

CHALLENGE COMMUNITY CHURCH HEREFORD

England & Wales · Charity number 1095786

Details

Other names CCC

Status Registered

Legal form Trust

Registered 2003-02-04

Register [View on the Charity Commission register](#)

Contact

Address 131 St. Peters Close
Moreton-On-Lugg
Hereford
HR4 8DW

Phone 01432761771

Website <http://www.challengecommunitychurch.co.uk>

Activities

Objects: TO ADVANCE THE CHRISTIAN FAITH, IN ACCORDANCE WITH THE STATEMENT OF DOCTRINES AND PRACTICES SET OUT IN THE SCHEDULE APPENDED, MAINLY BUT NOT EXCLUSIVELY IN THE HEREFORD AREA, AND GENERALLY FURTHER THE KINGDOM OF HEAVEN UNDER THE GUIDANCE OF GOD THE FATHER, GOD THE SON AND GOD THE HOLY SPIRIT; AND TO BUILD UP THE SPIRITUAL LIFE OF THE BELIEVERS AND ALL WHO ATTEND.

Activities: Evangelical Church serving South Wye area of Hereford. Centre for Christian Worship, Teaching & Evangelism. Support for needy in community and for Christian work elsewhere in Uk & Abroad.

Classification

- **How:** Makes Grants To Individuals, Makes Grants To Organisations, Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information, Acts As An Umbrella Or Resource Body
- **What:** General Charitable Purposes, Education/training, The Prevention Or Relief Of Poverty, Overseas Aid/famine Relief, Religious Activities
- **Who:** Children/young People, Elderly/old People, Other Charities Or Voluntary Bodies, The General Public/mankind

Geography

- **Area of benefit:** MAINLY, BUT NOT EXCLUSIVELY IN THE HEREFORD AREA.
- Herefordshire

Finances

Period end	Income	Expenditure	Assets	Employees
2025-08-31	£69,707	£80,181	-	-
2024-08-31	£76,680	£70,581	-	-
2023-08-31	£70,530	£64,928	-	-
2022-08-31	£66,294	£63,727	-	-
2021-08-31	£62,265	£66,395	-	-
2020-08-31	£51,668	£56,737	-	-

Trustees

Name	Role	Appointed
Chris Over		2013-10-14
Foster Erwin		2016-03-21
IAN JOHN CRACKNELL		
MARTIN GEORGE ERWIN		
Steve Sully		2013-10-14

CHALLENGE COMMUNITY CHURCH HEREFORD

England & Wales - Charity number 1095786

Accounts

Charity registration Number: 1095786

CHALLENGE COMMUNITY CHURCH

Receipts and Payments Accounts

For the year ending 31 August 2025

CHALLENGE COMMUNITY CHURCH
Financial Statements
For the year ending 31 August 2025

Contents

	Page
Trust Information	1
Trustees' Report	2
Independent Examiner's Report to the Trustees	9
Receipts and Payments Account	10
Statement of Assets and Liabilities	11
Notes to the accounts	12-15

CHALLENGE COMMUNITY CHURCH

Trust Information

Status

Challenge Community Church, Hereford, is registered with the Charity Commissioners (No. 1095786) and constituted by a Deed of Trust dated 19 July 2002.

Trustees

The Charity is administered by the Trustees, who are at the time of signing this report:

Mr S Sully	Mr IJ Cracknell
Mr SWJ Grisman	Mr JGM Erwin
Mr C Over	Mr FD Erwin

Western Counties and South Wales Evangelisation Trust is the custodian trustee of the church premises at 40 Belmont Road, Hereford.

Elders	Mr S Sully Mr M Roberts Mr FD Erwin
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Outreach and development leader	Ms F Roberts
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Church Office	40 Belmont Road Hereford HR2 7JW
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Registered Office	131 St Peter's Close Moreton-on-Lugg Hereford HR4 8DW
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Bankers	Lloyds TSB High Town Hereford HR1 2AE
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CHALLENGE COMMUNITY CHURCH

Trustees' Report

For the year ending 31 August 2025

The trustees submit their annual report and financial statements for the year ended 31 August 2025. The trustees have adopted The Charities (Accounts and Reports) Regulations 2008 in preparing their annual report. The financial statements have been prepared in accordance with the accounting policies set out on page 11, and comply with the charity's governing documentation, The Charities Act 2011 and Charity Commission Guidance and notes.

Constitution

The charity is an unincorporated charity and is governed by its Trust Deed.

Object of the charity

To advance the Christian faith, in accordance with the Statement of Doctrines and Practices set out in the Schedule appended to the deed, mainly but not exclusively in the Hereford area.

Structure, governance and management

The charity is ultimately run by the Trustees. The Trustees have the authority to exercise their powers to further the objects of the charity. The Trustees meet at least once a year but delegate the day to day decision making on the running of the Church to the Elders of the Church, some of whom are also Trustees. The Elders meet formally twice a month to consider the management and pastoral needs of the fellowship.

The Elders have taken collective responsibility for the pastoral work and Faye Roberts is the Outreach and Development Leader. Every future Trustee shall be appointed by a resolution of Trustees passed at a special meeting. Training is available for Trustees as the need arises. The Elders take responsibility for the management of risk and have set up a team to identify, assess and mitigate areas of risk.

Objectives and activities

The church meets at 40, Belmont Rd, Hereford. Our objective is to reach out to people in the surrounding community, witness for, teach about, and demonstrate the love of, Jesus Christ and trust and pray that He becomes their own personal saviour. This is undertaken through weekly meetings for teaching and worship; specific evangelistic and outreach events; The Storehouse Ministry (provision of foodstuffs to people in desperate need); Koffee and Kids; Who Let The Dads Out; Friday Family Fun; coffee morning; and various children's and youth ministries.

Gifts to external organisations and individuals are considered by the Elders from time to time on the basis of need and fulfilment of the charitable objectives. There are no upper or lower limits of support. No commitments have been made for long term support.

Related parties

The Trustees received no remuneration as a result of their office during the year. No Trustee, or other person related to the charity, apart from as detailed in note 7, had any personal interest in any contract or transaction entered into by the charity during the year.

Review of developments

The Church is led by Elders; Steve Sully, Foster Erwin, and Malcolm Roberts.

CHALLENGE COMMUNITY CHURCH
Trustees' Report (continued)
For the year ending 31 August 2025

Faye Roberts is employed full time by the church as the Outreach and Development Leader. Her contract stipulates one day each week must be devoted to study, therefore Faye is enrolled on a theological training course at Crosslands Bible College.

Evelyn Payne is employed part time (22.5 hours) by the church as the Children and Families Leader. Evelyn started the job on 1st October 2024.

The Elders, along with the Outreach and Development Leader, meet twice each month, once for regular business and once for prayer. In addition, the Elders are also supported by volunteer Ministry Leaders, the Outreach and Development Leader and the Children and Families Leader.

Regular activities continue to run with Sunday services which continue to be livestreamed enabling those that can't make it to church to access our services weekly. We have continued to see an increased number of families attending on a Sunday and they have started to become more involved in the work we are doing as they volunteer in different areas of the church.

We have been meeting regularly as a church for prayer meetings – three times a month including a half day of prayer in January. Monthly prayer meetings include a Saturday morning, a Tuesday evening and an evening prayer walk. Our half day of prayer was led by a variety of church members and was well attended and gave us a refreshing start to 2025.

Life groups continue to run and we have encouraged people to be a part of these. We currently have three groups and they follow their own plans, although through the year we also have series that offer life group material to develop Sunday's teaching and application.

Friday Family Fun (FFF) has continued to engage well with families that currently attend other midweek events or the Sunday service and therefore continues to be a good opportunity to develop relationships. We have changed the programme so that we start with games and then our God slot which has become more detailed and focused as we have a theme for the night which we try to tie in with games, songs, talks, quizzes and crafts. We then have a light tea at the end of the evening, followed by tuckshop. Although numbers are inconsistent, we continue to use the time to build good relationships with those who come whilst endeavouring to find new ways to connect with more families.

Koffee and Kids has seen a busy year with lots of parents/carers/childminders coming in with their kids and we have continued to develop relationships with them. Evelyn has brought in more stories and teaching, to engage the children but also the parents. We continue to see families come along to outreach events, our Christmas meal and attend other weekly/monthly.

We continue to run Who Let the Dads Out (WLTDO) monthly for men and their kids. It has been a fruitful ministry as we see families coming in that are linked to other ministries but also new families as well. It has been encouraging to see the dads that attend take on more ownership of the event, as they help lead in the kitchen or get alongside new dads/carers and encourage them to attend other events. The men continue to build relationship through men's events which also includes their kids as they go golfing or bowling.

CHALLENGE COMMUNITY CHURCH
Trustees' Report (continued)
For the year ending 31 August 2025

Marlbrook After School Club continues to be fully subscribed (20 pupils). It has been good to build relationships with the children and to have an impact within the school. We have also made links with Riverside Primary School starting with running a netball club, which led to year 2 classes joining us for an Easter session. We had three classes of thirty join us to hear the Easter story, sing songs and do an Easter craft. Over the three sessions we welcomed 90 students, their teachers and support staff and they were very appreciative and impressed with what was delivered. We then welcomed year 1 classes who came to learn about church as part of their RE curriculum. They also heard a Bible story, sang songs and did a craft. Again we welcomed 90 students across three sessions as well as their teachers and support staff, they too enjoyed their time with us.

We continue to run yearly outreach events that are our way to connect with a wider cross section of the community.

Our Christmas events included a Family Christmas meal where we served 80 people, with attendees including people from the church congregation but also families from our different weekly events.

Our next Christmas event was Carols on the Green on Hunderton Green. The event was family friendly with short stories telling the Christmas nativity with a gospel message to finish. The event was well attended with new faces joining us as well as families from some of our weekly events.

We had our Christmas day service which was a family friendly service. It was well attended and a joyful time to be together and worship.

This year we did not run our holiday club at Easter but we continued to run our Easter Trail on the Saturday before Easter. Along the trail kids got to watch clips of the Easter story and they collected story cards to help them remember the story. We then had crafts, refreshments, prizes and games when they made it to church which was the end destination.

During the summer we ran our Sunday series alongside our summer events. There were three weeks of different activities after the service. We saw a good number of families interacting with the events although less of the older generation.

Towards the end of the summer we ran a holiday club for 3 days as part of the council's 'Holiday Activities Food Programme' (HAF) who gave us a grant to run our club. The grant supports free school meal children to attend and those that aren't on free school meals were charged £2 a day. This year the number increased greatly, all the planned spaces booked up and we had to add extra places. In the end we had about 30 children each day. The children really enjoyed themselves, with some booking on again and we had a low rate of no shows compared to other events run under the HAF programme. The council visitor was really impressed with all that we did. We also saw a family join our Sunday service due to the fun they had at the holiday club.

We had our third camping trip for the teens. We did a range of activities and short talks which were delivered throughout each day focusing on John 15 'What does it mean to follow Jesus.' Youth also requested that we meet as a youth/young adults group to do a Bible study where they came with great questions and they show a real desire to know God and his word more.

CHALLENGE COMMUNITY CHURCH

Trustees' Report (continued)

For the year ending 31 August 2025

In September we hosted our second 'At the Movies' where volunteers created all the decorations so that church looked like Willy Wonka's Chocolate Factory. We launched the event at our fun day, which we advertised on Your Herefordshire Facebook page which saw greater interactions than our usual leaflet drops. We also brought in golden tickets where people found tickets and won prizes. We then ran At the Movies series for three weeks, using three secular films. Each week we used one of the films and took clips from it which we then used to highlight God's truth and the Gospel message. It was a great series to reconnect with people that had stopped attending on a Sunday.

We have worked closely with Putson Baptist Church (another South Wye church) in delivering an average of 60 food parcels each week to families who are referred to us through schools, social services and other intermediaries.

Looking ahead to next year we will be continuing with our weekly ministries. We will develop FFF to make it more accessible for more families, as we are seeing more new families attending.

We will be adding a half day of prayer in September and also running our Fun Day in September. We will host Counties Life Exhibition in October and run Carols on the Green at Christmas, which will also include a Christmas party beforehand aimed at the kids so that we can encourage more people to stay for Carols on the Green. We hope to repeat our summer events including the holiday club and summer camp for the teens.

During the year we want to find more ways to interact with our community and build better relationships with other local charities and businesses within the community. We also encourage our members to serve beyond our own church with members volunteering with Vennture, Good News for Everyone, Counties, chaplaincy and other activities.

The leadership team have decided to begin 'The Vine Project' which will be a group of ten people from the church who will work together to shape our ministry culture around disciple-making. The team has been formed and are looking forward to beginning in September. It will be a two-year journey where we work through five phases:

- Phase 1: Sharpen your conviction
 - Why make disciples?
 - What is a disciple?
 - How are disciples made?
 - Who makes disciples?
 - Where to make disciples?
- Phase 2: Reform your personal culture
- Phase 3: Loving, honest evaluation
- Phase 4: Innovate and implement
- Phase 5: Momentum

We believe Challenge does a lot of good things but to be more effective for God we need to ensure that everything we do is connected to the vine and we believe this project will help us to focus in on what we do well and what we need to develop and change.

CHALLENGE COMMUNITY CHURCH
Trustees' Report (continued)
For the year ending 31 August 2025

Public benefit statement

Identifiable Benefits, related to the aims of the charity

Through the regular worship & prayer meetings, Bible studies, children's clubs, social action programmes and personal visitation the Christian Faith is shared and people in the community helped. Individuals have become Christians, had their faith developed and lifestyles impacted. As part of community life families have been supported.

Beneficiaries

In addition to Church members and other regular attendees, anyone is welcome to attend appropriate events without restriction. We seek to be available to all in the community.

The Trustees consider that they have complied with their duties under the Charities Act 2011 to have due regard to public benefit guidance published by the Charities Commission.

Reserves policy

It was agreed at the Trustees meeting on 9 July 2025 to aim to hold reserves in the General Fund equivalent to three months expenditure (approx. £16,500) and a base level of reserves of £6,000 (only necessary expenditure below base reserves). The Trustees review this policy from time to time and agree that it is still appropriate.

Reserves are currently higher than this due to the need to hold a balance to meet an anticipated shortfall on regular monthly income and expenditure.

No limit has been put on the Restricted Funds (Building, Mission, and Storehouse) as these are being held for a specific purpose and spent when the need arises.

Risk management policy

The operations team have reviewed and updated the risk management policies of the church; when finalised these are passed to the Elders for adoption. The policy is to review the risk assessments on a two year rotational basis.

The principal risks currently identified, and strategies for managing those risks are as follows:

- Adequate funds to meet commitments. Addressed through the preparation of an annual budget; regular monitoring of income and expenditure by treasurer; periodic review by Elders at finance meetings.
- Safeguarding vulnerable adults and children. Addressed through a Safeguarding Officer; Child Protection and Safeguarding policy kept up to date through review and being a member of CCPAS; training.
- Health and safety on church premises. Addressed through a member being tasked to monitor the condition of premises; fire drills; regular maintenance; promoting the need to consider health and safety during activities.

Results and financial review

The financial statements for the year to 31 August 2025 have been prepared on a Receipts and Payments basis.

CHALLENGE COMMUNITY CHURCH
Trustees' Report (continued)
For the year ending 31 August 2025

Net movement of funds for the Church was a total decrease of £10,474 for the year. This is made up of a £10,462 decrease on the General Fund, and a £12 decrease with respect to restricted funds. In light of the investment in a children's worker a general fund deficit was anticipated and approved on the basis that we had built up sufficient reserves to cover any shortfalls in income in the early years of this commitment.

The General Fund received income of £62,037 (2024 - £71,139), this has arisen due to a small decrease in giving from members, less tax recovered on giving and a decrease in receipts from church activities. The General Fund expenditure was £70,199 (2024 - £63,047) which was a 11.3% increase from last year. The main reason for this was that the church took on a children's worker during the year which led to an increase in staff wages. During the year there were no building improvements or purchase of new equipment.

The main transfer between funds was £2,300 from the General Fund to the Mission Fund. In the light of reduced cash collections for the Mission Fund, we supplement gifts to the missionaries we support.

The balance on the general fund at the end of the year was £24,003. This is a little higher than our reserves policy but these will potentially be needed to fund the anticipated deficit for the coming year as the church continues to grow income to cover the higher level of operating costs.

The Restricted Funds showed incoming resources (received or transferred) of £9,970, which are shown in more detail in note 8. £9,686 of grants were made from the Mission Fund during the year to the mission works that the church supports (see note 5). Therefore in total 13.9% of the church income was gifted to missionary works during the year. At the year end the Mission Fund shows a surplus of £1,319 which will be distributed in the coming year. The Storehouse Fund continues to be active with income in the form of gifts received of £75 and expenditure of £296, leaving a balance of £466 at the year end. These accounts only reflect the financial gifts to the Storehouse Fund and how they were spent. It was not practical to value and record in these accounts the provisions that are given by members and passed on to those in need. Total restricted funds carried forward are £1,785.

At the year end the only designated fund was the 'Project Fund' which had a balance of £2,282. There was no movement in the year.

CHALLENGE COMMUNITY CHURCH
Trustees' Report (continued)
Objectives and activities


Statement of Trustees responsibilities

Charity law requires trustees to prepare accounts for each financial year which state the affairs of the charity and of the payments and receipts of the Charity for that period. In preparing these accounts, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently.
- Prepare the accounts on a 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 which disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the accounts comply with the Charities Act. They are also responsible for safeguarding the assets of the Charity and hence take reasonable steps for the prevention and detection of fraud and other irregularities. The Trustees confirm that the accounts comply with current statutory requirements and those of the Charity's Trust Deed.

Signed for and on behalf of the
Trustees of Challenge Community Church



Trustee - SWJ Grisman

10th May 2026

Date

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF CHALLENGE COMMUNITY CHURCH

I report on the accounts of the charity for the year ended 31 August 2025, which are set out on pages 9 to 14.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the Charities Act) and that an independent examination is needed.

