

THE ARC

ARC GLOBAL CHURCHES

2025

Trustees' Report and Audited Financial Statements

for the year ended 31 December 2025

• RADICAL • SIMPLE • REAL

Registered charity number 1165652

Trustees' Report and Audited Financial Statements for the year ended 31 December 2025

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REGISTERED CHARITY

The ARC is a Charitable Incorporated Organisation registered in England and Wales, charity number 1165652.

Organisation details for the year ended 31 December 2025

CHARITY NAME
The ARC

CHARITY (CIO) REGISTRATION NUMBER
1165652

REGISTERED OFFICE
66a Sebert Road
Forest Gate
London E7 0NJ

CONTACT
020 8555 4245
info@arc4u.org.uk
www.arc4u.org.uk

BANKERS

NatWest Bank Plc
Ground Floor, Gredley House
1-11 Broadway,
Stratford
London E15 4BQ

HSBC UK
59-61 The Mall
Stratford
London E15 1XF

INDEPENDENT AUDITORS
A D Williams & Co Ltd
Chartered Certified Accountants & Registered Auditors
102 Green Lane
Morden SM4 6SS

ACCOUNTANTS
Smith and Johnson Limited
Unit 24 Highcroft Industrial Estate
Enterprise Road, Horndean
Waterlooville, Hampshire PO8 0BT

GOVERNING DOCUMENT
The charity is constituted as a Charitable Incorporated Organisation, established by a written constitution approved by the members and registered with the Charity Commission for England and Wales.

BOARD OF TRUSTEES

Mrs Samantha Miranda	Trustee and Chair
Mr Peter Nembhard	Trustee and Chief Executive
Mr Colin Glen	Trustee
Mr Davis Kunihira	Trustee
Mrs Tracey Miller	Trustee
Natasha Osaro-Osaghae	Secretary

The trustees who served during the year and up to the date of approval of this report are shown above.

Trustees and Elders' statement for the year ended 31 December 2025

> *"Go therefore and make disciples of all nations, baptizing them in the name of the Father and of the Son and of the Holy Spirit." — Matthew 28:19 (ESV)*

2025 was a year of sustained growth for ARC Global Churches. Building on the fellowship and rapid growth of previous years across our branches, 2025 was a year of reshaping, re-envisioning and re-energising our congregations to fulfil the Great Commission.

Significant milestones and developments

The global Co-Mission Conference in 2025 set the scene of Go Together, Grow Together and make disciples. This was a significant moment in the life of ARC churches bringing together our branches to reaffirm corporate unity.

Across our branches there have been a significant number of baptisms and new believers, who are now being discipled. ARC's Bible School and discipleship programmes have enabled The ARC to fulfil our objective of making disciples.

ARC South has settled into its new premises, and our other branches have all experienced growth, stability and financial resilience and are actively planning for future growth. The ARC Retreat and the annual Global Big Day Out once again drew significant attendance from all our branches and affiliated churches, fulfilling our objective of growing together.

There were four missions in the UK and Ireland in 2025, to Cheshire, Ireland, Norwich and Birmingham, as our churches came together to evangelise in new areas and win souls, fulfilling our objective of going together.

Leadership and community

ARC remains committed to leadership development. Our elders gather monthly to enable growth and collaborative planning. Following the illness of its founding leader, The ARC went through a period of temporary restructuring in which the directing elders carried the business of the church for six months.

The three other directing elders led the church through this period and kept it focused on its core purpose, while the trustees ensured that governance was maintained to the required standard.

There was a change of leadership at the Birmingham branch: the lead elder's tenure came to an end and a new lead elder was installed. The church remains active and is growing under new leadership.

As we look to 2026, The ARC remains in a strong position. With new people joining, the church is being revitalised and discipled, and is having a long-lasting impact in communities across London and beyond.

We look forward to strengthening our foundations to continue a ministry focused on keeping Christ at the centre and building to last.

Trustees & Elders
ARC GLOBAL CHURCHES

Aims and purpose for the year ended 31 December 2025

ARC held its first service in 1997 with four people. It is now home to more than 1,000 members across seven locations. The founding members set out to make ARC a relevant, radical and real church in the heart of East London, positively impacting the lives of the people within the community. A relevant church is a practical church that purposefully and intentionally adds value to the lives of everyone with whom it comes into contact.

The ARC Global Mission

REACHING NON-BELIEVERS

Following Jesus' ascension, He commanded His disciples to go into all the world and proclaim the gospel to the whole creation (Mark 16:15).

Additionally, Jesus promised that the Holy Spirit would empower them to bear witness both locally and globally (Acts 1:8). To reach the lost, our congregations send outreach teams to partner with churches to support in reaching their communities. It is not necessary to travel by plane to accomplish missions, as we emphasise the importance of local and global outreach.

TEACHING BELIEVERS

After Jesus commanded his disciples to preach the gospel, He assigned them the responsibility of making disciples by imparting His teachings to believers (Matthew 28:20).

Our church community fosters discipleship through various avenues such as corporate gatherings, life groups, bible studies and ARC Bible School.

Additionally, we are committed to raising leaders who exemplify the way of life and teachings of the Elders (1 Corinthians 4:17 and 2 Timothy 3:10).

RAISING LEADERS

The book of Acts provides a blueprint for the church, and we firmly believe that the health of a church is primarily dependent on the devotion of its members.

We use Acts 2:42-47 as a fundamental reference to assess the well-being of a church.

To cultivate a healthy church, it is crucial for us to continually be in the process of raising up Elders and Deacons who work as a cohesive team to govern and lead the church (1 Timothy 3:1-13, Titus 1:5-16, Acts 6:1-7).

SENDING LEADERS

Establishing a healthy church entails the emergence of godly leaders, which should prompt us to become a sending church. As part of our vision, we believe that church planting is the most effective means of reaching local communities (Ephesians 3:10-11). As a best practice, we aim to plant an Elder/Eldership couple with a team of diverse leaders and emerging leaders possessing various gifts to aid in the building of the church plant.

Our members can join our outreach teams and dedicate short or long-term periods to support new church plants or assist existing churches in need.

Objectives and achievements for the year ended 31 December 2025

Objectives

The objectives of the charity have remained the same as in previous years.

To advance the Christian faith in accordance with our statement of beliefs.

