

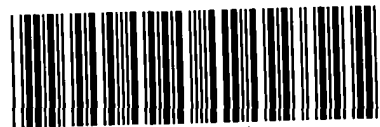
Charity Registration No. 1099748

Company Registration No. 04839046 (England and Wales)

Charity Registration in Scotland SC041285

Vineyard Churches UK & Ireland
Trustees' Report and Accounts
For the year ended 31 December 2019

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Vineyard Churches UK and Ireland

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Vineyard Churches UK and Ireland

Trustees' Report For the year ended 31 December 2019

The Trustees and Directors of the company present their Annual Report together with audited financial statements for the year ended 31 December 2019. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) '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 2019)' in preparing the annual report and financial statements of the charity. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charities Act 2011.

1 Objectives and Activities

The primary object of the company is the advancement of the Christian faith including missionary activities in the United Kingdom and overseas and the planting of new churches. From these five key objectives can be drawn: To provide pastoral oversight, training and resourcing to the members and associate members of Vineyard Churches UK and Ireland (thereafter VCUKI) and to oversee the planting of new Vineyard congregations in the UK and Ireland and to support international missions.

We believe that these lead to the propagation of Christian beliefs, which bring hope and reason to those in need, spread ethical values to society as a whole and contribute to social action.

- a. Public benefit
When planning the activities for the year, the Trustees have considered the Charity Commission guidance on public benefit, and in particular, the specific guidance on charities for the advancement of religion to provide public benefit.
- b. Summary of Objectives
The Company is established to:
 - 1. Provide oversight to the senior pastors of existing churches and facilitate the planting of new churches.
 - 2. Bring together churches who hold common values and practices.
 - 3. Do all it can to help people become all that they can in Christ, by helping, serving and strengthening our churches. VCUKI believes this can only be achieved through the building and sustaining of strong relationships among the churches, based on love, openness and trust.
- c. In Meeting our Objectives, we adhere to five main values:
 - 1. Exercising spiritual authority supported by minimal structural authority - our understanding is that authority resides in the spiritual and relational aspects of ministry as well as in the structure.
 - 2. Self-governing legally – we want local churches to be free to express and govern themselves within the context of the values and theology of VCUKI.
 - 3. Relationships are key amongst leaders who like to be together and work together and are key to maintaining a highly trust-based movement.
 - 4. Minimal bureaucracy - our organisation's structure is built on people who, for as long as possible, continue to remain as Senior Pastors. By maintaining a system where those in church government are also on the front line of pastoral ministry, we hope to avoid losing the vision in the process of carrying it out.
 - 5. Low profile - the role of VCUKI is to support and encourage pastors and leaders and to provide resources to the movement.

Vineyard Churches UK and Ireland

Trustees' Report (continued) For the year ended 31 December 2019

1 Objectives and Activities (Continued)

d. Strategies for achieving objectives

1. Church Planting

During the period of these accounts the number of Vineyard Churches stands at 127 (2018 – 126) with 15 (2018 – 15) satellite churches.

2. Coaching

The coaching initiative continued this year, the aim is for each new Church Planter and existing Senior Pastor to have a coach to aid and assist them in the journey of planting or running a church. Currently available are a number of people who are on the training programme, allowing, as VCUKI certified coaches, the true empowerment of leaders to be all God made them to be, whilst also building a healthy, dynamic, life giving church culture and a healthy balance between being and doing, a vital challenge, as we look after our leaders.

3. Events

For the furtherance of religious education of the wider Church, several national events were held throughout the year as follows:

- a. National Leaders Conference in January, entitled Freedom, once again numbers were at capacity of the venue 1,591 (2018 – 1,608), teaching came from speakers such as, John and Debby Wright, Putty Putnam, Derek Morphew and Jay Pathak.
- b. Dreaming The Impossible in May, entitled Dream, a conference aimed at young people aged between 11-18. It's an opportunity to meet Jesus in worship and ministry as well as catch up with other youth from around the Vineyard. Held at the Newark Showground, the event was attended by over 1,113 delegates (2018 – 1,100).
- c. Cause to Live For Conference held in November, aimed at the 18-30's for a time of encouragement, envisioning and equipping for, the cause of Jesus Christ, again the event was held at Trent Vineyard and was attended by 754 delegates (2018 – 850).

4. Areas

The primary work of the movement is carried out through local churches, these are grouped together geographically into areas, typically with 10-12 churches per area. Different activities have been carried out in different areas, but the main activities include:

- a. Relationships – encouraging networking, cooperation and encouragement amongst the church leaders within the area, investing time in Senior Pastors and worship leaders and looking at potential church planters and church growth.
- b. Teaching and Training facilitated by area days, HUB training centres around the country, Trustee training days and the Nominated Trustee website.
- c. Pastoral Support – Area Leaders spend time supporting Senior Pastors and this can include dealing with difficult local issues that arise as well as general mentoring where required.

