

# **HIGHWAY OF HOLINESS**

**Statement of Financial Activities for the Year Ended 31 October 2021**

## **HIGHWAY OF HOLINESS**

**FINANCIAL STATEMENT AS AT 31 OCTOBER 2021**

# **HIGHWAY OF HOLINESS**

## **Statement of Financial Activities for the Year Ended 31 October 2021**

### **Content**

#### **Contents**

<b>1.</b>	<b>Trustees Report .....</b>	<b>3</b>
1.1	Principal activity .....	3
1.2	New challenges from Covid-19 .....	6
1.3	Source of Financing and allocation of funding .....	7
1.4	Kingdom Lifestyle Mission (KLM) – International Educational Projects.....	9
1.5	Programmes Funding and Allocation of Source of Funding .....	10
1.6	Sources of Income and Expenditure for 2020 – 21 .....	11
1.7	Community and Church Youth Commitments.....	12
<b>2.</b>	<b>Accountants' Independent Report .....</b>	<b>13</b>
<b>3.</b>	<b>Highway of Holiness: Annual Report for the Year Ended 31 October 2021 .....</b>	<b>16</b>
3.1	Scope of Operation and Undertaken Activities.....	16
3.2	Planned Objectives.....	17
3.3	Future Strategy .....	17
<b>4.</b>	<b>Statement of Financial Performance Summary as of 31 October 2021 .....</b>	<b>18</b>
<b>5.</b>	<b>Statement of Financial Position as of 31 October 2021 .....</b>	<b>19</b>
<b>6.</b>	<b>Notes to the accounts: Year ended 31 October 2021 .....</b>	<b>20</b>
6.1	Accounting Policies .....	20
6.2	Statement of Performance as of 31 October 2021 .....	21
6.3	Assets and Capitalisation 2020 - 21 .....	22
6.4	Direct Charitable Expenditure on Direct Charitable Objectives .....	22
6.5	Management and Administration Expenses .....	23
6.6	Departmental and Responsibility Management.....	23
6.7	Trustees Commitment.....	24
6.8	Grants Account Details and Applied Usage .....	24
6.9	42 - 45 HOLLOWAY - Homeless Project Grant for Shelter and Feeding.....	26

# **HIGHWAY OF HOLINESS**

## **Statement of Financial Activities for the Year Ended 31 October 2021**

### **1. Trustees Report**

The Trustees present their report and annual accounts for the year ended 31 October 2021. The trustees report that the financial year ending on 31 October 2021 brought growth and expansion of our services to our community, the Church, Kingdom Lifestyle Mission (our International Education programme for under privileged children in developing countries) and homeless programme in UK.

#### **Covid-19 Extraordinary Event**

This year was most challenging for we had extra-ordinary events emanating from covid-19 pandemic. We implemented measures that brought about higher levels of exposures and opportunities to expand our humanitarian services to greater good for many local authorities and communities beyond our usual scope of considerations. We were ably assisted and attracted funding from many sources and continually received professional counselling from trusted sources including our external accountants, PMCT Accountants and Consultants. Full scope is provided under sections below.

Highway of Holiness had many press coverages beyond previous years, which we appreciate and are thankful for such exposures. For instance, many local press and national press including Independent Newspaper published services we offer. Such national press coverages similar to that covered by The Guardian Newspaper and The Times respectively in years past helped expose our services to many. The flip side of such positive exposures also brings more organisations and individuals to access services we provide. With such limited financial and accommodation resources we are constrained by levels of support we wish and intend to offer. Covid-19 has exposed the need to have dedicated living accommodation to house homeless residence other than sole use of our church premise and certainly not post covid-19 era. Urgent need for accommodation cannot be overemphasised.

#### **1.1 Principal activity**

The trust core principal activity is Christ Centred Church undertakings and secondary activities are services to humanity and general local community support. We provided food and shelter for over hundred and five (105) homeless people during accounting period under consideration. We also provided youth activities and personal development training for hundreds of young people in the Tottenham and Haringey Council local areas. During the year, significant assistance and commitment was given to youth educational projects to under privilege children in Ghana and South Sudan. Due to financial constraints KLM activities could not be extended to Ethiopia and Bulgaria as prior years, however other non-financial supports were provided.

We increased our commitment to local churches, local youth programmes and expanded our consideration in offering training programmes to assist young adults find work. We shall continue

# **HIGHWAY OF HOLINESS**

## **Statement of Financial Activities for the Year Ended 31 October 2021**

to employ viable strategies to assist young adults enhance their employable status by engaging employment agencies to aid us achieve set objectives.

During the year various prayers and teaching conferences were organised on a regular basis and attendance to these conferences were very good. We also provided training seminars for teachers and volunteers of our Sunday school for children and youth club. We are grateful to Haringey Council for their contribution towards our local Summer Youth Programme including provision of premises of Haringey Youth Centre at Bruce Grove, Tottenham. We received grants from many sources as detailed below and £108,729.00 from TNLCF Reaching Communities.

### **Community Humanitarian Care and Homeless Programme**

Our commitment to humanitarian care undertaken is as analysed below.

	<b>2020 - 2021</b>	<b>2019 - 2020</b>	<b>2018 - 2019</b>	<b>2017 - 2018</b>	<b>2016 - 2017</b>
Internal Youth and Children Ministry	2,236.00	2,066.67	3,100.00	3,400.00	4,500
Youth & Young Adults Community Programmes	4,112.00	2,275.00	3,900.00	6,240.00	7,280
Homeless Projects	107,228.54	88,452.00	91,000.00	91,000.00	91,000
Highway House - Islington Homeless			1,500.00	6,552.00	7,863
Kingdom Lifestyle Mission (KLM) and International Educational Projects	15,383.49	8,583.96	9,867.00	8,235.00	8,100
	<b>128,960.03</b>	<b>101,377.63</b>	<b>109,367.00</b>	<b>115,427.00</b>	<b>118,743.00</b>

### **Constraints and Challenges**

There has been closure of many supporting services and those accessing our services would continue to do so even after covid-19 considerations. Hence, what is deemed extra-ordinary event would become business as usual for the church and volunteers, thus long-term impact of covid-19. The need to meet such humanitarian services requires additional financial supports from many sources.