It is my responsibility to:

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

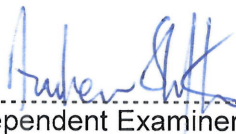
Basis of the independent examiner's report

My examination was carried out in accordance with the General Directions 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 the 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 accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

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 130 of the Charities Act; and
 - to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the Charities Act have not been met; or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Independent Examiner

18 May 2026
Date

Mr PA Stuffins
Redlands
Ballingham
Herefordshire
HR2 6NH

CHALLENGE COMMUNITY CHURCH
Receipts and Payments Account
For the year ending 31 August 2025

		General	Desig- nated	Rest- ricted	Total	Total
	Note	Fund	Funds	Funds	Funds	Funds
		£	£	£	2025	2024
					£	£
Receipts						
Voluntary Receipts						
Regular giving from members						
Tax effective giving	2	40,574	-	6,431	47,005	48,902
Collections	2	5,608	-	592	6,200	6,777
Income Tax recovered	2	11,654	-	647	12,301	12,073
Other voluntary receipts		-	-	-	-	-
Receipts from church activities		2,158	-	-	2,158	5,218
Rent received		900	-	-	900	2,790
Grants received		860	-	-	860	525
Investment income		283	-	-	283	395
Total income		<u>62,037</u>	<u>-</u>	<u>7,670</u>	<u>69,707</u>	<u>76,680</u>
Payments						
Costs of generating funds						
Church activities	3,4	69,154	-	296	69,450	56,064
Grants payable (mission gifts)	5	1,045	-	9,686	10,731	7,060
		<u>70,199</u>	<u>-</u>	<u>9,982</u>	<u>80,181</u>	<u>63,124</u>
Purchase of new equipment		-	-	-	-	7,457
Building improvements		-	-	-	-	-
Total payments		<u>70,199</u>	<u>-</u>	<u>9,982</u>	<u>80,181</u>	<u>70,581</u>
Excess Receipts over Payments		(8,162)	-	(2,312)	(10,474)	6,099
Transfers between funds	6,8,9	(2,300)	-	2,300	-	-
Net movement on funds		<u>(10,462)</u>	<u>-</u>	<u>(12)</u>	<u>(10,474)</u>	<u>6,099</u>
Funds brought forward		34,465	2,282	1,797	38,544	32,445
Funds carried forward		<u>24,003</u>	<u>2,282</u>	<u>1,785</u>	<u>28,070</u>	<u>38,544</u>

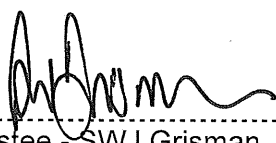
CHALLENGE COMMUNITY CHURCH
Statement of Assets and Liabilities
As at 31 August 2025

	2025	2024
Note	£	£
Fixed assets		
Premises at 40 Belmont Road, Hereford	423,023	423,023
Fixtures and fittings	6,874	8,446
Equipment	<u>3,227</u>	<u>4,273</u>
	<u>433,124</u>	<u>435,742</u>

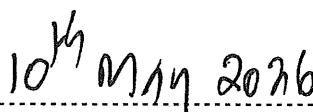
Western Counties and South Wales Evangelisation Trust is the custodian trustee of the church premises at 40 Belmont Road, Hereford.

Cash funds		
Lloyds Bank Current account	3,040	2,111
Lloyds Bank Deposit account	25,017	36,000
Storehouse petty cash	13	13
Ignite tuck shop petty cash	<u>-</u>	<u>420</u>
	<u>28,070</u>	<u>38,544</u>

Signed for and on behalf of the
Trustees of Challenge Community Church



Trustee - SWJ Grisman



Date

CHALLENGE COMMUNITY CHURCH
Notes to the accounts
For the year ending 31 August 2025

1 Accounting Policies

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and in the preceding year.

Basis of accounting

The financial statements are prepared under the historical cost convention, and using the Receipts and Payments basis.

Fund accounting

The church maintains various types of funds as follows:

Restricted Funds

Restricted Funds represent gifts received for specific purposes. Challenge Community Church has two such funds.

- The Mission Fund represents monies given to support missionary works which is reviewed on an annual basis. The church does not enter into commitments to support any given beneficiary beyond the end of its financial year.
- The Storehouse Fund represents monies given to fund of people in the local community, mainly in the form of food parcels. The beneficiaries are brought to our attention by local social services.

Designated Funds

Designated Funds are amounts that have been put aside out of unrestricted funds at the discretion of the trustees. Challenge Community Church has one such fund.

- The Project Fund has been set up to ring fence some larger one off gifts to the church. The Trustees wish these funds to be used for specific evangelistic projects that we would normally find difficult to fund from regular giving or to release to general funds in a planned way.

Unrestricted Funds

The General Fund represents unrestricted income that is expendable at the discretion of the Trustees in the furtherance of the objects of the charity.

Fixed assets

Western Counties and South Wales Evangelisation Trust is the Custodian Trustee of the church property at 40 Belmont Road, Hereford, HR2 7 JW. The £423,023 premises costs shown in the Statement of Assets and Liabilities represent the purchase and refurbishment costs of these premises and continues to be an asset of Challenge Community Church under this arrangement.

Equipment, fixtures and fittings are recorded on the statement of assets and liabilities at cost less an estimated decrease in value.

CHALLENGE COMMUNITY CHURCH
Notes to the accounts
For the year ending 31 August 2025

2 Analysis of Restricted Fund Receipts

	Building	Mission	Store- house	2025	2024
	Fund	Fund	Fund	Total	Total
	£	£	£	£	£
Receipts from donors					
Tax effective giving	-	6,431	-	6,431	4,375
Collections	-	592	-	592	777
Income Tax recovered	-	572	75	647	389
Total income	-	7,595	75	7,670	5,541

3 Analysis of General Fund payments - Church Activities

	2025	2024
	£	£
Wages and expenses	44,615	28,649
Bible College	3,708	3,510
Speaker expenses	456	314
Evangelism and outreach costs	1,948	4,235
Ministry expenditure	2,997	2,727
Running costs	4,142	6,751
Repairs	4,103	1,111
Utilities	7,185	8,293
	69,154	55,590

4 Analysis of Restricted Fund Payments

	Hereford	Mission	Store- house	2025	2024
	Community	Fund	Fund	Total	Total
	Grant Fund	Fund	Fund	£	£
	£	£	£	£	£
Church activities					
Ministry expenditure	-	-	296	296	474
Running costs	-	-	-	-	-
Repairs	-	-	-	-	-
	-	-	296	296	474
Grants payable (see note 5)	-	9,686	-	9,686	7,060
	-	9,686	296	9,982	7,534

CHALLENGE COMMUNITY CHURCH
Notes to the accounts
For the year ending 31 August 2025

5 Grants payable	General Fund £	Mission Fund £	2025 £	2024 £
Barn Fest	-	350	350	-
Counties	-	1,600	1,600	1,620
Close House	-	355	355	390
Ear Aid Nepal	300	-	300	-
Esther Price	-	400	400	350
Good News for Everyone	-	476	476	1,200
Joel and Emily Thibault	-	375	375	538
Project India	-	300	300	300
Solomon Nathaniel	-	2,770	2,770	812
Tear Fund	545	-	545	-
Three Counties Show	-	-	-	300
Tough Talk	-	350	350	350
Vennture	-	1,200	1,200	1,200
Ukraine	-	1,510	1,510	-
Other grants	200	-	200	-
	<u>1,045</u>	<u>9,686</u>	<u>10,731</u>	<u>7,060</u>

6 Transfers between funds

£2,300 was transferred from the General Fund to the Mission Fund to help meet our commitments to the missionaries we supported in the year.

7 Related party transactions

Elders and their spouses have claimed reimbursement, from time to time, for sundry expenditure incurred in relation to church activities.

CHALLENGE COMMUNITY CHURCH
Notes to the accounts
For the year ending 31 August 2025

8 Analysis of restricted funds	Mission Fund £	Store- house Fund £	Total £
Balance brought forward	1,110	687	1,797
Receipts	7,595	75	7,670
Payments	(9,686)	(296)	(9,982)
Transfers in/(out)	2,300	-	2,300
Balance carried forward	<u>1,319</u>	<u>466</u>	<u>1,785</u>

9 Analysis of designated funds	Project Fund £	Total £
Balance brought forward	2,282	2,282
Receipts	-	-
Payments	-	-
Transfers in/(out)	-	-
Balance carried forward	<u>2,282</u>	<u>2,282</u>

CHALLENGE COMMUNITY CHURCH HEREFORD

England & Wales - Charity number 1095786

Accounts

Charity registration Number: 1095786

CHALLENGE COMMUNITY CHURCH

Receipts and Payments Accounts

For the year ending 31 August 2024

CHALLENGE COMMUNITY CHURCH
Financial Statements
For the year ending 31 August 2024

Contents

	Page
Trust Information	1
Trustees' Report	2
Independent Examiner's Report to the Trustees	8
Receipts and Payments Account	9
Statement of Assets and Liabilities	10
Notes to the accounts	11-14

CHALLENGE COMMUNITY CHURCH

Trust Information

Status

Challenge Community Church, Hereford, is registered with the Charity Commissioners (No. 1095786) and constituted by a Deed of Trust dated 19 July 2002.

Trustees

The Charity is administered by the Trustees, who are at the time of signing this report:

Mr S Sully	Mr IJ Cracknell
Mr SWJ Grisman	Mr JGM Erwin
Mr C Over	Mr FD Erwin

Western Counties and South Wales Evangelisation Trust is the custodian trustee of the church premises at 40 Belmont Road, Hereford.

Elders

Mr S Sully
Mr M Roberts
Mr FD Erwin

Outreach and development leader

Ms F Roberts

Church Office

40 Belmont Road
Hereford
HR2 7JW

Registered Office

131 St Peter's Close
Moreton-on-Lugg
Hereford
HR4 8DW

Bankers

Lloyds TSB
High Town
Hereford
HR1 2AE

CHALLENGE COMMUNITY CHURCH
Trustees' Report
For the year ending 31 August 2024

The trustees submit their annual report and financial statements for the year ended 31 August 2024. The trustees have adopted The Charities (Accounts and Reports) Regulations 2008 in preparing their annual report. The financial statements have been prepared in accordance with the accounting policies set out on page 11, and comply with the charity's governing documentation, The Charities Act 2011 and Charity Commission Guidance and notes.

Constitution

The charity is an unincorporated charity and is governed by its Trust Deed.

Object of the charity

To advance the Christian faith, in accordance with the Statement of Doctrines and Practices set out in the Schedule appended to the deed, mainly but not exclusively in the Hereford area.

Structure, governance and management

The charity is ultimately run by the Trustees. The Trustees have the authority to exercise their powers to further the objects of the charity. The Trustees meet at least once a year but delegate the day to day decision making on the running of the Church to the Elders of the Church, some of whom are also Trustees. The Elders meet formally twice a month to consider the management and pastoral needs of the fellowship.

The Elders have taken collective responsibility for the pastoral work and Faye Roberts is the Outreach and Development Leader. Every future Trustee shall be appointed by a resolution of Trustees passed at a special meeting. Training is available for Trustees as the need arises. The Elders take responsibility for the management of risk and have set up a team to identify, assess and mitigate areas of risk.

Objectives and activities

The church meets at 40, Belmont Rd, Hereford. Our objective is to reach out to people in the surrounding community, witness for, teach about, and demonstrate the love of, Jesus Christ and trust and pray that He becomes their own personal saviour. This is undertaken through weekly meetings for teaching and worship; specific evangelistic and outreach events; The Storehouse Ministry (provision of foodstuffs to people in desperate need); Koffee and Kids; Who Let The Dads Out; Friday Family Fun; coffee morning; and various children's and youth ministries.

Gifts to external organisations and individuals are considered by the Elders from time to time on the basis of need and fulfilment of the charitable objectives. There are no upper or lower limits of support. No commitments have been made for long term support.

Related parties

The Trustees received no remuneration as a result of their office during the year. No Trustee, or other person related to the charity, apart from as detailed in note 7, had any personal interest in any contract or transaction entered into by the charity during the year.

Review of developments

The Church is led by Elders; Steve Sully, Foster Erwin, and Malcolm Roberts.

CHALLENGE COMMUNITY CHURCH
Trustees' Report (continued)
For the year ending 31 August 2024

Faye Roberts is employed by the church as the Outreach and Development Leader. Previously employed on a part time basis, Faye's contract has now been extended to full time hours. Her contract stipulates one day each week must be devoted to study, therefore Faye is enrolled on a theological training course at Crosslands Bible College.

The Elders, along with the Outreach and Development Leader, meet twice each month, once for regular business and once for prayer. In addition, the Elders are also supported by volunteer Ministry Leaders and the Outreach and Development Leader.

Regular activities continue to run with Sunday services which continue to be livestreamed enabling those that can't make it to church to access our services weekly. We have continued to see an increased number of families attending on a Sunday and they have started to become more involved in the work we are doing as they volunteer in different areas of the church.

We have been meeting regularly as a church for prayer meetings – three times a month including a half day of prayer in January. Monthly prayer meetings include a Saturday morning, a Tuesday evening and an evening prayer walk. Our half day of prayer was led by a variety of church members and was well attended and gave us a refreshing start to 2024.

Life groups continue to run and we have encouraged people to be a part of these. We currently have three groups and they follow their own plans, although through the year we also have series that offer life group material to develop Sunday's teaching and application.

Friday Family Fun (FFF) has continued to engage well with families that currently attend other midweek events or the Sunday service and therefore continues to be a good opportunity to develop relationships. We have changed the activities, which has seen the kids doing more with their families and it has been a good opportunity for leaders to get alongside families and play games with them, enhancing the opportunities for conversation. We continue to include a 'God slot' which can be difficult within the setting as we try to get everyone's attention including parents! We are also seeing more of the families and young people involved in helping as they lead the activities or help tidy up afterwards and set up for the Sunday service. We have continued to take FFF outside during the summer months so that we can be a witness within the heart of the community.

Koffee and Kids has seen a busy year with lots of parents/carers/childminders coming in with their kids and we have continued to develop relationships with them. We have begun more crafts with a faith aspect, maybe just a verse attached, colouring sheets with simple verses and singing Christian kids songs. We have also seen some of the families come along to outreach events, our Christmas meal and attend other weekly/monthly events.

We continue to run Who Let the Dads Out (WLTDO) monthly for men and their kids. It has been a fruitful ministry as we see families coming in that are linked to other ministries but also new families as well. It has been encouraging to see the dads that attend take on more ownership of the event, as they help lead in the kitchen or get alongside new dads/carers and encourage them to attend other events. The men continue to build relationship through men's events which also includes their kids as they go golfing or bowling.

CHALLENGE COMMUNITY CHURCH
Trustees' Report (continued)
For the year ending 31 August 2024

After School Club continues to be fully subscribed (20 pupils) and on average 17 attending each week. It has been good to build relationships with the children and to have an impact within the school. The group also prepared a short play and Christmas song to perform at our Christmas event – Carols on the Green.

We continue to run yearly outreach events that are our way to connect with a wider cross section of the community.

We ran Alpha again during the autumn and saw people from the church attend who are not yet Christians. It was an encouraging time together to see people discover more about Jesus.

During October we welcomed Counties Life Exhibition, where we invited Primary schools to bring their year 5&6 pupils to come and find out who Jesus is. As always, the resources used were brilliant and those that attended had a good time and we had positive feedback from pupils and staff that attended. There were several gaps in the timetable, and we will seek to avoid this in two years time when we run the Life Exhibition again.

On 31st October we ran our Light Party to provide children with a safe alternative at Halloween. We ran this on Hunderton Green at the heart of the community as we brought the light of Jesus to Hunderton. This year it was quieter than the previous year but great to see new faces from the community as well as families from the different ministries we run.

Our Christmas events included a Family Christmas meal where we served 80 people, with attendees including people from the church congregation but also families from our different weekly events.

Our next Christmas event was Carols on the Green on Hunderton Green. We had three nativity characters share the Christmas story with us in a fun, discussion style way, which made it more accessible and engaging for all ages. We saw a good turnout, with a couple of families from our After School club attending.

At Easter we ran a holiday club for 3 days as part of the council's 'Holiday Activities Food Programme' (HAF) who gave us a grant to run our club. The grant supports free school meal children to attend and those that aren't on free school meals were charged £2 a day. We saw a lower number than usual attending the club due to a large range of activities offered by the council. Therefore next year we will look at delivering it at a different time of the year when there is less competition. However, those that came enjoyed it and the parents/carers and the council representative were very happy with the programme.

On the back of the holiday club we ran our Easter Trail which took the families along a route to hear the Easter story at various stations along the way. We used resources from GoChatter which told the different characters' stories using Lego. At the end of the trail there were refreshments and prizes. At the church we gave away to each child an Easter egg as well as an age appropriate Easter story book. We saw lots of families join in, including those that we interact with across ministries as well as some new ones too. Feedback given was that this was the best one yet!

CHALLENGE COMMUNITY CHURCH
Trustees' Report (continued)
For the year ending 31 August 2024

During the summer we ran our Sunday series alongside our summer events. There were three weeks of different activities after the service. We saw a good number of families interacting with the events although less of the older generation.

After the success of our first camping trip with the teens last year we organised another camp for them. We did a range of activities and delivered short talks throughout each day around being made in the image of God.

During the summer we started preparations for our next At the Movies event which will run in September. Volunteers will work together to create decorations for the church in the theme of 'Willy Wonka's Chocolate Factory'.

We have worked closely with Putson Baptist Church (another South Wye church) in delivering an average of 60 food parcels each week to families who are referred to us through schools, social services and other intermediaries.

Looking ahead to next year we will be continuing with our weekly ministries. We will develop FFF to make it more accessible for more families, as we are seeing more new families attending.

We will be running our Fun Day in September, followed by At the Movies (for three weeks) and Carols on the Green at Christmas. We hope to repeat our summer events including the summer camp for the teens.

We will look at running a holiday club but change the time of year when there is less competition. If HAF funding through the council is available then we will apply for a grant.

During the year we want to find more ways to interact with our community and build better relationships with other local charities and businesses within the community. We also encourage our members to serve beyond our own church with members volunteering with Vennture, Good News for Everyone, Counties, chaplaincy and other activities.

The leadership have decided to appoint a part time Children and Families Leader who will take on the schools work, Koffee and Kids, Kids Church and support with FFF. After advertising the post we successfully appointed Evelyn Payne to the role. This new role will enable Faye (Outreach and Development lead) to focus more on the development aspect of her job role as she focuses on the vision of the church and developing ways to help people move forward in their journey with Christ.