5. Regions

Each region has a cluster of churches grouped together by area. The pastoral support and care for those churches is facilitated by an Area Leader, coach, Spiritual Director and pastoral mentors. These Area Leaders work together with their Regional Leader to provide leadership, vision and encouragement. The six Regional Leaders all report to the National Leadership Group which enables the national strategy and its local implementation to be disseminated quickly.

Vineyard Churches UK and Ireland

Trustees' Report (continued) For the year ended 31 December 2019

1 Objectives and Activities (continued)

6. Trademarks

Part of our role is to articulate what it means to be a local Vineyard Church and at the same time to protect the reputation of all Vineyard Churches. One way we do this is by registering the Vineyard name and associate devices as Trademarks and licensing these to accredited individuals who are planting churches.

7. Taskforces

- a. Church Planting – continues to be a high priority for the Vineyard Movement. Led by James Rankine from Cardiff Vineyard.
- b. International Missions – we estimate that half of the Vineyard Churches in the UK and Ireland are actively involved in supporting overseas mission. They support church planting efforts, ministry to the poor and advancing social justice to those around the world. This is led by Nick Sutton from Coventry Vineyard.
- c. Children – the purpose of this taskforce is to facilitate the on-going development of children's ministry in the churches, the team meet to build relationships, facilitate regional networking and share resources. This is led by Katie Wilson from Belfast City Vineyard.
- d. Theological Education. Priority is given to teaching sound theological values and their application, promoting the lifelong learning of scriptures and initiating the continual application of practical teaching. This is led by Jason Clark from Sutton Vineyard.

8. VCUKI Grant giving policy and philosophy

Often the primary work of the charity is carried out through some of our specific local churches, as they are commonly in direct contact with our target group. Additionally, they have existing skills and resources on which we may "piggy back". Thus, by giving them grants, to cover their marginal costs for these tasks, we are able to fulfil our objects in a highly efficient and focussed manner without having to carry extra overhead. So, we make grants to them in the context of specific objectives and tasks which help us to achieve the charity's overall objectives, namely:

- a. Firstly, within the UK and Ireland to assist in pastoral oversight of individual churches by means of area and regional leaders.
- b. Secondly, to assist in the training and resourcing of the member churches via means of theological training and other leadership training.
- c. Thirdly, to assist in the planting of new churches within the UK and Ireland.
- d. Fourthly, to assist in the development of theological knowledge within the UK and internationally.
- e. Fifthly, to assist the global Vineyard Movement to train and equip leaders to advance the Christian faith through missions in the UK and overseas.

It is further understood that on the receipt and expenditure of the grants these churches will, annually, account for the expenditure as well as describe the nature and details of the activities they have undertaken in helping us fulfil our objectives.

9. Vineyard Training

This is a new digital platform to train the movement. This platform brings together the best training in ministry specific modules for people to use whenever the need on any device. Partnering with the Vineyard Institute a number of modules have been created to aid the theological education in the Vineyard, covering such topics as: Hermeneutics, The Story of the Kingdom, The Pentateuch and the 10 Core theological topics and many others.

Vineyard Churches UK and Ireland

Trustees' Report (continued) For the year ended 31 December 2019

1 Objectives and Activities (continued)

10. Plans for the Future

The movement's focus continues to be:

- a. Church Planting and Church Development.
- b. HUB (Vineyard Training Programme) to equip leaders and potential leaders in their gifting, focusing on three main areas of leadership training: spiritual formation, hands-on experience for ministry and biblical training. More churches are running these programmes.
- c. To use the strategic reserves in developing and growing Vineyard Churches five priorities in the UK see paragraph 2a(3).
- d. Merge Vineyard Music UK Ltd into VCUK&I as a trading subsidiary.
- e. Run a number of national events, including:
 1. National Leaders Conference in January 2020.
 2. Worship Leaders Retreat in England in March 2020 and one in Ireland in April 2020.
 3. Soul Care senior Pastors retreats in April to June 2020.
 4. Dreaming the Impossible Conference in August 2020.
 5. Cause to Live For Conference in November 2020.
 6. Establishment of a Youth Worship Academy.

2 Financial Review

Trustees believe that the internal financial controls conform to guidelines issued by the Charity Commission.

The principal stream of income of the charity continues to consist of regular contributions from local Vineyard Churches. These are supplemented by one-off gifts to initiate new projects.

During this period major grants were made totalling £181,903 (2018 – £190,997), a detailed breakdown is included in note 7 to the accounts.

Total incoming resources for the period amounted to £1,668,559 (2018 - £1,253,989), all applied for general purposes, except for that given at various conferences and restricted to that offering.

