

**Pentecostal Residences Charity**  
**Unaudited Financial Statements**  
**31 December 2022**

**JENNIONS MACKEN**

Institute of Financial Accountants  
Suite 1, Foundry House  
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Widnes  
Cheshire  
WA8 8GT

# **Pentecostal Residences Charity**

## **Financial Statements**

**Year ended 31 December 2022**

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# Pentecostal Residences Charity

## Trustees' Annual Report

Year ended 31 December 2022

The trustees present their report and the unaudited financial statements of the charity for the year ended 31 December 2022.

### Reference and administrative details

<b>Registered charity name</b>	Pentecostal Residences Charity
<b>Charity registration number</b>	1002396
<b>Principal office</b>	C/o The Foundry Lugsdale Road Widnes Cheshire

### The trustees

Mr A Hewitt	(Retired 2 October 2022)
Mr S Smith	
Mrs J Hicklin	
Mrs L Holland	
Mr I Aitken	

<b>Independent examiner</b>	Mr I Jennions BA (Hons) FFA FIPA FFTA Suite 1, Foundry House Widnes Business Park Waterside Lane Widnes Cheshire WA8 8GT
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### Structure, governance and management

The organisation was registered as a Charity on 27 March 1991 under a governing instrument dated 16 October 1990. The organisation is governed by a management committee.

### INVESTMENT POLICY

The Trustees have the power to invest in such assets as they see fit subject nevertheless to such conditions and consents as may, for the time being, be imposed or required by law. Surplus funds are invested with various institutions.

### RESERVES POLICY

The Charity carries out a variety of both long-term and short-term projects. The Trustees have examined the requirement for free reserves, which are those unrestricted funds not invested in fixed assets, designated for specific purposes or otherwise committed. The Trustees consider that currently, given the nature of our work, this should be approximately £625,000, which gives flexibility to cover short term timing differences for grant claims and adequate working capital for our core costs, and to represent investment in fixed assets. However, the Trustees keep this under regular review as circumstances change. The free reserves at 31 December 2022 consist of the profit and loss reserve of £1,516,772.

# **Pentecostal Residences Charity**

## **Trustees' Annual Report *(continued)***

**Year ended 31 December 2022**

### **Structure, governance and management *(continued)***

#### **RISK MANAGEMENT**

The Trustees actively review the major risks which the Charity faces on a regular basis and believe that maintaining our free reserves at the levels stated above, combined with our annual review of the controls over key financial systems, will provide sufficient resources in the event of adverse conditions. The Trustees have also examined other operational and business risks which we face and confirm that they have established systems to mitigate the significant risks.

#### **Objectives and activities**

The objectives and activities of Pentecostal Residences Charity are:

- 1) Housing accommodation for persons over 60 years who are members of the Halton Pentecostal Church or in fellowship with the Church, or a Church in fellowship therewith, or persons in such need.
- 2) Relieving aged persons in occupation of the Housing accommodation of the Charity and, subject thereto, applying the income in furthering the religious and other charitable work of the Halton Pentecostal Church.

#### **Achievements and performance**

Since 1985, PRC has maintained a high level of service, delivered with care, enthusiasm and commitment that is warmly appreciated by its tenants. PRC is served by an outstanding team of staff including on-site caretaker/warden, managers and staff. PRC also benefits from operating and working closely in conjunction with the Foundry Church, with the added benefits of community living offered through the friendship and support of the local church. During the last decade, the management team have overseen a constant and considerable programme of refurbishment within the bungalows. The new consumer replacement scheme was completed in 2022 and the schedule of works for the gutters, soffits and fascia boards will continue into 2023. Occupancy rates remain high. The waiting list especially across both sets of accommodation remains strong, and the atmosphere on site remains friendly and amenable.

Much credit must go to the managers, staff and volunteers who have continued to ensure that Fair Havens Court remains a great place to live as well as a safe place to live!

PRC is also appreciative of the working relationship with the Lighthouse Foundation and their students who work hard to maintain grounds maintenance on behalf of the charity.

The Trustees of the Pentecostal Residences Charity submit this review with confidence that the great work of 2022 will be continued into 2023 and beyond.

#### **Financial review**

Through sound financial management the charity has been able to continue to provide an excellent service to our residents.

Over the past 12 months, rental income has been increased through a programme of steady increases, undertaken in consultation with an external property group to ensure the correct market rental values were applied. The Trustees are pleased to report that the proposed rentals increases have been accepted by the local authority for housing benefit purposes.

