

Company No.3702274

HARMONY CHRISTIAN MINISTRIES

Unaudited Financial Accounts And Trustees Report

For The Year Ended 31 March 2021



Charity No. 1105101

HARMONY CHRISTIAN MINISTRIES
CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

| | Page |
|-----------------------------------|-------------|
| Company Information | 1 |
| Trustees' Report | 2 |
| Independent Examiners Report | 6 |
| Income and Expenditure Account | 7 |
| Balance Sheet | 8 |
| Notes to the Financial Statements | 9 |

**HARMONY CHRISTIAN MINISTRIES
CHARITY INFORMATION
FOR THE YEAR ENDED 31 MARCH 2021**

| | |
|----------------------------------|---|
| Trustees | Adebowale A Adesina Kayode Obateru Morakinyo O Bayode Harmony Community Projects (9 December 2021) |
| Secretary | Carolyn Prass |
| Registered Company Number | 3702274 |
| Registered Charity Number | 1105101 |
| Registered Address | Concord House 23-27 Kemp Road Dagenham Essex RM8 1ST |
| Independent Examiner | Daniel Ewusi Mensah, ACMA |

**HARMONY CHRISTIAN MINISTRIES
TRUSTEES REPORT
FOR THE YEAR ENDED 31 MARCH 2021**

The trustees who are also the directors for the purpose of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2021. The trustees have prepared the accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (Charities SORP FRS 102) (effective 1 January 2019).

Status and Administration

The Charity is constituted and registered with the Charity Commission under charity number 1105101.

Governance and Internal Control

Trustees serve for a year period and may be re-elected. The trustees meet six times a year including a weekend meeting to review the strategy and performance and to set the operating plans and budgets.

Financial Activities and Results

The net incoming resources for the year amounted to £505,062.66 (2020: £458,497) leading to a net surplus carried forward of £87,039.41 as at 31 March 2021.

Investment Powers, Policy and Performance

The memorandum and articles of association, which states clear guidelines on investments policy, governs the trustees' investments powers.

Reserves

The trustees have forecast the level of free reserves(that is those funds not tied up in fixed assets, and designated as restricted funds) that the charity will require to sustain its operations over the period when it is anticipated that some of the income generating activities will be further funded to garner more income. The level of free reserve as at 31 March 2021 was £168,411

Volunteers

The Charity is grateful for the unstinting effort of its volunteers who are involved in service provision. Members are given the free will, without any form of coercion, to determine their form and level of support, manually or financially to the charity.

Grant Making Policy

The charity made grants to Harmony Christian Centre International. The purpose of the grant is in the furtherance of the charity objectives Harmony Christian as mentioned below. The total amount of grant made was £24,760 (2020 : £40,961).

**HARMONY CHRISTIAN MINISTRIES
TRUSTEES REPORT
FOR THE YEAR ENDED 31 MARCH 2021**

Risk Management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error. The trustees examine the major risks that the ministry faces in each financial year when preparing and updating the strategic plan. The Charity has developed systems to monitor and control these risks to mitigate any impact that they may have on the organisation in the future. Including:

An annual review of the risk which the charity may face

The establishment of systems and procedures to mitigate those risks identified in the plan

The implementation of procedures designed to minimise any potential impact on the charity should any of those risks materialise.

Charitable Objects

The objects of the Charity are:

- The advancement of the Christian Faith in accordance with the Statement of Beliefs
- To relieve persons who are in conditions of need or hardship or who are aged or sick and to relieve the distress in the United Kingdom or the world as the Trustees may consider appropriate
- To advance education of such means as the Trustees may consider appropriate

The ministry delivers these objectives through;

- Sunday religious discourses
- Wednesday home church bible studies
- Weekly prayer meetings
- Yearly Conventions
- Young Adult Retreats
- Celebrating religious festivals such as Christmas, 31 December Prayer meetings and Easter
- Training courses for volunteers and others
- Residential and one day retreats
- Community outreach such as fun days, summer festivals and concerts

Public Benefit

The trustees believe the pursuance of its charitable objectives helps members to practice their Christian faith more effectively which leads to improvements in their lives as well as that of the community.

Advancement of Christian Faith

Sunday morning religious discourse takes place at concord house which is open to general public. During these meetings, Christian teachings and principles are discussed and preached. This program is usually broadcast on the internet from 11am to 1:00pm.

**HARMONY CHRISTIAN MINISTRIES
TRUSTEES REPORT
FOR THE YEAR ENDED 31 MARCH 2021**

Outreach

Counselling on issues such as marriage, bereavement, health and other support are provided during the week by appointment only.