Total resources expended for the period amounted to £1,325,325 (2018 - £1,261,390).

Leaving reserves at the year-end of £1,126,757 (2018 - £783,523).

a. Reserves policy

In line with Charity Commission guidance, the Trustees have reviewed their policy on the unrestricted funds not committed or invested in tangible fixed assets (the free reserves) and find the charity should have:

1. Operating Reserves equivalent to 6 months of core expenditure in the current year. At present the free liquid reserves are £274,329 which represents 6.0 months of expenditure at 2019 levels.
2. Designated Funds – Fixed Assets, this represents resources in the charity's fixed assets. The fund is therefore not readily available for other purposes.
3. Strategic Reserves are unrestricted funds over and above those needed for operating reserves and designated reserves to be used for strategic developments as identified by the Trustees for the five key strategies of the movement: Church health and growth, Developing tomorrow's leaders, Worship, Kingdom impact and Church planting. Each of these now has a significant level of new activity associated with them and we currently estimated that of the £440,477 available in strategic reserves approximately £182,800 has now been committed.

Vineyard Churches UK and Ireland

Trustees' Report (continued) For the year ended 31 December 2019

2 Financial Review (continued)

Reserves policy (continued)

b. Investment policy

In the current investment climate, our policy has been to hold reserves on deposit at the highest rate of interest that can be earned safely and ethically.

The COVID-19 pandemic and the control measures that have been put in place towards the end of the first quarter of 2020 continue to impact the charity's plans for the future.

The charity is able to continue most of its day to day activities, by alternative means where necessary. Certain activities are currently on hold where alternative means are not feasible.

Whilst the values of the charity's assets have not been affected, future income streams may be. Given the charity's reserves position and its ability to flex future plans, the trustees have no immediate concerns over the charity's ability to continue operating as a going concern.

3 Structure, Governance and Management

VCUKI is a company limited by the guarantee of its members and is also registered as a charity in England and Wales (No 1099748) and in Scotland (No SCO41285). The memorandum and articles of association (last amended on 25 February 2020) of the charity act as its governing document.

The key groups are shown below. In the case of the first two, their members are listed on page 8.

a. Trustees

The Trustees' role is to oversee the financial affairs of VCUKI, to consider and manage risk, and to ensure compliance with legislation and regulations.

The Trustees also form the board of directors of the company, and they meet at least 3 times per year with intervening zoom calls. They are appointed in conjunction with the Leadership Group on expertise and need, and in general are leaders or members of churches in the movement. The group consults widely with experts about emerging issues affecting VCUKI.

The council of reference continued to meet in 2019, this group consists of people with senior positions within their fields of expertise including legal, accountancy and HR professions to advise on strategy, development and professional matters.

The Trustees have given due consideration to Charity Commission published guidance on the operations of the Public Benefit requirement.

The process of selection and induction of Trustees:

Our Trustees would typically be Christian and either church leaders or professionals of some standing and repute. Additionally, they would have become familiar with the workings and business of VCUKI through being a church pastor or voluntary leader within a local Vineyard church. Also, they would be checked to see that they are in good standing as follows:

- a. They are not an undischarged bankrupt;
- b. They have not been convicted of any offence involving dishonesty or deception;
- c. They have no criminal record;
- d. They are not banned from the Charity Commission in the UK;
- e. They are not subject to a disqualification order under the Company Directors Disqualification Act 1986, nor to an order made under section 429 (2)(b) of the Insolvency Act 1986;
- f. They have not been removed from being concerned in the management or control of anybody under Section 7 of the Law Reform (miscellaneous Provisions) (Scotland) Act 1990;
- g. They have not been removed as a Trustee by the Charity Commission or the High Court.

Vineyard Churches UK and Ireland

Trustees' Report (continued) For the year ended 31 December 2019

3 Structure, Governance and Management (continued)

Trustees (Continued)

Induction process – all new Directors / Trustees are supplied with the following:

Recent financial accounts;
Overview of the business;
Articles and Memorandum of Association;
Staff handbook;
Health and safety / risk assessments;
Induction talk and orientation covering the practical aspects of the charity's objectives.
By way of information our current Trustees are all Senior Pastors of, or leaders in churches within the Vineyard Churches UK denomination.

The charity provides Trustee and Director Insurance cover to the amount of £1 million pounds.

b. Vineyard Leadership Group

The Leadership Group is responsible for the day to day governance, leadership and strategy of VCUKI which they execute in conjunction with the Trustees. The Leadership Group consists of 12 people. They meet physically at least 4 times per year and also have conference calls at other times as needed. They focus particularly on the twin areas of church development and church planting.

Members of the Leadership Group are not paid by the Movement and we depend on the generosity of their own churches.

c. Area Leaders

The UK and Ireland are divided into 14 areas. Area Leaders coordinate and support churches in their areas: East Anglia, East Midlands, Essex, Ireland, Kent, London, North East, North West, Scotland, South Central, South Coast, South West, West Country and Wales and West Midlands.