Public benefit statement

Identifiable Benefits, related to the aims of the charity

Through the regular worship & prayer meetings, Bible studies, children's clubs, social action programmes and personal visitation the Christian Faith is shared and people in the community helped. Individuals have become Christians, had their faith developed and lifestyles impacted. As part of community life families have been supported.

Beneficiaries

In addition to Church members, families, other regular attendees and friends anyone is welcome to attend appropriate events without restriction. We seek to be available to all in the community.

CHALLENGE COMMUNITY CHURCH
Trustees' Report (continued)
For the year ending 31 August 2024

The Trustees consider that they have complied with their duties under the Charities Act 2011 to have due regard to public benefit guidance published by the Charities Commission.

Reserves policy

It was agreed at the Trustees meeting on 20 May 2024 to aim to hold reserves in the General Fund equivalent to three months expenditure (approx. £11,000) and a base level of reserves of £6,000 (only necessary expenditure below base reserves). The Trustees review this policy from time to time and agree that it is still appropriate.

Reserves are currently higher than this due to the need to hold a balance to meet an anticipated shortfall on regular monthly income and expenditure.

No limit has been put on the Restricted Funds (Building, Mission, and Storehouse) as these are being held for a specific purpose and spent when the need arises.

Risk management policy

The operations team have reviewed and updated the risk management policies of the church; when finalised these are passed to the Elders for adoption. The policy is to review the risk assessments on a two year rotational basis.

The principal risks currently identified, and strategies for managing those risks are as follows:

- Adequate funds to meet commitments. Addressed through the preparation of an annual budget; regular monitoring of income and expenditure by treasurer; periodic review by Elders at finance meetings.
- Safeguarding vulnerable adults and children. Addressed through a Safeguarding Officer; Child Protection and Safeguarding policy kept up to date through review and being a member of CCPAS; training.
- Health and safety on church premises. Addressed through a member being tasked to monitor the condition of premises; fire drills; regular maintenance; promoting the need to consider health and safety during activities.

Results and financial review

The financial statements for the year to 31 August 2024 have been prepared on a Receipts and Payments basis.

Net movement of funds for the Church were a total of £6,099 increase for the year. This is made up of a £4,988 increase on the General Fund, and a £1,111 increase with respect to restricted funds.

The General Fund received income of £71,139 (2023 - £62,272) which is an encouraging 14.2% increase on last year. This has arisen due to an increase in giving from members, increased rent and an increase in receipts from church activities. The General Fund expenditure was £63,047 (2023 - £52,304) which was a 20.5% increase from last year. Inflationary pressures impacted on the church as we saw increases in staff wages, and utilities; this was offset to a small extent by a decrease in repair costs. We also undertook more evangelism and outreach in the year which included having the Life Exhibition at Challenge. There was £7,457 of expenditure on new equipment including sofas, radio mics and a new projector for the main hall, although the cost was covered by funds raised on a gift day specifically for this expenditure.

CHALLENGE COMMUNITY CHURCH
Trustees' Report (continued)
For the year ending 31 August 2024

The main transfers between funds was £3,104 from the General Fund to the Mission Fund to supplement the gift to the missionaries we support, in the light of reduced cash collections.

The balance on the general fund at the end of the year was £34,465. This is somewhat higher than our reserves policy but the elders are comfortable with this as they plan to use these funds to help fund the employment of a part time member of staff in the coming year to help run children's work of the church.

The Restricted Funds showed incoming resources (received or transferred) of £8,645, which are shown in more detail in note 8. £8,270 was given or transferred to Mission Fund and was passed on during the year to the mission works that the church supports (see note 5). Therefore in total 9.2% of the church income was gifted to missionary works during the year. At the year end the Mission Fund shows a surplus of £1,110 which will be distributed in the coming year. The Storehouse Fund continues to be active with income in the form of gifts received of £375 and expenditure of £474. These accounts only reflect the financial gifts to the Storehouse Fund and how they were spent. It was not practical to value and record in these accounts the provisions that are given by members and passed on to those in need. Total restricted funds carried forward

At the year end the only designated fund was the 'Project Fund' which had a balance of £2,282. There was no movement in the year.

Statement of Trustees responsibilities

Charity law requires trustees to prepare accounts for each financial year which state the affairs of the charity and of the payments and receipts of the Charity for that period. In preparing these accounts, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently.
- Prepare the accounts on a 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 which disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the accounts comply with the Charities Act. They are also responsible for safeguarding the assets of the Charity and hence take reasonable steps for the prevention and detection of fraud and other irregularities. The Trustees confirm that the accounts comply with current statutory requirements and those of the Charity's Trust Deed.

Signed for and on behalf of the
Trustees of Challenge Community Church



Trustee

22/06/2025

Date

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF CHALLENGE COMMUNITY CHURCH

I report on the accounts of the charity for the year ended 31 August 2024, which are set out on pages 9 to 14.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the Charities Act) and that an independent examination is needed.

It is my responsibility to:

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

Basis of the independent examiner's report

My examination was carried out in accordance with the General Directions 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 the 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 accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

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 130 of the Charities Act; and
 - to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the Charities Act have not been met; or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Independent Examiner

12th June 2025

Date

Mr D Hill
Jalna, Chapel Lane
Bodenham Moor
Herefordshire
HR1 3HR

CHALLENGE COMMUNITY CHURCH
Receipts and Payments Account
For the year ending 31 August 2024

		General	Desig-	Rest-	Total	Total
		Fund	nated	ri-cted	Funds	Funds
	Note	£	Funds	Funds	2024	2023
		£	£	£	£	£
Receipts						
Voluntary Receipts						
Regular giving from members						
Tax effective giving	2	44,527	-	4,375	48,902	46,895
Collections	2	6,000	-	777	6,777	6,752
Income Tax recovered	2	11,684	-	389	12,073	11,955
Other voluntary receipts		-	-	-	-	-
Receipts from church activities		5,218	-	-	5,218	2,214
Rent received		2,790	-	-	2,790	1,570
Grants received		525	-	-	525	1,020
Investment income		395	-	-	395	124
Total income		71,139	-	5,541	76,680	70,530
Payments						
Costs of generating funds						
Church activities	3,4	55,590	-	474	56,064	51,681
Grants payable (mission gifts)	5	-	-	7,060	7,060	11,420
		55,590	-	7,534	63,124	63,101
Purchase of new equipment		7,457	-	-	7,457	1,827
Building improvements		-	-	-	-	-
Total payments		63,047	-	7,534	70,581	64,928
Excess Receipts over Payments		8,092	-	(1,993)	6,099	5,602
Transfers between funds	6,8,9	(3,104)	-	3,104	-	-
Net movement on funds		4,988	-	1,111	6,099	5,602
Funds brought forward		29,477	2,282	686	32,445	26,843
Funds carried forward		34,465	2,282	1,797	38,544	32,445

CHALLENGE COMMUNITY CHURCH
Statement of Assets and Liabilities
As at 31 August 2024

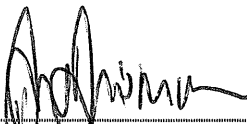
	2024	2023
Note	£	£
Fixed assets		
Premises at 40 Belmont Road, Hereford	423,023	423,023
Fixtures and fittings	8,446	7,226
Equipment	<u>4,273</u>	<u>3,347</u>
	<u>435,742</u>	<u>433,596</u>

Western Counties and South Wales Evangelisation Trust is the custodian trustee of the church premises at 40 Belmont Road, Hereford.

Cash funds

Lloyds Bank Current account	2,111	3,156
Lloyds Bank Deposit account	36,000	29,023
Storehouse petty cash	13	13
Ignite tuck shop petty cash	<u>420</u>	<u>253</u>
	<u>38,544</u>	<u>32,445</u>

Signed for and on behalf of the
Trustees of Challenge Community Church



Trustee

24th June 2025

Date

CHALLENGE COMMUNITY CHURCH
Notes to the accounts
For the year ending 31 August 2024

1 Accounting Policies

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and in the preceding year.

Basis of accounting

The financial statements are prepared under the historical cost convention, and using the Receipts and Payments basis.

Fund accounting

The church maintains various types of funds as follows:

Restricted Funds

Restricted Funds represent gifts received for specific purposes. Challenge Community Church has six such funds.

- The Mission Fund represents monies given to support missionary works which is reviewed on an annual basis. The church does not enter into commitments to support any given beneficiary beyond the end of its financial year.
- The Storehouse Fund represents monies given to fund of people in the local community, mainly in the form of food parcels. The beneficiaries are brought to our attention by local social services.

Designated Funds

Designated Funds are amounts that have been put aside out of unrestricted funds at the discretion of the trustees. Challenge Community Church has two such funds.

- The Project Fund has been set up to ring fence some larger one off gifts to the church. The Trustees wish these funds to be used for specific evangelistic projects that we would normally find difficult to fund from regular giving or to release to general funds in a planned way.

Unrestricted Funds

The General Fund represents unrestricted income that is expendable at the discretion of the Trustees in the furtherance of the objects of the charity.

Fixed assets

Western Counties and South Wales Evangelisation Trust is the Custodian Trustee of the church property at 40 Belmont Road, Hereford, HR2 7 JW. The £423,023 premises costs shown in the Statement of Assets and Liabilities represent the purchase and refurbishment costs of these premises and continues to be an asset of Challenge Community Church under this arrangement.

Equipment, fixtures and fittings are recorded on the statement of assets and liabilities at cost less an estimated decrease in value.

CHALLENGE COMMUNITY CHURCH
Notes to the accounts
For the year ending 31 August 2024

2 Analysis of Restricted Fund Receipts

	Building	Mission	Store-	2024	2023
	Fund	Fund	house	Total	Total
	£	£	Fund	£	£
			£		
Receipts from donors					
Tax effective giving	-	4,335	40	4,375	7,745
Collections	-	477	300	777	274
Income Tax recovered	-	354	35	389	239
Total income	-	5,166	375	5,541	8,258

3 Analysis of General Fund payments - Church Activities

	2024	2023
	£	£
Wages and expenses	28,649	26,461
Bible College	3,510	2,697
Speaker expenses	314	75
Evangelism and outreach costs	4,235	1,820
Ministry expenditure	2,727	3,006
Running costs	6,751	6,670
Repairs	1,111	3,665
Utilities	8,293	5,613
	55,590	50,007

4 Analysis of Restricted Fund Payments

	Hereford	Mission	Store-	2024	2023
	Community	Fund	house	Total	Total
	Grant Fund	Fund	Fund	£	£
	£	£	£		
Church activities					
Ministry expenditure	-	-	474	474	1,674
Running costs	-	-	-	-	-
Repairs	-	-	-	-	-
	-	-	474	474	1,674
Grants payable (see note 5)	-	7,060	-	7,060	10,950
	-	7,060	474	7,534	12,624

CHALLENGE COMMUNITY CHURCH
Notes to the accounts
For the year ending 31 August 2024

5 Grants payable	General Fund	Mission Fund	2024	2023
	£	£	£	£
Bodenham Christian Fellowship	-	-	-	150
Counties	-	1,620	1,620	1,600
Close House	-	390	390	300
Esther Price	-	350	350	300
Good News for Everyone	-	1,200	1,200	700
Joel and Emily Thibault	-	538	538	300
Project India	-	300	300	300
Solomon Nathaniel	-	812	812	650
Three Counties Show	-	300	300	300
Tough Talk	-	350	350	300
Vennture	-	1,200	1,200	6,200
Other grants	-	-	-	320
	-	<u>7,060</u>	<u>7,060</u>	<u>11,420</u>

6 Transfers between funds

£3,104 was transferred from the General Fund to the Mission Fund to help meet our commitments to the missionaries we supported in the year.

7 Related party transactions

Elders and their spouses have claimed reimbursement, from time to time, for sundry expenditure incurred in relation to church activities.

CHALLENGE COMMUNITY CHURCH
Notes to the accounts
For the year ending 31 August 2024

8 Analysis of restricted funds	Mission Fund £	Store- house Fund £	Total £
Balance brought forward	(100)	786	686
Receipts	5,166	375	5,541
Payments	(7,060)	(474)	(7,534)
Transfers in/(out)	3,104	-	3,104
Balance carried forward	<u>1,110</u>	<u>687</u>	<u>1,797</u>

9 Analysis of designated funds	Project Fund £	Total £
Balance brought forward	2,282	2,282
Receipts	-	-
Payments	-	-
Transfers in/(out)	-	-
Balance carried forward	<u>2,282</u>	<u>2,282</u>

CHALLENGE COMMUNITY CHURCH HEREFORD

England & Wales - Charity number 1095786

Accounts

Charity registration Number: 1095786

CHALLENGE COMMUNITY CHURCH

Receipts and Payments Accounts

For the year ending 31 August 2023

CHALLENGE COMMUNITY CHURCH
Financial Statements
For the year ending 31 August 2023

Contents

	Page
Trust Information	1
Trustees' Report	2
Independent Examiner's Report to the Trustees	9
Receipts and Payments Account	10
Statement of Assets and Liabilities	11
Notes to the accounts	12-16

CHALLENGE COMMUNITY CHURCH

Trust Information

Status

Challenge Community Church, Hereford, is registered with the Charity Commissioners (No. 1095786) and constituted by a Deed of Trust dated 19 July 2002.

Trustees

The Charity is administered by the Trustees, who are at the time of signing this report:

Mr S Sully	Mr IJ Cracknell
Mr SWJ Grisman	Mr JGM Erwin
Mr C Over	Mr FD Erwin

Western Counties and South Wales Evangelisation Trust is the custodian trustee of the church premises at 40 Belmont Road, Hereford.

Elders	Mr S Sully Mr M Roberts Mr FD Erwin
---------------	---

Outreach and development leader	Ms F Roberts
--	--------------

Church Office	40 Belmont Road Hereford HR2 7JW
----------------------	--

Registered Office	131 St Peter's Close Moreton-on-Lugg Hereford HR4 8DW
--------------------------	--

Bankers	Lloyds TSB High Town Hereford HR1 2AE
----------------	--

CHALLENGE COMMUNITY CHURCH
Trustees' Report
For the year ending 31 August 2023

The trustees submit their annual report and financial statements for the year ended 31 August 2023. The trustees have adopted the The Charities (Accounts and Reports) Regulations 2008 in preparing their annual report. The financial statements have been prepared in accordance with the accounting policies set out on pages 10 and 11, and comply with the charity's governing documentation, The Charities Act 2011 and Charity Commission Guidance and notes.

Constitution

The charity is an unincorporated charity and is governed by its Trust Deed.

Object of the charity

To advance the Christian faith, in accordance with the Statement of Doctrines and Practices set out in the Schedule appended to the deed, mainly but not exclusively in the Hereford area.

Structure, governance and management

The charity is ultimately run by the Trustees. The Trustees have the authority to exercise their powers to further the objects of the charity. The Trustees meet at least once a year but delegate the day to day decision making on the running of the Church to the Elders of the Church, some of whom are also Trustees. The Elders meet formally twice a month to consider the management and pastoral needs of the fellowship.

The Elders have taken collective responsibility for the pastoral work and Miss Faye Roberts has been appointed as the Outreach and Development Leader. Every future Trustee shall be appointed by a resolution of Trustees passed at a special meeting. Training is available for Trustees as the need arises. The Elders take responsibility for the management of risk and have set up a team to identify, assess and mitigate areas of risk.

Objectives and activities

The church meets every week at 40, Belmont Rd, Hereford. Our objective is to reach out to people in the surrounding community, witness for, teach about, and demonstrate the love of, Jesus Christ and trust and pray that He becomes their own personal saviour. This is undertaken through weekly meetings for teaching and worship; specific evangelistic and outreach events; The Storehouse Ministry (provision of foodstuffs to people in desperate need); Koffee and Kids club; Who Let The Dads Out; Friday Family Fun; coffee mornings; and various children's ministries.

Gifts to external organisations and individuals are considered by the Elders from time to time on the basis of need and fulfilment of the charitable objectives. There are no upper or lower limits of support. No commitments have been made for long term support.

Related parties

The Trustees received no remuneration as a result of their office during the year. No Trustee, or other person related to the charity, apart from as detailed in note 7, had any personal interest in any contract or transaction entered into by the charity during the year.

CHALLENGE COMMUNITY CHURCH
Trustees' Report (continued)
For the year ending 31 August 2023

Review of developments

The Church is led by Elders, Steve Sully, Foster Erwin, and Malcolm Roberts.

Faye Roberts is employed as the Outreach and Development Leader, this role was expanded into a full-time role, incorporating day release theological training. Faye started at Crosslands Bible College in January 2023.

The Elders, along with the Outreach and Development Leader, meet twice each month, once for regular business and once for prayer. In addition, the Elders are also supported by volunteer Ministry Leaders and the Outreach and Development Leader.

Regular activities continue to run with Sunday services which continue to be livestreamed enabling those that can't make church to access our services weekly. We have continued to see an increased number of families attending on a Sunday and they have started to become more involved in the work we are doing as they volunteer in different areas of the church. We celebrate that we have seen teenagers volunteering to help out in relevant areas, in particular with the audio visual system.

We have been meeting regularly as a church for prayer meetings – three times a month including a half day of prayer in January. Monthly prayer meetings include a Saturday morning, a Tuesday evening and an evening prayer walk. Our half day of prayer was led by a variety of church members and was well attended and gave us a refreshing start to 2023.

Life groups continue to run and we have encouraged people to be a part of these. We have also begun a new life group for those that went through Alpha.

Friday Family Fun (FFF) has continued to engage well with families, seeing our Friday evenings busy with relationships growing. We are also seeing more of the families and young people involved in helping as they lead the activities or help tidy up afterwards and set up for the Sunday service. We have continued to take FFF outside during the summer months so that we can be a witness within the heart of the community. Our outdoor sessions help us to do more as a family seeing parents getting involved with the games that the kids are playing. It's great to see the families working and playing together.

Koffee and Kids has seen a busy year of lots of parents/carers/childminders coming in with their kids and we have continued to develop relationships with them. We have begun more crafts with a faith aspect, maybe just a verse attached, colouring sheets with simple verses and singing 'our God is a great big God'. It's so encouraging to see the adults joining in the singing of our Christian song. We have also seen some of the families come along to outreach events and our Christmas meal.