We aiming to expand Highway Youth Club (Keep It Real) to many communities if external funding could be resourced. Highway Youth Club specialises in Youth Education, Training and Personal Development within local communities.

There has been wider scope of recognition and exposure of our services, and this has led to many recognised agencies including Red Cross, local Police and Hospitals contacting us to assist those they believe need humanitarian assistance. During the financial year we dealt with many challenges successfully, however our main challenge has been inadequate sources of funding for continued demand for our services.

# **HIGHWAY OF HOLINESS**

## **Statement of Financial Activities for the Year Ended 31 October 2021**

We are ever prepared to expand scope of consideration, offer training and education to volunteers where needed, however our objectives are constraint by financial resources available. Throughout the year, many requests for our support could not be met especially request for homeless women due to lack of accommodation facilities. We also require volunteers to be trained to support our day care and night care services.

Our provision for women in our Islington shelter has ended due to the expiration of the lease given by our benefactor, however we still receive demands from women. We plan opening shelter provisions for women going forward subject to availability of housing and funding facility.

Our chairman and head of operations, Rev. Alexander Gyasi was awarded an MBE for his services to the community of Haringey.

### **Achievements during the Year**

Most homeless people that recovered from alcohol, drugs misuse and diverse form of traumas have been successfully integrated into the local community. We successfully trained and helped many young adults get back to working.

Due to disproportionate impact of COVID-19 on persecuted Christians around the world, we extended support to Pakistan, India, South Sudan and Northern Nigeria where kidnapping of already disadvantage Christians does occur with increasing frequency. Mission support was also provided in Sierra Leone, Poland and the Philippines to help reduce impact of covid-19 on children. We also supported victims of the Beirut Harbor explosion in Lebanon especially for displaced children from accounting year ending October 2020.

For Kingdom Lifestyle Mission (KLM) International Educational programme, we continued the vital provision of supplementary education for underprivileged children in Ghana and South Sudan where the need is most acute. We scaled back our operations in Bulgaria and Ethiopia to enable us start urgent educational programme for persecuted Christian children in Pakistan to improve their educational chances.

We met all planned objectives and operations especially widening the scope of our Youth Community work in previously not reached local communities. We were contacted by a number of organisations including Local Councils, Hospitals, Charitable Organisations and the Police to assist prospective clients and all anticipated requests for assistance were met.

We have expanded our provision by opening a new day centre twice a week that welcomes the homeless and people living in isolation within and around surrounding communities. The centre provides a free hot meal, shower facility, Internet access, clothes and support with welfare, housing, and employment to all that attend.

In recent years we received many awards including Homeless Shelter of the year 2019-2020 by the Corporate Live Wire London Prestige Awards and we also received the Haringey Community Impact Award 2019.

# **HIGHWAY OF HOLINESS**

## **Statement of Financial Activities for the Year Ended 31 October 2021**

### **1.2 New challenges from Covid-19**

Covid-19 presented new problems that caused many charities to close or scale down supporting services and many beneficiaries of such supporting services were compelled to contact Highway of Holiness to deliver needed supports. We were contacted by many established organisations, local councils, and governmental agencies during Covid-19 lockdowns than ever before hence the need to reinvent and adapt our processes to required humanitarian needs.

Specific challenges included:

- Expanded local community day care and feeding program from 2 days to 6 days a week.
- Sourcing new accommodations for our homeless residents using our place of worship for residence and for bedding due to spread of covid-19 viruses to protect individuals.
- Creating new and daily feeding programs that required use of PPE, social distance for kitchen food preparers and those packing food and arranging serviette, and those distributing food to beneficiaries.
- Once accommodation was sourced for individuals, we continued with supporting care services including occasional provision of hot meals which was delivered to them through use of hired transportation to protect them.
- Covid-19 caused untold damages to many families especially whereby many within local communities could not access certain level of services. We became service providers of choice for many and by the grace of God we met many needed supports.
- We had many financial challenges before covid-19 and it became more prevalent during lockdowns and local authorities imposed restrictions to protect our general communities. We were helped by many who provided funds to support our ever-increasing humanitarian services.

### **Financial supports**

Financial supports received during extra-ordinary periods came from many sources. Many chose to remain anonymous using Charity Aid Foundation. We have made attempt to extend our appreciation to our donors unless they have chosen to remain anonymous, we say thank you on behalf of all beneficiaries for your generosity and kindness.

Our church members continued to provide practical financial and voluntary services. We also had tangible financial support from individuals and local communities and business. Nothing could have been achieved without your giving and sacrifices. We had financial supports from many sources including:

- Reaching Communities through National Lotteries. This formed bulk of our grant for our community humanitarian services. They have continued to offer unqualified support for us.
- Homeless Link funds
- Haringey Council - to provide Winter bedding for Haringey specific Homeless

# **HIGHWAY OF HOLINESS**

## **Statement of Financial Activities for the Year Ended 31 October 2021**

- HMG Physiotherapy
- London Community Response Fund
- Covid response fund from HM Government Office for Civil Society
- Charity Aid Foundation
- Martin Lewis Covid-19 Response Fund through Charity Aid Foundation

We take opportunity to say thank you for making a difference in another person's life positively.

### **1.3 Source of Financing and allocation of funding**

Our finances for the year ended 31 October 2021 was stable. The income level was not too different from previous years and for this very reason we would like to express our sincere gratitude to external donors for public donation of £2,696.00 and members of Highway of Holiness church for their generous donations of £123,688.00 and members' contributions has mainly been source of funding of our communities' programmes.

We also received grant of £107,585.00 towards Day Centre and Community Care including feeding from Reaching Communities through National Lotteries. The grant amount is pro-rated on monthly time span towards personnel cost, utilities, training, and management; and unallocated part of the amount, though committed forms part of banking balance as of 31 October 2021. Unspent allocated amount is carried forward as Grant Restricted Funds.