Regional Leadership and Regionalisation

The Leadership Group and the Trustees have clustered 'the areas' together into six regions, and are listed here: Ireland, London, North/Midlands, Scotland, South East and South West where they still operate as areas but come under a Regional Leader. This allows primarily a clearer line of connection and communication between the local church and the Leadership Group.

d. Risk Management

A formal risk management procedure is followed to assess business risks and implement risk management strategies. Major strategic, operational and financial risks to which VCUKI may be exposed have been identified and prioritised in terms of potential impact and likelihood of occurrence. Systems have been established to mitigate those risks. The action plan is reviewed annually as required to ensure its validity. As part of this process, the Trustees have reviewed the risk to the reputation and image of VCUKI, and a comprehensive process has been established to mitigate the risks we face in this area.

The systems of internal control are designed to provide reasonable, but not absolute, assurance against material misstatement or loss. They include:

An annual budget approved by the Trustees.
Regular consideration by the Trustees of financial reports.

Vineyard Churches UK and Ireland

Trustees' Report (continued) For the year ended 31 December 2019

3 Structure, Governance and Management (continued)

Risk Management (continued)

Delegation of authority and segregation of duties.

Identification and management of risks.

Fundraising Regulator – Vineyard Churches UK & Ireland is registered with the Fundraising Regulator. We are committed to ensuring that our fundraising remains legal, open, honest and respectful and will abide by the Fundraising Code of Conduct.

The setting of pay and remuneration for key management personnel is arrived at by looking at equivalent roles in the local community such as the education sector also within the charitable sector, a cost of living rise is given based on the Office of National Statistics average earnings report in December to start from the following financial year, the board approves the budget for the year including the increase in salaries and pension contributions.

4 Reference and Administrative Details

National Directors

John and Debby Wright

Vineyard Leadership Group

Jeremy & Elaine Cook
James & Jen Rankine
Andrew & Harmony Smith
John & Debby Wright
Andrew & Rosie McNeil

Hull Vineyard
Cardiff Vineyard
Belfast Vineyard
Trent Vineyard
Birmingham Vineyard

Trustees

Jeremy Cook (Chairman)
Kim Hurst
Clive Sillito
Robert Byk
John Wright
Alex Cook
Thomas Bird

Appointed 14 May 2019

Appointed 14 May 2019

Company Secretary

Thomas Bell

Registered Name

Vineyard Churches UK and Ireland

Working Name

Vineyard Churches

Principal and Registered Office

The Vineyard Centre
Vulcan Street
Hull
HU6 7PS

Vineyard Churches UK and Ireland

Trustees' Report (continued) For the year ended 31 December 2019

4 Reference and Administrative Details (continued)

Bankers	Bank of Scotland 33 Old Broad Street London BX2 1LB HSBC 3-4 Jameson Street Hull HU1 3JX
Auditors	Smailes Goldie Chartered Accountants Regent's Court Princess Street Hull HU2 8BA
Insurers	CaSE Insurance for Charities Manor House 1 The Crescent Leatherhead Surrey KT22 8DH
Independent Financial Adviser	Solomon's The Old Bakery 2D Edna Road Raynes Park London SW20 8BT
Registration Number	Charity England & Wales 1099748 Charity Scotland SC041285 Company 4839046
Country of Incorporation	England and Wales
Data Controller	Z8211138

Vineyard Churches UK and Ireland

Trustees' Report (continued) For the year ended 31 December 2019

5 Statement of Trustees' responsibilities

The trustees (who are also directors of Vineyard Churches UK & Ireland for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom 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 these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP 2015 (FRS 102);
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). 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.

In so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is 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 auditor is aware of that information.

Auditors

The auditors, Smailes Goldie Chartered Accountants, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared taking advantage of the small companies exemption under the Companies Act 2006.

By order of the Trustees



J Cook
Trustee

23 July 2020

Vineyard Churches UK and Ireland

Independent Auditors' Report

To the trustees and members of Vineyard Churches UK and Ireland

We have audited the financial statements of Vineyard Churches UK & Ireland (the 'charitable company') for the year ended 31st December 2019 which comprise the Statement of Financial Activities, the Balance Sheet, Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31st December 2019, 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
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Other information

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

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

Vineyard Churches UK and Ireland

Independent Auditors' Report

To the trustees and members of Vineyard Churches UK and Ireland

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 require us to report to you if, in our opinion:

- adequate and proper 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
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 10, the trustees (who are also the directors of the charitable company for the purposes of company law) 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.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

Vineyard Churches UK and Ireland

Independent Auditors' Report To the trustees and members of Vineyard Churches UK and Ireland

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.