We continue to run Who Let the Dads Out (WLTDO) monthly for men and their kids. It has been a fruitful ministry as we see families coming in that are linked to other ministries but also new families as well. It has been encouraging to see the dads that attend move into a volunteering role as they lead the kitchen team serving food for those who attend.

CHALLENGE COMMUNITY CHURCH
Trustees' Report (continued)
For the year ending 31 August 2023

Afterschool Club started back up with us consistently being full with 20 signed up to our club and on average 15 attending each week. It has been good to build relationships with the children and having an impact within the school. We also started doing assemblies with each year groups attending 3 within the year.

We continue to run yearly outreach events that are our way to connect with a wider cross section of the community.

In September 2022 we started with a new outreach event called 'At the Movies' (AtM). AtM was a month long event which included decorating the church into a film set, running our fun day and having 4 Sunday services using film clips to preach the gospel. The aim was create something different and interesting that would intrigue those especially in our ministries to come along and see what we were up to on a Sunday. We used connect groups to help build relationships ready to encourage people to attend AtM. We also had 'the big build' which was evenings/days where we created scenery for our AtM outreach. We saw people from the church and ministries come together to design, build and decorate what we needed, it was great to see different people interacting with each other, it also created a buzz about what was to come and gave people a sense of ownership to the AtM as they contributed.

It was a real encouragement to see so many families attending AtM, families we've been working with for years that we've never seen come through the door on a Sunday. What was even better was to see the families continuing to come after AtM finished and we returned to our normal style programme.

Following AtM we ran an Alpha course which was well attended as we offered childcare as well. People gave their hearts to God on the Alpha course and we also saw one of these being baptised along with two others on Easter day.

On 31st October we ran our Light Party to provide children with a safe alternative at Halloween. We ran this on Hunderton green at the heart of the community as we brought the light of Jesus to Hunderton. This year it was quieter than the previous year but great to see new faces from the community as well as families from the different ministries we run. The Light Party was another example or where we saw our 'new' families getting involved in the setting up and running of the event.

We went back out onto Hunderton Green as we ran our Carols on the Green Christmas service. We had readings and carols and a short talk which were all very successful. We had a good turnout even though the weather was miserable and it was the same night as the football world cup final!

At Easter we brought back our holiday club. We ran the holiday club for 3 days but this year did longer days as we ran it as part of the councils 'Holiday Activities Food Programme' (HAF) who gave us a grant to run our club. As part of HAF we offered breakfast and lunch to those who attended. We had a good turn out of children and due to HAF we saw new children sign up that we haven't interacted with before. The 3 days were very successful with very happy kids, parents/carers as well as the council representative that came to see what we were doing.

CHALLENGE COMMUNITY CHURCH
Trustees' Report (continued)
For the year ending 31 August 2023

On the back of the holiday club we ran our Easter Trail which took the families along a path to hear stories from the Bible and lead them to church where there were refreshments and prizes. We gave away to each child an Easter egg as well as an age appropriate Easter story book. We saw lots of families join in and families that we interact with across ministries as well as some new families too.

During the summer we ran our Sunday series alongside our summer events. There were three weeks of different activities after the service. We saw a good number of families interacting with the events although less of the older generation. We also went camping with our teens group. This was very low key as we went in one of our families gardens but it worked well giving us the opportunity to be away from distractions, have fun and try new activities. We also interwove themed talks around the activities we were doing. It was great to spend time with our teens who grew stronger together.

We have been more proactive this year at running men's and women's events. The men have gone golfing. The women have done bowling, an escape room and brunch.

We have worked closely with Putson Baptist Church (another South Wye church) in delivering an average of 60 food parcels each week to families who are referred to us through schools, social services and other intermediaries.

Looking ahead to next year we will be continuing with our weekly ministries. We need to look at better ways of publicising our weekly events with a view to seeing an increase in new families attending.

In FFF we will look to try new activities to encourage the families to do more together, for example a monthly game night and themed evening around the light party and Christmas etc.

We will be running our fun day in September, Light party on 31st October and Carols on the Green at Christmas. We will also look at ways to include our after school club children in the Carols on the Green. We hope to repeat our summer events including the summer camp for the teens.

We will look to run our Easter holiday club as part of the council's HAF programme. We will also begin to plan and prepare for another year AtMs. This will include using the summer to prepare, build and decorate a new film set!

During the year we want to find more ways to interact with our community and build better relationships with other local charities and businesses within the community. We also encourage our members to serve beyond our own church with members volunteering with Vennture, Good News for Everyone, Counties, chaplaincy and other activities.

It has been an incredible year where we have seen God's hand at work within the different work we have been doing. Together with the Outreach and Development Leader we have taken risks that God has blessed more than we could ever have imagined. We need to continue to be ready to take God ordained risks as we look to the future and seek to do God's work and see Him do immeasurably more than all we ask or imagine.

CHALLENGE COMMUNITY CHURCH
Trustees' Report (continued)
For the year ending 31 August 2023

Public benefit statement

Identifiable Benefits, related to the aims of the charity

Through the regular worship & prayer meetings, Bible studies, children's clubs, social action programmes and personal visitation the Christian Faith is shared and people in the community helped. Individuals have become Christians, had their faith developed and lifestyles impacted. As part of community life families have been supported.

Beneficiaries

In addition to Church members, families, other regular attendees and friends anyone is welcome to attend appropriate events without restriction. We seek to be available to all in the community.

The Trustees consider that they have complied with their duties under the Charities Act 2011 to have due regard to public benefit guidance published by the Charities Commission.

Reserves policy

It was agreed at the Trustees meeting on 19 April 2022 to aim to hold reserves in the General Fund equivalent to three months expenditure (approx. £11,000) and a base level of reserves of £6,000 (only necessary expenditure below base reserves). The Trustees review this policy from time to time and agree that it is still appropriate.

Reserves are currently higher than this due to the need to hold a balance to meet an anticipated shortfall on regular monthly income and expenditure.

No limit has been put on the Restricted Funds (Building, Mission, and Storehouse) as these are being held for a specific purpose and spent when the need arises.

Risk management policy

The operations team have reviewed and updated the risk management policies of the church; when finalised these are passed to the Elders for adoption. The policy is to review the risk assessments on a two year rotational basis.

The principal risks currently identified, and strategies for managing those risks are as follows:

- Adequate funds to meet commitments. Addressed through the preparation of an annual budget; regular monitoring of income and expenditure by treasurer; periodic review by Elders at finance meetings.
- Safeguarding vulnerable adults and children. Addressed through a Safeguarding Officer; Child Protection and Safeguarding policy kept up to date through review and being a member of CCPAS; training.
- Health and safety on church premises. Addressed through a member being tasked to monitor the condition of premises; fire drills; regular maintenance; promoting the need to consider health and safety during activities.

CHALLENGE COMMUNITY CHURCH
Trustees' Report (continued)
For the year ending 31 August 2023

Results and financial review

The financial statements for the year to 31 August 2023 have been prepared on a Receipts and Payments basis.

Net movement of funds for the Church were a total of £5,602 increase for the year. This is made up of a £6,918 increase on the General Fund, and a £1,316 decrease with respect to restricted funds.

The General Fund received income of £62,272 (2022 - £62,994) which is remarkably similar; even when one looks at the detail there is a lot of similarity. One area worth commenting on is that grants fell as we only received one from the Council for running the holiday bible club, this was replaced by rents as we let the building out to third parties on a limited basis. The General Fund running expenditure was £52,304 (2022 - £56,850) which was an 8% decrease from last year. The cost of running church activities was on fact very similar which is very encouraging during this inflationary period. There are some variances which can be seen in note 3 to the accounts; ministry expenditure and running costs increased significantly, we also made a commitment to support Faye Roberts through bible college. Set against this were significant reductions in repairs (painting the inside of the building last year) and building improvements (new blinds and kitchen equipment last year).

The main transfers between funds was £3,050 from the General Fund to the Mission Fund to supplement the gift to the missionaries we support, in the light of reduced cash collections.

The balance on the general fund at the end of the year was £29,477.

The Restricted Funds showed incoming resources (received or transferred) of £11,308, which are shown in more detail in note 8. £10,950 was given or transferred to Mission Fund and was passed on during the year to the mission works that the church supports (see note 5). Therefore in total 15.5% of the church income was gifted to missionary works during the year. The Mission Fund shows a deficit of £100 which will be cleared by Gift Aid claims in the coming year. The Storehouse Fund continues to be active with income in the form of gifts received of £358 and expenditure of £390. These accounts only reflect the financial gifts to the Storehouse Fund and how they were spent. It was not practical to value and record in these accounts the provisions that are given by members and passed on to those in need. Total restricted funds carried forward are £686.

During the year the opening balance of £979 on the Bundles of Hope Fund was returned to the donor as we had not been able to use the funds for the restricted purpose. The funds remaining on the Hereford Community and Hereford Grant Funds were fully expended during the year and these funds have been terminated as they are no longer needed.

At the year end the only designated fund was the 'Project Fund' which had a balance of £2,282. There was no movement in the year.

CHALLENGE COMMUNITY CHURCH
Trustees' Report (continued)
For the year ending 31 August 2023

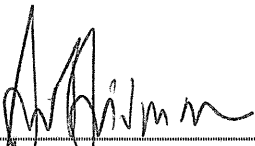
Statement of Trustees responsibilities

Charity law requires trustees to prepare accounts for each financial year which state the affairs of the charity and of the payments and receipts of the Charity for that period. In preparing these accounts, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently.
- Prepare the accounts on a 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 which disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the accounts comply with the Charities Act. They are also responsible for safeguarding the assets of the Charity and hence take reasonable steps for the prevention and detection of fraud and other irregularities. The Trustees confirm that the accounts comply with current statutory requirements and those of the Charity's Trust Deed.

Signed for and on behalf of the
Trustees of Challenge Community Church



Trustee

20th May 2024

Date

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF CHALLENGE COMMUNITY CHURCH

I report on the accounts of the charity for the year ended 31 August 2023, which are set out on pages 10 to 16.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the Charities Act) and that an independent examination is needed.

It is my responsibility to:

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

Basis of the independent examiner's report

My examination was carried out in accordance with the General Directions 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 the 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 accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.


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 130 of the Charities Act; and
 - to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the Charities Act have not been met; or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Independent Examiner



Date

Mr D Hill
Jalna, Chapel Lane
Bodenham Moor
Herefordshire
HR1 3HR

CHALLENGE COMMUNITY CHURCH
Receipts and Payments Account
For the year ending 31 August 2023

		General	Desig- nated	Rest- ricted	Total	Total
	Note	Fund	Funds	Funds	Funds	Funds
		£	£	£	2023	2022
					£	£
Receipts						
Voluntary Receipts						
Regular giving from members						
Tax effective giving	2	39,150	-	7,745	46,895	42,193
Collections	2	6,478	-	274	6,752	5,695
Income Tax recovered	2	11,716	-	239	11,955	11,072
Other voluntary receipts		-	-	-	-	-
Receipts from church activities		2,214	-	-	2,214	3,538
Rent received		1,570	-	-	1,570	
Grants received		1,020	-	-	1,020	3,794
Investment income		124	-	-	124	2
Total income		62,272	-	8,258	70,530	66,294
Payments						
Costs of generating funds						
Church activities	3,4	50,007	-	1,674	51,681	49,969
Grants payable (mission gifts)	5	470	-	10,950	11,420	6,700
		50,477	-	12,624	63,101	56,669
Purchase of new equipment		1,827	-	-	1,827	-
Building improvements		-	-	-	-	7,058
Total payments		52,304	-	12,624	64,928	63,727
Excess Receipts over Payments		9,968	-	(4,366)	5,602	2,567
Transfers between funds	6,8,9	(3,050)	-	3,050	-	-
Net movement on funds		6,918	-	(1,316)	5,602	2,567
Funds brought forward		22,559	2,282	2,002	26,843	24,276
Funds carried forward		29,477	2,282	686	32,445	26,843

CHALLENGE COMMUNITY CHURCH
Statement of Assets and Liabilities
As at 31 August 2023

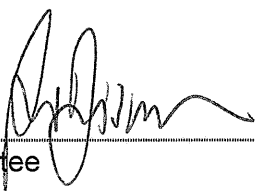
	2023	2022
Note	£	£
Fixed assets		
Premises at 40 Belmont Road, Hereford	423,023	423,023
Fixtures and fittings	7,226	10,253
Equipment	<u>3,347</u>	<u>3,542</u>
	<u>433,596</u>	<u>436,818</u>

Western Counties and South Wales Evangelisation Trust is the custodian trustee of the church premises at 40 Belmont Road, Hereford.

Cash funds

Lloyds Bank Current account	3,156	3,504
Lloyds Bank Deposit account	29,023	23,001
Storehouse petty cash	13	13
Ignite tuck shop petty cash	<u>253</u>	<u>325</u>
	<u>32,445</u>	<u>26,843</u>

Signed for and on behalf of the
Trustees of Challenge Community Church



Trustee

20th May 2024

Date

CHALLENGE COMMUNITY CHURCH
Notes to the accounts
For the year ending 31 August 2023

1 Accounting Policies

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and in the preceding year.

Basis of accounting

The financial statements are prepared under the historical cost convention, and using the Receipts and Payments basis.

Fund accounting

The church maintains various types of funds as follows:

Restricted Funds

Restricted Funds represent gifts received for specific purposes. Challenge Community Church has six such funds.

- The Mission Fund represents monies given to support missionary works which is reviewed on an annual basis. The church does not enter into commitments to support any given beneficiary beyond the end of its financial year.
- The Storehouse Fund represents monies given to fund of people in the local community, mainly in the form of food parcels. The beneficiaries are brought to our attention by local social services.
- The Hereford Community Fund represents grant monies given to purchase tablets to give the community on-line access in a community café. During the year all remaining funds were spent.
- The Hereford Community Grant Fund represents monies given to help provide food to those in need as a result of COVID-19. During the year all remaining funds were spent.
- The Bundles of Hope Fund represents monies given to support mothers with new born babies in need of practical support through the gift of necessary goods. During the year the remaining grant was returned to the donor as we no longer undertake this ministry.

Designated Funds

Designated Funds are amounts that have been put aside out of unrestricted funds at the discretion of the trustees. Challenge Community Church has two such funds.

- The Project Fund has been set up to ring fence some larger one off gifts to the church. The Trustees wish these funds to be used for specific evangelistic projects that we would normally find difficult to fund from regular giving or to release to general funds in a planned way.

CHALLENGE COMMUNITY CHURCH
Notes to the accounts
For the year ending 31 August 2023

Unrestricted Funds

The General Fund represents unrestricted income that is expendable at the discretion of the Trustees in the furtherance of the objects of the charity.

Fixed assets

Western Counties and South Wales Evangelisation Trust is the Custodian Trustee of the church property at 40 Belmont Road, Hereford, HR2 7 JW. The £423,023 premises costs shown in the Statement of Assets and Liabilities represent the purchase and refurbishment costs of these premises and continues to be an asset of Challenge Community Church under this arrangement.

Equipment, fixtures and fittings are recorded on the statement of assets and liabilities at cost less an estimated decrease in value.

2 Analysis of Restricted Fund Receipts

	Building	Mission	Store- house	2023	2022
	Fund	Fund	Fund	Total	Total
	£	£	£	£	£
Receipts from donors					
Tax effective giving	-	7,700	45	7,745	2,868
Collections	-	-	274	274	100
Income Tax recovered	-	200	39	239	332
Total income	-	7,900	358	8,258	3,300

3 Analysis of General Fund payments - Church Activities

	2023	2022
	£	£
Wages and expenses	26,461	26,618
Bible College	2,697	-
Speaker expenses	75	330
Evangelism and outreach costs	1,820	2,642
Ministry expenditure	3,006	1,843
Running costs	6,670	3,755
Repairs	3,665	8,447
Utilities	5,613	5,657
	50,007	49,292

CHALLENGE COMMUNITY CHURCH
Notes to the accounts
For the year ending 31 August 2023

4 Analysis of Restricted Fund Payments

	Hereford Community Grant Fund £	Mission Fund £	Store- house Fund £	Sub Total £
Church activities				
Ministry expenditure	232	-	390	622
Running costs	-	-	-	-
Repairs	-	-	-	-
	232	-	390	622
Grants payable (see note 5)	-	10,950	-	10,950
	232	10,950	390	11,572

	Sub Total £	Bundles of Hope Fund £	Hereford Community Fund £	2023 Total £	2022 Total £
Church activities					
Ministry expenditure	622	979	73	1,674	677
Running costs	-	-	-	-	-
Repairs	-	-	-	-	-
	622	979	73	1,674	677
Grants payable (see note 5)	10,950	-	-	10,950	6,200
	11,572	979	73	12,624	6,877

5 Grants payable	General Fund £	Mission Fund £	2023 £	2022 £
Bodenham Christian Fellowship	150	-	150	150
Counties	-	1,600	1,600	1,800
Close House	-	300	300	-
Craig and Georgie Dowling	-	-	-	600
Esther Price	-	300	300	300
Good News for Everyone (Gideons)	-	700	700	600
Joel and Emily Thibault	-	300	300	300
Project India	-	300	300	300
Solomon Nathaniel	-	650	650	1,000
Three Counties Show	-	300	300	300
Tough Talk	-	300	300	300
Vennture	-	6,200	6,200	900
Other grants	320	-	320	150
	470	10,950	11,420	6,700

CHALLENGE COMMUNITY CHURCH
Notes to the accounts
For the year ending 31 August 2023

6 Transfers between funds

£3,050 was transferred from the General Fund to the Mission Fund to help meet our commitments to the missionaries we supported in the year.

7 Related party transactions

Elders and their spouses have claimed reimbursement, from time to time, for sundry expenditure incurred in relation to church activities.