For many years, our homeless projects for shelter and feeding have been supported by Homeless Link who gave grant of £58,574.00, The Bridge Renewal Trust provided £4,942.00, and 42 - 45 Holloway provided amount of £72,297.00 towards homeless and community projects. Every beneficiary is eternally grateful for support for money provided has added tangible values to real humanity lifestyle. As an organisation we are humbled by your generosity and goodwill for continued support especially throughout covid-19 lockdown periods.

During the financial year we received donations and grants of £408,436.00 which is an increase of £103,467.00 from previous year donation of £304,969.00. However, £108,270.00 was meant for restricted reserve, thus £300,166.00 available for usage and from that £15,612.00 was reserved as unrestricted operational reserve. Our total expenditure increased to £304,446.00 from £297,582.00, thus an increase of £6,864.00. Our net yearly surplus increased by £70,378.00 to £77,766.00 from £7,387.00, thus increasing operational performance reserve position to £145,574.00 from £67,808.00.

Throughout the year demand for humanitarian support within our local communities continued to increase. We did our best with available volunteers to increase services, however due to many constraints beyond our control including inadequate funding not all demands from individuals, local councils, governmental agencies, other charitable organisations for support could be met. We

# **HIGHWAY OF HOLINESS**

## **Statement of Financial Activities for the Year Ended 31 October 2021**

offered tangible support to Kingdom Lifestyle Mission (KLM) especially countries with strong evidence of religious persecution and modern-day slavery

### **Income Received for 2020 -2021 Reconciliation**

	<b>Amount</b>
<b>Reaching Communities</b>	
Brought Forward - Reaching Communities from 2019 - 20	36,688
Brought forward - Homeless - Shelter and Feeding	28,071
	<b>64,759</b>
Reaching Communities - Unallocated Grants Received 2020 - 2021	107,585
Homeless Link	58,574
The Bridge Renewal Trust - Haringey Base Project for Homeless	4,942
42 - 45 Holloway - Homeless Project Grant	72,297
Donations - Public towards Homeless Projects	2,696
Brought Forward Members Unrestricted donations	23,611
Donations from Members	123,688
Income - HMRC Furlough	15,043
	<b>408,436</b>
<b>Less Restricted Reserves</b>	
Restricted Members specific contributions towards church own building project	-52,884
Restricted Homeless Emergency Reserve	-16,500
Restricted Carried Forward for next Year	-38,886
<b>Funds Available to Spend before Unrestricted Reserves</b>	<b>300,166</b>



# **HIGHWAY OF HOLINESS**

## **Statement of Financial Activities for the Year Ended 31 October 2021**

### **1.4 Kingdom Lifestyle Mission (KLM) – International Educational Projects**

During the year our commitment to helping under privilege children in many African countries led to creation of Kingdom Lifestyle Mission – International Educational Projects. We established operation to provide supplementary education for young people between the ages of 11 to 21 years who had no means of furthering their education and training.

#### **Number of Children Supported**

<b>Countries</b>	<b>2020 - 2021</b>	<b>2019 - 2020</b>	<b>2018 - 2019</b>	<b>2017 - 2018</b>	<b>2016 - 2017</b>	<b>2015 - 2016</b>
Ethiopia					300	450
Ghana – KLM	2,315	1,120	980	750	800	1,005
South Sudan	1,325	400	250	300	300	355
Pakistan	850	80				
	<b>4,490</b>	<b>1,600</b>	<b>1,230</b>	<b>1,050</b>	<b>1,400</b>	<b>1,810</b>

#### **Associated Cost of Children Number**

Kingdom Lifestyle Mission (KLM) International Educational Projects and Other International Mission Supports

<b>Countries Where Children are Supported</b>	<b>2020 - 2021</b>	<b>2019 - 2020</b>	<b>2018 - 2019</b>	<b>2017 - 2018</b>	<b>2016 - 2017</b>	<b>2015 - 2016</b>
	<b>Amount (£)</b>	<b>Amount (£)</b>	<b>Amount (£)</b>	<b>Amount (£)</b>	<b>Amount (£)</b>	<b>Amount (£)</b>
Ethiopia	1,200.01		-	-	1,100	2,000.00
Ghana	5,410.50	3,367.18	8,500.00	5,750.00	4,500	9,000.00
South Sudan	2,226.13	1,700.00	1,367.00	2,485.00	2,500	5,000
Pakistan	4,338.09	733.3				
Sierra Leone		154.9				
Poland		1,430.00				
India	764.37	591.78				
Nigeria	504.90	102.9				
Philippines		201.9				
Lebanon crisis		302				
Kenya	939.49					
<b>Total</b>	<b>15,383.49</b>	<b>8,583.96</b>	<b>9,867.00</b>	<b>8,235.00</b>	<b>8,100.00</b>	<b>5,000.00</b>

# **HIGHWAY OF HOLINESS**

## **Statement of Financial Activities for the Year Ended 31 October 2021**

### **1.5 Programmes Funding and Allocation of Source of Funding**

Funds allocated to training, supplementary education, homeless programmes, many communities youth works, and our general operational funding was allocated as follows:

#### **Income Required for Annual Operations**

	<b>2020 – 2021</b>	<b>2019 – 2020</b>
<b>Incoming Resources</b>		
Furlough -Inland Revenue	15,043	
Prior Year Unrestricted Reserve (Advance) now as Income	36,688	
Donations	125,969	124,935
Grants	204,512	180,034
<b>Total Incoming Resources</b>	<b>382,212</b>	<b>304,969</b>

#### **Allocation of Funding for Financing**

Financial resource was allocated as per table below:

