 December 2018

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2018. The trustees have adopted the provisions of 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

Objects

The Charity's principal object set out in its governing document is to advance the Christian religion in the United Kingdom by spreading the message of the gospel.

In so doing, it recognises the Lord Jesus Christ as the Sovereign Head of the universal Church -

- a) To teach the word of God to all nations,
- b) To administer the gifts of the Holy Spirit,
- c) To administer the regular ordinances of water baptism and communion,
- d) To promote discipleship and church growth through the establishment of cell groups,
- e) To spread the Word of God and the gospel by ministering to people through church services, seminars, radio, television, and other forms of mass media.

ACHIEVEMENT AND PERFORMANCE

Activities

This year was a transitional one, as the church began implementing its new strategy and relocation to Maidstone as a church plant, with a focus on mission and community engagement. The following principle activities, undertaken throughout the year, reflect a 'start-up' church and remain aligned with the stated charitable object:

1. Along with the CCI family of churches we started the year with a teaching series on the theme for the year as well as a 21-day Daniel's fast. For 2018 the theme was "See His Kingdom, Share His Love", encouraging all to reflect on and apply Kingdom principles in daily life and become more missional.
2. Continued weekly Sunday meetings, open to all, provided a place for public worship, prayer, bible teaching, discipleship and ministry. Meetings were held initially in a local hotel before moving to a community-hub venue: "Fusion Healthy Living Centre", that provides various charitable and community services.
3. Promoted the weekly meetings to the community in the monthly newsletter printed and distributed by Fusion.
4. Provided biblical based Christian life skills, equipping and training through practical application and personal reflective teachings based on scripture.
5. Continued Monthly prayer meetings and commenced small group meetings held in homes in Maidstone.
6. Received and presented the regular monthly "Family of Churches Update" and "Message of the Month" teaching from CCI and framed and applied it to the congregation in a relevant context.
7. Regularly administered the ordinance of communion on a monthly basis.
8. On two separate occasions, celebrated baby dedications that incorporated a time of celebration and fellowship at a BBQ after the Sunday meeting with members, friends, family and others from the local community.
9. As done the year before, members collected non-perishable food stuffs, toiletries and cleaning materials for donation to the Maidstone Day Centre - a local charity assisting the homeless.
10. A key focus was to consolidate, equip and engage the 'advance team' of church members and leaders faithfully invested in time and finances, implementing new vision and strategy to establish the church plant in Maidstone.
11. Commencement of a governance and organisational/structural review to align with the new vision and best support the new initiative.

ACHIEVEMENT AND PERFORMANCE

2018 saw us follow and complete a move of faith and strategy from our location in Watford to a new community in Maidstone with a team of 20 people committed to the new vision. We faced all the challenges of a church plant and needed to make some organisational adjustments to secure the financial stability of the church. In light of this, the principal activities listed above contributed to the achievement of some of our major aims and objectives.

1. Specifically, we continued to hold meetings every Sunday as prayer, worship and the public reading of scripture was promoted as people's lives continued to be transformed through the personal application of the Word of God, we saw average attendances of 11 adults and 4 children remaining close to that of the previous year.
2. At the start of the year, the Church initiated the process for a planned leadership transition from Pastors Greg and Caroline MacQueen to Boden and Jacqui Dollie. This transition was completed in September 2018 with Boden officially taking leadership further to the announcement at the CCI Church Synod. Pastors Greg and Caroline remain in the Church and CCI family, advising and working closely with Boden and Jacqui.
3. The Church was represented by Pastor Greg and Boden in Harare, Zimbabwe, at CCI's annual "Action Conference" in May. This time of teaching, ministry and fellowship at CCI conferences provides a valuable and key part of the resources made available to the Church by CCI for the equipping of Pastors across the Family of Churches and enriches the work that is done in the UK.
4. The trustees successfully implemented changes in line with the General Data Protection Regulation (GDPR). The GDPR compliant policies will be reviewed and improved as the organisation grows. This process was also taken as an opportunity to do a complete review of all other policies.