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company, the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Stephen Bramall BSc FCA (Senior Statutory Auditor)
for and on behalf of Smailes Goldie
Chartered Accountants and Statutory Auditors
Stephen Bramall is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.
Regent's Court
Princess Street
Hull
HU2 8BA

14 September 2020

Vineyard Churches UK and Ireland

Statement of Financial Activities Including Income and Expenditure Account For the year ended 31 December 2019

	Note	Restricted funds	Unrestricted funds	2019 Total £	2018 Total £
Income and endowments from:					
Income from donations	2	469,832	883,546	1,353,378	937,776
Income from charitable activities	3	-	281,459	281,459	278,562
Income from other trading activities		-	14,065	14,065	31,081
Investment income	4	-	6,268	6,268	4,105
Other income	5	5,329	8,060	13,389	2,465
Total Income		475,161	1,193,398	1,668,559	1,253,989
Expenditure on:					
Charitable activities					
Leadership		113,766	767,877	881,643	864,522
Church planting & development		-	443,682	443,682	396,868
Total	6	113,766	1,211,559	1,325,325	1,261,390
Net Income / (expenditure)		361,395	(18,161)	343,234	(7,401)
Reconciliation of funds					
Fund balances at 1 January 2019	16	45,426	738,097	783,523	790,924
Fund balances at 31 December 2019		406,821	719,936	1,126,757	783,523

The Statement of Financial Activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

All the company's activities are classed as continuing.

The notes form part of these financial statements

Vineyard Churches UK and Ireland
(Company Registration No. 4839046)
Balance Sheet

As at 31 December 2019

	Note	2019		2018	
		£	£	£	£
Fixed assets					
Tangible assets	12		5,130		2,445
Investments – long term deposits			<u>252,586</u>		<u>-</u>
			257,716		2,445
Current assets					
Debtors	13	35,182		23,192	
Investments – cash deposits		300,000		300,000	
Cash at bank and in hand		753,886		656,658	
		<u>1,089,068</u>		<u>979,850</u>	
Creditors: amounts falling due within one year	14	<u>(220,027)</u>		<u>(198,772)</u>	
Net current assets			869,041		781,078
Net assets			<u><u>1,126,757</u></u>		<u><u>783,523</u></u>
Reserves					
Designated fixed asset funds	16		5,130		2,445
Restricted funds	16		406,821		45,426
Unrestricted funds	16		<u>714,806</u>		<u>735,652</u>
			<u>1,126,757</u>		<u>783,523</u>

These accounts have been prepared in accordance with the provisions applicable to entities subject to the small entities regime.

The accounts were issued, authorised and approved by the Board on 23 July 2020 and signed on its behalf by:

J Cook
Trustee



The notes form part of these financial statements

Vineyard Churches UK and Ireland

Statement of Cash Flows For the year ended 31 December 2019

	Notes	2019 £	2018 £
Cash Flows from operating activities			
Net cash (used in) / provided by operating activities	18	<u>348,554</u>	<u>(9,377)</u>
Cash flows from investing activities:			
Dividends, interest and rents from investments		6,268	4,105
Purchase of property, plant and equipment		(5,008)	(3,200)
Purchase of Investments		<u>(252,586)</u>	<u>-</u>
Net Cash provided by investing activities		<u>(251,326)</u>	<u>905</u>
Change in cash and cash equivalents in the reporting period		97,228	(8,472)
Cash and cash equivalents at the beginning of the reporting period		656,658	665,130
Cash and cash equivalents at the end of the reporting period		<u>753,886</u>	<u>656,658</u>
Analysis of cash and cash equivalents			
		2019 Total £	2018 Total £
Cash at bank and in hand		753,886	656,658
Total cash and cash equivalents		<u>753,886</u>	<u>656,658</u>

The notes form part of these financial statements

Vineyard Churches UK and Ireland

Notes to the financial statements For the year ended 31 December 2019

1 Accounting policies

1.1 Statement of compliance

The Charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019) in preparing the annual report and financial statements of the charity. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charities Act 2011. The financial statements are prepared under the historical cost convention.

Due to the level of cash and unrestricted reserves held the trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern.

1.2 Funds accounting

Unrestricted funds are those which are not subject to any special restrictions and they can be used as the Trustees decide in furtherance of the general objectives of the charity.

Restricted funds are those which are subject to special restrictions as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Designated funds are part of unrestricted funds and are amounts the Trustees have set aside to cover particular expenditure. At 31 December 2013 the Trustees set up a designated fund to cover the net book value of tangible fixed assets.