	<b>%</b>	<b>2020 - 2021</b>	<b>%</b>	<b>2019 - 2020</b>
Direct Specific Church Cost	5.85%	17,800	9.73%	24,760
Combined Administrative Cost for All Units	30.53%	92,933	25.23%	64,188
Internal Youth and Children Ministry	0.73%	2,236	0.81%	2,067
Youth & Young Adults Community Programmes	1.35%	4,112	0.64%	1,625
Highway House - Day Care Specifics	18.58%	56,564	22.23%	56,564
Feeding & Accommodation of 50 Homeless - Highway House Projects	35.22%	107,229	34.76%	88,452
Highway House - Community Youth Project and Care	2.69%	8,190	3.22%	8,190
International Operations and Assistance	5.05%	15,383	3.37%	8,584
	<b>100.00%</b>	<b>304,446</b>	<b>100.00%</b>	<b>254,429</b>
<b>Thus, total of Specific Highway Allocation excluding general Administration</b>	<b>53.80%</b>	<b>163,792</b>	<b>57.00%</b>	<b>145,016</b>

# HIGHWAY OF HOLINESS

## Statement of Financial Activities for the Year Ended 31 October 2021

### 1.6 Sources of Income and Expenditure for 2020 – 21

	Amount	Restricted Reserves	Unrestricted Reserves	Church Members Building Fund
<b>Reaching Communities</b>				
Brought Forward from 2019 - 20	36,688			
Reaching Communities - Unallocated Grants Received 2020 - 2021	107,585			
Total Grant Spent as per Condition of Grant	- 105,388			
<b>Restricted Carried Forward for next Year</b>	<b>38,886</b>	<b>38,886</b>		
<b>Homeless Project: Shelter and Feeding</b>				
Brought forward - Homeless - Shelter and Feeding	28,071			
Homeless Link	58,574			
The Bridge Renewal Trust - Haringey Base Project for Homeless	4,942			
42 - 45 Holloway - Homeless Project Grant	72,297			
Donations - Public towards Homeless Projects	2,696			
Spent- Homeless Link	- 84,535			
Spent- The Bridge Renewal Trust	- 4,942			
Spent - 42 - 45 Holloway - Homeless Project Grant	- 58,795			
Spent - Public donations towards Homeless	- 2,696			
<b>Homeless funds remaining for Unrestricted Reserve Operations</b>	<b>15,612</b>		15,612	
<b>Church Specific Income</b>				
Brought Forward – Members Building Project				55,000
Brought Forward Members Unrestricted donations	23,611			
Donations from Members	123,688			
Income - HMRC Furlough	15,043			
Spent from Members donations on Church, KLM. Missions and Community Youth	- 92,958			
<b>Remaining from Members Donation Account</b>	<b>69,384</b>			
Restricted Homeless Emergency Reserve		16,500		
Restricted Members specific contributions towards church own building project				52,884
<b>Total</b>		<b>55,386</b>	<b>15,612</b>	<b>107,884</b>

*Most expenditure incurred from Members brought forward on £44,866 prior year committed*

# **HIGHWAY OF HOLINESS**

## **Statement of Financial Activities for the Year Ended 31 October 2021**

### **1.7 Community and Church Youth Commitments**

Welfare for Community and Church Members was provided on needs reported and identified by those responsible for managing applicable units. We provided a youth cafe/club from the Bruce Grove Youth Centre which is a premise provided by Haringey Council for youth programmes. It must be emphasised that we have a good working relationship with Haringey Council and they have continued to be supportive of our Community Youth Programmes.

During the year we provided subsidised food, recreational activities and personal development programmes for young people and this provision is open to all members of the community without any qualification criterion. We were able to attract young people from the traveller's community which is hard to reach group of young people and would seek to establish long-term relationship with the group.

As part of our Community Care Programme considerations; we go out on the streets every Saturday to offer free tea and coffee to the public and engage them in conversations to promote community cohesion.

For our Homeless Programme, we provided food and shelter for over 95 homeless people. Some of these homeless people came directly from the streets, whilst others were referred to us by organisations such as Hospitals, The British Red Cross, Police Service, Crisis Charity, The Refugee Council, London Catholic Worker and Day Centres, and various Governmental Agencies including Thames Reach and No Second Night Out. Many homeless individuals are referred to us because they have no recourse to public funds, hence they are unable to access statutory provision(s).

We have achieved the above by utilising and developing our extensive network of partner agencies. This includes from the Local Authority, Crisis, Shelter, Mind Haringey, Refugee Council, local charities Edible London, soup kitchens, medical practices, housing organisations etc.

#### **Planned Objectives**

There has been a sharp rise in the number of homeless people and young adults requiring our services, and this has been a strain on the finances of the charity. As part of our planned consideration due to ever increasing demand on our services, we planned to acquire a hostel where we can transfer people from our existing shelter to assist them in making the transition to independent living.

We have identified the need to set up a social enterprise and employment training programme to improve youth employment chances within our local community especially within Tottenham as a long-term objective subject to availability of funding.

# **HIGHWAY OF HOLINESS**

## **Statement of Financial Activities for the Year Ended 31 October 2021**

We plan to widen scope of sourcing funding to reduce over reliance on contributions by members of Highway of Holiness. It is our objective to solicit external assistance and resources to enable us meet increased demand.

Signed: *Alex Gyasi*

**Rev Alexander Gyasi**

*Chairman of the Trust*

*For and on behalf of Trustees and Members of Highway of Holiness*

*Date: 18 August 2022*

## **2. Accountants' Independent Report**

As Accountants we report on the unaudited accounts for Highway of Holiness to the Trustees of Highway of Holiness. It is our responsibility to state, on the basis of the procedures specified in the General Directions given by the Charity Commissioners under section 43 (7) (b) of the Act, whether particular matters have come to our attention.

### **Respective responsibilities of trustees and examiner**

As described on the balance sheet the Trustees of Highway of Holiness are responsible for the preparation of the accounts for the year ended 31 October 2021, set out on pages 13 to 20, and the Trustees consider that the church is exempt from an audit requirement of section 43 (2) of the Charities Act 1993 (the Act) does not apply. In accordance with Trustees of Highway of Holiness instructions, we have compiled these unaudited accounts to assist Trustees of Highway of Holiness to fulfil its statutory responsibilities, from the accounting records and information and explanations made available to us.