To advance education in accordance with Christian principles.

To promote and fulfil other charitable purposes beneficial to the community.

These objectives outline our purpose and goals as a charity. They are embodied in the specific activities that we undertake each year.

Achievements

Across ARC Global branches in 2025

26	154	21	42
Baby dedications	Baptisms	Weddings	Funerals



One of 154 baptisms across ARC Global in 2025.

RADICAL · SIMPLE · REAL

Public benefit for the year ended 31 December 2025

The Trustees confirm that we have complied with our duty in section 17 of the Charities Act 2011 to have regard to the Charity Commission's general guidance on public benefit.

ARC Global benefits the community it serves through its activities.



ARC Forest Gate

ARC Forest Gate facilitated monthly Friday youth meetings, as well as a range of outreaches and mission activities throughout the year. The church served its community by partnering with local organisations that support marginalised groups, such as Alcoholics Anonymous, and by providing event space for public sector institutions across the year. In addition, 204 families were supported through the Welfare Fund and Food Bank initiatives.

Engagement with elderly residents was a key focus, with the continuation of 'The Wednesday Super Seniors Elderly Club', aimed at addressing loneliness and promoting social integration among isolated seniors.

A new initiative, 'Radical Sundays', was also introduced: in months with five Sundays, the fifth Sunday featured a service format distinct from the usual programme. These services ranged from Q&A sessions with church elders to 'ARC in the Park' which included an ice cream van and complimentary food tokens for attendees. Toward the end of the year, "Radical Rest" encouraged members to stay at home and connect with others in their local communities.

Three 'Agape Sundays' were hosted during the year, catering for more than 1,500 people in total. After the devastation caused by Hurricane Melissa, the church supported several fundraising initiatives for the communities affected.

Public benefit for the year ended 31 December 2025

ARC 2.0

ARC 2.0 led several evangelism initiatives including twice-monthly street evangelism, four community outreaches in Upton Park, and a mission trip to Scotland. Across these activities the gospel was shared through preaching, Bible distribution and acts of service, with over 300 conversations about faith.

The annual Christmas Outreach served 60–80 people, providing essential items such as food, sanitary products, toys, and clothing to those in need. At Easter 2025 the church held a bake sale, which was successful and faced unexpectedly high demand. A movie night strengthened relationships and created new friendships within the church community. In summer 2025 the church hosted a 'Step Up Challenge'. Highlights of the year included a stronger sense of community and generous donations from participants.

ARC Birmingham

ARC Birmingham continued to have a positive impact on its community in 2025 through a regular Saturday coffee morning focused on hospitality and encouragement.

ARC South

ARC South have hosted a weekly Friday Youth Club for ages 12–15, creating a welcoming space with games, conversation, and time to talk about life, faith, and any challenges they may be facing, while sharing food together. Through their 'Cup of Kindness' outreach, they have welcomed members of the local community to enjoy soup, hot drinks, snacks, and a friendly space for conversation, prayer, and connection.

Throughout the year, ARC South ran 24 food bank sessions, supporting around 40 families in their community who were struggling. They joined other local churches for the 'Light the Park' event, coming together in unity to pray for and bless our community. To build relationships with the local authority, ARC South hosted the police's 'Cuppa with a Coppa' event in the church building.

ARC Edmonton

ARC Edmonton actively served the community through a range of initiatives, including community BBQs, dance exercise classes, a business hub, Christians Against Poverty, and youth nights. Through these efforts, 20 families in the community were supported. Wider community engagement included Street Pastors, Christmas dinners and carol services, exercise classes, and partnerships with organisations that support women working on the streets in the area.

A particular highlight was the support received from the leader of Enfield Council. As its impact grew, ARC Edmonton moved to larger premises to accommodate this growth, including an expanded Sunday school.

Public benefit for the year ended 31 December 2025

ARC Dagenham

ARC Dagenham delivered a range of impactful outreach initiatives throughout 2025. The Afternoon Tea Parent Information/Support Group, launched in January 2025, provided ongoing support, counselling, and prayer for local families across six sessions. Building on this, the Phonics Booster Programme helped children aged 4 to 8 and their parents build confidence and literacy skills.

The Back-to-School Service in September encouraged families and provided free school essentials, while evangelism efforts included a joint ARC Global outreach on 31 October in Dagenham Heathway. The year concluded with the Festive Fair, a free event attended by over 120 people, creating space for fellowship, community engagement, and powerful testimonies.

Collectively, these initiatives supported over 60 individuals through pastoral care, children and youth ministries, the parenting group, and the phonics programme.

204

families supported by the Welfare Fund and Food Bank at Forest Gate

1,500+

people catered for across three Agape Sundays

24

food bank sessions run by ARC South, supporting around 40 families





Park outreach: hugs, prayer and encouragement offered to passers-by, with refreshments for everyone who stopped.

ARC Global churches and activities for the year ended 31 December 2025

ARC Global churches' activities reflect Christ in all that we do. These activities help those in need, mentoring and guiding young people in our communities and caring for the elderly. The work of the church is carried out through prayer, worship and teaching the gospel, led by our lead elders and their teams across the branches.

Our churches

ARC 2.0	Lead Elder Omar Tackie
ARC Birmingham	Lead Elder Christian Mutyambizi
ARC Dagenham	Lead Elder Peter Nembhard
ARC Edmonton	Lead Elder Colin Glen
ARC Forest Gate	Elders Joel Gibbons, Michael Otadende, TJ Smith and Gradi Tomene
ARC South	Lead Elder Davis Kunihira
ARC Woodford	Lead Elder Colin Salmon

Activities

- ARC Bible School
- Pastoral care
- Women's ministry
- Cedars Elderly Day Care
- Bible teaching and discipleship
- Youth mentoring
- Goons for God (evangelism)
- Food bank
- Life groups
- Men's ministry
- Missions
- Church planting



The ARC Global Big Day Out, bringing the branches together for a day of sport, fellowship and community.

Future plans

ARC Global has outlined an ambitious set of plans for 2026, focusing on deepening fellowship and expanding our mission to plant and build healthy churches.

The theme for the year, "Co-Mission", encapsulates our commitment to fostering stronger connections among congregations.

Key plans for 2026

Mission trips: ARC Global will continue its programme of mission trips, building on the four undertaken in 2025, and its commitment to outreach and support for partner churches. These trips will focus on building relationships, sharing resources and supporting local church initiatives.

