

HOPE CHURCH (UK)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

for the year ended 31 December 2023

Registered Charity number: 1052769

HOPE CHURCH (UK)
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

CONTENTS

	Pages
Administrative information	1
Trustees' report including statement of Trustees' responsibilities	2 – 6
Independent examiners' report	7
Statement of financial activities	8
Balance sheet	9
Notes to the financial statements	10 – 13

HOPE CHURCH (UK)
ADMINISTRATIVE INFORMATION

Trustees: Pastor Simon Smailus - Chairperson
Mr Alan Jones - Treasurer
Miss Elizabeth Ball
Pastor John Price
Pastor David McKeown

Address: Hope Church
Marsh Lane
Stone Cross
West Bromwich
West Midlands
B71 2DR

Bankers: HSBC UK
328 High Street
West Bromwich
West Midlands
B70 8DJ

Kingdom Bank
Media House
Padge Road
Beeston
Nottingham
NG9 2RS

Accountants: Malcolm Piper & Company Limited
Kingsnorth House
Blenheim Way
Birmingham
B44 8LS

Registered Charity number: 1052769

Enquiries Hope Church
Marsh Lane
Stone Cross
West Bromwich
West Midlands
B71 2DR

HOPE CHURCH (UK)
TRUSTEES' REPORT (CONTINUED)

INTRODUCTION

The Trustees submit their annual report and the unaudited financial statements for the year ended 31 December 2023.

The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Charity registered as a charity with the Charity Commission in England and Wales on 24 June 1979 and is governed by a Trust Deed dated 19 July 1993 last amended on 10 February 2013.

The Charity is managed by its Board of Trustees. The Trustees who served on the board during the year were as follows:

Pastor Simon Smailus - Chairperson
Mr Alan Jones – Treasurer
Pastor John Price
Pastor David McKeown
Miss Elizabeth Ball

The Charity aims to identify and train new Trustees as and when they become aware of individuals who are willing and available and most importantly, whose values align with the Charity's objectives and where it is perceived that an additional Trustee is required.

OBJECTIVES AND PRINCIPAL ACTIVITIES

The objectives of the Charity are:

1. The advancement of the Christian religion by the proclamation and furtherance of the Gospel of God, concerning His Son Jesus Christ The Lord, and the preaching and teaching of the Word of God in accordance with the statement of Fundamental Truths of The Assemblies of God in Great Britain and Ireland ("The Statement"), as approved by the General Council from time to time;
2. The objects of the church are for the benefit of the public: (a) to advance the Christian faith in accordance with The Statement in such ways and in such parts of the United Kingdom or the world as the Church Council may from time to time think fit: (b) to relieve sickness and financial hardship and to promote and preserve good health by the provision of funds, goods or services of any kind, including through the provision of counselling and support in such parts of the United Kingdom or the world as the Church Council may from time to time think fit: and (c) to advance education in such ways, and in such parts of the United Kingdom or the world as the Church Council may from time to time think fit.
3. Such other charitable purposes as shall further the attainment of the objectives of the Charity;
4. The furtherance of other charitable work that is consistent with The Statement;
5. The furtherance of the work of the Assemblies of God in Great Britain and Ireland ("AOG"), and the promotion of the spiritual teaching and religious observances that manifest in The Statement.

HOPE CHURCH (UK)
TRUSTEES' REPORT (CONTINUED)

OBJECTIVES AND PRINCIPAL ACTIVITIES (continued)

The Charity's principal activities comprise:

1. The operation of the church from its premises in Marsh Lane, West Bromwich, including the provision of the Sunday and mid-week services;
2. The operation of a weekly Parent and Toddler group, and evening classes for age groups 7 to 11 and 12 to 16;
3. The provision of Easter, Harvest Festival and Christmas services, and Christmas Carol services;
4. The provision of a Christmas Grotto at a low cost, to help ensure that all children get to celebrate Christmas;
5. Life Groups have been established in several homes where church members can meet in smaller groups and invite friends and neighbours to an informal time together to support and encourage one another;
6. Outreach to the people within the church's catchment area, especially those who attend the church for various activities.

REVIEW OF THE YEAR'S ACTIVITIES

Following a review of our affiliation with AOG, we have now revalued the Church's premises in our Balance Sheet. This is stated at a value obtained from professional valuers who are experienced in valuing church premises.