The ministry continued to make its hall available for counsellors' surgery as well as community neighbourhood meetings.

The Charity continues to support missionary work in Nigeria and Ghana. The partnership with Christ to the Rural World continues to grow in leaps and bound each year. During such missionary trips food, clothing, health screening, medical advice, farming materials and other necessities of life are distributed as well as the preaching of the good news of Christ.

Education

The ministry during the year organised education and empowerment seminar for parents and people in the borough. Testimonies are always been received from parents on the benefit of these training programs. Such testimony involves how the program has changed their lives and enabled them to improve their examination results.

Responsibilities of the Trustees

The charity's trustees (who are also the directors of Harmony Christian Ministry for the propose of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standard (United Kingdom Generally Acceptable Accounting Practice)

The Charities Act 2011 requires the trustees to prepare financial statement for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP FRS 102;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue on that basis.

**HARMONY CHRISTIAN MINISTRIES
TRUSTEES REPORT
FOR THE YEAR ENDED 31 MARCH 2021**

The trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act 2006. The trustees are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

ON BEHALF OF THE BOARD

A handwritten signature in black ink, appearing to read 'K Obateru', is written over a light blue horizontal line.

Name of Trustee: K Obateru

Date : 27th December 2021

**HARMONY CHRISTIAN MINISTRIES
ACCOUNTANT AND INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 MARCH 2021**

I report on the accounts of the Trust for the year ended 31 March 2021, as are set out on pages 7 to 12.

Respective responsibilities of Trustees and Examiner

The charity's trustees (who are also the directors for the purpose of company law) are responsible for preparing the account. The charity's trustees consider that an auditor is not required for this year (under section 144(2) of the Charity Act 2011 (the 2011)) and that an independent examination is required. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of Chartered Institute of Management Accountants.

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

- examine the accounts under Section 145 of the 2011 Act
- follow the procedures laid down in the General Directions given by the Charity Commission (Under Section 145 (5)(b) of the 2011 Act); and
- 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 Commission. An examination includes a review of the accounting records kept by the charity and comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedure undertaken does not provide all the evidence that would be required in an audit, and consequently no opinion is given as 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 respect, the requirements
- to keep accounting records in accordance with Section 386 and 387 of the Companies Act 2006; and
 - to prepare accounts in accordance with the accounting records, comply with the accounting requirements of Section 394 and 395 of the Company Act 2006 and with the methods and principles of the statement of Recommended Practices: Accounting and Reporting by Charities

- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Daniel Ewusi Mensah, ACMA
Date : 27th December 2021

HARMONY CHRISTIAN MINISTRIES
INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 31 MARCH 2021

| | | 2021 | 2020 |
|---|-------|----------------|----------------|
| | Notes | £ | £ |
| GENERAL AND UNRESTRICTED INCOME | | | |
| Donations and legacies | 2 | 481,580 | 436,124 |
| Investments | | 23,482 | 22,373 |
| Total General and Unrestricted income | | 505,062 | 458,497 |
| Total income | | 505,062 | 458,497 |
| GENERAL AND UNRESTRICTED EXPENDITURE | | | |
| Expenditure on charitable activities | | 417,979 | 399,669 |
| Governance Cost | | 44 | 490 |
| Total General and Unrestricted expenditure | | 418,023 | 400,159 |
| Total expenditure | | 418,023 | 400,159 |
| GENERAL AND DESIGNATED FUNDS | | | |
| General and Designated fund b/f | | 618,636 | 560,298 |
| Surplus / (Deficit) | | 87,039 | 58,338 |
| General and Unrestricted funds c/f | | 705,675 | 618,636 |
| Total Funds per financial return | | 705,675 | 618,636 |
| REPRESENTED BY | | | |
| Cash at bank and in hand | | 168,411 | 82,939 |
| Creditors: Amounts falling due after more than one year | | (1,172,497) | (1,214,960) |
| Creditors: Amounts falling due in one year | | (11,883) | (19,440) |
| Tangible assets | | 1,721,644 | 1,770,097 |
| Total Funds per financial return | | 705,675 | 618,636 |