Global events

Global Conference: A major event aimed at bringing together church leaders and members from all ARC Global congregations to share experiences, strategies, and vision for the future.

Training: a planning and training day for trustees and lead elders.

Global Retreat: This event will provide an opportunity for rest, reflection, and spiritual renewal for church leaders and members.

Men's Day Trip: indoor skiing in Milton Keynes.

Women's Retreat: three-day retreat for prayer, fellowship, bonding and relaxation.

ARC Global Big Day Out: a day dedicated to fellowship and community-building among the ARC Global family, featuring worship, teaching and activities designed to strengthen bonds between congregations.

Fellowship initiatives

Throughout the year, ARC Global will implement various initiatives aimed at enhancing fellowship among its churches. These will include regular meetings, joint worship services, and collaborative projects, all designed to unite the congregations under the "Co-Mission" theme.

Leadership and operations

New lead elders: new lead elders will be appointed for the Dagenham and Forest Gate branches.

Key personnel: the trustees plan to hire an Operations Manager to provide senior leadership and operational oversight across all ARC branches, and an administrator for ARC 2.0, as that branch has grown.

Clarifying vision and mission: a significant part of 2026 will be dedicated to refining and clarifying ARC Global's vision and mission, ensuring that all congregations are aligned with our collective goals and objectives and more unified in their approach.

These initiatives reflect ARC Global's dedication to fostering a strong, unified community of churches that are not only growing in number but also in depth of relationship and shared purpose.

Trustees' review for the year ended 31 December 2025

The Trustees present their Annual Report and Financial Statements for the year ended 31 December 2025.

Reference and administrative details

The legal name of the charity is The ARC.

The charity is registered in England and Wales with the Charity Commission for England and Wales (CCEW) with charity number 1165652. The charity does not operate in any overseas jurisdictions.

Legal structure of the charity

The charity is constituted as a Charitable Incorporated Organisation with charity number 1165652, established by a written constitution. The governing document of the charity is the written constitution approved by the members and endorsed by the Charity Commission for England and Wales.

There are no restrictions in the governing document on the operation of the charity or on its investment powers other than those imposed by charity law.

The trustees are all individuals.

Principal operating address

66a Sebert Road, Forest Gate, London E7 0NJ
Telephone: 020 8555 4245
Email: info@arc4u.org.uk
Website: www.arc4u.org.uk

Trustees in office on the date the report was approved

Mrs Samantha Miranda (Chair)
Mr Peter Nembhard
Mr Colin Glen
Mr Davis Kunihira
Mrs Tracey Miller
Natasha Osaro-Osaghae (Secretary)
Chief Executive: Mr Peter Nembhard

The trustees who served as trustees in the reporting period were as shown above. [Confirm: there were no changes in the period between the year end and the approval of the accounts.]

Trustees' review for the year ended 31 December 2025

Financial review

The charity's financial position at the end of the year ended 31 December 2025

The financial position of the charity at 31 December 2025 and comparatives for the prior period, as more fully detailed in the accounts, can be summarised as follows:

	2025 £	2024 £
Net income for the year	**219,243**	**184,462**
Unrestricted revenue funds available for the general purposes of the charity	153,138	285,389
Total unrestricted funds	**153,138**	**285,389**
Restricted revenue funds	52,104	46,298
Total restricted funds	**52,104**	**46,298**
Designated fixed asset reserve	2,983,854	2,638,166
Total designated funds	**2,983,854**	**2,638,166**
Total funds	**3,189,096**	**2,969,853**

Financial review of the position at the reporting date, 31 December 2025

The financial statements are set out on pages 21 to 37.

The trustees consider the financial performance of the charity during the year to have been satisfactory. The Statement of Financial Activities shows incoming resources for the year of £1,401,128 (2024: £1,414,157). Total resources expended were £1,181,885 (2024: £1,229,694) and hence the amount of £219,243 (2024: £184,462) was realised as net surplus. Total funds at the year end stand at £3,189,096 (2024: £2,969,853).

Fixed assets and borrowings

Specific changes in fixed assets are detailed in note 10 to the accounts. The construction work at ARC South was completed and brought into use during the year, and the balance previously held as construction in progress has been transferred to freehold land and buildings. Equipment with a net book value of £3,025 was disposed of during the year. The freehold property was last professionally revalued by Strettons Chartered Surveyors on 3 September 2024 in accordance with the RICS Valuation Global Standards (Red Book); no revaluation was carried out during 2025.

At 31 December 2025 the charity had four outstanding loans totalling £859,986 (2024: £912,720), secured against the charity's properties, of which £129,989 is due within one year. The loans are being serviced in accordance with their agreed schedules.

Trustees' review for the year ended 31 December 2025

Policies on reserves

The reserves are being earmarked chiefly for future building projects to cater for the increasing numbers in the congregation, and also for other undertakings of a capital nature.

The Trustees have considered the level of reserves they wish to retain appropriate to the charity's needs and are satisfied that the present reserves are adequate based on the charity's size and the level of commitments held.

Availability and adequacy of assets of each of the funds

The board of trustees is satisfied that the charity's assets in each fund are available and adequate to fulfil its obligations in respect of each fund.

Significant events which have affected the financial performance and the financial position

During the period under review, the financial performance and position of the organisation were positively influenced by several significant events. The continued growth of our churches and broader organisation contributed to sustained engagement and financial support. ARC South settled into its new premises following the completion of the building works, and four missions in the UK and Ireland were undertaken during the year.

The charity also experienced a period of temporary structural reshaping following the illness of its founding leader, during which the directing elders carried the business of the church and the trustees ensured that governance was maintained at the correct standard.

> Year ended 31 December 2025 – total income: £1,401,128
> Year ended 31 December 2024 – total income: £1,414,157

The major risks to which the charity is exposed and reviews and systems to mitigate them

The charity trustees have given consideration to the major risks to which the charity is exposed and satisfied themselves that systems or procedures are established in order to manage those risks.

The ARC is a growing organisation and continues to maintain a healthy net current asset level. Any financial risks identified during 2025 were acted on, to continue to minimise risks as the organisation grows. With an average of thirteen staff members during the reporting period, there are health and safety and employment law policies in place. The risks posed by staff are being mitigated through modern management systems and practices, regular systems tests and checks including fire drills and alarms. As a matter of general policy, independent professional advice is taken regularly whenever appropriate.