1.3 Incoming resources

All incoming resources are included in the Statement of Financial Activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Income received by way of donations and gifts is included in the Statement of Financial Activities on a receipts basis. Tax recoverable on gift aid donations is recognised in the same period as the gift to which it relates. Investment income is included when receivable. Income from charitable activities is recognised when the activity occurs. Income from other trading activities and other income is recognised when the Charity is entitled to the income and the amount can be reliably measured.

The value of services provided by volunteers has not been included in these accounts.

1.4 Resources expended

Expenditure is recognised on an accruals basis where there is a legal or constructive obligation to make payments to a third party. Expenditure includes any VAT which cannot be recovered and is reported as part of the expenditure to which it relates. Grants offered subject to conditions which have not been met at the year-end date are noted as a commitment but not accrued as expenditure.

Charitable activities expenditure comprises those costs incurred by the charity in the delivery of its activities and service for beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

Vineyard Churches UK and Ireland

Notes to the financial statements (continued) For the year ended 31 December 2019

1 Accounting policies (continued)

1.5 Fixed assets

Tangible fixed assets costing more than £500 are capitalised and included at cost including any incidental expenses of acquisition. The charitable company carries out annual impairment reviews where there is indication that the carrying amount of an asset may not be recoverable. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost or revalued amount on a straight-line basis over their expected useful economic lives as follows:

Computers	- 50% per annum on written down value
Fixtures and fittings	- 25% per annum on written down value
Office equipment	- 25% per annum on written down value

1.6 Pensions

The charity makes contributions to The Peoples Pension, the Charities auto-enrolment pension scheme provider. Contributions are charged to the Statement of Financial Activities in the period to which they relate. Pension costs are allocated to the activity in which associated staff costs have been attributed.

1.7 Financial instruments

The Charity has adopted section 11 of FRS 102 in respect of financial instruments. Short term debtors are measured at transaction price, less any impairment. Short term creditors are measured at transaction price.

1.8 Investments

Current asset investments comprise term bank deposits realisable within 12 months and which are held to generate interest income. Fixed asset investment comprises bank deposits with a maturity date greater than 12 months from the balance sheet date and which are held to generate interest income.

1.9 General information

The Charity is a company limited by guarantee and is incorporated in England and Wales. The address of its Registered offices is: The Vineyard Centre, Vulcan Street, Hull, HU6 7PS.

2 Income from donations

	2019 Total	2018 Total
	£	£
Donations from member churches	883,546	850,065
Individual giving	469,832	87,711
	<u>1,353,378</u>	<u>937,776</u>

Included within donations from member churches above is £10,000 (2018 - £12,998) receivable from outside the United Kingdom.

Included within individual giving is £469,832 (2018 - £87,711) which is restricted income.

3 Income from charitable activities

	2019 Total	2018 Total
	£	£
Conference income	<u>281,459</u>	<u>278,562</u>

Vineyard Churches UK and Ireland

Notes to the financial statements (continued) For the year ended 31 December 2019

4 Investment income

	2019 Total £	2018 Total £
Interest receivable	6,268	4,105

5 Other income

	2019 Total £	2018 Total £
Legacy	5,329	-
Other	8,060	2,465
	<u>13,389</u>	<u>2,465</u>

6 Total expended on charitable activities

	Basis of allocation	Church planting & development	Leadership	2019 Total	2018 Total
		£	£	£	£
Costs directly allocated to activities					
Grants and gifts (see note 7)	Direct	121,698	60,205	181,903	190,997
Other direct costs	Direct	142,271	504,287	646,558	658,691
Staff costs	Time	-	135,673	135,673	117,809
		<u>263,969</u>	<u>700,165</u>	<u>964,134</u>	<u>967,497</u>
Support costs allocated to activities					
Staff costs	Time	130,161	122,573	252,734	199,070
Website and media costs	Usage	28,414	28,415	56,829	38,219
Other support costs	Usage	2,844	12,196	15,040	13,009
Governance (see note 8)	Usage	18,294	18,294	36,588	43,595
		<u>179,713</u>	<u>181,478</u>	<u>361,191</u>	<u>293,893</u>
		<u>443,682</u>	<u>881,643</u>	<u>1,325,325</u>	<u>1,261,390</u>

Vineyard Churches UK and Ireland

Notes to the financial statements (continued) For the year ended 31 December 2019

7 Grants

Grants and gifts made during the period were as follows:

	Church Planting & Development £	Leadership £	2019 Total £	2018 Total £
Restricted Funds				
222 Ministries	-	-	-	42,126
AVC Himalayas	-	-	-	3,396
Askarpour JL	-	-	-	2,500
Vision for Asien	-	-	-	2,500
VCF Birmingham (Malawi leaders)	-	-	-	2,000
Creative Onl	-	-	-	8,530
	<u>-</u>	<u>-</u>	<u>-</u>	<u>61,052</u>
	-	-	-	61,052
Individuals	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Restricted Funds	-	-	-	61,052