8 Analysis of restricted funds

	Mission Fund £	Store- house Fund £	Sub total £
Balance brought forward	(100)	818	718
Receipts	7,900	358	8,258
Payments	(10,950)	(390)	(11,340)
Transfers in/(out)	3,050	-	3,050
Balance carried forward	<u>(100)</u>	<u>786</u>	<u>686</u>

	Sub total £	Hereford Community Grant Fund £	Hereford Community Fund £	Bundles of Hope Fund £	Total £
Balance brought forward	718	232	73	979	2,002
Receipts	8,258	-	-	-	8,258
Payments	(11,340)	(232)	(73)	(979)	(12,624)
Transfers in/(out)	3,050	-	-	-	3,050
Balance carried forward	<u>686</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>686</u>

The Mission Fund is showing an overdrawn positions at the year end due to funds being distributed and based on Gift Aid not yet received by the church.

CHALLENGE COMMUNITY CHURCH
Notes to the accounts
For the year ending 31 August 2023

9 Analysis of designated funds	Project Fund £	Total £
Balance brought forward	2,282	2,282
Receipts	-	-
Payments	-	-
Transfers in/(out)	-	-
Balance carried forward	<u>2,282</u>	<u>2,282</u>

CHALLENGE COMMUNITY CHURCH HEREFORD

England & Wales - Charity number 1095786

Accounts

Charity registration Number: 1095786

CHALLENGE COMMUNITY CHURCH

Receipts and Payments Accounts

For the year ending 31 August 2022

CHALLENGE COMMUNITY CHURCH
Financial Statements
For the year ending 31 August 2022

Contents

	Page
Trust Information	1
Trustees' Report	2
Independent Examiner's Report to the Trustees	7
Receipts and Payments Account	8
Statement of Assets and Liabilities	9
Notes to the accounts	10-14

CHALLENGE COMMUNITY CHURCH

Trust Information

Status

Challenge Community Church, Hereford, is registered with the Charity Commissioners (No. 1095786) and constituted by a Deed of Trust dated 19 July 2002.

Trustees

The Charity is administered by the Trustees, who are at the time of signing this report:

Mr S Sully	Mr IJ Cracknell
Mr SWJ Grisman	Mr JGM Erwin
Mr C Over	Mr FD Erwin

Western Counties and South Wales Evangelisation Trust is the custodian trustee of the church premises at 40 Belmont Road, Hereford.

Elders

Mr S Sully
Mr C Over (resigned 3 November 2021)
Mr M Roberts
Mr FD Erwin

Church Office

40 Belmont Road
Hereford
HR2 7JW

Registered Office

131 St Peter's Close
Moreton-on-Lugg
Hereford
HR4 8DW

Bankers

Lloyds TSB
High Town
Hereford
HR1 2AE

CHALLENGE COMMUNITY CHURCH

Trustees' Report

For the year ending 31 August 2022

The trustees submit their annual report and financial statements for the year ended 31 August 2022. The trustees have adopted the The Charities (Accounts and Reports) Regulations 2008 in preparing their annual report. The financial statements have been prepared in accordance with the accounting policies set out on pages 10 and 11, and comply with the charity's governing documentation, The Charities Act 2011 and Charity Commission Guidance and notes.

Constitution

The charity is an unincorporated charity and is governed by its Trust Deed.

Object of the charity

To advance the Christian faith, in accordance with the Statement of Doctrines and Practices set out in the Schedule appended to the deed, mainly but not exclusively in the Hereford area.

Structure, governance and management

The charity is ultimately run by the Trustees. The Trustees have the authority to exercise their powers to further the objects of the charity. The Trustees meet at least once a year but delegate the day to day decision making on the running of the Church to the Elders of the Church, some of whom are also Trustees. The Elders meet formally twice a month to consider the management and pastoral needs of the fellowship.

Mr Steve Sully was the church pastor and is working two days a week for the fellowship until he retired in July 2022. Following this the elders have taken collective responsibility for the pastoral work and Ms Faye Roberts has been appointed as the Outreach and Development leader. Every future Trustee shall be appointed by a resolution of Trustees passed at a special meeting. Training is available for Trustees as the need arises. The Elders take responsibility for the management of risk and have set up a team to identify, assess and mitigate areas of risk.

Objectives and activities

The church meets every week at 40, Belmont Rd, Hereford. Our objective is to reach out to people in the surrounding community, witness for, teach about, and demonstrate the love of, Jesus Christ and trust and pray that He becomes their own personal saviour. This is undertaken through weekly meetings for teaching and worship; specific evangelistic and outreach events; the work of our Community Link Worker; The Storehouse Ministry (provision of foodstuffs to people in desperate need); Koffee and Kids club; Who Let The Dads Out; coffee mornings; and various children's ministries.

Gifts to external organisations and individuals are considered by the Elders from time to time on the basis of need and fulfilment of the charitable objectives. There are no upper or lower limits of support. No commitments have been made for long term support.

Related parties

The Trustees received no remuneration as a result of their office during the year. No Trustee, or other person related to the charity, apart from as detailed in note 7, had any personal interest in any contract or transaction entered into by the charity during the year.

CHALLENGE COMMUNITY CHURCH
Trustees' Report (continued)
For the year ending 31 August 2022

Review of developments

The Church is led by Elders, Steve Sully, Foster Erwin, Malcolm Roberts and Chris Over. Chris retired on 3rd November 2021. Steve is the Lead Elder/Pastor employed, on a 15 hours per week contract. Steve retired from the paid staff position at the end of July 2022 but remains an Elder.

The Elders meet twice each month, once for regular business and once for prayer. In addition, the Elders are supported by volunteer Ministry Leaders and, coming into the year, by two part time employed roles - Community Link Worker and a Outreach and Development Worker.

During the year a review and reorganisation of the employed staff positions took place which resulted in the elimination of the part time Pastor and Community Link Worker roles (although a Pastor role remains open for future consideration should a suitable candidate and resources become available). The Outreach and Development Worker role was expanded into a full-time role, incorporating day release theological training, and Faye Roberts was appointed Outreach and Development Leader from 1st August 2022.

Regular activities continued to recover post Covid with in person Sunday services, supported by live streaming, as allowed under government restrictions. Prayer times in person, in church, at home, walking groups and via Zoom expanded. Life groups recommenced, with added summertime interest groups, and a full youth and kids programme including Friday Family Fun either in the Church or on Hunderton Green.

Special Events included a Halloween Light Party, Evangelistic Outreach with 'Tough Talk' and Community Carol Service – all on Hunderton Green. As part of our regular Who Let The Dads Out Ministry we held a Clay Pigeon Shoot and a Golf Day for men. Another highlight was the Easter Trail Family event which saw large numbers of local families taking part.

The weekly After School Club in our local Primary School recommenced although with lower numbers based on classroom restrictions. Assemblies were still not being held but this was due to change in September 2022. The Food parcel deliveries to referred vulnerable families in South Wye, supporting Putson Baptist Church, begun in the pandemic, continued through the year.

Looking forward we are planning a series of special meetings called 'At the Movies' to be followed by an Alpha Course. We remain thankful to God for all that has been done and the progress made.

CHALLENGE COMMUNITY CHURCH Trustees' Report (continued) For the year ending 31 August 2022

Public benefit statement

Identifiable Benefits, related to the aims of the charity

Through the regular worship & prayer meetings, Bible studies, children's clubs, social action programmes and personal visitation the Christian Faith is shared and people in the community helped. Individuals have become Christians, had their faith developed and lifestyles impacted. As part of community life families have been supported.

Beneficiaries

In addition to Church members, families, other regular attendees and friends anyone is welcome to attend appropriate events without restriction. We seek to be available to all in the community.

The Trustees consider that they have complied with their duties under the Charities Act 2011 to have due regard to public benefit guidance published by the Charities Commission.

Reserves policy

It was agreed at the Trustees meeting on 19 April 2022 to aim to hold reserves in the General Fund equivalent to three months expenditure (approx. £10,000) and a base level of reserves of £6,000 (only necessary expenditure below base reserves). The Trustees review this policy from time to time and agree that it is still appropriate.

Reserves are currently higher than this due to the need to hold a balance to meet an anticipated shortfall on regular monthly income and expenditure.

No limit has been put on the Restricted Funds (Building, Mission, and Storehouse) as these are being held for a specific purpose and spent when the need arises.

Risk management policy

The operations team have reviewed and updated the risk management policies of the church; when finalised these are passed to the Elders for adoption. The policy is to review the risk assessments on a two year rotational basis.

The principal risks currently identified, and strategies for managing those risks are as follows:

- Adequate funds to meet commitments. Addressed through the preparation of an annual budget; regular monitoring of income and expenditure by treasurer; periodic review by Elders at finance meetings.
- Safeguarding vulnerable adults and children. Addressed through a Safeguarding Officer; Child Protection and Safeguarding policy kept up to date through review and being a member of CCPAS; training.
- Health and safety on church premises. Addressed through a member being tasked to monitor the condition of premises; fire drills; regular maintenance; promoting the need to consider health and safety during activities.

CHALLENGE COMMUNITY CHURCH
Trustees' Report (continued)
For the year ending 31 August 2022

Results and financial review

The financial statements for the year to 31 August 2022 have been prepared on a Receipts and Payments basis.

Net movement of funds for the Church were a total of £2,567 increase for the year. This is made up of a £2,985 increase on the General Fund, and a £418 decrease with respect to restricted funds.

The General Fund received income of £62,994 (2021 - £55,328) which is a 13.8% increase on the previous year, due to an increase in giving; both in terms of numbers of members and the amount. There has been an increase in cash collections to almost pre-Covid levels. The General Fund running expenditure was £56,850 (2021 - £55,918) which was a 1.7% increase from last year. It is pleasing to see that costs have been kept under control during this inflationary period. There are some significant variances; evangelism and church ministries have increased significantly as activities return to normal levels post Covid. Wages have gone down due to the cessation of the Community Link Worker role in April 2022. Repairs (painting the inside of the building), building improvements (new blinds and kitchen equipment) are once again significant costs in the year.

The main transfers between funds was £3,159 from the General Fund to the Mission Fund to supplement the gift to the missionaries we support, in the absence of cash collections.

The balance on the general fund at the end of the year was £22,559.

The Restricted Funds showed incoming resources (received or transferred) of £6,459, which are shown in more detail in note 8. £6,324 was given or transferred to Mission Fund and was passed on during the year to the mission works that the church supports (see note 5). Therefore in total 9.4% of the church income was gifted to missionary works during the year. The Mission Fund shows a deficit of £100 which will be cleared by Gift Aid claims in the coming year. The Storehouse Fund continues to be very active with income in the form of gifts received of £135 and expenditure of £492. These accounts only reflect the financial gifts to the Storehouse Fund and how they were spent. It was not practical to value and record in these accounts the provisions that are given by members and passed on to those in need. Total restricted funds carried forward are £2,002.

At the year end the only designated fund was the 'Project Fund' which had a balance of £2,284. There was no movement in the year.

CHALLENGE COMMUNITY CHURCH
Trustees' Report (continued)
For the year ending 31 August 2022

Statement of Trustees responsibilities

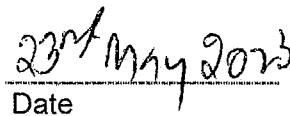
Charity law requires trustees to prepare accounts for each financial year which state the affairs of the charity and of the payments and receipts of the Charity for that period. In preparing these accounts, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently.
- Prepare the accounts on a 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 which disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the accounts comply with the Charities Act. They are also responsible for safeguarding the assets of the Charity and hence take reasonable steps for the prevention and detection of fraud and other irregularities. The Trustees confirm that the accounts comply with current statutory requirements and those of the Charity's Trust Deed.

Signed for and on behalf of the
Trustees of Challenge Community Church


Trustee


Date

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF CHALLENGE COMMUNITY CHURCH

I report on the accounts of the charity for the year ended 31 August 2022, which are set out on pages 9 to 15.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the Charities Act) and that an independent examination is needed.

It is my responsibility to:

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


Basis of the independent examiner's report

My examination was carried out in accordance with the General Directions 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 the 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 accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

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 130 of the Charities Act; and
 - to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the Charities Act have not been met; or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Independent Examiner

23rd May 2023
Date

Mr D Hill
Jalna, Chapel Lane
Bodenham Moor
Herefordshire
HR1 3HR

CHALLENGE COMMUNITY CHURCH
Receipts and Payments Account
For the year ending 31 August 2022

		General	Desig-	Rest-	Total	Total
		Fund	nated	ri-cted	Funds	Funds
	Note	£	Funds	Funds	2022	2021
		£	£	£	£	£
Receipts						
Voluntary Receipts						
Regular giving from members						
Tax effective giving	2	39,325	-	2,868	42,193	42,697
Collections	2	5,595	-	100	5,695	2,794
Income Tax recovered	2	10,740	-	332	11,072	7,911
Receipts from church activities		3,538	-	-	3,538	1,519
Grants received	2	3,794	-	-	3,794	7,342
Investment income		2	-	-	2	2
Total income		62,994	-	3,300	66,294	62,265
Payments						
Costs of generating funds						
Church activities	3,4	49,292	-	677	49,969	52,993
Grants payable (mission gifts)	5	500	-	6,200	6,700	5,853
		49,792	-	6,877	56,669	58,846
Purchase of new equipment		-	-	-	-	4,715
Building improvements		7,058	-	-	7,058	2,834
Total payments		56,850	-	6,877	63,727	66,395
Excess Receipts over Payments		6,144	-	(3,577)	2,567	(4,130)
Transfers between funds	6,8,9	(3,159)	-	3,159	-	-
Net movement on funds		2,985	-	(418)	2,567	(4,130)
Funds brought forward		19,574	2,282	2,420	24,276	28,406
Funds carried forward		22,559	2,282	2,002	26,843	24,276

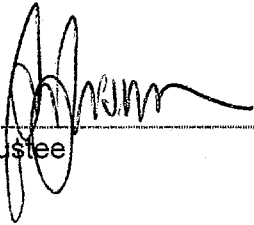
CHALLENGE COMMUNITY CHURCH
Statement of Assets and Liabilities
As at 31 August 2021

Note	2022 £	2021 £
Fixed assets		
Premises at 40 Belmont Road, Hereford	423,023	423,023
Fixtures and fittings	10,253	6,219
Equipment	<u>3,542</u>	<u>5,425</u>
	<u>436,818</u>	<u>434,667</u>

Western Counties and South Wales Evangelisation Trust is the custodian trustee of the church premises at 40 Belmont Road, Hereford.

Cash funds		
Lloyds Bank Current account	3,504	2,991
Lloyds Bank Deposit account	23,001	21,000
Storehouse petty cash	13	13
Ignite tuck shop petty cash	<u>325</u>	<u>272</u>
	<u>26,843</u>	<u>24,276</u>

Signed for and on behalf of the
 Trustees of Challenge Community Church



 Trustee

23/5/2023

 Date

CHALLENGE COMMUNITY CHURCH
Notes to the accounts
For the year ending 31 August 2022

1 Accounting Policies

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and in the preceding year.

Basis of accounting

The financial statements are prepared under the historical cost convention, and using the Receipts and Payments basis.

Fund accounting

The church maintains various types of funds as follows:

Restricted Funds

Restricted Funds represent gifts received for specific purposes. Challenge Community Church has six such funds.

- The Mission Fund represents monies given to support missionary works which is reviewed on an annual basis. The church does not enter into commitments to support any given beneficiary beyond the end of its financial year.
- The Storehouse Fund represents monies given to fund of people in the local community, mainly in the form of food parcels. The beneficiaries are brought to our attention by local social services.
- The Bundles of Hope Fund represents monies given to support mothers with new born babies in need of practical support through gifts of necessary goods.
- The Hereford Community Fund represents grant monies given to purchase tablets to give the community on-line access in a community café.
- The Hereford Community Grant Fund represents monies given to help provide food to those in need as a result of COVID-19.

Designated Funds

Designated Funds are amounts that have been put aside out of unrestricted funds at the discretion of the trustees. Challenge Community Church has two such funds.

- The Project Fund has been set up to ring fence some larger one off gifts to the church. The Trustees wish these funds to be used for specific evangelistic projects that we would normally find difficult to fund from regular giving or to release to general funds in a planned way.

CHALLENGE COMMUNITY CHURCH
Notes to the accounts
For the year ending 31 August 2022

Unrestricted Funds

The General Fund represents unrestricted income that is expendable at the discretion of the Trustees in the furtherance of the objects of the charity.

Fixed assets

Western Counties and South Wales Evangelisation Trust is the Custodian Trustee of the church property at 40 Belmont Road, Hereford, HR2 7 JW. The £423,023 premises costs shown in the Statement of Assets and Liabilities represent the purchase and refurbishment costs of these premises and continues to be an asset of Challenge Community Church under this arrangement.

Equipment, fixtures and fittings are recorded on the statement of assets and liabilities at cost less an estimated decrease in value.

2 Analysis of Restricted Fund Receipts

	Building	Mission	Store- house	2022	2021
	Fund	Fund	Fund	Total	Total
	£	£	£	£	£
Receipts from donors					
Tax effective giving	-	2,840	28	2,868	3,685
Collections	-	-	100	100	321
Income Tax recovered	-	325	7	332	783
Other voluntary receipts	-	-	-	-	-
Grants received	-	-	-	-	2,148
Total income	-	3,165	135	3,300	6,937

3 Analysis of General Fund payments - Church Activities

	2022	2021
	£	£
Wages and expenses	26,618	30,289
Speaker expenses	330	72
Evangelism and outreach costs	2,642	982
Ministry expenditure	1,843	886
Running costs	3,755	4,315
Repairs	8,447	7,334
Utilities	5,657	4,366
	49,292	48,244

CHALLENGE COMMUNITY CHURCH
Notes to the accounts
For the year ending 31 August 2022

4 Analysis of Restricted Fund Payments

	Mission Fund £	Store- house Fund £	Sub Total £
Church activities			
Ministry expenditure	-	492	492
Running costs	-	-	-
Repairs	-	-	-
	-	492	492
Grants payable (see note 5)	6,200	-	6,200
	<u>6,200</u>	<u>492</u>	<u>6,692</u>

	Hereford Community Grant Fund £	Bundles of Hope Fund £	Hereford Community Fund £	2022 Total £	2021 Total £
Church activities					
Ministry expenditure	-	-	185	677	2,881
Running costs	-	-	-	-	-
Repairs	-	-	-	-	1,868
	-	-	185	677	4,749
Grants payable (see note 5)	-	-	-	6,200	5,728
	-	-	185	6,877	10,477

5 Grants payable

	General Fund £	Mission Fund £	2022 £	2021 £
Bodenham Christian Fellowship	150	-	150	125
Counties	200	1,600	1,800	1,590
Craig and Georgie Dowling	-	600	600	790
Esther Price	-	300	300	300
Good News for Everyone (Gideons)	-	600	600	550
Joel and Emily Thibault	-	300	300	300
Project India	-	300	300	300
Solomon Nathaniel	-	1,000	1,000	640
Three Counties Show	-	300	300	150
Tough Talk	-	300	300	-
Vennture	-	900	900	1,108
Other grants	150	-	150	-
	<u>500</u>	<u>6,200</u>	<u>6,700</u>	<u>5,853</u>

CHALLENGE COMMUNITY CHURCH
Notes to the accounts
For the year ending 31 August 2022

6 Transfers between funds

In the absence of cash collections, £3,159 was transferred from the General Fund to the Mission Fund to help meet our commitments to the missionaries we supported in the year.