Trustees' review for the year ended 31 December 2025

Details of the auditor

Abraham Duncan-Williams FCCA
Senior Statutory Auditor
A D Williams & Co Ltd
Chartered Certified Accountants & Registered Auditors
102 Green Lane
Morden
SM4 6SS

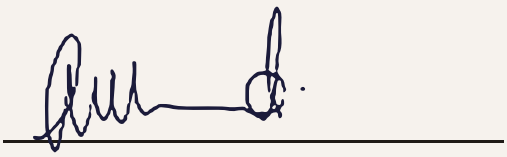
Statement as to disclosure of information to auditors

The trustees state that so far as each of the trustees at the time this report was approved are aware:

- there is no relevant audit information of which the auditors are unaware, and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Approval

This report was approved by the board of trustees on 27 October 2026 and signed on its behalf by:



Peter Nembhard

Trustee

Statement of Trustees' responsibilities for the year ended 31 December 2025

The charity's trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities Act 2011 and the Charities (Accounts and Reports) Regulations 2008. Notwithstanding the explicit requirement in the extant statutory regulations, the Charities (Accounts and Reports) Regulations 2008, to prepare the financial statements in accordance with the SORP 2005, in view of the fact that the SORP 2005 has been withdrawn, the Trustees determined to interpret this responsibility as requiring them to follow current best practice and prepare the accounts according to the FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2019, applicable to all accounting periods beginning on or after 1st January 2019 (The SORP).

In particular, charity law requires the Trustees, if they prepare accounts on an accruals basis, to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity as at the end of the financial year and of the surplus or deficit of the charity. In preparing those financial statements the Trustees are required to:

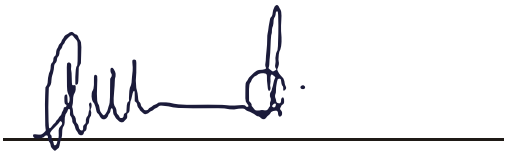
- prepare the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law);
- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements.

The law requires that the trustees must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the surplus or deficit of the charity for the year.

The Trustees are also responsible for maintaining adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which are sufficient to show and explain the charity's transactions and enable them to ensure that the financial statements comply with regulations made under the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are also responsible for the contents of the Trustees' report, and the statutory responsibility of the auditor in relation to the Trustees' report is limited to examining the report and ensuring that the report is consistent with the figures disclosed in the financial statements.

This report was approved by the board of trustees on 27 October 2026 and signed on its behalf by:



Peter Nembhard

Trustee

Independent auditor's report to the members of The ARC

Opinion

We have audited the financial statements of The ARC for the year ended 31 December 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and related notes as set out on pages 21 to 37. These financial statements have been prepared under the accounting policies set out therein.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2025 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the information given in the Trustees' Annual Report is consistent with the financial statements.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Independent auditor's report to the members of The ARC

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, 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 the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The trustees have elected for the financial statements to be audited in accordance with the Charities Act 2011 rather than the Companies Act 2006. Accordingly, we have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with regulations made under Section 154 of that Act.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Independent auditor's report to the members of The ARC

Auditor's 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 of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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:

- We obtained an understanding of the company and the sector in which it operates to identify laws and regulations that could reasonably be expected to have a direct effect on the financial statements. We obtained our understanding in this regard through discussions with management, industry research and our knowledge and experience of the sector.
- We designed our audit procedures to ensure consideration is given to any indications of non-compliance by the Charity with those laws and regulations. These procedures included, but not limited to:
- Discussion with management of any known, or suspected instances of non-compliance by the Charity of those laws and regulations. Especially, Health and Safety at Work Act 1974 and Management of Health and Safety at Work Regulations 1999.
- Discussion with management of any, or suspected, incidence of fraud.
- Review of financial statements disclosures.
- We also identified the risks of material misstatement of the financial statements due to fraud. We have addressed this risk by performing audit procedures which included testing of journals, reviewing material accounting estimates or evidence of bias, and evaluating the business rationale of any significant transactions that are unusual or outside normal course of business that came to our attention and preliminary and final analytical review to identify any unusual or unexpected relationships or variances.

Independent auditor's report to the members of The ARC

- We addressed the risk of fraud arising from management override of controls by performing audit procedures which included, but were not limited to: the testing of journals, reviewing accounting estimates for evidence of bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business that came to our attention and preliminary and final analytical review to identify any unusual or unexpected relationships or variances.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is available 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 Section 144 of the Charities Act 2011 and regulations made under Section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in our auditors' 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 and trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Abraham Duncan-Williams FCCA

Senior Statutory Auditor
for and on behalf of A D Williams & Co Ltd
Chartered Certified Accountants & Registered Auditors

Date 27 October 2026

A D Williams & Co Ltd
102 Green Lane
Morden
SM4 6SS

Statement of Financial Activities for the year ended 31 December 2025

	Note	Unrestricted funds £	Restricted funds £	Total 2025 £	Total 2024 £
Income and endowments from:					
Donations and legacies	2	1,234,931	36,765	**1,271,696**	1,307,489
Charitable activities	3	93,432	-	**93,432**	70,668
Investments	4	36,000	-	**36,000**	36,000
Total income		**1,364,363**	**36,765**	**1,401,128**	**1,414,157**
Expenditure on:					
Charitable activities	5	1,150,926	30,959	**1,181,885**	1,229,694
Total expenditure		**1,150,926**	**30,959**	**1,181,885**	**1,229,694**
Net income for the year		**213,437**	**5,806**	**219,243**	**184,462**
Transfers between funds	18	-	-	-	-
Net income after transfers		**213,437**	**5,806**	**219,243**	**184,462**
Reconciliation of funds:					
Funds brought forward	18	2,923,555	46,298	**2,969,853**	2,545,515
Revaluation gain on property	18	-	-	**-**	240,000
Net income	18	213,437	5,806	**219,243**	184,462
Prior year adjustment	19	-	-	**-**	(124)
Funds carried forward		**3,136,992**	**52,104**	**3,189,096**	**2,969,853**

The Statement of Financial Activities includes all recognised gains and losses arising in the year.