### **Our views on strategies and operational approach**

Operations are well organised, and finances are equally well managed. During year, Reaching Communities provided grant for Homeless and Communities work which was timely and critically needed. We strongly hold the view that consistent external sources of funding be found if Highway of Holiness scope of consideration would be maintained and request for services met.

Activities of Highway of Holiness has been increasing over the years and has reached a level that requires strategic review. Presently all the social activities or humanity activities undertaken by Highway of Holiness cannot be met with its limited resources. Request by local communities, charities, hospitals, fire service and other governmental organisations cannot be met especially with homeless women. Demands for highway of holiness activities far outstrips its available resources by more than 50%.

# **HIGHWAY OF HOLINESS**

## **Statement of Financial Activities for the Year Ended 31 October 2021**

Attention must be paid to core services of church activities especially in areas of mission and evangelism to increase church members at faster than current rate. It is paramount that a dedicated place is secured for church services as present auditorium is partly used as accommodation after church services for homeless operations.

### **Basis of independent examiner's report**

Our examination was carried out in accordance with the General Direction given by the Charity Commissioners. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeking explanations from you as trustees on any such matters. The procedures undertaken do not provide all the evidence that would be required by an audit, and consequently, we do not express an audit opinion on the view given by the accounts. As our scope of consideration and includes auditing, the same has been extended in our examination for sound recording and management.

### **Covid-19 Challenges**

We anticipate post covid-19 challenging times in demand for provided services to be even higher than current levels as those that have come to rely on such services would continue to recommend to those in similar needs.

The church aims to continue to offer quality services and maintain individual dignity over our operational considerations for service users. We anticipate wider demand for our services going forward after such wider scope of exposure and tendency to deny individuals needing our humanitarian services is probable possibilities due to our scarce financial resources and lack of accommodations to house homeless individuals. Presently, the church has become one of the main centres for local communities and is constantly receiving enquiries to extend to its services. The church must now aim to increase its networking collaboration to working with other charities, respective local communities, religious organisations, hospitals, red cross, and governmental agencies such fire service, local councils, and the Police to help potential beneficiaries access their services due its limited financial and accommodation resources.

### **Provision of funds (Reserve)**

- Two grants received from Reaching Communities through National Lotteries and Covid-19 Response Funds is associated with time and delivery of services. Grants not allocated yet as earned income are classified as Grants Restricted Funds.
- The church is prudently planning to have access to long-term accommodation for church services, community youth centre, community day care and homeless housing projects. Church members contributed over £100,000.00 towards church building project over previous years and this was continued for 2020 – 2021 accounting year as was the case previous year. However, with permission from members as was with previous year, trustees allocated part of building project fund to support homeless project and covid-19 humanitarian

# **HIGHWAY OF HOLINESS**

## **Statement of Financial Activities for the Year Ended 31 October 2021**

supports due to unexpected delays in receivable grant funds. Members specific donations towards church building project and corresponding amount set aside would be deemed as part of Restricted Funds. At minimum over £150,000.00 of building funds accumulated over the years have been used to support humanitarian projects.

- Three Months (13 weeks) Operational Reserve is prudently required to be set aside as Restricted Fund to help support expected and ever-increasing demands for Highway of Holiness offered services. Presently funds set aside would only support planned services for two weeks and it is important that provision is made to increase Operational Restricted Funds.
- Unrestricted funds are part of operational surplus reserve available to trustees and management to apply together with periodic receivable donations and allocated grants.

Our view is that unrestricted funds is not adequate to support each process outlined by Trustees. Due to limited funding Trustees could not allocate funding from unrestricted funds for the church internal youth programmes which is also vital to future sustainability of the church.

We hold the view and advice against splitting operations between core church activities and humanitarian activities. Presently and over the years, the church members building fund have been continually channelled to meet humanitarian commitments. In the light of increase demand for community charitable deeds and with many charities closing, we do advice against separating current operational considerations on grounds on funding, administration and volunteering by church members. In the interim creating any entity outside of the church would probably cause boundaries to be created and could hamper charitable activities not deemed to be core church programs being supported as is the case presently.

Our view is that the Church cannot continue to cut back on its core activities year on year. We believe it is paramount that additional support is needed to cover for living accommodation for homeless care for community ever-increasing expenses. For instance, the church in partnership with Edible London Charity is currently providing over 500 cooked meals per week for residence of Haringey impacted by covid-19. We also believe that unrestricted funds should be reserved for core church activities, if possible, hence the need to seek external support cannot be over emphasised.

### **Independent examiner's statement**

In accordance with our examination, no matter has come to our attention:

- (1) Which gives us reasonable cause to believe that in any material respect the requirements:
  - (a) To keep accounting records in accordance with section 41 of the Act: and
  - (b) To prepare accounts which accord with the accounting records and to Comply with the accounting requirements of the Act have not been met, or



# **HIGHWAY OF HOLINESS**

## **Statement of Financial Activities for the Year Ended 31 October 2021**

(2) To which, in our opinion, attention should be drawn to enable a proper understanding of the accounting to be reached.

Signature: *Vincent Santeng*

PMCT Accountants Partner Name: Vincent Santeng – PGDIP, MBA, FCCA

**In a Capacity as: *Qualified Chartered and Certified Accountant.***

Date: 18 August 2022

Address: Unit 322B Ability House, 121 Brooker Road, Waltham Abbey, EN9 1JH

### **3. Highway of Holiness: Annual Report for the Year Ended 31 October 2021**

#### **3.1 Scope of Operation and Undertaken Activities**

The Trustees report that the financial year ended 31 October 2021 continued to bring new challenges for the organisation.

The Highway Homeless Programme has expanded beyond our current capacity as we are currently providing evening shelter and feeding for over 50 homeless people on daily average. The majority of homeless clients are from Eastern Europe, Africa, Asia including those from China and UK citizens. By the end of the financial year, we had over 25 different nationalities that we provide services for. We also continue to provide alcohol counselling and detoxification services together with specialist agencies.

The building used for housing women was provided by a benefactor for a limited and not available after its expiry date. The Church is currently seeking assistance from many communities and would be sponsors to assist in securing accommodation for homeless and expend beyond current provision.

