



Hertford Community Church Trust

Annual Report and Accounts

Twelve months ending 31 August 2020

Charity Number 1082292

# **Hertford Community Church Trust**

## **Trustees Report**

### **Twelve months ending 31 August 2020**

#### **Trustees and Church Leadership**

Trustees and church leaders serving throughout the year and since year end are:

##### **Trustees**

Ian Tyler  
Ross Hartwig  
Jacqui Pattison  
Jo Keay  
Cathy Sebborn (Treasurer)

##### **Leadership Team**

Jess Hartwig  
Ian Tyler  
Ross Hartwig  
Alison Tyler

#### **Structure, Governance and Management**

Hertford Community Church Trust is constituted by a trust deed dated 30 January 2000, as amended by supplemental deed dated 2 July 2000 and is a registered charity number 1082292

The powers of appointment or removal of Trustees rests with the Trustees with due reference to the Church Leadership Team. New Trustees are selected from the members of the Church since this means that the Trustee body is whole-heartedly involved in seeing the mission of the Church worked out in practice. On being appointed, new Trustees spend time with the existing Trustees to ensure they understand the responsibilities and the legal and financial framework in which the Church operates.

Hertford Community Church targets to have at least two Trustees who are not members of the Leadership and two who are. This is in order to achieve a healthy balance of spiritual and legal governance. Directions relating to the charitable trust are made by the Trustees, in consultation with the Leadership, who are responsible for governing the life and teaching of the Church. Day

to day decisions on expenditure and activities are decided by the staff and volunteers in charge of different departments within the Church, with budgets set and monitored by the Trustees.

Hertford Community Church is a member of the Pioneer Network of churches.

## **Objectives and Activities**

The Trust has the objective to advance the Christian faith in Hertford and across the world, to relieve poverty or hardship and advance education and training. The church is built on the belief that this is achieved through works in the community.

The main activities of the church are based in Hertford and also include two separate operations under separate banners:

- Pines Pre School – a pre-school group held at Pinehurst Community Centre for up to 26 children. This is funded primarily from local government grants. This employs 8 part time staff and benefits from 5 volunteers
- Street Pastors, Hertford and Ware – this is a new activity this financial year as HCC Trustees agreed with the national organisation of Street Pastors to be the responsible trustees for this cross-church service to the community

In slight contrast after nearly 20 years under the wings of HCC, Future Hope – an outreach and drug education service for young people in crisis in Hertford and Ware Has been established as a separate charity in its own right and the income and expenditure is no longer included.

In addition the church supports activities in its own name although these were severely restricted from March 2020 onwards due to national lockdown in response to COVID 19.

## **Achievements and Performance**

The main change during this financial year was to stop paying for a children's worker as the previous incumbent had resigned to become a full-time teacher and the county council had planned to close the community centre, where most of our activities are run, whilst they completely rebuilt it.

The impact on COVID was significant but different on the various

parts of the church's operation.

In the core church giving and donations continued to be maintained whilst a number of expense lines were reduced, including the children's worker. The Trustees took the decision to continue to pay rent for halls even though we weren't using them to support them through these difficult times.

The impact on the pre-school was significant with the school being closed though the first national lockdown although the financial impact was protected by the government decision to continue to pay school fees. The financial impact will in fact be greater this year as numbers attending continue to be depressed, as some parents choose to keep their young children at home. However, the pre-school has significant reserves to utilise before it would need to approach the church for financial support.

SPH&W activities have also been significantly impacted by COVID as the local night-time economy has been severely affected and also in order to protect the health of some of the older and more vulnerable volunteers. However, the financial impact of this is quite modest as SPH&W is an entirely volunteer run activity.

The priorities for the next year are similar although given the relatively robust condition of the church finances we are pro-actively looking to make more financial donations to local charities e.g. food bank, to support those in need at this difficult time.

## Financial Review

This financial year we won't state the overall prior year numbers as they are for a different mix of activities as FutureHope has been removed and Street Pastors, Hertford and Ware has been included. However, where we have comparable prior year numbers e.g. for Church Activities and Pre-school we will include them for information.

	<u>Church Activities</u>	<u>Street Pastors</u>	<u>Pre School</u>	<u>Total 2019</u>
<b>Incoming resources</b>	29	3	56	88
<b>Resources expended</b>	<u>20</u>	<u>3</u>	<u>55</u>	<u>78</u>
<b>Net 2020</b>	<u>9</u>	<u>0</u>	<u>1</u>	<u>10</u>
<b>Net 2019</b>	<u>5</u>	<u>N/A</u>	<u>1</u>	

The income and expenditure were both down for the church but the net surplus for the year was increased from £5k to £9k. The numbers for the pre-school were almost identical to the prior year and the net result of a £1k surplus was the same. The new activity of SPH&W contributed just £3k to income and expenditure but the good news is that it comes with historic reserves of circa £7k so it is highly unlikely to require subsidy from the church.

The Trust has a target to maintain reserves at between one months and two months expenditure in order to manage unexpected fluctuations in income and meet liabilities as they arise. The reserves at the end of 2020 were equivalent to over 7 months expenditure, which is by far the highest cover ever and reflects both the surplus for the year and the reduced turnover, in part caused by the removal of FutureHope as a standalone charity.

### **Public Benefit**

In planning its activities the Trustees have given regard to the Charity Commission's Public Benefit guidance (Reg 40 (2)(c)(ii)) and particularly the guidance for charities whose objects are the advancement of religion.