ACHIEVEMENT AND PERFORMANCE

Activities

On-going performance is monitored dynamically in line with the expectations of a start-up church. A key component is the annual budget. This is agreed by the trustees and is monitored on a monthly basis by a sub-group of the trustees and the treasurer, with regular reports going to the full trustee board and CCI.

At this early stage, though growth and income are vital performance factors, other qualitative and strategic factors or milestones will be prioritised such as gaining local traction, establishment of a permanent venue in the community for meetings and office space and establishment and strengthening of networking relationships with other local churches and community projects.

FINANCIAL REVIEW

Financial position

The Church's financial position is monitored on a monthly basis with reports and analysis on income, spending and account balances.

The trustees approved a review of the Reserves and Investment policies: the reserve total was decreased from 6 months to 3 months of operational expenditure being adequate to sustain church operations and services and to ensure we are able to respond to needs as they arise in our community engagements.

At 31 December 2018 the Charity held general unrestricted reserves of £24,886.

The Charity is reliant for most of its income upon the donations, tithes and offerings of its members who mainly contribute to the Charity under the Gift Aid scheme.

These funds were used to advance the objectives of the Charity as outlined in the Trustees Report of its activities for the year.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Celebration Church United Kingdom is a charitable company limited by guarantee. It is governed by its Memorandum and Articles of Association dated 14 August 2007 and revised 22 August 2008.

Recruitment and appointment of new trustees

The trustees, who are also the members of the Charity, take responsibility for its governance, management and trustee appointments in accordance with its governing document. During this period, the number of trustees increased from four to six, each with differing expertise to contribute to the delivery of the charity's objectives and to enhance the base of UK domicile trustees within the church members directly involved in the work of the new church plant in Maidstone. This move strengthens the engagement, accountability and efficiency of the governance and management of the Church at a local level. There were various trustee appointments and resignations to facilitate this.

Management

The trustees met four times during the year. One of the meetings being the Annual General Meeting held in November at which the Trustees' Annual Report and Accounts were presented for 2017. Also included was a presentation of the ongoing governance review and overview of the strategic plan for 2018 onwards.

Responsibility for policy and key operating decisions of the charity rest with the trustees whilst the day to day operation has been delegated to the management team, who meet regularly on church and charity matters, under the leadership of the Lead Pastor.

As of 1 April 2018, the Church directly employs only one part-time staff member. As such, the activities of the charity were predominantly volunteer-delivered.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Networking Relationships and Related Parties

Celebration Church United Kingdom remains a member of the family of churches within Celebration Churches International (CCI) www.celebrationmin.org.

Through CCI the church receives apostolic leadership, resources, training and other support. CCI is responsible for a family of 80+ churches and church plants across the world as well as social impact projects in Africa helping in excess of 10,000 individuals.

In the UK, the Church is a member of the Evangelical Alliance - Membership Number 232413.

Risk Management

The Trustees review the major strategic, economic and operational risks, relevant to a small charity with few employees. Frameworks and procedures are in place to identify, monitor and review these risks on a regular basis.

All major insurable risks are subject to normal churches and employers' insurance. Contractual risks are reviewed before being entered into, to assess that they could not significantly impact upon the Churches ability to fulfil its objectives. An annual review of all risk areas is undertaken by the trustees in conjunction with any staff and volunteers responsible for the area of activity.

The Charity has in place all the policies as per Charity Commission guidance and no significant material issues arose during the year in relation to these policies.

Public Benefit

The Trustees confirm that they have paid due regard to the Charity Commission's guidance on public benefit reporting in deciding what activities the charity should undertake. The Annual Report explains the Charity's work during the year and how it has been carried out for public benefit.

Small Company Provisions

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 28 April 2019 and signed on its behalf by:



Boden Dollie - Trustee

Statement of Trustees Responsibilities
for the Year Ended 31 December 2018

The trustees (who are also the directors of Celebration Church United Kingdom Limited for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent examiner's report to the trustees of Celebration Church United Kingdom Limited ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 December 2018.