Vineyard Churches UK and Ireland

Notes to the financial statements (continued) For the year ended 31 December 2019

7 Grants (continued)

	Church Planting & Development	Leadership	2019 Total	2018 Total
	£	£	£	£
Unrestricted Funds				
VCF Ashford	2,975	-	2,975	2,250
VCF Belfast	25,775	-	25,775	11,800
VCF Central Northampton	12,074	-	12,074	3,000
VCF Farnham	2,013	-	2,013	-
VCF Gateway Norwich	2,625	-	2,625	3,500
VCF Leeds	-	-	-	3,040
VCF North Birmingham	2,800	-	2,800	2,625
VCF Plymouth	2,891	-	2,891	3,500
VCF Rayleigh	2,100	-	2,100	3,500
VCF Reading	2,013	-	2,013	5,306
VCF Severn	3,500	-	3,500	3,860
VCF South Birmingham	-	-	-	6,335
VCF Sutton	16,350	-	16,350	8,000
VCF Tyneside	4,550	-	4,550	2,500
VCF Vineyard 53	2,450	-	2,450	-
VCF West Suffolk	9,000	-	9,000	-
VCF Winchester	13,061	-	13,061	5,000
VI (Institute)	-	13,243	13,243	25,472
VIE	-	16,981	16,981	15,401
City Church, Aberdeen	15,300	-	15,300	6,000
VCF Coventry	-	-	-	2,000
VCF Causeway Coast	-	-	-	1,000
Ndola Vineyard	-	-	-	1,017
AVC Benelux	-	2,500	2,500	-
St Stephen's Society	-	2,000	2,000	-
Ministries Without Borders	-	1,000	1,000	-
Evangelical Alliance	-	5,000	5,000	-
Power The Flight	-	10,000	10,000	-
Total Unrestricted Funds	119,477	50,724	170,201	115,106
Individuals	2,221	9,481	11,702	14,839
Total Funds	121,698	60,205	181,903	190,997
Number of Individuals	1	57	58	58

Vineyard Churches UK and Ireland

Notes to the financial statements (continued) For the year ended 31 December 2019

8 Governance costs

	2019 £	2018 £
Staff costs	3,885	3,534
Auditors' fees - audit	5,520	5,340
Meeting costs	9,616	7,517
Legal & professional	16,923	27,191
Other	644	13
	<u>36,588</u>	<u>43,595</u>

9 Taxation

Vineyard Churches UK & Ireland is a registered charity and is accordingly exempt from taxation on its charitable activities.

10 Net movement in funds

	2019 £	2018 £
Net movement in funds is arrived at after charging/(crediting):		
Auditors remuneration - audit	5,520	5,340
Depreciation	1,916	2,060
Loss on sale of fixed assets	407	-
	<u></u>	<u></u>

Vineyard Churches UK and Ireland

Notes to the financial statements (continued) For the year ended 31 December 2019

11 Staff costs

	2019 £	2018 £
Staff costs were made up of:		
Wages and salaries	226,038	184,421
Social security costs	19,308	15,922
Pension costs	13,462	11,201
Staff costs charged from other organisations	129,705	105,202
Other staff costs	3,779	3,667
Total	392,292	320,413
	Number	Number
The average number of staff employed by the charity during the period was:	8	7

Key management compensation

Key management includes the Trustees and members of senior management. The compensation paid and payable to key management for employee services is shown below:

	2019 £	2018 £
Wages and salaries	121,069	110,799
Pension costs	7,489	7,010
Total	128,558	117,809

The charity is recharged costs from a number of Vineyard member churches and other related charities in relation to time spent on VCUKI matters.

No employee received emoluments for taxation purposes over £60,000 in either the current or preceding year.

£1,247 (2018 - £1,294) was paid to 3 Trustees (2018 - 3) in respect of travel and subsistence costs.

Vineyard Churches UK and Ireland

Notes to the financial statements (continued) For the year ended 31 December 2019

12 Tangible fixed assets

	Computers	Total
	£	£
Cost or valuation		
As at 1st January 2019	10,649	10,649
Additions	5,008	5,008
Disposals	(3,028)	(3,028)
	<hr/>	<hr/>
As at 31st December 2019	12,629	12,629
	<hr/>	<hr/>
Depreciation		
As at 1st January 2019	8,204	8,204
Charge for the year	1,916	1,916
Eliminated on disposal	(2,621)	(2,621)
	<hr/>	<hr/>
As at 31st December 2019	7,499	7,499
	<hr/>	<hr/>
Net book values		
As at 31st December 2019	5,130	5,130
	<hr/>	<hr/>
As at 31st December 2018	2,445	2,445
	<hr/>	<hr/>

Vineyard Churches UK and Ireland

Notes to the financial statements (continued) For the year ended 31 December 2019

13 Debtors

	2019 £	2018 £
Trade debtors	3,766	1,845
Prepayments	29,218	19,148
Other debtors	2,198	2,199
	<u>35,182</u>	<u>23,192</u>

14 Creditors – Amounts falling due within one year

	2019 £	2018 £
Social security and other taxation	7,151	5,784
Accruals	45,426	33,940
Accruals - Grants	28,242	25,472
Deferred income	139,208	133,576
	<u>220,027</u>	<u>198,772</u>

Deferred income relates to conference fees received in advance.