#### **Plans for future periods**

PRC and Lighthouse Trustees are exploring the opportunity of merging the two charities.

# Pentecostal Residences Charity

## Trustees' Annual Report *(continued)*

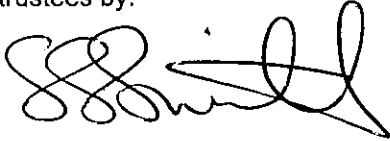
Year ended 31 December 2022

### Plans for future periods *(continued)*

#### **BENEFITS TO THE PUBLIC**

The charity provides sheltered housing accommodation for persons over 60 years who are members of Foundry Church or in fellowship with the Church, or a Church in fellowship therewith, or persons in such need.

The trustees' annual report was approved on 1<sup>ST</sup> OCTOBER 23 and signed on behalf of the board of trustees by:



Mr S Smith  
Trustee

# Pentecostal Residences Charity

## Independent Examiner's Report to the Trustees of Pentecostal Residences Charity

Year ended 31 December 2022

I report to the trustees on my examination of the financial statements of Pentecostal Residences Charity ('the charity') for the year ended 31 December 2022.

### Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

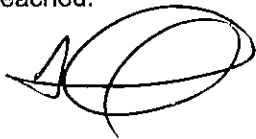
### Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales (ICAEW), which is one of the listed bodies.

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

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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.



Mr I Jennions BA (Hons) FFA FIPA FFTA  
Independent Examiner

Suite 1, Foundry House  
Waterside Lane  
Widnes Business Park  
Widnes  
Cheshire  
WA8 8GT

# Pentecostal Residences Charity

## Statement of Financial Activities

Year ended 31 December 2022

		2022		2021
	Note	Unrestricted funds £	Total funds £	Total funds £
<b>Income and endowments</b>				
Donations and legacies	4	344,543	<b>344,543</b>	335,988
Investment income	5	303	<b>303</b>	13
<b>Total income</b>		<u>344,846</u>	<u><b>344,846</b></u>	<u>336,001</u>
<b>Expenditure</b>				
Expenditure on charitable activities	6,7	316,431	<b>316,431</b>	297,682
<b>Total expenditure</b>		<u>316,431</u>	<u><b>316,431</b></u>	<u>297,682</u>
<b>Net income and net movement in funds</b>		<u>28,415</u>	<u><b>28,415</b></u>	<u>38,319</u>
<b>Reconciliation of funds</b>				
Total funds brought forward		1,516,772	<b>1,516,772</b>	1,478,453
<b>Total funds carried forward</b>		<u>1,545,187</u>	<u><b>1,545,187</b></u>	<u>1,516,772</u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

# Pentecostal Residences Charity

## Statement of Financial Position

31 December 2022

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Tangible fixed assets	12	1,388,372	1,387,781
Investments	13	123	123
		<u>1,388,495</u>	<u>1,387,904</u>
<b>Current assets</b>			
Debtors	14	7,099	7,510
Cash at bank and in hand		160,992	131,785
		<u>168,091</u>	<u>139,295</u>
<b>Creditors: amounts falling due within one year</b>	15	<u>11,399</u>	<u>10,427</u>
<b>Net current assets</b>		<u>156,692</u>	<u>128,868</u>
<b>Total assets less current liabilities</b>		<u>1,545,187</u>	<u>1,516,772</u>
<b>Net assets</b>		<u>1,545,187</u>	<u>1,516,772</u>
<b>Funds of the charity</b>			
Unrestricted funds		1,545,187	1,516,772
<b>Total charity funds</b>	16	<u>1,545,187</u>	<u>1,516,772</u>

These financial statements were approved by the board of trustees and authorised for issue on 01/10/23, and are signed on behalf of the board by:



Mr S Smith  
Trustee

# **Pentecostal Residences Charity**

## **Notes to the Financial Statements**

**Year ended 31 December 2022**

### **1. General Information**

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is C/o The Foundry, Lugsdale Road, Widnes, Cheshire.

### **2. Statement of compliance**

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Charities Act 2011.

### **3. Accounting policies**

#### **Basis of preparation**

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

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

#### **Going concern**

There are no material uncertainties about the charity's ability to continue.

#### **Disclosure exemptions**

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102.

#### **Judgements and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

#### **Fund accounting**

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

# Pentecostal Residences Charity

## Notes to the Financial Statements *(continued)*

Year ended 31 December 2022

### 3. Accounting policies *(continued)*

#### Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

#### Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

#### Tangible assets

All fixed assets are initially recorded at cost.

