

Registered number: 08106501
Charity number: 1150046

RHEMA UK & IRELAND
(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

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RHEMA UK & IRELAND
(A company limited by guarantee)

CONTENTS

	Page
Reference and administrative details of the charity, its trustees and advisers	1
Trustees' report	2 - 3
Independent examiner's report	4 - 5
Statement of financial activities	6
Balance sheet	7
Notes to the financial statements	8 - 13

RHEMA UK & IRELAND
(A company limited by guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 DECEMBER 2015**

Trustees

Kevin Hugh Fletcher, Chairman
David Cullen
Joel Taller
Alan Morton
John Grunewald (appointed 29 July 2016)

Company registered number

08106501

Charity registered number

1150046

Registered office

3 Newhouse Business Centre
Old Crawley Road
Horsham
West Sussex
RH12 4RU

Accountants

Baldwin Scofield Accountancy LLP
Chartered Accountants
3 Newhouse Business Centre
Old Crawley Road
Horsham
West Sussex
RH12 4RU

RHEMA UK & IRELAND
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015

The Trustees present their annual report together with the financial statements of Rhema UK & Ireland for the year 1 January 2015 to 31 December 2015.

Since the company qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

Objectives and Activities

● **POLICIES AND OBJECTIVES**

The charity seeks to advance the Christian faith through the promotion of the gospel through teaching and preaching from the Word of God.

Achievements and performance

● **REVIEW OF ACTIVITIES**

The main activities in relation to the above objectives are:

- a) The operation of Rhema Bible Colleges in the following locations:
 - a. Derry-Londonderry Northern Ireland
 - b. London England
 - c. Manchester England
- b) Providing leadership training through BUILD Leadership Conferences in various locations.
- c) Providing church planting training through a cooperative effort with Dynamic Church Planting International (DCPI).
- d) Hosting various events for Rhema Bible College alumni and friends of Rhema UK & Ireland currently residing in the United Kingdom and Ireland.
- e) Giving offerings to other ministries

Financial review

● **GOING CONCERN**

After making appropriate enquiries, the trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

● **RESERVES POLICY**

The trustees have determined that, in line with their belief that God provides for the work to which He calls His people, no reserves should be maintained for the work of the charity.

Structure, governance and management

● **CONSTITUTION**

The company is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 14/6/2012 .

The principal object of the company is the advancement of the Christian faith.

RHEMA UK & IRELAND
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2015

● **METHOD OF APPOINTMENT OR ELECTION OF TRUSTEES**

The management of the company is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association.

Plans for future periods

● **FUTURE DEVELOPMENTS**

The Trustees aim to build on the foundations already established by continuing to operate Rhema Bible Colleges, provide leadership and church planting training, and host various events for Rhema Bible College alumni and friends of Rhema UK & Ireland.

Additionally, with the move of Kevin & Susan Fletcher to London there will be a church (Rhema Family Church - London) planted further extend the ministry of Rhema UK & Ireland.

TRUSTEES' RESPONSIBILITIES STATEMENT

The Trustees (who are also directors of Rhema UK & Ireland for the purposes of company law) are responsible for preparing the Trustees' 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. Under company law the Trustees must not approve the financial statements unless they are satisfied that they 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;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and 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. 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 preparing this report, the Trustees have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the Trustees on 27 September 2016 and signed on their behalf by:



Kevin Hugh Fletcher, Chairman

RHEMA UK & IRELAND
(A company limited by guarantee)

INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF RHEMA UK & IRELAND

I report on the financial statements of the company for the year ended 31 December 2015 which are set out on pages 6 to 13.

This report is made solely to the company's Trustees, as a body, in accordance with section 145 of the Charities Act 2011 and regulations made under section 154 of that Act. My work has been undertaken so that I might state to the company's Trustees those matters I am required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the company and the company's Trustees as a body, for my work or for this report.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND EXAMINER

The Trustees, who are also the directors of the company for the purposes of company law, are responsible for the preparation of the financial statements. The Trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the Act) and that an independent examination is needed.

Having satisfied myself that the company is not subject to audit under charity or company law and is eligible for independent examination, it is my responsibility to:

- examine the financial statements under section 145 of the Act;
- follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the Act; and
- state whether particular matters have come to my attention.

BASIS OF INDEPENDENT EXAMINER'S REPORT

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the company and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeking explanations from you as Trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the financial statements present a 'true and fair view' and the report is limited to those matters set out in the statement below.

RHEMA UK & IRELAND
(A company limited by guarantee)

INDEPENDENT EXAMINER'S REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2015

INDEPENDENT EXAMINER'S STATEMENT

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in any material respect the requirements:
- to keep accounting records in accordance with section 386 of the Companies Act 2006; and
 - to prepare financial statements which accord with the accounting records and comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities
- have not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.

Signed:



Dated: 27 September 2016

N M Baldwin BA(Econ) FCA DChA

BALDWIN SCOFIELD ACCOUNTANCY LLP

Chartered Accountants

3 Newhouse Business Centre
Old Crawley Road
Horsham
West Sussex
RH12 4RU

RHEMA UK & IRELAND
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**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2015**

	Note	Unrestricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
INCOME FROM:				
Donations and capital grants	2	44,122	44,122	-
Charitable activities	3	54,997	54,997	-
TOTAL INCOME		99,119	99,119	-
EXPENDITURE ON:				
Charitable activities	5	57,781	57,781	-
TOTAL EXPENDITURE	6	57,781	57,781	-
NET INCOME AND MOVEMENT IN FUNDS		41,338	41,338	-
RECONCILIATION OF FUNDS:				
Total funds brought forward		(357)	(357)	(357)
TOTAL FUNDS CARRIED FORWARD		40,981	40,981	(357)

The notes on pages 8 to 13 form part of these financial statements.