15 Analysis of net assets between funds

	Fixed assets £	Current assets £	Current liabilities £	Total funds £
Designated funds	257,716	-	-	257,716
Restricted funds	-	406,821	-	406,821
Unrestricted funds	-	682,247	(220,027)	462,220
	<u>257,716</u>	<u>1,089,068</u>	<u>(220,027)</u>	<u>1,126,757</u>

Vineyard Churches UK and Ireland

Notes to the financial statements (continued) For the year ended 31 December 2019

16 Funds

	Balances as at 1 January 2019	Incoming resources	Resources expended	Transfer between funds	Balances as at 31 December 2019
	£	£	£	£	£
Unrestricted fund	735,652	1,188,390	(1,209,643)	407	714,806
National Leaders conference	38,709	469,832	(110,746)	-	397,795
Church Planting Donation	6,717	5,329	(3,020)	-	9,026
Other Conferences	-	-	-	-	-
Restricted fund	45,426	475,161	(113,766)	-	406,821
Designated Fixed Asset Fund	2,445	5,008	(1,916)	(407)	5,130
Total funds	783,523	1,668,559	(1,325,325)	-	1,126,757

The designated fixed asset fund represents the net book value of fixed assets at the year end. Depreciation costs in relation to the fixed assets are recognised in the designated fund.

Restricted funds have arisen because restrictions have been placed on incoming resources as follows:

National Leaders Conference – Donations received to be used for DTI 2020 as VCUKI takes on the significant commitment to invest in our young people both within the Vineyard movement and those denominations, networks and streams that would like to join us.

Church Planting Donation came from the SW London Vineyard's 30th Anniversary offering and is restricted to Church Planting. Also, during the year a legacy was received from a sister of a former Vineyard Pastor restricted to church planting and especially in the SW Region.

17 Related parties

VCUKI objectives and activities include the provision of support and other services to Vineyard Church leaders and pastors and to the affiliated or Vineyard churches that they lead. These Vineyard Churches are usually established as independent charities in their own right but have common charitable objectives. The charity's Trustees and leadership group are drawn from the senior pastors and members of these Churches. Members' donations disclosed in note 2 include donations received from such member churches.

Vineyard Churches UK and Ireland

Notes to the financial statements (continued) For the year ended 31 December 2019

17 Related parties (continued)

Vineyard Music (UK) Limited is a related party due to a common Trustee between the two charities. During the year Vineyard Music (UK) Limited recharged the charity for staff time totalling £36,019 (2018 - £33,032) and other expenses totalling £1,731 (2018 - £1,906). At the year-end there was £NIL (2018 - £16,197) owing to Vineyard Music (UK) Limited relating to income collected on their behalf for the Worship Leaders Retreat 2020.

Hull Vineyard is a related party due to a common Trustee between the two charities. During the year Hull Vineyard recharged the charity for expenses totalling £10,129 (2018 - £10,583), as a contribution to PA services and other expenses. Hull Vineyard does not charge any rent for the use of its premises.

Trent Vineyard is a related party due to a common Trustee between the two charities. During the year Trent Vineyard recharged the charity for staff time and expenses totalling £53,714 (2018 - £18,100), funds were transferred to Trent for monies received on conferences that Trent ran on behalf of VCUKI during the year this totalled £163,532 (2018 - £184,053) and other recharges totalling £8,892 (2018 - £7,660).

Vineyard International Resourcing UK Limited is a related party due to a common Trustee between the two charities. During the year VCUKI donated an amount of £16,981 (2018 - £15,559) to Vineyard International Resourcing UK Ltd. VCUKI was reimbursed £1,024 (2018 - £NIL) was expenses incurred on the VND meeting.

18 Reconciliation of net movement in funds to net cash flow from operating activities

Notes	2019 £	2018 £
Net (expenditure) / income for the reporting period (as per the Statement of Financial Activities)	343,234	(7,401)
Adjustments for		
Depreciation charge	12 1,916	2,060
Loss on sale of fixed assets	407	-
Dividends, interest and rents from investments	4 (6,268)	(4,105)
(Increase) / decrease in debtors	(11,990)	2,147
Increase / (decrease) in creditors	21,255	(2,078)
Net Cash (used in) / provided by operating activities	348,554	(9,377)