Hertford Community Church provides Public Benefit in numerous ways which include Christian witness, being active in our local communities to all in need regardless of faith and donation of resources to both local and international communities.

..... Trustee

..... Date

# Hertford Community Church Trust

## Statement of Financial Activities

### Twelve Months Ended 31<sup>st</sup> August 2020

	Notes	Un- restricted funds £'000	Restricted funds £'000	<b>Total 2020 £'000</b>
<b>Incoming resources</b>				
Incoming resources from generated funds				
. Voluntary income	1	34	-	<b>35</b>
Incoming resources from charitable activities	2	-	54	<b>53</b>
<b>Total incoming resources</b>		<b>34</b>	<b>54</b>	<b>88</b>
<b>Resources expended</b>				
Charitable activities	3	24	54	<b>78</b>
<b>Total resources expended</b>		<b>24</b>	<b>54</b>	<b>78</b>
<b>32</b>				
<b>Net incoming resources</b>		10	-	<b>10</b>
Funds at the start of the year		47	-	<b>47</b>
<b>Funds at the end of the year</b>		<b>57</b>	<b>-</b>	<b>57</b>

## Hertford Community Church Trust

### Balance Sheet

At 31<sup>st</sup> August 2020

	Notes	2020 £'000	2020 £'000
<b>Current assets</b>			
Debtors	5	2	
Cash at bank and in hand	6	<u>55</u>	
		57	
<b>Creditors:</b> amounts falling due within one year	7	<u>-</u>	
<b>Net current assets</b>			<u>57</u>
<b>Total assets less current liabilities</b>			<u>57</u>
<b>Represented by:</b>			
<b>Funds and reserves</b>			
Unrestricted funds			<u>57</u>

Approved on: 09 February 2021

# Hertford Community Church Trust

## Cashflow

### Twelve Months Ended 31<sup>st</sup> August 2020

	Notes	2020 £'000	
<b>Cash inflow/(outflow) from operating Activities</b>	A	<b>15</b>	
<b>Changes due to including SPH&amp;W and removing Future Hope</b>		<b>1</b>	
<b>Increase/Decrease in cash</b>	B	<b>16</b>	

#### A Adjustment of net incoming resources before transfers to net cash inflow/(outflow) from operating activities

	2020 £'000	
Net incoming resources before transfers	<b>10</b>	
(Increase)/Decrease in Debtors	<b>5</b>	
Increase in Creditors	-	
<b>Net cash inflow/(outflow) from operating activities</b>	<b>15</b>	

#### B Analysis of changes in net debt

	At 1 Sept 2019 (restated) £'000	Cash flows £'000	At 31 Aug 2020 £'000
Cash at bank and in hand	42	15	<b>57</b>
<b>Total</b>	<b>42</b>	<b>15</b>	<b>57</b>



## **Principal Accounting Policies**

### **Basis of accounting**

The financial statements have been prepared under the historical cost convention. Applicable United Kingdom Accounting Standards and the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2005), have been followed in the preparation of these financial statements.

### **Incoming resources**

All income is credited to the statement of financial activities on a receivable basis.

Donations are credited to the statement of financial activities in the year in which they are received as receipt is the earliest point at which entitlement is considered certain.

Restricted grants and awards are included once the amount is reasonably certain to be received. The income is matched to the period of expenditure for grants extending beyond the financial year.

### **Resources expended and the basis of apportioning costs**

Expenditure is charged to the statement of financial activities on an accruals basis.

Governance costs are negligible and no separate cost has been identified.

### **Fund accounting**

The Restricted Funds are monies raised for, and their use restricted to, a specific purpose, or donations subject to donor imposed condition.

The General Fund represents unrestricted and undesignated monies used to fund working capital and which the organisation may use in furtherance of the charity's objectives.

## 1 Voluntary income

	Unrestricted funds £'000	Restricted funds £'000	<b>Total 2020 £'000</b>	
Donations	27		<b>27</b>	
Grants	0		<b>0</b>	
Other income	1		<b>1</b>	
Gift Aid	6	-	<b>6</b>	
	<b>34</b>	<b>-</b>	<b>34</b>	

## 2 Incoming resources from charitable activities

	Unrestricted funds £'000	Restricted funds £'000	<b>Total 2020 £'000</b>	Total 2019 £'000
Government grants	-	52	<b>52</b>	46
Fees	-	2	<b>2</b>	7
	<b>-</b>	<b>54</b>	<b>54</b>	<b>53</b>

## 3 Cost of charitable activities

	Unrestricted funds £'000	Restricted funds £'000	<b>Total 2020 £'000</b>	
Staff costs	3	46	<b>49</b>	
Contributions to outside activities	12	0	<b>12</b>	
Accommodation	2	3	<b>5</b>	
Project costs	2	5	<b>7</b>	
Administration and general	5	-	<b>5</b>	
	<b>24</b>	<b>54</b>	<b>78</b>	

## 4 Staff costs

	<b>2020 £'000</b>	
Total staff costs	<b>49</b>	

It has not been possible to quantify the monetary value of the services of approximately 25 volunteers who give their time freely, providing a wide range of support and activities to children, youth, OAPs, local residents and staff.

The average number of actual employees was as follows:

	2020	
Part time - FTE equivalent of 2.5	8	
Full time	0	
	8	

## 5 Debtors

	2020 £'000	
Gift Aid Due	2	
	2	

## 6 Cash at bank and in hand

	2020 £'000	
Current accounts	55	
	55	

## 7 Creditors: amounts falling due within one year

	2019 £'000	
Other creditors	-	
	-	