The Trustees and all Church staff and volunteers have striven to deliver all charitable objectives listed above. The maintenance of the church building has also been key to the Church's responsibilities to ensure that the building continues to serve its congregants and community.

We had a great start to the year with our first twenty-one days of prayer and fasting. This was followed by our Easter outreach, which was a resounding success and testament to the power of Jesus Christ. Joined by Arm Ministries and a team of Cfan evangelists, we took to the streets for three days, holding three healing meetings. The results were inspiring: numerous first-time decisions were made, and a significant number of healings were witnessed. It was a time of hope and encouragement for Hope Church.

During 2023 Hope Church continued to support its missionaries and donated 10% of its income to its existing missionaries in Spain, Macedonia, United Kingdom and India. We continue to commit to the same level of support in 2024 and review this annually with consideration to our own annual income.

Our Children's ministry is available to our schools, community and also to children who attend the church. It is an offer open to all through our various children's groups namely: Sunday's Junior Church, Thursday's afterschool club called Hope Kids, Friday's club for parents and pre-school toddlers called Hope Toddlers and through school activity visits. In addition to that we also had the annual Christmas Grotto for the whole family to have fun together during the Christmas festive time which was well attended (45 families).

Summer Kids camp ceased in 2023 but we are looking for opportunities for something similar in 2025/26. A place of welcome also had its last gathering in 2023 and was discontinued due to lack of community interest and participation. In 2023, Hope Youth moved from being offered to the community, to being a home-based group offered to young church members, due to difficulties in finding replacements for the outgoing youth leaders but plans to re-introduce the community youth club are still being reviewed for 2024 once volunteer youth leaders are secured.

HOPE CHURCH (UK)
TRUSTEES' REPORT (CONTINUED)

REVIEW OF THE YEAR'S ACTIVITIES (continued)

In addition to the above activities, the church services depended on the volunteering of its members from various departments like Core leadership, Stewardship, Worship, Cleaning, Health & Safety and Catering teams to ensure smooth running of its core objectives and activities. In 2023, there were various opportunities for its members to socialize and fellowship together outside normal church services e.g. men's meals, family meals, women's meals and arts and crafts sessions.

The Trustees would like to thank everyone who has taken part in serving at Hope Church in any capacity throughout 2023 for their dedication, commitment and passion to seeing the advancement of the Kingdom of God in our church and community and pray that more will volunteer in 2024. You are amazing!

FINANCIAL REVIEW

The results for the year and financial position of the Charity are shown in the Statement of Financial Activities on page 8 and Balance Sheet on page 9.

Income for the year to 31 December 2023 was £101,015 (2022: £105,628) and expenditure was £94,706 (2022: £98,134) giving a surplus for this period of £6,309 (2022: £7,494) Total Balance Sheet reserves as at 31 December 2023 are £1,000,014 (2022: £48,706) of which £945,000 (2022: Nil) is attributed to Fixed assets (Church building) while the remainder of £55,014 (2022: £40,710) is unrestricted general reserves, and £Nil (2022: £7,995) of restricted reserves.

The Church's funding mainly comes from gifts and donations made by the church members together with the associated Gift Aid thereon. Grants received from time to time also assist with church activities. The increase congregants who pay by regular standing orders and those who gift aid their offering has resulted in increased and more stable income for the church. Interest received has reduced to normal levels compared to last year's one-off increase. Income from departments has fallen mainly due to the loss of volunteers running activities especially for the Summer Children's camp, reduced donations for Missions work and non-recurrence of the National Grid Electricity Distribution Grant (NGED) received in 2022. Trustees continue to strive to find new volunteers and suitable grant funding for projects that are aligned to the Church's charitable objectives.

PLANS FOR FUTURE PERIODS

The Trustees intend to continue with its operation of a church from its premises in Marsh Lane, West Bromwich providing Sunday and midweek services. It is intended that we continue with the other groups and activities detailed in our principal activities above.

The key uncertainty facing the Charity to provide all its activities is dependent upon:

1. the financial support through tithes and offerings of the congregations and membership;
2. the goodwill and volunteering of the membership to assist in the running of the activities; and
3. the continued provision of new members from our spiritual outreach.