All activities derive from continuing operations.

The classification of income and expenditure has been presented in accordance with the Charities SORP (FRS 102).

The brought forward and carried forward fund balances above agree to the balance sheet.

The notes on pages 25 to 37 form an integral part of these financial statements.

Balance Sheet as at 31 December 2025

	Note	2025 £	2024 £
Fixed assets			
Tangible assets	10	3,206,446	3,055,375
Investments	11	637,394	637,394
Total fixed assets		**3,843,840**	**3,692,769**
Current assets			
Debtors	12	9,291	10,187
Cash at bank and in hand	13	289,709	289,528
Total current assets		**299,000**	**299,716**
Creditors: amounts falling due within one year	14	(223,747)	(236,060)
Net current assets		**75,253**	**63,656**
Total assets less current liabilities		**3,919,093**	**3,756,425**
Creditors: amounts falling due after more than one year	15	(729,997)	(786,572)
Total net assets		**3,189,096**	**2,969,853**

The total net assets of the charity are funded by the funds of the charity, as follows:

Restricted funds	**18**		
Restricted revenue funds		52,104	46,298
Unrestricted funds	**18**		
Unrestricted revenue funds		153,138	285,389
Unrestricted revaluation reserve		-	-
Designated funds	**18**		
Designated fixed asset reserve		2,983,854	2,638,166
Total charity funds		**3,189,096**	**2,969,853**

The notes on pages 25 to 37 form an integral part of these financial statements.

Balance Sheet as at 31 December 2025 (continued)

The financial statements have been prepared in accordance with the Charities SORP (FRS 102), the Charities Act 2011, and applicable provisions of the Companies Act 2006 as they apply to charitable organisations.

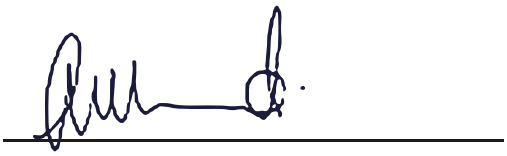
The brought forward and carried forward fund balances in the balance sheet agree to the corresponding amounts reported in the Statement of Financial Activities.

The trustees acknowledge their responsibilities under charity law with respect to maintaining adequate accounting records and preparing financial statements that give a true and fair view of the charity's financial position.

Although the charity is not registered with Companies House, the trustees consider that it would be eligible to prepare accounts in accordance with the provisions of Part 15 of the Companies Act 2006 applicable to companies subject to the small companies regime.

The charity is subject to audit under charity legislation, and the report of the independent auditor is set out on pages 17 to 20.

These financial statements were approved by the board of trustees on 27 October 2026 and signed on its behalf by:



Peter Nembhard

Trustee

The notes on pages 25 to 37 form an integral part of these financial statements.

Cash Flow Statement for the year ended 31 December 2025

	2025 £	2024 £
Cash flows from operating activities		
Net income as shown in the Statement of Financial Activities	219,243	184,462
Add back depreciation	51,794	37,835
Add back loss on disposal of fixed assets	3,025	-
(Increase)/decrease in debtors	896	4,361
Increase/(decrease) in creditors	(16,153)	19,328
Investment income received	(36,000)	(36,000)
Interest paid	69,969	55,946
Cash generated from operating activities	**292,774**	**265,933**
Cash flows from investing activities		
Purchase of tangible fixed assets	(205,891)	(776,356)
Rental income from investment property	36,000	36,000
Construction work in progress spend	-	(198,357)
Cash used in investing activities	**(169,891)**	**(938,714)**
Cash flows from financing activities		
Cash inflows from new borrowings	-	350,000
Repayments of borrowings	(122,703)	(81,198)
Cash generated from/(used in) financing activities	**(122,703)**	**268,802**
Net cash movement		
Cash generated from operating activities	292,774	265,933
Cash used in investing activities	(169,891)	(938,714)
Cash generated from/(used in) financing activities	(122,703)	268,802
Net cash generated/(used)	**181**	**(403,979)**
Cash reconciliation		
Cash and cash equivalents at 1 January 2025	289,528	693,507
Net cash generated/(used)	181	(403,979)
Cash and cash equivalents at 31 December 2025	**289,709**	**289,528**
Cash at bank at 31 December 2025	289,709	289,528

Notes to the accounts for the year ended 31 December 2025

1. Accounting policies

1.1 Basis of preparation

The financial statements have been prepared in accordance with the Charities SORP (FRS 102), Financial Reporting Standard 102 (FRS 102), the Charities Act 2011, and the relevant provisions of the Companies Act 2006 as they apply to charitable organisations.

The charity is a public benefit entity and has applied the relevant provisions of FRS 102 accordingly. The financial statements are prepared under the historical cost convention, modified to include certain fixed assets at valuation.

1.2 Going concern

The financial statements have been prepared on a going concern basis. The trustees have reviewed financial forecasts and are satisfied that the charity has sufficient resources to continue to operate for at least twelve months after the date of signing these financial statements.

1.3 Fund accounting

Funds held by the charity are:

- **Unrestricted funds:** available for use at the discretion of the trustees in furtherance of the charity's general objectives.
- **Designated funds:** unrestricted funds which have been set aside by the trustees for a particular purpose. The designated fixed asset reserve represents the net book value of tangible fixed assets funded from unrestricted income, less any associated financing.
- **Restricted funds:** funds subject to specific conditions imposed by donors or through appeals.

There are no endowment funds.

1.4 Income recognition

Income is recognised once the charity has entitlement to the income, receipt is probable, and the amount can be measured reliably.

- Donations and legacies are recognised when received unless subject to donor-imposed performance conditions, in which case they are deferred.
- Charitable activity income and trading income are recognised as income when the service is provided.
- Investment income is recognised on a receivable basis.

There was no deferred income or income received in advance at the reporting date.

1.5 Expenditure recognition

Expenditure is accounted for on an accruals basis and classified under appropriate headings. Raising funds comprises fundraising and investment-related costs; charitable activities comprise the costs incurred in delivering the charity's objectives. All costs include irrecoverable VAT as the charity is not VAT registered.

Notes to the accounts for the year ended 31 December 2025

1.6 Support costs and cost allocation

Support and governance costs are allocated to charitable activities using reasonable bases:

- Staffing costs: based on time spent or headcount
- Premises costs: based on floor area
- Other support costs: based on usage or estimated benefit

The trustees apply judgement in choosing appropriate cost allocation methods.