We work closely with some North London Councils including Haringey Council regarding various aspects of the Homeless Projects. We were able to offer needed help to homeless individuals on account of many volunteers from within and outside Highway of Holiness who have contributed food items, clothing, and personal time towards the Programme. Many Churches and organisations continue to show interest in the Homeless Programme and have promised to donate needed resources towards the programme.

We continue to improve on our Community Youth Programmes which have gained wider recognition outside our local community. The programmes help youth needing social assistance, advice, counselling and specifically organising group trips and camps with sole purpose of directing local youth to channel their energy towards realising their potential regardless of social



# **HIGHWAY OF HOLINESS**

## **Statement of Financial Activities for the Year Ended 31 October 2021**

background and religious believes. Through these activities we promote or provide supplementary education, confidence building, social integration, and improvement of the employment prospects of the Youth in the community. We also promote godliness and social responsibility through these activities.

During the year we continued to assist and contribute resources to other charitable organisations engaged in youth work. We currently organise youth television programme called Keep It Real (KIR) and are currently looking for sponsors to enable us to expand this programme because of its importance to the youths in our communities and nationwide.

In line with our Christian ethos, during the year, various teaching and prayer seminars were organised on regular basis. Again, the attendances to these activities have continued to increase especially in the areas of helping the youth to desist from joining ‘Gangs’ in favour of living a Christ centred life. Periodic training was organised for the Children and Youth teachers / Counsellors who again extended themselves beyond our available resources by continuing to sacrifice their time in helping the youth gain positive valuable life changing lessons. These training seminars were aimed at equipping our volunteers with the new skills required to deal with wide ranging educational developments and changing Youth cultural trends in the community.

### **3.2 Planned Objectives**

We have been contacted by many youth organisations within the UK and outside UK especially Pakistan, India, South Sudan, Ghana, Ethiopia, Kenya, Bulgaria and Romania for resource assistance. Our objective is to seek funding from many viable sources to continue to offer humanitarian assistance individuals and groups subject to funding availability.

We plan to maintain present Homeless considerations at Tottenham. If an accommodation is secured it would be dedicated to women homeless projects. Demand and requests for expansion of our Youth programs consideration from local communities, local councils and Governmental agencies would not be ignored. Significant amount has been set aside as committed expenditure hence deliberately committed as part of existing liabilities for Women Homeless program.

We plan to continue with all existing programmes including expanding our training program for volunteers’ subject to availability of financial resources and support from interested parties.

### **3.3 Future Strategy**

We are of the view that current funding strategy for the Church, Youth and Community projects, and Homeless programme is not sustainable. Currently resources needed to facility the Church specific core programs such as members own welfare, replacement of musical equipment, outreach

# **HIGHWAY OF HOLINESS**

## **Statement of Financial Activities for the Year Ended 31 October 2021**

and reserves for building funds are solely used to finance Youth (Keep It Real), Community help and education, and Homeless programmes.

The Church members are also aging and with retirements looming there is an urgent need for the Church to focus on evangelism and youth projects to attract diverse members from the community. We believe the current spend would have to increase by at least 150% above current levels over the next 5 years to ensure current scope of operations and financial commitments from the Church remain sustainable.

Over 46.24% of income is allocated to Homeless Programmes and such generosity of our members and the public is appreciated and should be encouraged. The Homeless Programmes have been increasing in scope over the last few years and is now serving many across UK. Governmental agencies such the Police and hospitals, NGOs such as the Red Cross and local councils including Haringey, Hackney and Enfield all have been approaching the Church to accept more clients. Current pressure and need to meet increasing demand for Homeless Programme services imply enhancing existing strategic approach is urgently needed.

We are of the view that the Homeless Programme should be continued and still largely financed by the Church for now however there is the need to register the Homeless Programme as a separate charity on its own. It is paramount that other relevant partners and different sources of funding would be required if demand for helping fellow human beings are to be met.

## **4. Statement of Financial Performance Summary as of 31 October 2021**

	<b>2020 – 2021</b>	<b>2019 – 2020</b>
<b>Incoming Resources</b>		
Furlough -Inland Revenue	15,043	
Prior Year Unrestricted Reserve (Advance) now as Income	36,688	
Donations	125,969	124,935
Grants	204,512	180,034
<b>Total Incoming Resources</b>	<b>382,212</b>	<b>304,969</b>
<b>Resources Expended</b>		
Direct Charitable Expenditure on charitable objectives	262,541	264,457
Other Expenditure: Management and Administration of the Charity	41,905	33,125
<b>Total Resources Expended</b>	<b>304,446</b>	<b>297,582</b>
<b>Net Incoming Resources for the year</b>	<b>77,766</b>	<b>7,387</b>
Fund Balances brought forward	67,808	60,421
<b>Fund Balances carried forward</b>	<b>145,574</b>	<b>67,808</b>

The net movement in funds for the years stated above arose entirely from continuing activities. There are no recognised gains or losses for the years above other than included in the above

# **HIGHWAY OF HOLINESS**

## **Statement of Financial Activities for the Year Ended 31 October 2021**

Statement of Financial Activities. The notes from Pages 17 to 23 form part of these accounts. Above is Highway of Holiness performance statement and the Balance Sheet below is reflection of true and fair view of the church position as of 31 October 2021.

### **5. Statement of Financial Position as of 31 October 2021**

	<b>2020 – 2021</b>	<b>2019 – 2020</b>
<b>Fixed Assets</b>		
Tangible Fixed Assets	6,541	1,322
<b>Current Assets</b>		
Debtors	6,500	5,000
Cash in hand and Advance Payment	8,500	4,500
Balance at Bank and in Hand	192,169	169,874
	<b>207,169</b>	<b>179,374</b>
<b>Liabilities</b>		
Operational Liabilities falling due within one year	34,828	37,326
	<b>34,828</b>	<b>37,326</b>
<b>Net Current Assets</b>	<b>172,341</b>	<b>142,048</b>
<b>Net Assets</b>	<b>178,882</b>	<b>143,370</b>
<b>Funds</b>		
Restricted Grants	38,886	64,759
Members Restricted Donations for Building Project	107,884	55,000
Restricted Operational Emergency Reserve	16,500	11,000
Unrestricted Operational Reserve	15,612	12,611
	<b>178,882</b>	<b>143,370</b>

Approved by the Board of Trustees on 18 August 2022.