PUBLIC BENEFIT

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities and setting the grant making policy for the year.

<p style="text-align: center;">HOPE CHURCH (UK)</p> <p style="text-align: center;">TRUSTEES' REPORT (CONTINUED)</p>

RESERVES POLICY

The Trustees have sought to keep general unrestricted cash reserves of at least 3 months normal unrestricted church receipts/donations to allow for unexpected and/or unforeseen events. At the year end cash at the bank and in hand represented 6.5 months of normal unrestricted church receipts/donations (2022: 5.6 months).

Restricted reserves are held when not all monies received for specified purposes have been paid out at the end of the year. However, this year, no restricted reserves existed at the financial year end (2022: £7,995).

The Trustees have reviewed the major risks associated with the charitable activities of the Church and have taken steps to mitigate against those risks. At the signing of 2023 accounts, the Trustees are reasonably confident that the Church is a going concern and that it has sufficient funds to meet its commitments as they fall due without compromising its reserves policy. However, they also recognise that they need to continue to maintain the financial stability of the Church due to the unpredictable nature of offerings and donations which is the main source of income.

TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Trustees' Report and financial statements in accordance with applicable law and United Kingdom accounting standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to Charities in England and Wales 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 Charity and of the incoming resources and application of the resources of the Charity for that year. 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 (FRS 102)
- make judgements and estimates that are reasonable and prudent;
- act in accordance with the rules of the Charity, the Charity Commission and the Trust Deed;
- state whether applicable accounting standards have been followed, subject to any material departures discussed and explained in the financial statements;
- prepare financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and the provisions of the Trust Deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

HOPE CHURCH (UK)
TRUSTEES' REPORT (CONTINUED)

STATEMENT OF DISCLOSURE OF INFORMATION TO INDEPENDENT EXAMINER

We, the Trustees of the Charity who held office at the date of approval of these financial statements, as set out above, each confirm so far as we are aware, that:

- there is no relevant information of which the Charity's Independent Examiner is unaware; and
- we have taken all the steps that we ought to have taken as Trustees in order to make ourselves aware of any relevant information and to establish that the Charity's Independent Examiner is aware of that information.

Approved by the Trustees on 24 September 2024 and signed on its behalf by:



Pastor Simon Smailus
Trustee

REPORT OF THE INDEPENDENT EXAMINER

TO THE TRUSTEES OF HOPE CHURCH (UK)

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF HOPE CHURCH (UK)

I report to the Charity Trustees on my examination of the accounts of the Charity for the year ended 31 December 2023, which are set out on pages 8 to 13.

RESPONSIBILITIES AND BASIS OF THE REPORT

As the Charity's Trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

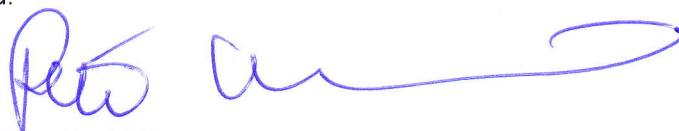
I report in respect of my examination of the Charity's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

INDEPENDENT EXAMINER'S STATEMENT

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

- (1) accounting records were not kept in respect of the Charity as required by section 130 of the Act; or
- (2) the accounts do not accord with these records; or
- (3) the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

I have no concerns and have come across no matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



**Peter Whitehead FCA
Malcolm Piper & Company Limited
Chartered Accountants**

**Kingsnorth House
Blenheim Way
Birmingham
B44 8LS**

Date: 24 September 2024

HOPE CHURCH (UK)

STATEMENT OF FINANCIAL ACTIVITIES
(Including summary of income and expenditure account)