# Pentecostal Residences Charity

## Notes to the Financial Statements *(continued)*

Year ended 31 December 2022

### 3. Accounting policies *(continued)*

#### Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixtures and Fittings	-	25% reducing balance
Equipment	-	25% reducing balance
Computer equipment	-	25% reducing balance

#### Investments

Unlisted equity investments are initially recorded at cost, and subsequently measured at fair value. If fair value cannot be reliably measured, assets are measured at cost less impairment.

Listed investments are measured at fair value with changes in fair value being recognised in income or expenditure.

#### Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

#### Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

### 4. Donations and legacies

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
<b>Donations</b>				
Rents and Service Charges Receivable	344,543	344,543	335,988	335,988

# Pentecostal Residences Charity

## Notes to the Financial Statements *(continued)*

Year ended 31 December 2022

### 5. Investment Income

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Bank Charges Receivable	<u>303</u>	<u>303</u>	<u>13</u>	<u>13</u>

### 6. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Direct charitable activities	313,485	<b>313,485</b>	294,952	294,952
Support costs	<u>2,946</u>	<u>2,946</u>	<u>2,730</u>	<u>2,730</u>
	<u>316,431</u>	<u>316,431</u>	<u>297,682</u>	<u>297,682</u>

### 7. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	Total funds 2022 £	Total fund 2021 £
Direct charitable activities	313,485	–	<b>313,485</b>	294,952
Governance costs	<u>–</u>	<u>2,946</u>	<u>2,946</u>	<u>2,730</u>
	<u>313,485</u>	<u>2,946</u>	<u>316,431</u>	<u>297,682</u>

### 8. Net income

Net income is stated after charging/(crediting):

	2022 £	2021 £
Depreciation of tangible fixed assets	<b>992</b>	794
Operating lease rentals	<u>236</u>	<u>473</u>

### 9. Independent examination fees

	2022 £	2021 £
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>2,730</u>	<u>2,730</u>

### 10. Staff costs

The average head count of employees during the year was 3 (2021: 3).

No employee received employee benefits of more than £60,000 during the year (2021: Nil).

# Pentecostal Residences Charity

## Notes to the Financial Statements *(continued)*

### Year ended 31 December 2022

#### 11. Trustee remuneration and expenses

Included in the above is the amount of £33,531, paid to Sean Smith, a trustee who is paid in his role as an employee of the charity. Also included is the amount of £14,383 paid to Diane Daniels, a trustee of the Foundry church, who is paid in her role as consultant to the charity. Part of this amount is paid in the form of management fees recharged by Foundry Church, who pay Diane's salary.

#### 12. Tangible fixed assets

	Land and buildings £	Fixtures and fittings £	Equipment £	User defined asset £	Total £
<b>Cost</b>					
At 1 January 2022	1,385,403	4,337	38,794	1,691	1,430,225
Additions	–	–	–	1,583	1,583
<b>At 31 December 2022</b>	<u>1,385,403</u>	<u>4,337</u>	<u>38,794</u>	<u>3,274</u>	<u>1,431,808</u>
<b>Depreciation</b>					
At 1 January 2022	–	4,231	37,790	423	42,444
Charge for the year	–	27	251	714	992
<b>At 31 December 2022</b>	<u>–</u>	<u>4,258</u>	<u>38,041</u>	<u>1,137</u>	<u>43,436</u>
<b>Carrying amount</b>					
<b>At 31 December 2022</b>	<u>1,385,403</u>	<u>79</u>	<u>753</u>	<u>2,137</u>	<u>1,388,372</u>
At 31 December 2021	<u>1,385,403</u>	<u>106</u>	<u>1,004</u>	<u>1,268</u>	<u>1,387,781</u>

#### 13. Investments

	Listed investments £
<b>Cost or valuation</b>	
At 1 January 2022 and 31 December 2022	<u>123</u>
<b>Impairment</b>	
At 1 January 2022 and 31 December 2022	
<b>Carrying amount</b>	
At 31 December 2022	<u>123</u>
At 31 December 2021	<u>123</u>

All investments shown above are held at valuation.

#### Financial assets held at fair value

Financial assets are measured at fair value with changes in fair value being recognised in the financial statements.