Responsibilities and basis of report

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

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

Independent examiner's statement

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

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

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



James Walsh FAIA FFA FFTA
19 Titan Court
Laporte Way
Luton
Bedfordshire
LU4 8EF

28 April 2019

Celebration Church United Kingdom
Limited

Statement of Financial Activities
for the Year Ended 31 December 2018

	Notes	31.12.18 Unrestricted fund £	31.12.17 Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	2	41,645	50,702
Investment income	3	148	10
Other income		402	-
Total		<u>42,195</u>	<u>50,712</u>
EXPENDITURE ON			
Charitable activities			
Ministry		40,888	62,178
NET INCOME/(EXPENDITURE)		<u>1,307</u>	<u>(11,466)</u>
RECONCILIATION OF FUNDS			
Total funds brought forward		<u>23,579</u>	<u>35,045</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>24,886</u></u>	<u><u>23,579</u></u>

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

Celebration Church United Kingdom
Limited

Balance Sheet
At 31 December 2018

		31.12.18 Unrestricted fund £	31.12.17 Total funds £
FIXED ASSETS	Notes		
Tangible assets	8	1,785	2,828
CURRENT ASSETS			
Stocks	9	350	350
Debtors	10	29,745	13,500
Cash in hand		9,567	21,890
		<u>39,662</u>	<u>35,740</u>
CREDITORS			
Amounts falling due within one year	11	(16,561)	(14,989)
		<u>23,101</u>	<u>20,751</u>
NET CURRENT ASSETS			
		<u>24,886</u>	<u>23,579</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
		<u>24,886</u>	<u>23,579</u>
NET ASSETS			
		<u>24,886</u>	<u>23,579</u>
FUNDS	12		
Unrestricted funds		<u>24,886</u>	<u>23,579</u>
TOTAL FUNDS		<u>24,886</u>	<u>23,579</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2018.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2018 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to charitable small companies.

The financial statements were approved by the Board of Trustees on 28 April 2019 and were signed on its behalf by:



Gregory MacQueen -Trustee

The notes form part of these financial statements

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

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

Income

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

Expenditure

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

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Motor Van	- 25% on reducing balance
Equipment	- 20% on reducing balance

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Net realisable value is based on selling price less anticipated costs to completion and selling costs. Items donated for resale or distribution are not included in the financial statements until they are sold or distributed.

Taxation

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

Fund accounting

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

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

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

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

2. DONATIONS AND LEGACIES

	31.12.18	31.12.17
	£	£
Committed giving	25,513	46,202
Gift Aid tax reclaimable	16,132	4,500
	<u>41,645</u>	<u>50,702</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2018

3. INVESTMENT INCOME

	31.12.18	31.12.17
	£	£
Interest on cash deposits	148	10

4. NET INCOME/(EXPENDITURE)

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

	31.12.18	31.12.17
	£	£
Depreciation - owned assets	445	756
Surplus on disposal of fixed asset	(402)	-

5. TRUSTEES' REMUNERATION AND BENEFITS

During the year the Pastors received salaries of £14,904 including £11,449 redundancy costs (2017 - £22,245) combined.

Salaries were paid to Pastor G MacQueen of £200 and Rev MacQueen of £3,255.

The Pastors received rent from the Church for their private house of £4,200 (2017 - £12,600).

Remuneration to trustees is authorised by the Charity Commission.

Trustees' expenses

During the year the Pastors were reimbursed travelling expenses of £362 (2017 - £2,945).

Travel expenses reimbursed to Pastor G MacQueen were £362.

6. STAFF COSTS

	31.12.18	31.12.17
	£	£
Wages and salaries	17,904	27,995
Other pension costs	18	120

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

	31.12.18	31.12.17
Charitable activities	1	3

No employees received emoluments in excess of £60,000.

7. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund
	£
INCOME AND ENDOWMENTS FROM	
Donations and legacies	50,702
Investment income	10

7. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted fund £
Total	50,712
EXPENDITURE ON	
Charitable activities	
Ministry	62,178
Total	62,178
NET INCOME/(EXPENDITURE)	(11,466)
RECONCILIATION OF FUNDS	
Total funds brought forward	35,045
TOTAL FUNDS CARRIED FORWARD	<u>23,579</u>

8. TANGIBLE FIXED ASSETS

	Motor Van £	Equipment £	Totals £
COST			
At 1 January 2018	7,000	7,230	14,230
Disposals	(7,000)	-	(7,000)
	<u>-</u>	<u>7,230</u>	<u>7,230</u>
At 31 December 2018	-	7,230	7,230
DEPRECIATION			
At 1 January 2018	6,402	5,000	11,402
Charge for year	-	445	445
Eliminated on disposal	(6,402)	-	(6,402)
	<u>-</u>	<u>5,445</u>	<u>5,445</u>
At 31 December 2018	-	5,445	5,445
NET BOOK VALUE			
At 31 December 2018	<u>-</u>	<u>1,785</u>	<u>1,785</u>
At 31 December 2017	<u>598</u>	<u>2,230</u>	<u>2,828</u>

9. STOCKS

	31.12.18 £	31.12.17 £
Finished goods	<u>350</u>	<u>350</u>

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.18	31.12.17
	£	£
Gift Aid recoverable	29,631	13,500
Social security and other taxes	114	-
	<u>29,745</u>	<u>13,500</u>

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.18	31.12.17
	£	£
Trade creditors	1,808	2,713
Social security and other taxes	-	476
Other creditors	12,158	9,839
Accruals and deferred income	2,595	1,961
	<u>16,561</u>	<u>14,989</u>

12. MOVEMENT IN FUNDS

	At 1.1.18	Net movement in funds	At 31.12.18
	£	£	£
Unrestricted funds			
General fund	23,579	1,307	24,886
	<u>23,579</u>	<u>1,307</u>	<u>24,886</u>
TOTAL FUNDS	<u>23,579</u>	<u>1,307</u>	<u>24,886</u>

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

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	42,195	(40,888)	1,307
	<u>42,195</u>	<u>(40,888)</u>	<u>1,307</u>
TOTAL FUNDS	<u>42,195</u>	<u>(40,888)</u>	<u>1,307</u>

Comparatives for movement in funds

	At 1.1.17	Net movement in funds	At 31.12.17
	£	£	£
Unrestricted Funds			
General fund	35,045	(11,466)	23,579
	<u>35,045</u>	<u>(11,466)</u>	<u>23,579</u>
TOTAL FUNDS	<u>35,045</u>	<u>(11,466)</u>	<u>23,579</u>

12. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	50,712	(62,178)	(11,466)
	_____	_____	_____
TOTAL FUNDS	<u>50,712</u>	<u>(62,178)</u>	<u>(11,466)</u>

13. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 December 2018 other than those already disclosed in note 5.

Aggregate donations received by the church from the trustees amounted to £2,177.

14. ULTIMATE CONTROLLING PARTY

The charity is controlled by the trustees who are the members of the company. There are no persons of significant control.

Detailed Statement of Financial Activities
for the Year Ended 31 December 2018

	31.12.18 £	31.12.17 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Committed giving	25,513	46,202
Gift Aid tax reclaimable	16,132	4,500
	<hr/>	<hr/>
	41,645	50,702
Investment income		
Interest on cash deposits	148	10
Other income		
Gain on sale of tangible fixed assets	402	-
	<hr/>	<hr/>
Total incoming resources	42,195	50,712
EXPENDITURE		
Charitable activities		
Office salaries	17,904	27,995
Pension costs	18	120
Insurance	804	734
Telephone	140	793
Postage and stationery	291	592
Sundries	635	201
Rent - Pastors house	4,200	12,600
Services Venue	5,124	7,519
Storage	2,068	3,304
Computer software and maintenance costs	1,499	233
Trade subscriptions	80	-
Motor expenses	802	1,525
Travel and subsistence	628	2,945
Depreciation of motor van	-	199
Depreciation of equipment	445	557
Bank interest	10	63
	<hr/>	<hr/>
	34,648	59,380
Support costs		
Finance		
Bank charges	152	287
Governance costs		
Accountancy fees	2,398	1,981
Legal fees	3,690	530
	<hr/>	<hr/>
	6,088	2,511
Total resources expended	40,888	62,178
	<hr/>	<hr/>
Net income/(expenditure)	1,307	(11,466)
	<hr/>	<hr/>