1.7 Tangible fixed assets

Fixed assets are capitalised if the cost exceeds £500, including irrecoverable VAT. Expenditure below this threshold is treated as revenue expenditure.

Assets are recognised at cost or valuation and include all directly attributable costs. Fixed assets are depreciated on a straight-line basis from the month of acquisition:

Asset category	Method	Useful life
Freehold property	Not depreciated	N/A – reviewed annually
Leasehold improvements	Straight line	Over term of lease
Fixtures and fittings	Straight line	4 years
Equipment	Straight line	4 years
Investment property	Not depreciated	Revalued if applicable
Construction work in progress	Not depreciated	Reclassified on completion

Freehold properties are not depreciated due to their long useful lives and maintained condition; however, they are reviewed annually for impairment or revaluation.

1.8 Construction work in progress

Renovation or building work is held as Construction in Progress until the asset is ready for intended use. No construction in progress balance is recognised at the reporting date, as all projects were completed and brought into use during the year.

1.9 Disposals

Disposals must be authorised by a trustee. Gains or losses on disposal are recognised in the SOFA. The asset register is updated to reflect the disposal and any proceeds received.

1.10 Investments

Investments are measured at fair value. Gains and losses arising from changes in market value are recognised in the SOFA under “Other recognised gains and losses.”

Notes to the accounts for the year ended 31 December 2025

1.11 Debtors

Debtors are recognised when the charity has an entitlement to the income or service, the amount can be measured reliably, and receipt is probable. Debtors are stated at the amount expected to be recovered, net of any provisions for doubtful debts. This includes accrued income where income has been earned but not yet invoiced or received.

1.12 Prepayments

Prepayments are amounts paid in advance for goods or services which will be consumed or received in future periods. They are recognised as current assets at the amount prepaid and charged to expenditure in the period to which they relate.

1.13 Creditors

Creditors are recognised when the charity has a present obligation arising from a past event that is expected to result in the outflow of economic benefits. Liabilities are recognised at the amount that the charity anticipates it will pay to settle the obligation or transfer to a third party. This includes accruals for unpaid invoices and liabilities incurred but not yet invoiced at the reporting date.

1.14 Income received in advance

Income received in advance of the provision of goods or services is deferred until the charity is entitled to recognise it as income under the accruals basis. This applies, for example, to income relating to events, lettings, or service delivery that spans reporting periods.

1.15 Leases

Finance leases are capitalised and depreciated over the shorter of the lease term or the asset's useful life. Rentals under operating leases are charged on a straight-line basis.

1.16 Pensions

The charity operates a defined contribution scheme. Contributions are charged to the SOFA as they become payable.

1.17 Use of estimates and judgements

Significant estimates and judgements include:

- Useful economic lives of tangible fixed assets
- Valuation of freehold property
- Allocation of support costs

The trustees assess for impairment annually. No impairment losses were recognised during the year.

Notes to the accounts for the year ended 31 December 2025

2. Income from donations and legacies

	Unrestricted £	Restricted £	Total 2025 £	Total 2024 £
Congregational giving	1,145,078	36,765	1,181,844	1,167,988
Gift Aid claimed	89,852	-	89,852	139,500
Revenue grants and donations from non-public bodies	-	-	-	-
	1,234,931	**36,765**	**1,271,696**	**1,307,489**

3. Income from charitable activities

	Unrestricted £	Restricted £	Total 2025 £	Total 2024 £
Ministry income	8,440	-	8,440	3,931
Bible College income	21,581	-	21,581	6,687
Events income	22,745	-	22,745	24,522
Tuckshop	922	-	922	713
Hall and other rentals	39,745	-	39,745	34,815
	93,432	**-**	**93,432**	**70,668**

4. Income from investments

	Unrestricted £	Restricted £	Total 2025 £	Total 2024 £
Rental property income	36,000	-	36,000	36,000
	36,000	**-**	**36,000**	**36,000**

Rental property income arises from the charity's residential investment property (note 11).

Notes to the accounts for the year ended 31 December 2025

5. Expenditure on charitable activities

	Unrestricted directly attributable £	Unrestricted support £	Restricted directly attributable £	Restricted support £	Total 2025 £	Total 2024 £
Internal ministries	81,916	36,541	–	2,114	120,571	102,688
Bible College	17,012	–	–	–	17,012	26,673
Pastoral hospitality	161,601	59,480	7,600	2,114	230,796	253,580
Events (non Sunday service)	148,987	96,100	–	4,228	249,316	255,518
Service running costs	294,029	222,597	–	12,688	529,314	545,179
Mission costs	25,891	6,771	2,214	–	34,876	46,056
	729,437	**421,489**	**9,815**	**21,144**	**1,181,885**	**1,229,694**

Support costs are allocated to activities on the basis described in the accounting policies (for example time spent and space usage). Support and governance costs are analysed in note 6.

Notes to the accounts for the year ended 31 December 2025

6. Support costs

	2025 £	2024 £
Bad debts	5,409	-
Bank fees and charges	11,819	15,975
Cleaning and waste management	7,463	8,326
Contract staff	28,335	22,731
Depreciation and amortisation	51,794	37,835
Equipment expensed	5,357	3,644
Information and publications	1,646	1,059
Lease rental	-	820
Loan interest	69,969	55,947
Loss on disposal of fixed assets	3,025	5,363
Printing, postage and stationery	5,239	6,875
Property insurance	5,352	4,954
Rent, rates and water	75,710	80,261
Repairs, renewals and maintenance	64,103	35,699
Software licences and website expenses	4,868	3,647
Staff travel and subsistence	23,378	15,653
Subscriptions	11,059	15,083
Sundry expenses	491	117
Telephone, fax and internet	13,001	13,229
Volunteer expenses	-	45
Volunteer training	1,679	917
Total support costs	**389,697**	**328,178**
Governance costs		
Accountancy	34,320	40,560
Audit fees	8,160	8,160
Professional fees	10,457	35,200
Total governance costs	**52,937**	**83,920**
Total support and governance costs	**442,634**	**412,098**

Support and governance costs are allocated to charitable activities as set out in note 5.