# Pentecostal Residences Charity

## Notes to the Financial Statements *(continued)*

Year ended 31 December 2022

### 14. Debtors

	2022	2021
	£	£
Trade debtors	5,927	5,915
Prepayments and accrued income	846	1,595
Other debtors	326	—
	<u>7,099</u>	<u>7,510</u>

### 15. Creditors: amounts falling due within one year

	2022	2021
	£	£
Accruals and deferred income	3,619	3,442
Social security and other taxes	1,883	1,088
Other creditors - Rent refund due	5,897	5,897
	<u>11,399</u>	<u>10,427</u>

### 16. Analysis of charitable funds

#### Unrestricted funds

	At 1 January 20 22	Income £	Expenditure £	At 31 December 2022 £
Unrestricted Fund	<u>1,516,772</u>	<u>344,846</u>	<u>(316,431)</u>	<u>1,545,187</u>

	At 1 January 20 21	Income £	Expenditure £	At 31 December 2021 £
Unrestricted Fund	<u>1,478,453</u>	<u>336,001</u>	<u>(297,682)</u>	<u>1,516,772</u>

# Pentecostal Residences Charity

## Notes to the Financial Statements *(continued)*

**Year ended 31 December 2022**

**17. Analysis of net assets between funds**

	Unrestricted Funds	Total Funds
	£	£
Tangible fixed assets	1,388,372	<b>1,388,372</b>
Investments	123	<b>123</b>
Current assets	168,091	<b>168,091</b>
Creditors less than 1 year	(11,399)	<b>(11,399)</b>
<b>Net assets</b>	<u>1,545,187</u>	<u>1,545,187</u>
	Unrestricted Funds	Total Funds
	£	£
Tangible fixed assets	1,387,781	1,387,781
Investments	123	123
Current assets	139,295	139,295
Creditors less than 1 year	(10,427)	(10,427)
<b>Net assets</b>	<u>1,516,772</u>	<u>1,516,772</u>

**18. Financial Instruments**

The charity currently holds no financial instruments.

**19. Related parties**

The Charity is effectively controlled by The Foundry Church (charity no. 1174210) which also controls The Lighthouse Foundation (charity no. 1100896). The charity received £21,600 from The Lighthouse Foundation for property rental and paid £24,973 to The Lighthouse Foundation for ground maintenance.

# **Pentecostal Residences Charity**

## **Management Information**

**Year ended 31 December 2022**

**The following pages do not form part of the financial statements.**

**Pentecostal Residences Charity**  
**Detailed Statement of Financial Activities**  
**Year ended 31 December 2022**

	2022 £	2021 £
<b>Income and endowments</b>		
<b>Donations and legacies</b>		
Rents and Service Charges Receivable	344,543	335,988
	<u>          </u>	<u>          </u>
<b>Investment income</b>		
Bank Charges Receivable	303	13
	<u>          </u>	<u>          </u>
<b>Total income</b>	<b>344,846</b>	<b>336,001</b>
	<u>          </u>	<u>          </u>
<b>Expenditure</b>		
<b>Expenditure on charitable activities</b>		
Wages and salaries	104,625	90,061
Employer's NIC	7,283	4,758
Operating leases	236	473
Repairs and maintenance	651	–
Motor vehicle expenses	2,282	2,230
Other motor/travel costs	46	–
Legal and professional fees	3,404	5,996
Other office costs	5,022	2,507
Depreciation	992	794
Other Interest payable and similar charges	846	804
Property Costs	136,620	138,496
Sundry Expenses	2,491	959
Donations	51,465	50,604
Staff wellbeing	468	–
	<u>316,431</u>	<u>297,682</u>
	<u>          </u>	<u>          </u>
<b>Total expenditure</b>	<b>316,431</b>	<b>297,682</b>
	<u>          </u>	<u>          </u>
<b>Net income</b>	<b>28,415</b>	<b>38,319</b>
	<u>          </u>	<u>          </u>

# Pentecostal Residences Charity

## Notes to the Detailed Statement of Financial Activities

Year ended 31 December 2022

	2022 £	2021 £
<b>Expenditure on charitable activities</b>		
<b>Direct charitable activities</b>		
<b><i>Activities undertaken directly</i></b>		
Wages and salaries	104,625	90,061
Employer's NIC	7,283	4,758
Operating leases	236	473
Repairs and maintenance	651	–
Motor vehicle expenses	2,282	2,230
Other motor/travel costs	46	–
Legal and professional fees	458	3,266
Other office costs	5,022	2,507
Depreciation	992	794
Other interest payable and similar charges	846	804
Property costs	136,620	138,496
Sundry expenses	2,491	959
Donations	51,465	50,604
Staff wellbeing	468	–
	<u>313,485</u>	<u>294,952</u>
<b>Governance costs</b>		
Accountancy fees	2,946	2,730
	<u>316,431</u>	<u>297,682</u>