AS AT 31 DECEMBER 2023

	Restricted funds £	Unrestricted fund £	2023 Total £	Restricted fund £	Unrestricted fund £	2022 Total £
Income						
Donations						
Tithes and offerings	-	84,939	84,939	-	77,069	77,069
Gift Aid	-	12,222	12,222	-	10,279	10,279
Income from departments	3,224	506	3,730	16,630	609	17,239
Investments						
Interest received	-	124	124	-	1,041	1,041
Total income	3,224	97,791	101,015	16,630	88,998	105,628
Expenditure on:						
Charitable activities (note 2)	11,219	83,487	94,706	8,852	89,282	98,134
Total expenditure	(11,219)	(83,487)	(94,706)	(8,852)	(89,282)	(98,134)
Net surplus / (deficit) before gains and (losses) on revaluations in the year	(7,995)	14,304	6,309	7,778	(284)	7,494
Net gain on revaluation of tangible fixed assets	-	945,000	945,000	-	-	-
Net surplus/(deficit) after gains and (losses) on revaluations in the year	(7,995)	959,304	951,309	7,778	(284)	7,494
Transfer between funds	-	-	-	(217)	(217)	-
Net surplus for the year	(7,995)	959,304	951,309	7,995	(501)	7,494
Total funds brought forward at 1 January 2023	7,995	40,710	48,705	-	41,211	41,211
Total funds carried forward At 31 December 2023	-	1,000,014	1,000,014	7,995	40,710	48,705

All gains and losses recognised in the year are included above.

These unaudited financial statements have been subject to Independent Examination. See report on page 7.


The notes on pages 10 to 13 form part of the financial statements.

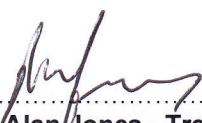
HOPE CHURCH (UK)
BALANCE SHEET
AS AT 31 DECEMBER 2023

	Note	2023 £	2022 £
FIXED ASSETS			
Tangible assets	4	945,000	360
TOTAL FIXED ASSETS		945,000	360
CURRENT ASSETS			
Cash at bank and in hand		56,124	49,497
CURRENT LIABILITIES:			
Creditors		(150)	(142)
Accruals		(960)	(1,010)
		(1,110)	(1,152)
NET CURRENT ASSETS		55,014	48,345
NET ASSETS		1,000,014	48,705
CHARITY RESERVES			
General reserve	6	1,000,014	48,705
TOTAL CHARITY FUNDS		1,000,014	48,705

These financial statements were approved and authorised for issue by the Board on 24 September 2024.

Signed on behalf of the board of Trustees:


.....
Pastor Simon Smailus - Chairperson


.....
Mr Alan Jones - Treasurer

These unaudited financial statements have been subject to independent examination. See report on page 7.

The notes on pages 10 to 13 form part of the financial statements.

HOPE CHURCH (UK)

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 ACCOUNTING POLICIES

a. Charity status

The Charity is constituted under a Trust Deed in the United Kingdom and registered with the Charity Commission in England. The address of the principal office is given in the Charity information on page 1 of these financial statements. The nature of the Charity's operation and principal activities are given on pages 2 and 3.

b. Basis of accounting

The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), "Accounting and Reporting by Charities" as applicable to charities preparing their accounts in accordance with the Financial Reporting Standard 102 (FRS 102) applicable in the United Kingdom and Republic of Ireland and the Charities Act 2011.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include the revaluation of freehold property.

The Charity, as a small charity, is exempt from the requirements to prepare a Statement of Cash flows.

The presentation currency of the financial statements is the pound sterling (£).

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

c. Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objective of the Charity and which have not been designed for other purposes.

Restricted funds are amounts which are to be used in accordance with specific restrictions imposed by donors, or which have been raised by the charity for particular purposes, and are not available for any other purpose. The costs of raising and administering such funds are charged against each specific fund. The aim of each restricted fund is given in Note 6 to the financial statements.

d. Income recognition

All income is included in the SOFA when the Charity is legally entitled to the income after any performance conditions have been met; the amount can be quantified with reasonable accuracy; and it is probable that the income will be received.

e. Expenditure recognition

All expenditure is accounted for on an accruals basis. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

HOPE CHURCH (UK)

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 ACCOUNTING POLICIES (Continued)

f. Tangible fixed assets

Freehold property is stated at its value for continuing use. It is not depreciated as it is maintained to a good standard by the Trustees, and is considered to be a permanent endowment of the Charity.

Other tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following basis:

Fixtures and fittings	-	5 years on a straight line basis
Office equipment	-	4 years on a straight line basis

g. Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

h. Tax

The Charity is exempt from taxation under section 506(1) of the Taxes Act 1988 on the basis that the fund is recognised as a Charity by the Inland Revenue.