7 Related party transactions

Mr S Sully is a Trustee of Challenge Community Church and was the pastor for the year. In return for the services that he provided to the fellowship, the church has paid him £9,191.

Elders and their spouses have claimed reimbursement, from time to time, for sundry expenditure incurred in relation to church activities.

8 Analysis of restricted funds

	Mission Fund £	Store- house Fund £	Sub total £
Balance brought forward	(224)	1,175	951
Receipts	3,165	135	3,300
Payments	(6,200)	(492)	(6,692)
Transfers in/(out)	3,159	-	3,159
Balance carried forward	<u>(100)</u>	<u>818</u>	<u>718</u>

	Sub total £	Hereford Community Grant Fund £	Hereford Community Fund £	Bundles of Hope Fund £	Total £
Balance brought forward	951	232	258	979	2,420
Receipts	3,300	-	-	-	3,300
Payments	(6,692)	-	(185)	-	(6,877)
Transfers in/(out)	3,159	-	-	-	3,159
Balance carried forward	<u>718</u>	<u>232</u>	<u>73</u>	<u>979</u>	<u>2,002</u>

The Mission Fund is showing an overdrawn positions at the year end due to funds being distributed and based on Gift Aid not yet received by the church.

CHALLENGE COMMUNITY CHURCH
Notes to the accounts
For the year ending 31 August 2022

9 Analysis of designated funds

	Project Fund £	Total £
Balance brought forward	2,282	2,282
Receipts	-	-
Payments	-	-
Transfers in/(out)	-	-
Balance carried forward	<u>2,282</u>	<u>2,282</u>

CHALLENGE COMMUNITY CHURCH HEREFORD

England & Wales - Charity number 1095786

Accounts

Charity registration Number: 1095786

CHALLENGE COMMUNITY CHURCH

Receipts and Payments Accounts

For the year ending 31 August 2021

CHALLENGE COMMUNITY CHURCH
Financial Statements
For the year ending 31 August 2021

Contents

	Page
Trust Information	1
Trustees' Report	2
Independent Examiner's Report to the Trustees	8
Receipts and Payments Account	9
Statement of Assets and Liabilities	10
Notes to the accounts	11-15

CHALLENGE COMMUNITY CHURCH

Trust Information

Status

Challenge Community Church, Hereford, is registered with the Charity Commissioners (No. 1095786) and constituted by a Deed of Trust dated 19 July 2002.

Trustees

The Charity is administered by the Trustees, who are at the time of signing this report:

Mr S Sully	Mr IJ Cracknell
Mr SWJ Grisman	Mr JGM Erwin
Mr C Over	Mr FD Erwin

Western Counties and South Wales Evangelisation Trust is the custodian trustee of the church premises at 40 Belmont Road, Hereford.

Elders

Mr S Sully
Mr C Over (resigned 3 November 2021)
Mr M Roberts
Mr FD Erwin

Church Office

40 Belmont Road
Hereford
HR2 7JW

Registered Office

131 St Peter's Close
Moreton-on-Lugg
Hereford
HR4 8DW

Bankers

Lloyds TSB
High Town
Hereford
HR1 2AE

CHALLENGE COMMUNITY CHURCH
Trustees' Report
For the year ending 31 August 2021

The trustees submit their annual report and financial statements for the year ended 31 August 2021. The trustees have adopted the provisions of the Statement of Recommended Practice (FRS 102) 'Accounting and Reporting by Charities' in preparing their annual report. The financial statements have been prepared in accordance with the accounting policies set out on pages 11 and 12, and comply with the charity's governing documentation, applicable law and the requirements of the SORP.

Constitution

The charity is an unincorporated charity and is governed by its Trust Deed.

Object of the charity

To advance the Christian faith, in accordance with the Statement of Doctrines and Practices set out in the Schedule appended to the deed, mainly but not exclusively in the Hereford area.

Structure, governance and management

The charity is ultimately run by the Trustees. The Trustees have the authority to exercise their powers to further the objects of the charity. The Trustees meet at least once a year but delegate the day to day decision making on the running of the Church to the Elders of the Church, some of whom are also Trustees. The Elders meet formally twice a month to consider the management and pastoral needs of the fellowship.

Mr Steve Sully is the church pastor and is working two days a week for the fellowship. Every future Trustee shall be appointed by a resolution of Trustees passed at a special meeting. Training is available for Trustees as the need arises. The Elders take responsibility for the management of risk and have set up a team to identify, assess and mitigate areas of risk.

Objectives and activities

The church meets every week at 40, Belmont Rd, Hereford. Our objective is to reach out to people in the surrounding community, witness for, teach about, and demonstrate the love of, Jesus Christ and trust and pray that He becomes their own personal saviour. This is undertaken through weekly meetings for teaching and worship; specific evangelistic and outreach events; the work of our Community Link worker; The Storehouse Ministry (provision of foodstuffs to people in desperate need); Neighbourhood Chaplains; Koffee and Kids club; Who Let the Dads Out; coffee mornings; and various children's ministries.

Gifts to external organisations and individuals are considered by the Elders from time to time on the basis of need and fulfilment of the charitable objectives. There are no upper or lower limits of support. No commitments have been made for long term support.

Related parties

The Trustees received no remuneration as a result of their office during the year. No Trustee, or other person related to the charity, apart from as detailed in note 7, had any personal interest in any contract or transaction entered into by the charity during the year.

Review of developments

The Church continues to be led by four Elders, Steve Sully, Foster Erwin, Chris Over and Malcolm Roberts. Steve is the Lead Elder/Pastor employed on a 15 hours per week contract. The elders meet twice each month, one being a 'business' meeting and the other a prayer meeting.

CHALLENGE COMMUNITY CHURCH
Trustees' Report (continued)
For the year ending 31 August 2021

Chris Over retired as an elder on 3 November 2021, his many years of hard work and service in this role has been appreciated and acknowledged.

We also have a committed and dedicated team of Ministry Leaders taking responsibility for various ministries within the church.

It goes without saying that the Covid virus has greatly disrupted our church programme over the period.

In regard to Sunday services we have met, in person, on every Sunday allowed under government restrictions. On those Sunday's we have been unable to meet we have live streamed a service each week. In order to facilitate this high quality streaming we have invested over £3,300 in cameras, lighting etc.

During those periods we were unable to meet in person we have made great efforts to keep in contact with our regular attenders. Chris Over in particular has faithfully contacted many people on a fortnightly basis.

We have also continued to hold regular Tuesday evening prayer meetings via Zoom.

Our two youth groups, Boom and Ignite, have met when restrictions allowed but with reduced numbers and a slightly different format taking into account social distancing. This has been appreciated by the young people who attend.

The Counties Life Exhibition planned for November 2020 also had to be sadly cancelled and rescheduled for later in 2022. Our annual Fun Day planned for September could not go ahead nor could our planned Christmas events, again because of the impact of Covid.

Unfortunately, many of our other activities such as After School Club, Who Let the Dads Out , Coffee mornings etc have also been greatly impacted. Several times we have planned to relaunch following lockdowns only to see further delays arise. We hope to start these soon as they much needed opportunity to the groups they seek to reach out to.

Due to the reduced programme of activities it was decided to furlough the Community Link Worker role, currently held by Liz Greenow, in November 2020. 15 hours each week were claimed under the scheme leaving Liz with 7.5 hours of working hours used mainly for shopping and support to those unable to get out. This continued through to August 2021.

Steve Sully shared with the elders his decision to step down from the role of Lead Elder/Pastor in July 2022. After much discussion it was agreed that the church would benefit from a full time leader if we are to achieve all that we believe God has planned. However, the church is not in a position to financially support one full time and 2 part time employees. Therefore it was decided to combine the role of Community Link Worker and Lead Elder/Pastor. This will mean the current role of CLW will become redundant once the new leader is appointed.

CHALLENGE COMMUNITY CHURCH
Trustees' Report (continued)
For the year ending 31 August 2021

Despite the many disappointments there has been much to celebrate and thank God for over the year.

Faye Roberts approached the elders suggesting we review our Family Values. After much discussion and a great deal of work by Faye these were launched in April 2021 and were enthusiastically received by the church. These updated values are central to all our ministries and the life of each member as we seek to live out our faith.

We also desire that people Belong, Believe and Become:

- Belong to Challenge by attending any event/ministry.
- Believe in Jesus as their personal saviour.
- Become the person Christ always intended them to be.

Over the last couple of years we believe God has been calling us to reach Hunderton, an area of significant deprivation, just a few hundred yards from the church building. Our initial plans had to be put on hold but in June we took the decision to launch youth and family outreach, not in our building, but on a public green in the centre of that area.

Our first outreach was the relaunch of our Community Action Team in May who took on the challenge of clearing overgrown gardens for residents.

In July we launched Friday evening events of either rounders or volleyball. Young people were invited to come along to play and their families to watch, chat and enjoy refreshments. Within a couple of weeks we were seeing 25 young people and several families staying.

To build on this we held events on Sunday afternoons including Picnics on the Green and a city centre walking quiz. These events were well supported by the community with genuine relationships being formed.

We were approached by the County Council asking if we would consider being part of a county wide initiative of Talk Community Hubs. Hubs are drop-in centres where people can go either just for a chat or to be sign posted to services available across a wide range of needs. A grant was received to purchase 2 Chrome Notebooks enabling us to access the TCH Directory of service providers. All of Challenge's events are promoted via the TCH website.

We have planned a weekend of events in September 2021 to celebrate the church's 25th Anniversary. Invitations have been sent to many people who have played a part in the history of the church.

Tough Talk have been invited back to Challenge and are due to be with us in September 2021. They will be witnessing on Hunderton Green with families invited we have made connections with over recent months.

CHALLENGE COMMUNITY CHURCH
Trustees' Report (continued)
For the year ending 31 August 2021

Once it becomes impractical to hold outdoor events in the autumn evenings we will change our youth group format. Operating as Friday Family Fun we will reduce the evening to one hour inviting parents to stay and enjoy refreshments whilst the children enjoy a planned programme of activities.

We will also intend to hold a Light Party on Hunderton Green on Halloween and Carols on the Green in December.

We also took the decision to redecorate the entire church building, both internal and external at a cost of some £10,000. A grant of £3,500 was secured from Western Counties Trust toward the cost of this work.

We are truly excited by all that we see God doing and look forward to the future believing that post covid God is doing a new thing in our community and for that we will give Him all the glory.

Public benefit statement

Identifiable Benefits, related to the aims of the charity

Through the regular worship & prayer meetings, Bible studies, children's clubs, social action programmes and personal visitation the Christian Faith is shared and people in the community helped. Individuals have become Christians, had their faith developed and lifestyles impacted. As part of community life families have been supported.

Beneficiaries

In addition to Church members, families, other regular attendees and friends anyone is welcome to attend appropriate events without restriction. We seek to be available to all in the community.

The Trustees consider that they have complied with their duties under the Charities Act 2011 to have due regard to public benefit guidance published by the Charities Commission.

Reserves policy

It was agreed at the Trustees meeting on 19 April 2021 to aim to build up reserves in the General Fund equivalent to three months expenditure (approx. £10,000) and a base level of reserves of £6,000 (only necessary expenditure below base reserves). The Trustees review this policy from time to time and agree that it is still appropriate.

Reserves are currently higher than this due to the need to hold a balance to meet a shortfall on regular monthly income and expenditure. Also we are committed to some significant repair bills after the year end.

No limit has been put on the Restricted Funds (Building, Mission, and Storehouse) as these are being held for a specific purpose and spent when the need arises.

CHALLENGE COMMUNITY CHURCH
Trustees' Report (continued)
For the year ending 31 August 2021

Risk management policy

The operations team have reviewed and updated the risk management policies of the church; when finalised these are passed to the Elders for adoption. The policy is to review the risk assessments on a two year rotational basis.

The principal risks currently identified, and strategies for managing those risks are as follows:

- Adequate funds to meet commitments. Addressed through the preparation of an annual budget; regular monitoring of income and expenditure by treasurer; periodic review by Elders at finance meetings.
- Safeguarding vulnerable adults and children. Addressed through a Safeguarding Officer; Child Protection and Safeguarding policy kept up to date through review and being a member of CCPAS; training.
- Health and safety on church premises. Addressed through a member being tasked to monitor the condition of premises; fire drills; regular maintenance; promoting the need to consider health and safety during activities.

Results and financial review

The financial statements for the year to 31 August 2021 have been prepared on a Receipts and Payments basis.

Net movement of funds for the Church were a total of £4,130 decrease for the year. This is made up of a £590 decrease on the General Fund, a £1,630 decrease on designated funds, and a £1,610 decrease with respect to restricted funds.

The General Fund received income of £55,328 (2020 - £38,566) which is a 43.5% increase on the previous year, due to an increase in giving; both in terms of numbers of members and the amount per member. This offset the loss of cash collections which has returned to a modest extent since services have restarted. The General Fund running expenditure was £55,918 (2019 - £33,824) which was a 65.3% increase from last year. There are a number of contrasting variances; the continued impact of COVID meant that expenditure on outside speakers, evangelism and church ministries was somewhat lower. On the face of it wages appear to have gone up, but in reality they have only increased by inflation and the fact that Faye was employed for the whole year. The other change is that the Community Link workers wages are no longer allocated to a restricted fund, they are now wholly a general fund expense. Other material changes are significant increases in repairs (painting the outside of the building), building improvements (revamp of front porch), and the purchase of new equipment to facilitate the ability

The main transfers between funds were £1,930 from the General Fund to the Mission Fund to supplement the gift to the missionaries we support, in the absence of cash collections. £1,630 was transferred/redesignated from the Computer Fund to the General Fund to help meet the costs of equipping the church for live streaming.

CHALLENGE COMMUNITY CHURCH
Trustees' Report (continued)
For the year ending 31 August 2021

The Restricted Funds showed incoming resources (received or transferred) of £8,867, which are shown in more detail in note 8. £5,667 was given or transferred to Mission Fund and was passed on during the year to the mission works that the church supports (see note 5). Therefore in total 9.1% of the church income was gifted to missionary works during the year. The Mission Fund shows a deficit of £224 which will be cleared by Gift Aid claims in the coming year. The Storehouse Fund continues to be very active with income in the form of gifts received of £1,052 and expenditure of £390. These accounts only reflect the financial gifts to the Storehouse Fund and how they were spent. It was not practical to value and record in these accounts the provisions that are given by members and passed on to those in need. The £1,868 of funds brought forward in the Building Fund were utilised to cover some of the costs of refurbishing the front entrance, with the balance being borne by the general fund. We received a further £1,200 from the Hereford Community Grant Fund to help the church support families in the community who were particularly struggling as a result of COVID-19. This predominantly took the form of providing food parcels. We also received £948 from the Hereford Community Fund to purchase tablets to give on-line community access in a community cafe.

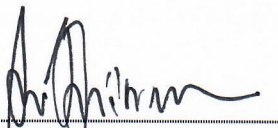
Statement of Trustees responsibilities

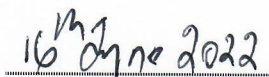
Charity law requires trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the payments and receipts of the Charity for that period. In preparing these accounts, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently.
- Make adjustments and estimates that are reasonable and prudent.
- Prepare the accounts on a 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 which disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the accounts comply with the Charities Act. They are also responsible for safeguarding the assets of the Charity and hence take reasonable steps for the prevention and detection of fraud and other irregularities. The Trustees confirm that the accounts comply with current statutory requirements and those of the Charity's Trust Deed.

Signed for and on behalf of the
Trustees of Challenge Community Church


Trustee


Date

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF CHALLENGE COMMUNITY CHURCH

I report on the accounts of the charity for the year ended 31 August 2021, which are set out on pages 9 to 15.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the Charities Act) and that an independent examination is needed.

It is my responsibility to:

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

Basis of the independent examiner's report

My examination was carried out in accordance with the General Directions 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 the 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 accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

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 130 of the Charities Act; and
 - to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the Charities Act have not been met; or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Independent Examiner

20th June 2022

Date

Mr D Hill
Jalna, Chapel Lane
Bodenham Moor
Herefordshire
HR1 3HR

CHALLENGE COMMUNITY CHURCH
Receipts and Payments Account
For the year ending 31 August 2021

		General	Desig- nated	Rest- ricted	Total	Total
	Note	Fund	Funds	Funds	Funds	Funds
		£	£	£	2021	2020
					£	£
Receipts						
Voluntary Receipts						
Regular giving from members						
Tax effective giving	2	39,012	-	3,685	42,697	27,450
Collections	2	2,473	-	321	2,794	5,342
Income Tax recovered	2	7,128	-	783	7,911	8,586
Other voluntary receipts		-	-	-	-	1,205
Activities for generating funds		-	-	-	-	746
Receipts from church activities		1,519	-	-	1,519	2,643
Grants received	2	5,194	-	2,148	7,342	5,683
Investment income		2	-	-	2	13
Total income		55,328	-	6,937	62,265	51,668
Payments						
Costs of generating funds						
Church activities	3,4	48,244	-	4,749	52,993	43,987
Grants payable (mission gifts)	5	125	-	5,728	5,853	12,750
		48,369	-	10,477	58,846	56,737
Purchase of new equipment		4,715	-	-	4,715	-
Building improvements		2,834	-	-	2,834	-
Total payments		55,918	-	10,477	66,395	56,737
Excess Receipts over Payments		(590)	-	(3,540)	(4,130)	(5,069)
Transfers between funds	6,8,9	(300)	(1,630)	1,930	-	-
Net movement on funds		(890)	(1,630)	(1,610)	(4,130)	(5,069)
Funds brought forward		20,464	3,912	4,030	28,406	33,475
Funds carried forward		19,574	2,282	2,420	24,276	28,406

CHALLENGE COMMUNITY CHURCH
Statement of Assets and Liabilities
As at 31 August 2021

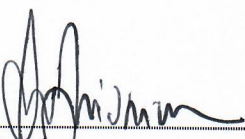
	2021	2020
Note	£	£
Fixed assets		
Premises at 40 Belmont Road, Hereford	423,023	423,023
Fixtures and fittings	6,219	8,539
Equipment	<u>5,425</u>	<u>2,712</u>
	<u>434,667</u>	<u>434,274</u>

Western Counties and South Wales Evangelisation Trust is the custodian trustee of the church premises at 40 Belmont Road, Hereford.