Notes to the accounts for the year ended 31 December 2025

7. Staff costs

	2025 £	2024 £
Wages and salaries	352,579	343,489
Social security costs	39,832	30,434
Pension contributions	5,692	5,012
	398,104	**378,935**

The average monthly number of employees during the year was 13 (2024: 14).

No employees received remuneration exceeding £60,000 (2024: none).

The charity considers its key management personnel to be the trustees and the Senior Pastor. Total remuneration paid to key management personnel in the year was £61,914 (2024: £53,550).

8. Trustee remuneration and expenses

No trustee received any remuneration or other benefits for acting as a trustee during the year (2024: none).

During the year, no trustees were reimbursed for expenses incurred in their capacity as trustees (2024: none).

No payment was made (2024: £70) directly to third parties in respect of trustee meetings and hospitality.

Two trustees (2024: one) were paid employees of the charity. Any expenses incurred in relation to their employment (for example travel or accommodation) were paid directly to third parties or reimbursed as part of their employment and are not included in this disclosure.

9. Auditor's remuneration

	2025 £	2024 £
Audit of the financial statements	8,160	6,800
	8,160	**6,800**

The above fees are exclusive of irrecoverable VAT.

No non-audit services were provided during the year (2024: £nil).

Notes to the accounts for the year ended 31 December 2025

10. Tangible fixed assets

	Freehold land and buildings £	Construction in progress £	Leasehold improve-ments £	Fixtures and fittings £	Equipment £	Total £
Cost or valuation						
At 1 January 2025	1,920,000	940,548	175,373	149,556	155,343	3,340,819
Additions and transfers	992,307	(940,548)	–	73,566	80,566	205,891
Revaluations	–	–	–	–	–	–
Disposals	–	–	–	–	(3,658)	(3,658)
At 31 December 2025	**2,912,307**	**–**	**175,373**	**223,122**	**232,251**	**3,543,052**
Depreciation						
At 1 January 2025	–	–	33,490	122,582	129,373	285,445
Charge for the year	–	–	17,509	20,233	14,052	51,794
On disposals	–	–	–	–	(633)	(633)
At 31 December 2025	**–**	**–**	**50,999**	**142,815**	**142,793**	**336,607**
Net book value						
At 1 January 2025	1,920,000	940,548	141,883	26,974	25,970	3,055,375
At 31 December 2025	**2,912,307**	**–**	**124,374**	**80,307**	**89,458**	**3,206,446**

The freehold property was professionally revalued by Strettons Chartered Surveyors on 3 September 2024. The revaluation resulted in an upward adjustment of £240,000. The valuation was performed in accordance with the RICS Valuation – Global Standards (Red Book).

The church's policy is not to depreciate freehold property as the expected residual value is not materially different from carrying value, and the building is maintained in a condition of continual repair.

Construction in progress recognised in prior periods has been fully completed during the year and transferred to the relevant fixed asset categories. Accordingly, no balance remains at the reporting date.

Equipment with a cost of £3,658 and accumulated depreciation of £633 was disposed of during the year, giving rise to a loss on disposal of £3,025 which is included in support costs (note 6).

Leasehold improvements are depreciated over the term of the lease. Other tangible fixed assets are depreciated over their useful lives as outlined in the accounting policies.

Notes to the accounts for the year ended 31 December 2025

11. Investment property

	Investment property £	Total investments £
Cost		
At 1 January 2025	637,394	637,394
Additions, revaluations and disposals	-	-
At 31 December 2025	**637,394**	**637,394**
Depreciation		
At 1 January 2025 and at 31 December 2025	-	-
Net book value		
At 1 January 2025	637,394	637,394
At 31 December 2025	**637,394**	**637,394**

The charity holds one residential investment property to generate rental income and for long-term capital appreciation. The property was acquired on 31 January 2020 and is held at historical cost of £637,394.

The property has not been formally revalued since acquisition. The trustees have carried out an impairment review by comparing the property to similar listings in the area and have concluded that the value remains appropriate. No depreciation is charged on investment property.

Rental income of £36,000 (2024: £36,000) was received during the year.

12. Debtors

	2025 £	2024 £
Trade debtors	2,771	4,761
Prepayments and accrued income	348	295
Other debtors	6,172	5,131
	9,291	**10,187**

13. Cash at bank and in hand

	2025 £	2024 £
Bank current accounts	279,500	283,444
Prepaid staff expense cards	10,209	6,084
	289,709	**289,528**

Notes to the accounts for the year ended 31 December 2025

14. Creditors: amounts falling due within one year

	2025 £	2024 £
Bank loans and overdrafts	129,989	126,148
Trade creditors	12,113	19,481
Accruals	13,200	39,664
Social security and other taxes	66,612	47,104
Other creditors	1,833	3,662
	223,747	**236,060**

15. Creditors: amounts falling due after more than one year

	2025 £	2024 £
Bank loans and overdrafts	729,997	786,572
	729,997	**786,572**

16. Bank loans and security

At 31 December 2025, the charity had four outstanding loans totalling £859,986 (2024: £912,720), of which £129,989 is due within one year and £729,997 after more than one year.

The loans consist of:

- A mortgage secured against the charity's investment property (residential house).
- A mortgage and two development loans secured against the charity's main premises, including freehold property and completed construction works at Sydenham.

Monthly repayments range between approximately £2,375 and £3,637 per loan. Interest is charged at commercial rates in line with market lending conditions. The loans are repayable over standard terms and are being serviced in accordance with their agreed schedules.

The trustees are satisfied that the value of the underlying secured properties is in excess of the outstanding balances, and that the charity is not exposed to undue liquidity risk.

Notes to the accounts for the year ended 31 December 2025

17. Related party transactions

During the year, the following related party transactions occurred:

The charity paid £17,600 (2024: £37,286) to GPI Ltd, a company owned by one of the trustees. GPI Ltd provides property sourcing and project management services in connection with the construction and renovation of properties owned or leased by the charity. All transactions were carried out at arm's length. The trustee had no involvement in the selection, approval, or payment processes relating to these services. The arrangement was recorded in the charity's register of interests and managed in line with the charity's conflict of interest policy.

Four employees of the charity were related to trustees and received total remuneration of £85,873 during the year (2024: £76,192 for four employees). Of this, £59,673 related to three employees connected to one trustee and £26,200 related to one employee connected to a second trustee. All were employed on standard terms and conditions and none held trustee positions.