2 EXPENDITURE ON CHARITABLE ACTIVITIES

	Restricted funds	Unrestricted funds	Total 2023 £	2022 £
Staff costs (see note 3)	-	31,797	31,797	38,862
Utility bills	1,000	5,642	6,642	3,653
Ministry	2,620	26,790	29,410	23,703
Insurance	-	1,669	1,669	1,538
Donations to AOG	-	2,419	2,419	3,720
Telephone	-	390	390	391
Building repairs & maintenance	1,560	5,693	7,253	14,932
Equipment hire	-	509	509	1,286
IT costs	-	3,012	3,012	2,140
Printing, stationery & advertising	-	448	448	426
Sundry expenses	-	1,850	1,850	1,631
Department expenses	6,039	-	6,039	3,045
Children's cost	-	1,029	1,029	741
Bank charges	-	168	168	209
Professional fees	-	1,711	1,711	1,497
Depreciation	-	360	360	360
	11,219	83,487	94,706	98,134

Of the £98,134 total expenditure in 2022, £8,852 was restricted.

HOPE CHURCH (UK)
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2023

3 STAFF COSTS AND TRUSTEES REMUNERATION

	2023 £	2022 £
Salaries and NIC	30,420	36,668
Pension costs	1,377	2,194
	<u>31,797</u>	<u>38,862</u>

Staff costs represent the salary and pension costs of a trustee, who is paid for his role as Pastor, not for his services as a Trustee which are provided free of charge. The Charity has also paid a total of £12,663 towards his personal rent, heat and light and Council Tax expenses, these costs being included in the charge for "Ministry expenses",

The average number of staff employed during the year was 3 (2022: 3 staff)

Trustee Remuneration

During the year Trustees were reimbursed £Nil (2022: £Nil) for out-of-pocket expenses.

4 TANGIBLE FIXED ASSETS

Cost or valuation	Freehold Property £	Plant & machinery £	Total £
At 1 January 2023	-	7,713	7,713
Revaluation	945,000	-	945,000
	<u>945,000</u>	<u>7,713</u>	<u>952,713</u>
At 31 December 2023	<u>945,000</u>	<u>7,713</u>	<u>952,713</u>
Depreciation			
At 1 January 2023	-	7,353	7,353
Charge for the year	-	360	360
	<u>-</u>	<u>7,713</u>	<u>7,713</u>
At 31 December 2023	<u>-</u>	<u>7,713</u>	<u>7,713</u>
Net book value			
31 December 2023	<u>945,000</u>	<u>-</u>	<u>945,000</u>
31 December 2022	<u>-</u>	<u>360</u>	<u>360</u>

The Charity is aligned with the Assemblies of God umbrella grouping of Pentecostal churches, and the Trustees had previously thought that its church premises were owned by that body. However, during the year, it was discovered that in fact these assets are the property of the Charity itself. Consequently, a professional valuation of £945,000 was obtained from Centrick, who are valuers who have experience of valuing church land and buildings, and this valuation has now been recognised in the financial statements.

HOPE CHURCH (UK)
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2023

5 STATEMENT OF FUNDS

	At 1 January 2023 £	Income £	Expenditure £	Net gain / (loss) on revaluations £	At 31 December 2023 £
Unrestricted fund	48,705	97,791	(83,667)	945,000	999,834
Restricted fund	7,995	3,224	(11,219)	-	-
Total funds	48,705	101,015	(94,886)	945,000	999,834

Details of the funds are given in note 1c.

6 RESTRICTED FUNDS

	At 1 January 2023 £	Income £	Expenditure £	Transfer between funds £	At 31 December 2023 £
Building repairs fund	-	1,560	(1,560)	-	-
Teaching and courses	-	664	(664)	-	-
NGEN Keep warm	7,995	1,000	(8,995)	-	-
Total restricted funds	7,995	3,224	(11,219)	-	-

Building repairs fund

The building repairs fund is specifically to provide funds for the repair of the freehold church in Marsh Lane, West Bromwich.

Teaching and courses

This fund is specifically restricted to the delivery of listed courses and specific outreach activities looking to further the proclamation of the gospel through teaching.

NGEN Keep warm

The NGEN warm energy grants are specifically provided to assist in the assistance of keeping warm spaces open for those in need. The fund has been utilised in partially offsetting utility bills in maintaining a warm and open space and also in the costs of outreach for people in need of a warm space.