RHEMA UK & IRELAND
(A company limited by guarantee)
REGISTERED NUMBER: 08106501

BALANCE SHEET
AS AT 31 DECEMBER 2015

	Note	£	2015 £	£	2014 £
CURRENT ASSETS					
Debtors	9	9,991		-	
Cash at bank and in hand		35,040		3	
		<u>45,031</u>		<u>3</u>	
CREDITORS: amounts falling due within one year	10	<u>(4,050)</u>		<u>(360)</u>	
NET CURRENT ASSETS/(LIABILITIES)			<u>40,981</u>		<u>(357)</u>
NET ASSETS/(LIABILITIES)			<u>40,981</u>		<u>(357)</u>
CHARITY FUNDS					
Unrestricted funds	11		<u>40,981</u>		<u>(357)</u>
TOTAL FUNDS/(DEFICIT)			<u>40,981</u>		<u>(357)</u>

The Trustees consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Act.

The Trustees acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and for preparing financial statements which give a true and fair view of the state of affairs of the company as at 31 December 2015 and of its net incoming resources for the year in accordance with the requirements of sections 394 and 395 of the Act and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The financial statements have been prepared in accordance with the provisions applicable to small companies within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

The financial statements were approved by the Trustees on 27 September 2016 and signed on their behalf, by:



Kevin Hugh Fletcher, Chairman

The notes on pages 8 to 13 form part of these financial statements.

RHEMA UK & IRELAND
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

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 for Smaller Entities published on 16 July 2014, the Financial Reporting Standard for Smaller Entities (effective January 2015) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

1.2 Company status

The company is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

1.3 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the company and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

RHEMA UK & IRELAND
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

1. ACCOUNTING POLICIES (continued)

1.4 Income

All income is recognised once the company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

For legacies, entitlement is taken as the earlier of the date on which either: the company is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the company has been notified of the executor's intention to make a distribution. Where legacies have been notified to the company, or the company is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Donated services or facilities are recognised when the company has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the company of the item is probable and that economic benefit can be measured reliably.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the company which is the amount the company would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

Charitable activities and Governance costs are costs incurred on the academy trust's educational operations, including support costs and costs relating to the governance of the academy trust apportioned to charitable activities.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

RHEMA UK & IRELAND
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

1. ACCOUNTING POLICIES (continued)

1.6 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the Bank.

1.7 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount repaid net of any trade discounts due.

1.8 Cash at Bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.9 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.10 Financial instruments

The company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Donations	44,122	44,122	-

In 2014, of the total income from donations and legacies, £ NIL was to unrestricted funds and £ NIL was to restricted funds

RHEMA UK & IRELAND
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Tuition fees	54,997	54,997	-

In 2014, of the total income from charitable activities, £ NIL was to unrestricted funds and £ NIL was to restricted funds.

4. DIRECT COSTS

	Total 2015 £	Total 2014 £
Premises costs	7,959	-
Instructor fees	10,666	-
Hospitality	3,423	-
Textbooks	7,198	-
Equipment	2,525	-
Travel and accommodation	6,297	-
Advertising	190	-
Printing stationery and postage	2,961	-
Telephone and internet	200	-
Insurance	863	-
Legal & professional	840	-
Bank charges	94	-
Sundry expenses	590	-
Wages and salaries	10,400	-
	<u>54,206</u>	<u>-</u>

5. GOVERNANCE COSTS

	Unrestricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Independent examination	688	688	-

RHEMA UK & IRELAND
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

6. ANALYSIS OF RESOURCES EXPENDED BY EXPENDITURE TYPE

	Staff costs 2015 £	Other costs 2015 £	Total 2015 £	Total 2014 £
Direct costs of charitable activities	10,400	46,693	57,093	-
Expenditure on governance	-	688	688	-
	<u>10,400</u>	<u>47,381</u>	<u>57,781</u>	<u>-</u>

7. NET INCOMING RESOURCES/(RESOURCES EXPENDED)

This is stated after charging:

	2015 £	2014 £
Independent examination	<u>688</u>	<u>-</u>

During the year, three of the Trustees received a total of £2,250 (2014 - NIL) in honoraria. Trustee remuneration is more fully disclosed in Note 12.

During the year, no Trustees received any benefits in kind (2014 - £NIL).

1 Trustee received reimbursement of expenses amounting to £13,835 in the current year, (2014 - £NIL).

8. STAFF COSTS

Staff costs were as follows:

	2015 £	2014 £
Wages and salaries	<u>10,400</u>	<u>-</u>

The average number of persons employed by the company during the year was as follows:

	2015 No.	2014 No.
	<u>2</u>	<u>0</u>

No employee received remuneration amounting to more than £60,000 in either year.

9. DEBTORS

	2015 £	2014 £
Other debtors	2,791	-
Prepayments and accrued income	7,200	-
	<u>9,991</u>	<u>-</u>

RHEMA UK & IRELAND
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

10. CREDITORS: Amounts falling due within one year

	2015 £	2014 £
Other taxation and social security	315	-
Other creditors	2,885	-
Accruals and deferred income	850	360
	<u>4,050</u>	<u>360</u>

11. STATEMENT OF FUNDS

	Brought Forward £	Income £	Expenditur e £	Carried Forward £
Unrestricted funds				
General Funds - all funds	(357)	99,119	(57,781)	40,981

SUMMARY OF FUNDS

	Brought Forward £	Income £	Expenditur e £	Carried Forward £
General funds	(357)	99,119	(57,781)	40,981

12. RELATED PARTY TRANSACTIONS

Kevin Fletcher received an honorarium of £300 and remuneration of £5,200 for the year (2014: NIL) and his wife also received remuneration amounting to £5,200 (2014: NIL) and an honorarium of £300 (2014: NIL) for speaking at the college.