Cash funds

Lloyds Bank Current account	2,991	114
Lloyds Bank Deposit account	21,000	28,007
Storehouse petty cash	13	13
Ignite tuck shop petty cash	<u>272</u>	<u>272</u>
	<u>24,276</u>	<u>28,406</u>

Signed for and on behalf of the
Trustees of Challenge Community Church



Trustee

16th June 2022

Date

CHALLENGE COMMUNITY CHURCH

Notes to the accounts

For the year ending 31 August 2021

1 Accounting Policies

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and in the preceding year.

Basis of accounting

The financial statements are prepared under the historical cost convention, and using the Receipts and Payments basis.

Fund accounting

The church maintains various types of funds as follows:

Restricted Funds

Restricted Funds represent gifts received for specific purposes. Challenge Community Church has six such funds.

- The Building Fund represents monies given for the acquisition and refurbishment of a building in which Challenge Community Church can run its activities.
- The Mission Fund represents monies given to support missionary works which is reviewed on an annual basis. The church does not enter into commitments to support any given beneficiary beyond the end of its financial year.
- The Storehouse Fund represents monies given to fund of people in the local community, mainly in the form of food parcels. The beneficiaries are brought to our attention by local social services.
- The Bundles of Hope Fund represents monies given to support mothers with new born babies in need of practical support through gifts of necessary goods.
- The Hereford Community Fund represents grant monies given to purchase tablets to give the community on-line access in a community café.
- The Hereford Community Grant Fund represents monies given to help provide food to those in need as a result of COVID-19.

Designated Funds

Designated Funds are amounts that have been put aside out of unrestricted funds at the discretion of the trustees. Challenge Community Church has two such funds.

- The Computer Fund was retained to provide for the replacement IT based equipment. The elders decided to use this in the year to fund equipment to facilitate online streaming. The fund has now been ceased.
- The Project Fund has been set up to ring fence some larger one off gifts to the church. The Trustees wish these funds to be used for specific evangelistic projects that we would normally find difficult to fund from regular giving or to release to general funds in a planned way.

CHALLENGE COMMUNITY CHURCH
Notes to the accounts
For the year ending 31 August 2021

Unrestricted Funds

The General Fund represents unrestricted income that is expendable at the discretion of the Trustees in the furtherance of the objects of the charity.

Fixed assets

Western Counties and South Wales Evangelisation Trust is the Custodian Trustee of the church property at 40 Belmont Road, Hereford, HR2 7 JW. The £423,023 premises costs shown in the Statement of Assets and Liabilities represent the purchase and refurbishment costs of these premises and continues to be an asset of Challenge Community Church under this arrangement.

Equipment, fixtures and fittings are recorded on the statement of assets and liabilities at cost less an estimated decrease in value.

2 Analysis of Restricted Fund Receipts

	Building Fund £	Mission Fund £	Store- house Fund £	Sub Total £
Receipts from donors				
Tax effective giving	-	3,027	658	3,685
Collections	-	91	230	321
Income Tax recovered	-	619	164	783
Other voluntary receipts	-	-	-	-
Grants received	-	-	-	-
Total income	-	3,737	1,052	4,789

	Hereford Community Grant Fund £	Bundles of Hope Fund £	Hereford Grant Fund £	2121 Total £	2020 Total £
Receipts from donors					
Tax effective giving	-	-	-	3,685	3,960
Collections	-	-	-	321	2,001
Income Tax recovered	-	-	-	783	1,458
Other voluntary receipts	-	-	-	-	-
Grants received	1,200	-	948	2,148	5,683
Total income	1,200	-	948	6,937	13,102

The two grants received during the year were from Hereford County Council to fund the provision of food parcels and the purchase of tablets to give the community on-line access in a community café.

CHALLENGE COMMUNITY CHURCH
Notes to the accounts
For the year ending 31 August 2021

3 Analysis of General Fund payments - Church Activities

	2121	2020
	£	£
Wages and expenses	30,289	9,582
Speaker expenses	72	319
Evangelism and outreach costs	982	2,857
Ministry expenditure	886	3,238
Running costs	4,315	3,663
Repairs	7,334	1,794
Utilities	4,366	5,066
	<u>48,244</u>	<u>26,519</u>

4 Analysis of Restricted Fund Payments

	Building	Mission	Store-	Sub
	Fund	Fund	house	Total
	£	£	Fund	£
			£	
Church activities				
Wages and pastoral support	-	-	-	-
Ministry expenditure	-	-	390	390
Running costs	-	-	-	-
Repairs	1,868	-	-	1,868
	<u>1,868</u>	<u>-</u>	<u>390</u>	<u>2,258</u>
Grants payable (see note 5)	-	5,728	-	5,728
	<u>1,868</u>	<u>5,728</u>	<u>390</u>	<u>7,986</u>

	Hereford	Bundles	Hereford	2121	2020
	Community	of Hope	Community	Total	Total
	Grant Fund	Fund	Fund	£	£
	£	£	£	£	£
Church activities					
Wages and pastoral support	-	-	-	-	13,155
Ministry expenditure	1,801	-	690	2,881	1,183
Running costs	-	-	-	-	-
Repairs	-	-	-	1,868	3,130
	<u>1,801</u>	<u>-</u>	<u>690</u>	<u>4,749</u>	<u>17,468</u>
Grants payable (see note 5)	-	-	-	5,728	5,445
	<u>1,801</u>	<u>-</u>	<u>690</u>	<u>10,477</u>	<u>22,913</u>

CHALLENGE COMMUNITY CHURCH
Notes to the accounts
For the year ending 31 August 2021

5 Grants payable	General Fund £	Mission Fund £	2121 £	2020 £
Bodenham Christian Fellowship	125	-	125	100
Counties	-	1,590	1,590	1,347
Craig and Georgie Dowling	-	790	790	641
Esther Price	-	300	300	-
Good News for Everyone (Gideons)	-	550	550	-
Joel and Emily Thibault	-	300	300	570
OM India	-	-	-	40
Project India	-	300	300	300
Solomon Nathaniel	-	640	640	898
Storehouse	-	-	-	187
Three Counties Show	-	150	150	161
Vennture	-	1,108	1,108	6,970
Warwick CU	-	-	-	331
Other grants	-	-	-	1,205
	<u>125</u>	<u>5,728</u>	<u>5,853</u>	<u>12,750</u>

6 Transfers between funds

£1,630 has been transferred (redesignated) from the Computer Fund to the General Fund to help meet the costs of equipping the church for live streaming.

In the absence of cash collections, £1,930 was transferred from the General Fund to the Mission Fund to help meet our commitments to the missionaries we supported in the year.

7 Related party transactions

Mr S Sully is a Trustee of Challenge Community Church and was the pastor for the year. In return for the services that he provided to the fellowship, the church has paid him £8,240.

Elders and their spouses have claimed reimbursement, from time to time, for sundry expenditure incurred in relation to church activities.

CHALLENGE COMMUNITY CHURCH
Notes to the accounts
For the year ending 31 August 2021

8 Analysis of restricted funds	Building	Mission	Store- house	Sub total	
	Fund £	Fund £	Fund £	£	
Balance brought forward	1,868	(163)	513	2,218	
Receipts	-	3,737	1,052	4,789	
Payments	(1,868)	(5,728)	(390)	(7,986)	
Transfers in/(out)		1,930	-	1,930	
Balance carried forward	<u>-</u>	<u>(224)</u>	<u>1,175</u>	<u>951</u>	
	Sub total Grant Fund £	Hereford Community Fund £	Hereford Community Fund £	Bundles of Hope Fund £	Total £
Balance brought forward	2,218	833	-	979	4,030
Receipts	4,789	1,200	948	-	6,937
Payments	(7,986)	(1,801)	(690)	-	(10,477)
Transfers in/(out)	1,930	-	-	-	1,930
Balance carried forward	<u>951</u>	<u>232</u>	<u>258</u>	<u>979</u>	<u>2,420</u>

The Mission Fund is showing an overdrawn positions at the year end due to funds being distributed and based on Gift Aid not yet received by the church.

9 Analysis of designated funds	Project Fund £	Computer Fund £	Total £
Balance brought forward	2,282	1,630	3,912
Receipts	-	-	-
Payments	-	-	-
Transfers in/(out)	-	(1,630)	(1,630)
Balance carried forward	<u>2,282</u>	<u>-</u>	<u>2,282</u>

CHALLENGE COMMUNITY CHURCH HEREFORD

England & Wales - Charity number 1095786

Accounts

Charity registration Number: 1095786

CHALLENGE COMMUNITY CHURCH

Receipts and Payments Accounts

For the year ending 31 August 2020

CHALLENGE COMMUNITY CHURCH
Financial Statements
For the year ending 31 August 2020

Contents

	Page
Trust Information	1
Trustees' Report	2
Independent Examiner's Report to the Trustees	9
Receipts and Payments Account	10
Statement of Assets and Liabilities	11
Notes to the accounts	12-16

CHALLENGE COMMUNITY CHURCH

Trust Information

Status

Challenge Community Church, Hereford, is registered with the Charity Commissioners (No. 1095786) and constituted by a Deed of Trust dated 19 July 2002.

Trustees

The Charity is administered by the Trustees, who are at the time of signing this report:

Mr S Sully	Mr IJ Cracknell
Mr SWJ Grisman	Mr JGM Erwin
Mr C Over	Mr FD Erwin

Western Counties Trust are custodian trustees to the church premises at 40 Belmont Road,

Elders

Mr S Sully
Mr C Over
Mr M Roberts
Mr FD Erwin

Church Office

40 Belmont Road
Hereford
HR2 7JW

Registered Office

131 St Peter's Close
Moreton-on-Lugg
Hereford
HR4 8DW

Bankers

Lloyds TSB
High Town
Hereford
HR1 2AE

CHALLENGE COMMUNITY CHURCH
Trustees' Report
For the year ending 31 August 2020

The trustees submit their annual report and financial statements for the year ended 31 August 2020. The trustees have adopted the provisions of the Statement of Recommended Practice (FRS 102) 'Accounting and Reporting by Charities' in preparing their annual report. The financial statements have been prepared in accordance with the accounting policies set out on pages 12 and 13, and comply with the charity's governing documentation, applicable law and the requirements of the SORP.

Constitution

The charity is an unincorporated charity and is governed by its Trust Deed.

Object of the charity

To advance the Christian faith, in accordance with the Statement of Doctrines and Practices set out in the Schedule appended to the deed, mainly but not exclusively in the Hereford area.

Structure, governance and management

The charity is ultimately run by the Trustees. The Trustees have the authority to exercise their powers to further the objects of the charity. The Trustees meet at least once a year but delegate the day to day decision making on the running of the Church to the Elders of the Church, some of whom are also Trustees. The Elders meet formally twice a month to consider the management and pastoral needs of the fellowship.

Mr Steve Sully is the church pastor and is working two days a week for the fellowship. Every future Trustee shall be appointed by a resolution of Trustees passed at a special meeting. Training is available for Trustees as the need arises. The Elders take responsibility for the management of risk and have set up a team to identify, assess and mitigate areas of risk.

Objectives and activities

The church meets every week at 40, Belmont Rd, Hereford. Our objective is to reach out to people in the surrounding community, witness for, teach about, and demonstrate the love of, Jesus Christ and trust and pray that He becomes their own personal saviour. This is undertaken through weekly meetings for teaching and worship; specific evangelistic and outreach events; the work of our Community Link worker; The Storehouse Ministry (provision of foodstuffs to people in desperate need); Neighbourhood Chaplains; Koffee and Kids club; Who Let the Dads Out; coffee mornings; and various children's ministries.

Gifts to external organisations and individuals are considered by the Elders from time to time on the basis of need and fulfilment of the charitable objectives. There are no upper or lower limits of support. No commitments have been made for long term support.

Related parties

The Trustees received no remuneration as a result of their office during the year. No Trustee, or other person related to the charity, apart from as detailed in note 7, had any personal interest in any contract or transaction entered into by the charity during the year.

Review of developments

The Church continues to be led by four Elders, Steve Sully, Foster Erwin, Chris Over and Malcolm Roberts. Steve is the Lead Elder/Pastor employed on a 15 hours per week contract. The elders meet twice each month, one being a 'business' meeting and the other a prayer meeting.

CHALLENGE COMMUNITY CHURCH
Trustees' Report (continued)
For the year ending 31 August 2020

We also have a committed and dedicated team of Ministry Leaders taking responsibility for various ministries within the church.

The report for this year is best broken down into two periods:

- Period 1 September 2019 – March 2020 (pre Covid)
- Period 2 April -August 2020 (during Covid restrictions)

Period 1

Our Sunday morning services attract an average congregation of 60 as of the end of the reporting year. Our music group continues to serve us well although we would love to see more gifted musicians within the church to both enhance our music and to enable our current team to have some Sundays off just to be worshippers without the responsibility of playing.

Our preaching has included:

More than a story – familiar Bible stories for an adult audience.

Sun Stand Still – exploring what it means to have a bold audacious faith (based on the best selling book).

I'm In – what it means to be a committed, active member of Challenge.

40 Days in the Word – How to study the Bible and apply it to our daily life (Rick Warren/Saddleback resource).

We continue to provide speakers for many churches across the county and beyond.

Whilst our Sunday School numbers are low they continue to enjoy a well thought out, creative programme of teaching and they are growing in knowledge and faith.

TNT, our Sunday Morning group for 11-16 year olds meet in their own, comfortable youth room where they are able to learn in a relaxed and relevant way. Through Bible study and teaching, discussion, clips and presentations, the young people are encouraged to delve deeper into the Bible and see how it applies to their lives. There are opportunities to be creative and reflective.

Our youth work continues to thrive. On Friday nights 'Ignite' and 'Boom' attract some 60 young people with both groups running a varied programme including a weekly 'God Slot' with creative Bible teaching. We strive to connect with their families and in December invited the parents to a three course meal and a record number of families attended.

Schools work has also continued with regular assemblies in Marlbrook and Blackmarston schools. We lead two assemblies each month in Marlbrook, one for Key Stage 1 the other for Key Stage 2. Both assemblies are similar in content as we use Open the Book material. Feedback informs us the children and staff really look forward to these assemblies.

Our weekly After School Club at Marlbrook is unashamedly Bible based. Each week some 30 children attend. The school continue to value the relationship with the church. Liz Greenow, our Community Link Worker has been invited to lead several RE lessons in Marlbrook.

CHALLENGE COMMUNITY CHURCH
Trustees' Report (continued)
For the year ending 31 August 2020

We continue to work hard at connecting with our community. In September our annual Fun Day saw hundreds of people join us in our building for various activities and many good conversations were had.

Later in September we had a team from ToughTalk share a weekend with us. These are ex gangsters, bouncers, addicts etc who have seen their lives transformed by Jesus. Using power lifting demonstrations, competitions and testimony they had a great impact and their visit was a highlight of the year.

We promoted an Alpha course to take place in October/November but unfortunately we did not have take up.

In December we sang carols in our local Tesco store and hosted our second Wonder Wander at the Greenow's farm. Sheltered from the elements in a barn we enjoyed a 'Living Nativity'(including donkeys!), carols, a short message and refreshments.

Our Wednesday Life Group have a great connection with Southgate Court, a sheltered living community just across the road from the church building. In December we hosted an Afternoon Tea attended by over 25 residents with entertainment provided by a group of Christian singers from Leominster.

As is our custom we started the New Year with a Half Day of Prayer in January.

Neighbourhood Chaplains

Our partnership with Community Brokers and Community Connectors (both initiatives within Herefordshire County Council) has flourished with regular requests made for help including clearing overgrown gardens, befriending isolated and/or vulnerable adults and assisting with basic household chores.

Challenge has a very close link with Vennture, a Christian charity in the city that oversees several ministries including Street Pastors, Family Pastors, Vennture Ambassadors, Youth Mentoring and support for the homeless. Many members of Challenge are either staff or volunteers and we provide a regular monthly gift to Vennture.

Malc Roberts (one of our Elders) shared with the church that he has been prayer walking in Hunderton weekly. Hunderton is a housing estate close to the church with a high index of social and financial deprivation. From this he felt the Lord was telling him that the church needs to build a 'Spiritual Wall' around the area to repel and keep out any dark forces. After discussion we agreed to hire the local scout hut once a month and invite residents to come with prayer requests. We also invited CCC members commit to praying regularly for one street in the area.

Sadly the onset of Covid has prevented us from launching the prayer meetings but we believe God is using this time to prepare the hearts of residents whilst our members continue to pray for their street.

Earlier in 2019 Faye Roberts shared with the elders her conviction that God was calling her to full time Christian service. As a teacher in a local secondary school Faye approached the head asking for a 'year out' for time to explore where this calling may lead. The school declined her offer so, as a step of faith, Faye resigned.

CHALLENGE COMMUNITY CHURCH
Trustees' Report (continued)
For the year ending 31 August 2020

At the outset of 2020 Faye spent 6 weeks in the USA, to serve within Life Church whilst also taking time to gain clarity of the calling the Lord was placing upon her.

Faye returned and shared with the elders that, whilst this was not what she expected, she felt a clear calling to serve within Challenge. After discussion and prayerful reflection we agreed that her calling was of the Lord and appointed Faye on a 22.5 hour contract to oversee and develop our youth work, take a greater role in our preaching and lead on projects aimed at making the church relevant and accessible.