Signed: *Alex Gyasi*

**Rev Alexander Gyasi - MBE**

*Chairman of the Trust*

*For and on behalf of Trustees and Members of Highway of Holiness*

*Date: 18 August 2022*

The notes to accounts are on pages 20 to 26.

# **HIGHWAY OF HOLINESS**

## **Statement of Financial Activities for the Year Ended 31 October 2021**

### **6. Notes to the accounts: Year ended 31 October 2021**

#### **6.1 Accounting Policies**

##### **6.1.1 Basis of measurement and preparation of accounts**

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (Effective April 2008).

The financial statement reflects requirements of the revised Statement of Recommended Practice 'Accounting for Charities' (SORP). The charity complied with best practice at the time of preparing these accounts.

##### **6.1.2 Tangible Fixed Assets depreciation policy**

All fixed Assets are capitalised after taking account of any grants receivable (if any), at the following annual rates to write off each asset over its estimated useful life. The charge for depreciation is calculated to write-off the costs of fixed assets are capitalised over their usefulness on the following bases:

- Equipment 25% on Net Book Value (reducing balancing capitalising method)
- Furniture 25% on Net Book Value (reducing balancing capitalising method)
- Fittings 25% on Net Book Value (reducing balancing capitalising method)

##### **6.1.3 Income Recognition**

Income is accounted for on an accrual's basis, except for donations, which are credited to income when received during the period.

##### **6.1.4 Expenditure**

All expenditure is accounted for on an accrual basis. Direct charitable expenditure relates to those incurred or grants payable, which directly relate to the furtherance of the charity's objects. Management and administration costs include wages and related costs of central administration.

##### **6.1.5 Valuation information and policy**

Where applicable valuations would be undertaken as the lower of cost and net realisable value, after making do allowance for obsolete. Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads.

##### **6.1.6 Funds**

The charity's funds are classified as restricted funds marked for specific dedicated use and reason for usage may have been identified by donors. Unrestricted funds available for use at the discretion of the trustees.

# **HIGHWAY OF HOLINESS**

## **Statement of Financial Activities for the Year Ended 31 October 2021**

### **6.2 Statement of Performance as of 31 October 2021**

	<b>2020 – 2021</b>	<b>2019 – 2020</b>
<b>Incoming Resources</b>		
Furlough -Inland Revenue	15,043	
Prior Year Unrestricted Reserve (Advance) now as Income	36,688	
Gift Aid - Inland Revenue		
Donations	125,969	124,935
Grants Allocated	204,512	180,034
<b>Total Incoming Resources</b>	<b>382,212</b>	<b>304,969</b>
<b>Direct Charitable Expenditure on Direct Charitable Objectives</b>		
Allowances - Highway of Holiness	25,938	19,660
Allowances - Highway House	87,314	86,850
Community Humanitarian Care and Homeless Programme	94,532	100,728
Departmental and Responsibility Management	23,392	24,760
Office Rates	2,116	1,962
Lease Rent	29,250	30,498
	<b>262,541</b>	<b>264,457</b>
<b>Management and Administration Expenses</b>		
Telephone and Fax	1,185	1,783
Books, Tapes, Stationery & Administration	12,545	6,057
Accountancy and Professional Fees	2,200	2,200
Consultants and Advisory	13,452	11,613
Training	1,500	2,500
Depreciation (Capital Allowance)	2,180	441
Insurances	2,609	1,997
Light & Heat	3,700	4,854
Repairs and Renewals	653	500
Publication and Advertising	522	320
General Maintenance Department	1,359	860
	<b>41,905</b>	<b>33,125</b>
<b>Total Expenditure</b>	<b>304,446</b>	<b>297,582</b>
<b>Net Surplus</b>	<b>77,766</b>	<b>7,387</b>
Fund Balances brought forward	67,808	60,421
<b>Fund Balances carried forward</b>	<b>145,574</b>	<b>67,808</b>

# **HIGHWAY OF HOLINESS**

## **Statement of Financial Activities for the Year Ended 31 October 2021**

### **6.3 Assets and Capitalisation 2020 - 21**

<b>Cost</b>	<b>Equipment</b>	<b>Furniture</b>	<b>Fittings</b>	<b>Total</b>
As of 01 November 2020	29,685.00	8,459.00	56,240.00	<b>94,384.00</b>
Additions	2,500.00	2,850.00	2,050.00	<b>7,400.00</b>
Disposal				
<b>Total costs</b>	<b>32,185.00</b>	<b>11,309.00</b>	<b>58,290.00</b>	<b>101,784.00</b>
<b>Depreciation</b>				
As of 01 November 2020	29,093.00	8,248.00	55,721.00	<b>93,062.00</b>
Charge for the Year - 2020 - 21	773.00	765.25	642.25	<b>2,180.50</b>
Disposal				
<b>Total Depreciation</b>	<b>29,866.00</b>	<b>9,013.25</b>	<b>56,363.25</b>	<b>95,242.50</b>
<b>Net Book Value - 31 October 2021</b>	<b>2,319.00</b>	<b>2,295.75</b>	<b>1,926.75</b>	<b>6,541.50</b>
<b>Net Book Value - 31 October 2021</b>	<b>592.00</b>	<b>211.00</b>	<b>519.00</b>	<b>1,322.00</b>

### **6.4 Direct Charitable Expenditure on Direct Charitable Objectives**

	<b>2020 - 2021</b>	<b>2019 - 2020</b>
Allowances - Highway of Holiness	25,938	19,660
Allowances - Highway House	87,314	86,850
Community Humanitarian Care and Homeless Programme	94,532	100,728
Departmental and Responsibility Management	23,392	24,760
Office Rates	2,116	1,962
Lease Rent	29,250	30,498
	<b>262,541</b>	<b>264,457</b>