Two trustees are also paid employees of the charity. Their salary and expenses are disclosed in note 8. No payments were made to them in their capacity as a trustee.

All related party relationships were declared in accordance with the charity's governing documents and conflict of interest policy. Where applicable, trustees withdrew from discussions and decisions in which they had a personal interest.

Notes to the accounts for the year ended 31 December 2025

18. Movements in funds

(a) Fund movements during the year

Restricted funds	B/fwd £	Income £	Expenditure £	Transfers £	C/fwd £
Building Fund (Thurrock)	26,671	–	–	–	26,671
Building Fund (Sydenham/South)	–	20,794	(20,794)	–	–
Building Fund (2.0)	–	–	–	–	–
Building Fund (Dagenham)	9,127	125	–	–	9,252
Building Fund (Forest Gate)	–	350	(350)	–	–
Building Fund (Global)	10,500	62	–	–	10,562
Mission Fund	–	7,833	(2,214)	–	5,619
Welfare Fund	–	7,600	(7,600)	–	–
Total restricted funds	**46,298**	**36,765**	**(30,959)**	**–**	**52,104**

Designated funds	B/fwd £	Depreciation £	Loan repayments net of interest £	Fixed asset additions £	Transfers £	C/fwd £
Land and buildings – 66a Sebert Road	1,781,023	–	22,286	–	–	1,803,309
Land and buildings – Anerley Road	–	–	24,884	51,759	595,322	671,965
Equipment	25,970	(13,420)	–	76,908	–	89,458
Fixtures and fittings	26,974	(20,233)	–	73,566	–	80,307
Investment property	208,877	–	5,564	–	–	214,441
Construction in progress	595,322	–	–	–	(595,322)	–
Leasehold improvements	–	(17,509)	–	–	141,883	124,374
Total designated funds	**2,638,166**	**(51,162)**	**52,734**	**202,233**	**141,883**	**2,983,854**

Equipment additions and depreciation are shown net of the disposal in the year (note 10).

Unrestricted funds	B/fwd £	Income £	Expenditure £	Transfers £	C/fwd £
General (revenue) fund	285,389	1,364,363	(1,150,926)	(345,688)	153,138
Revaluation reserve	–	–	–	–	–
Total unrestricted funds	**285,389**	**1,364,363**	**(1,150,926)**	**(345,688)**	**153,138**

Summary of funds	B/fwd £	Income £	Expenditure £	Transfers £	C/fwd £
Restricted funds	46,298	36,765	(30,959)	–	52,104
Unrestricted funds	285,389	1,364,363	(1,150,926)	(345,688)	153,138
Designated funds	2,638,166	–	–	345,688	2,983,854
Total funds	**2,969,853**	**1,401,128**	**(1,181,885)**	**–**	**3,189,096**

The transfer to designated funds of £345,688 represents the net movement in the designated fixed asset reserve: loan repayments net of interest (£52,734), fixed asset additions net of disposals (£202,233) and the net book value of leasehold improvements now designated (£141,883), less depreciation charged for the year (£51,162).

Notes to the accounts for the year ended 31 December 2025

18. Movements in funds (continued)

(b) Fund transfer reconciliation

No other fund transfers were made during the year (2024: transfers of £26,634 and £5,057 to correct misclassified building funds, £1,144,004 from the revaluation reserve and £1,533,268 of net book value of fixed assets to the designated fixed asset reserve).

Description of funds

Restricted funds

Restricted funds are subject to specific conditions imposed by donors or through appeals. These include:

- **Building Funds:** amounts donated for the acquisition, development, or renovation of named church buildings and properties. These are held until spent on the relevant project.
- **Mission Fund:** donations received to support local and overseas mission and outreach initiatives.
- **Welfare Fund:** donations designated for meeting urgent practical or pastoral needs within the community or congregation.

Designated funds

Designated funds represent unrestricted income set aside by the trustees for specific purposes. In this case, they include:

- **Fixed Asset Reserve:** reflects the net book value of land, buildings, fixtures, equipment, and construction in progress that are not available for general expenditure.
- **Property Revaluation Reserve:** holds unrealised gains arising from the revaluation of freehold property. This balance was transferred to the designated fund during 2024 to align with the tangible asset it represents.

Unrestricted funds

These are available for use at the discretion of the trustees to support the general objectives and operational activity of the charity. The General Fund is the primary unrestricted reserve from which day-to-day ministry, payroll, and operational expenses are funded.

19. Prior year adjustment

The funds carried forward at 31 December 2024 as reported in the 2024 Statement of Financial Activities (£2,969,977) exceeded the total funds reported in the 2024 balance sheet (£2,969,853) by £124. The difference has been corrected by a prior year adjustment of £124 against the unrestricted general fund in the comparative column of the Statement of Financial Activities. The adjustment has no effect on the net income for 2024, on the 2024 balance sheet or on any figure reported for 2025. The funds brought forward at 1 January 2025 of £2,969,853 agree to the 2024 balance sheet.

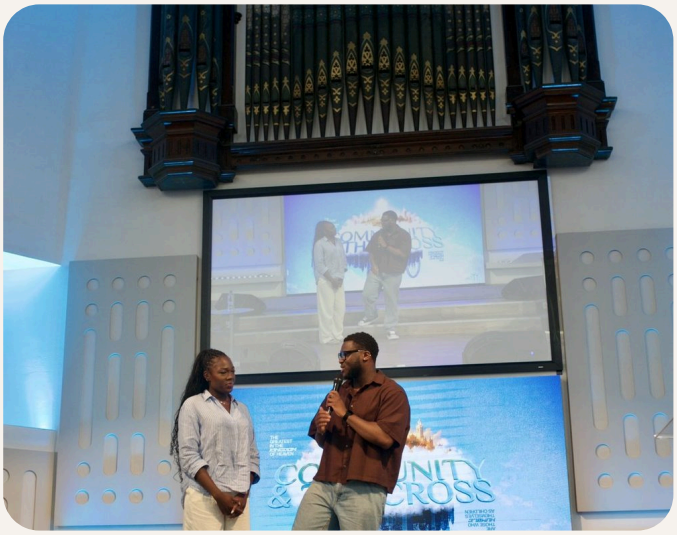
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