One of Faye's first requests was to form a working party of elders and a couple of worship leaders to look at our Sunday mornings and see how we could make our gatherings truly 'relevant and accessible'. As a result our services are reduced from 90 minutes to 60, communion would still be held regularly but necessarily restricted to the first Sunday of each month and we would strive to bring greater variety to each week (e.g. use of drama, testimonies).

Period 2

As Covid struck, Challenge had to close our doors and find ways of 'Doing Church Differently'.

Concerned over the possible financial impact of Covid, Steve Sully was asked and agreed to move to hourly pay rather than salary as working hours were likely to be less than the 15 hours per week contracted.

Initially for Sunday mornings we invited people to share a short, written reflection with a few songs which was collated by Kath Erwin and sent out to church members.

We quickly signed up for a Zoom account and began weekly Tuesday evening 'virtual prayer meetings' which continue today.

Our Neighbourhood Chaplains received many requests to help with shopping, transport, collecting prescriptions etc for those who were vulnerable and shut in.

When restrictions were eased we decided not to meet immediately but wait until we had undertaken a comprehensive risk assessment. With all the necessary measures in place we planned to resume Sunday morning services in September, possibly live streaming.

In April the Elders will meet for a time away to think about how our Sunday morning worship and teaching can be improved.

Clearly it has been a difficult second half of the year with nearly all activity coming to a halt in March. Nevertheless, we have seen positive outcomes:

- We believe the appointment of Faye will prove to be of huge value to the fellowship.
- Kath Erwin has made a real impact in collating our 'Doing Church Differently' Sunday morning programmes, taking ownership of social media and setting up a WhatsApp group for members to share favourite songs, bible verses and simply stay in touch with one another.
- Tuesday evening prayer meetings have been regularly attended by a core group of members.
- Finances have remained in good health.
- Through Neighbourhood Chaplains we have been able to pray for and with people from outside the fellowship whilst taking opportunities to share our faith with them.

CHALLENGE COMMUNITY CHURCH
Trustees' Report (continued)
For the year ending 31 August 2020

We go forward into uncertain times but trusting in our God who is the same, yesterday, today and forever and recognising that these difficult times are but temporary.

Public benefit statement

Identifiable Benefits, related to the aims of the charity

Through the regular worship & prayer meetings, Bible studies, children's clubs, social action programmes and personal visitation the Christian Faith is shared and people in the community helped. Individuals have become Christians, had their faith developed and lifestyles impacted. As part of community life families have been supported.

Beneficiaries

In addition to Church members, families, other regular attendees and friends anyone is welcome to attend appropriate events without restriction. We seek to be available to all in the community.

The Trustees consider that they have complied with their duties under the Charities Act 2011 to have due regard to public benefit guidance published by the Charities Commission.

Reserves policy

It was agreed at the Trustees meeting on 19 April 2021 to aim to build up reserves in the General Fund equivalent to three months expenditure (approx. £10,000) and a base level of reserves of £6,000 (only necessary expenditure below base reserves). The Trustees review this policy from time to time and agree that it is still appropriate.

Reserves are currently higher than this due to the desire to hold funds to help us transition to funding 100% of the Community Link Workers now that the CSI grant has ceased.

No limit has been put on the Restricted Funds (Building, Mission, Community Worker and Storehouse) as these are being held for a specific purpose and spent when the need arises.

Risk management policy

The operations team have reviewed and updated the risk management policies of the church; when finalised these are passed to the Elders for adoption. The policy is to review the risk assessments on a two year rotational basis.

The principal risks currently identified, and strategies for managing those risks are as follows:

- Adequate funds to meet commitments. Addressed through the preparation of an annual budget; regular monitoring of income and expenditure by treasurer; periodic review by Elders at finance meetings.
- Safeguarding vulnerable adults and children. Addressed through a Safeguarding Officer; Child Protection and Safeguarding policy kept up to date through review and being a member of CCPAS; training.
- Health and safety on church premises. Addressed through a member being tasked to monitor the condition of premises; fire drills; regular maintenance; promoting the need to consider health and safety during activities.

CHALLENGE COMMUNITY CHURCH
Trustees' Report (continued)
For the year ending 31 August 2020

Results and financial review

The financial statements for the year to 31 August 2020 have been prepared on a Receipts and Payments basis.

Net movement of funds for the Church were a total of £5,069 decrease for the year. This is made up of a £4,130 decrease on the General Fund, a £939 decrease with respect to restricted funds.

The General Fund received income of £38,566 (2019 - £45,723) which is a 15.7% decrease on the previous year, due to a decrease in giving. The decrease in relation to collections was due to not being able to hold any services since the middle of March as a result of COVID-19. The General Fund running expenditure was £33,824 (2019 - £40,841) which was a 17.2% decrease from last year. The main variances were that there was approximately £4,100 of equipment purchases and building improvements in the previous year. Other decreases were a drop in evangelism costs - due to only hosting the Tough Talk outreach; and ministry expenditure - mainly because there was no youth weekend away.

The main transfers between funds were £8,572 from the General Fund to the Community Worker Fund to meet the costs of this initiative. £300 has been transferred from the General Fund to the Mission Fund as a gift to Project India.

The Restricted Funds showed incoming resources (received or transferred) of £13,102, which are shown in more detail in note 8. £5,495 was given or transferred to Mission Fund and was either passed on during the year, or shortly after the year end, to the mission works that the church supports (see note 5). A further £7,305 was granted to missions and those in Christian work from the General Fund. Therefore in total 24.7% of the church income was gifted to missionary works during the year. The Mission Fund shows a deficit of £163 which will be cleared by Gift Aid claims in the coming year. The Storehouse Fund continues to be very active with income in the form of gifts received of £1,529 and expenditure of £895. These accounts only reflect the financial gifts to the Storehouse Fund and how they were spent. It was not practical to value and record in these accounts the provisions that are given by members and passed on to those in need. The Building Fund received gifts of £695 and £3,130 has been spent so far refurbishing the front entrance. We received £1,100 from the Hereford Community Grant Fund to help the church support families in the community who were particularly struggling as a result of COVID-19. This predominantly took the form of providing food parcels.

The Community Worker Fund received the final tranche of a grant from the The Laing Trust under the Church Strengthening Initiative of £4,583 and transfers from the General Funds of £8,572 to cover the expenditure incurred in relation to this work, which includes costs relating to Neighbourhood Chaplains.

CHALLENGE COMMUNITY CHURCH
Trustees' Report (continued)
For the year ending 31 August 2020


Statement of Trustees responsibilities

Charity law requires trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the payments and receipts of the Charity for that period. In preparing these accounts, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently.
- Make adjustments and estimates that are reasonable and prudent.
- Prepare the accounts on a 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 which disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the accounts comply with the Charities Act. They are also responsible for safeguarding the assets of the Charity and hence take reasonable steps for the prevention and detection of fraud and other irregularities. The Trustees confirm that the accounts comply with current statutory requirements and those of the Charity's Trust Deed.

Signed for and on behalf of the
Trustees of Challenge Community Church



Trustee

19/4/21

Date

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF CHALLENGE COMMUNITY CHURCH

I report on the accounts of the charity for the year ended 31 August 2020, which are set out on pages 10 to 16.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the Charities Act) and that an independent examination is needed.

It is my responsibility to:

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

Basis of the independent examiner's report

My examination was carried out in accordance with the General Directions 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 the 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 accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

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 130 of the Charities Act; and
 - to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the Charities Act have not been met; or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Independent Examiner

11th February 2021.
Date

Mr D Hill
Jalna, Chapel Lane
Bodenham Moor
Herefordshire
HR1 3HR

CHALLENGE COMMUNITY CHURCH
Receipts and Payments Account
For the year ending 31 August 2020

		General	Desig-	Rest-	Total	Total
	Note	Fund	nated	ricted	Funds	Funds
		£	Funds	Funds	2020	2019
		£	£	£	£	£
Receipts						
Voluntary Receipts						
Regular giving from members						
Tax effective giving	2	23,490	-	3,960	27,450	34,578
Collections	2	3,341	-	2,001	5,342	7,062
Income Tax recovered	2	7,128	-	1,458	8,586	9,647
Other voluntary receipts		1,205	-	-	1,205	419
Activities for generating funds		746	-	-	746	394
Receipts from church activities		2,643	-	-	2,643	4,424
Grants received	2	-	-	5,683	5,683	6,000
Investment income		13	-	-	13	14
Total income		38,566	-	13,102	51,668	62,538
Payments						
Costs of generating funds						
Church activities	3,4	26,519	-	17,468	43,987	44,619
Grants payable (mission gifts)	5	7,305	-	5,445	12,750	11,623
		33,824	-	22,913	56,737	56,242
Purchase of new equipment		-	-	-	-	3,557
Building improvements		-	-	-	-	554
Loan repayments and interest	4	-	-	-	-	3,269
Total payments		33,824	-	22,913	56,737	63,622
Excess Receipts over Payments		4,742	-	(9,811)	(5,069)	(1,084)
Transfers between funds	6,8,9	(8,872)	-	8,872	-	-
Net movement on funds		(4,130)	-	(939)	(5,069)	(1,084)
Funds brought forward		24,594	3,912	4,969	33,475	34,559
Funds carried forward		20,464	3,912	4,030	28,406	33,475

CHALLENGE COMMUNITY CHURCH
Statement of Assets and Liabilities
As at 31 August 2020

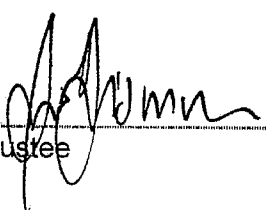
	2020	2019
Note	£	£
Fixed assets		
Premises at 40 Belmont Road, Hereford	423,023	423,023
Fixtures and fittings	8,539	10,859
Equipment	<u>2,712</u>	<u>4,438</u>
	<u>434,274</u>	<u>438,320</u>

Western Counties Trust are Custodian Trustees of the church property at 40 Belmont Road.

Cash funds

Lloyds Bank Current account	114	2,940
Lloyds Bank Deposit account	28,007	30,000
Petty cash	-	50
Storehouse petty cash	13	13
Ignite tuck shop petty cash	<u>272</u>	<u>472</u>
	<u>28,406</u>	<u>33,475</u>

Signed for and on behalf of the
 Trustees of Challenge Community Church



 Trustee

19/4/21

 Date

CHALLENGE COMMUNITY CHURCH
Notes to the accounts
For the year ending 31 August 2020

1 Accounting Policies

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and in the preceding year.

Basis of accounting

The financial statements are prepared under the historical cost convention, and using the Receipts and Payments basis.

Fund accounting

The church maintains various types of funds as follows:

Restricted Funds

Restricted Funds represent gifts received for specific purposes. Challenge Community Church has six such funds.

- The Building Fund represents monies given for the acquisition and refurbishment of a building in which Challenge Community Church can run its activities.
- The Mission Fund represents monies given to support missionary works which is reviewed on an annual basis. The church does not enter into commitments to support any given beneficiary beyond the end of its financial year.
- The Storehouse Fund represents monies given to fund of people in the local community, mainly in the form of food parcels. The beneficiaries are brought to our attention by local social services.
- The Bundles of Hope Fund represents monies given to support mothers with new born babies in need of practical support through gifts of necessary goods.
- The Community Worker Fund represents monies given to support the employment of a community worker.
- The Hereford Community Grant Fund represents monies given to help provide food to those in need as a result of COVID-19.

Designated Funds

Designated Funds are amounts that have been put aside out of unrestricted funds at the discretion of the trustees. Challenge Community Church has two such funds.

- The Computer Fund ensures that funds are retained to provide for the replacement of this asset.
- The Project Fund has been set up to ring fence some larger one off gifts to the church. The Trustees wish these funds to be used for specific evangelistic projects that we would normally find difficult to fund from regular giving or to release to general funds in a planned way.

CHALLENGE COMMUNITY CHURCH
Notes to the accounts
For the year ending 31 August 2020

Unrestricted Funds

The General Fund represents unrestricted income that is expendable at the discretion of the Trustees in the furtherance of the objects of the charity.

Fixed assets

Western Counties and South Wales Evangelisation Trust are Custodian Trustees for the church property at 40 Belmont Road, Hereford, HR2 7 JW. The £423,023 premises costs shown in the Statement of Assets and Liabilities represent the purchase and refurbishment costs of these premises and continues to be an asset of Challenge Community Church under this arrangement.

Equipment, fixtures and fittings are recorded on the statement of assets and liabilities at cost less an estimated decrease in value.

2 Analysis of Restricted Fund Receipts

	Building Fund £	Mission Fund £	Store- house Fund £	Sub Total £
Receipts from donors				
Tax effective giving	20	3,370	570	3,960
Collections	-	1,205	796	2,001
Income Tax recovered	675	619	164	1,458
Other voluntary receipts	-	-	-	-
Grants received	-	-	-	-
Total income	695	5,194	1,530	7,419

	Hereford Community Grant Fund £	Bundles of Hope Fund £	Community worker Fund £	2020 Total £	2019 Total £
Receipts from donors					
Tax effective giving	-	-	-	3,960	6,522
Collections	-	-	-	2,001	2,962
Income Tax recovered	-	-	-	1,458	1,331
Other voluntary receipts	-	-	-	-	-
Grants received	1,100	-	4,583	5,683	6,000
Total income	1,100	-	4,583	13,102	16,815

The grant received during the year was from the Stewards Laing Ltd towards the cost of a Community worker.

CHALLENGE COMMUNITY CHURCH
Notes to the accounts
For the year ending 31 August 2020

3 Analysis of General Fund payments - Church Activities

	2020	2019
	£	£
Wages and expenses	9,582	9,267
Speaker expenses	319	1,000
Evangelism and outreach costs	2,857	4,463
Ministry expenditure	3,238	6,140
Running costs	3,663	4,132
Repairs	1,794	1,247
Utilities	5,066	3,678
	<u>26,519</u>	<u>29,927</u>

4 Analysis of Restricted Fund Payments

	Building	Mission	Store-	Sub
	Fund	Fund	house	Total
	£	£	Fund	£
	£	£	£	£
Church activities				
Wages and pastoral support	-	-	-	-
Ministry expenditure	-	-	895	895
Running costs	-	-	-	-
Repairs	3,130	-	-	3,130
	<u>3,130</u>	<u>-</u>	<u>895</u>	<u>4,025</u>
Grants payable (see note 5)	-	5,445	-	5,445
Loan repayments and interest	-	-	-	-
	<u>3,130</u>	<u>5,445</u>	<u>895</u>	<u>9,470</u>

	Hereford	Bundles Community	worker	2020	2019
	Community	of Hope	Fund	Total	Total
	Grant Fund	Fund	£	£	£
	£	£	£	£	£
Church activities					
Wages and pastoral support	-	-	13,155	13,155	12,870
Ministry expenditure	267	21	-	1,183	1,822
Running costs	-	-	-	-	-
Repairs	-	-	-	3,130	-
	<u>267</u>	<u>21</u>	<u>13,155</u>	<u>17,468</u>	<u>14,692</u>
Grants payable (see note 5)	-	-	-	5,445	-
Loan repayments and interest	-	-	-	-	3,269
	<u>267</u>	<u>21</u>	<u>13,155</u>	<u>22,913</u>	<u>17,961</u>

CHALLENGE COMMUNITY CHURCH
Notes to the accounts
For the year ending 31 August 2020

5 Grants payable	General Fund £	Mission Fund £	2020 £	2019 £
Bodenham Christian Fellowship	100	-	100	-
Counties	-	1,347	1,347	1,332
Counties evangelist - Phil Davies	-	-	-	196
Craig and Georgie Dowling	-	641	641	-
Fijian church ministry	-	-	-	250
Solomon Nathaniel	-	898	898	390
OM India	-	40	40	208
Project India	-	300	300	600
Marc and Debbie Smalley	-	-	-	318
Storehouse	-	187	187	159
Joel and Emily Thibault	-	570	570	550
Three Counties Show	-	161	161	203
Vennture	6,000	970	6,970	6,898
Warwick CU	-	331	331	266
Other grants	1,205	-	1,205	253
	<u>7,305</u>	<u>5,445</u>	<u>12,750</u>	<u>11,623</u>

6 Transfers between funds

£8,572 has been transferred from the General Fund to the Community Worker Fund being the church's commitment to meet expenditure in relation to this activity.

£300 from the General Fund to the Mission Fund to meet our commitment to Solomon Nathaniel for Project India.

7 Related party transactions

Mr S Sully is a Trustee of Challenge Community Church and was the pastor for the year. In return for the services that he provided to the fellowship, the church has paid him £9,582.

Elders and their spouses have claimed reimbursement, from time to time, for sundry expenditure incurred in relation to church activities.

CHALLENGE COMMUNITY CHURCH
Notes to the accounts
For the year ending 31 August 2020

8 Analysis of restricted funds	Building	Mission	Store- house	Sub total
	Fund	Fund	Fund	
	£	£	£	£
Balance brought forward	4,303	(213)	(121)	3,969
Receipts	695	5,195	1,529	7,419
Payments	(3,130)	(5,445)	(895)	(9,470)
Transfers in/(out)		300	-	300
Balance carried forward	<u>1,868</u>	<u>(163)</u>	<u>513</u>	<u>2,218</u>

	Sub total	Hereford Community Grant Fund	Bundles of Hope Fund	Community Worker Fund	Total
	£	£	£	£	£
Balance brought forward	3,969	-	1,000	-	4,969
Receipts	7,419	1,100	-	4,583	13,102
Payments	(9,470)	(267)	(21)	(13,155)	(22,913)
Transfers in/(out)	300	-	-	8,572	8,872
Balance carried forward	<u>2,218</u>	<u>833</u>	<u>979</u>	<u>-</u>	<u>4,030</u>

The Mission Fund is showing an overdrawn positions at the year end due to funds being distributed and based on Gift Aid not yet received by the church.

9 Analysis of designated funds	Project Fund	Computer Fund	Total
	£	£	£
Balance brought forward	2,282	1,630	3,912
Receipts	-	-	-
Payments	-	-	-
Transfers in/(out)	-	-	-
Balance carried forward	<u>2,282</u>	<u>1,630</u>	<u>3,912</u>