# **HIGHWAY OF HOLINESS**

## **Statement of Financial Activities for the Year Ended 31 October 2021**

### **6.5 Management and Administration Expenses**

	<b>2020 - 2021</b>	<b>2019 - 2020</b>
Telephone and Fax	1,185	1,783
Books, Tapes, Stationery & Administration	12,545	6,057
Accountancy and Professional Fees	2,200	2,200
Consultants and Advisory	13,452	11,613
Training	1,500	2,500
Depreciation / Capital Allowance	2,180	441
Insurances	2,609	1,997
Light & Heat	3,700	4,854
Repairs and Renewals	653	500
Publication and Advertising	522	320
General Maintenance Department	1,359	860
	<b>41,905</b>	<b>33,125</b>

### **6.6 Departmental and Responsibility Management**

	<b>2020-2021</b>	<b>2019-2020</b>	<b>2018-2019</b>
Youth and Retreat Expenses	2,236.00	3,270.00	2,405.00
Audio Ministry	521.64	385.00	550.00
Music & Worship	2,400.00	2,415.00	2,100.00
Prayer Ministry		300.00	500.00
Outreach Expenses		6,328.18	1,500.00
Visiting Preachers		786.50	1,210.00
Mission & Evangelism	1,192.10	525.00	3,500.00
Members Welfare	11,450.00	10,750	5,000.00
	<b>17,799.74</b>	<b>24,759.68</b>	<b>16,765.00</b>

# **HIGHWAY OF HOLINESS**

## **Statement of Financial Activities for the Year Ended 31 October 2021**

### **6.7 Trustees Commitment**

No amounts were paid to any trustees during the year in respect of their duties as trustees. The office of Ministers total payment was £25,938.00 which is at the same level for the past five years for duties as a fulltime Christian Minister. The church also employs 4 specialists for its undertakings and that implies enrolling in stakeholder pensions for all employees.

Trustees are committed to complying with stated regulations applicable to operations and readily outsource expertise to meet new challenges in short to medium terms if needed expertise is not available.

### **6.8 Grants Account Details and Applied Usage**

#### **6.8.1 Reaching Communities through National Lotteries**

<b>Grant Provider</b>	<b>Usage (£)</b>	<b>£</b>	<b>Restricted Reserve (£)</b>
<b>Reaching Communities Grant Brought forward</b>		<b>36,688.49</b>	
Reaching Communities through National Lotteries - Main Grant		53,792.50	
Reaching Communities through National Lotteries - Main Grant		53,792.50	
	<b>107,585.00</b>	<b>107,585.00</b>	
<b>Total of Reaching Community Available Grant for 2020 - 21</b>		<b>144,273.49</b>	
PAYE Allocated in part 2020 – 21 and part 2021 - 22	87,313.99		
Food - Day Care	9,050.00		
Training -	1,500.00		
Other Related Grant Expenditure including Utilities	7,523.78		
<b>Total Spent as per grant terms</b>	<b>105,387.77</b>	<b>105,387.77</b>	
<b>Restricted Reserve for 2021 – 22</b>		<b>38,885.72</b>	<b>38,885.72</b>



# **HIGHWAY OF HOLINESS**

## **Statement of Financial Activities for the Year Ended 31 October 2021**

### **6.8.2 Homeless Link and Other Homeless Grant for Shelter and Feeding**

<b>Grant Provider</b>	<b>Usage (£)</b>	<b>£</b>	<b>Unrestricted Reserve (£)</b>
<b>Homeless Link and Other Homeless Grants Brought Forward</b>		<b>28,070.67</b>	
Homeless Link		58,574.00	
		<b>86,644.67</b>	
Homeless Project – Direct Expenditure	39,530.00		
Food - Community - Vouchers for Homeless	15,667.25		
Local Community Support	3,336.29		
Homeless Accommodation	18,648.00		
Volunteers Expenses	1,150.00		
Cash Disbursement on Food	2,850.00		
Transportation and Travel Expenses	1,500.00		
Clothing and Shoes	1,853.00		
	<b>84,534.54</b>	<b>84,534.54</b>	
<b>Unrestricted Reserve – Available 2021 - 22</b>		<b>2,110.13</b>	<b>2,110.13</b>

### **6.8.3 The Bridge Renewal Trust**

<b>Grant Provider</b>	<b>Usage (£)</b>	<b>Restricted Reserve</b>	<b>Unrestricted Reserve (£)</b>
The Bridge Renewal Trust - Haringey Base Project for Homeless	4,942.00		
Spent on Homeless Project	4,942.00		
	-		

# **HIGHWAY OF HOLINESS**

## **Statement of Financial Activities for the Year Ended 31 October 2021**

### **6.9 42 - 45 HOLLOWAY - Homeless Project Grant for Shelter and Feeding**

<b>Grant Provider</b>	<b>Usage (£)</b>	<b>£</b>	<b>Unrestricted Reserve (£)</b>
<b>42 - 45 HOLLOWAY - Homeless Project Grant</b>		72,296.66	
Small Equipment to Support Homeless	2,500.00		
Small for Furniture	2,050.00		
Small Fittings	2,850.00		
General Maintenance Department	1,359.00		
Repairs and Renewals	653.00		
Hot Meal for Homeless and Community - Travel Related	589.00		
Hot Meal for Homeless and Community - Food	6,115.00		
Hot Meal for Homeless and Community - Clothing and Shoes	3,487.00		
Welfare - Funds setup to help Members	1,758.00		
Welfare - Funds setup to help Local Community	1,455.00		
Welfare - Funds setup to help Community Youth	1,657.00		
Accommodation - Waste Disposal	1,973.79		
Rent and Homeless Services	29,250.11		
Homeless Project Travel	650.00		
Administration and General Related Homeless Direct	1,250.72		
Apportioned Share of Utility Supported for Homeless Project	1197.21		
	<b>58,794.83</b>	<b>58,794.83</b>	
<b>Unrestricted Reserve</b>		<b>13,501.83</b>	<b>13,501.83</b>