HARMONY CHRISTIAN MINISTRIES
BALANCE SHEET
AS AT YEAR ENDED 31 MARCH 2021

| | | 2021 | 2020 |
|---|-------|------------------|------------------|
| | Notes | £ | £ |
| Fixed assets | | | |
| Tangible assets | 7 | 1,721,644 | 1,770,097 |
| Total fixed assets | | <u>1,721,644</u> | <u>1,770,097</u> |
| Current assets | | | |
| Cash at bank and in hand | | 168,411 | 82,939 |
| Total Current assets | | <u>168,411</u> | <u>82,939</u> |
| Liabilities | | | |
| Creditors: Amounts falling due in one year | 9 | 11,883 | 19,440 |
| Creditors: Amounts falling due after more than one year | 10 | 1,172,497 | 1,214,960 |
| Total Liabilities | | <u>1,184,380</u> | <u>1,234,400</u> |
| Net Asset surplus (deficit) | | <u>705,675</u> | <u>618,636</u> |
| Reserves | | | |
| Excess / (Deficit) | | 87,039 | 58,338 |
| Reserves | | 618,636 | 560,298 |
| Total Reserves | | <u>705,675</u> | <u>618,636</u> |
| Represented by | | | |
| Unrestricted | | 705,675 | 618,636 |
| Total | | <u>705,675</u> | <u>618,636</u> |

The charitable company is entitled to exception from audit under Section 477 of the Company Act 2006 for the year ending 31 March 2021.

The members have not required the charitable company to obtain an audit of its financial statement for the year ended 31 March 2021 in accordance with Section 476 of the Company Act 2006.

The trustees acknowledge their responsibilities for:

- ensuring that the charitable company keeps accounting records in accordance with Section 386 and 387 of the Companies Act 2006 and
- preparing financial statements which gives a true and fair view of the state of affair of the charitable company as at the end of each financial year and of its surplus or deficit for each year in accordance with the requirement of Section 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

The financial statements were approved by the Board of Trustees on 27 of December 2021 and were signed on its behalf by:



K Obateru
Trustee

**HARMONY CHRISTIAN MINISTRIES
NOTES TO THE FINANCIAL STATEMENT
FOR THE PERIOD ENDED 31 MARCH 2021**

ACCOUNTING POLICIES

A. Accounting Policies

The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006 and the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic Of Ireland (Charities SORP FRS 102) issued and Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and Charities Act 2011.

B. Recognition of Income and Expenditure

Income and Expenditure are recognised on an accrual basis. Donations and legacies are accounted for as received and accrued only when a value can be established before payment is received. Resources expended for both charitable activities and governance.

General Fund

Revenue grants and other income and expenditure associated with the general operations of the charity and its international projects are dealt with in the General Fund.

Restricted Fund

These comprise donations, legacies or other income, the use of which has been specified by the donor. There is currently no restricted fund.

Endowment Fund

There is currently no endowment fund.

C. Depreciation

All fixed assets over £ 1,000 are capitalised. The charge for depreciation is calculated to write off the cost of the fixed assets over their useful lives on the following bases:

| | |
|----------------------|----------------------|
| Land and Buildings | 2% straight line |
| Musical Equipment | 25% reducing balance |
| Motor Vehicles | 25% reducing balance |
| Furniture & fittings | 25% reducing balance |
| Computer Equipment | 25% reducing balance |

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. As permitted by the transitional provisions, under the previous UK GAAP, pre FRS 102 adoption, the Charity had elected not to adopt a policy of revaluations of tangible fixed Assets. The Charity has retained the book values of Freehold properties on transition to FRS102.

HARMONY CHRISTIAN MINISTRIES
NOTES TO THE FINANCIAL STATEMENT
FOR THE PERIOD ENDED 31 MARCH 2021

2: DONATIONS AND INVESTMENT INCOME

| | 2021 | 2020 |
|--------------------------------|-----------------------|-----------------------|
| | £ | £ |
| Donations | | |
| Tithe and Offering | 340,416 | 331,595 |
| Outreach | 4,870 | 5,325 |
| TV & radio broadcast | 5,290 | 5,761 |
| Other income | 1,085 | 7,272 |
| Gift Aid | 87,770 | 86,171 |
| Grants | 42,149 | - |
| Total Voluntary & Other Income | <u>481,580</u> | <u>436,124</u> |
| Investment Income | | |
| Rental Income | 23,236 | 22,326 |
| Bank Interest | 246 | 47 |
| | <u>23,482</u> | <u>22,373</u> |
| Total Income | <u><u>505,062</u></u> | <u><u>458,497</u></u> |

3. NET MOVEMENTS IN FUNDS FOR THE YEAR

| | 2021 | 2020 |
|--|-------------|-------------|
| | £ | £ |
| The net movement in funds for the year is stated after charging: | | |
| Depreciation of tangible assets owned by the charity | 61,728 | 62,307 |

4. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2021 nor for the previous year.

5. STAFF COST

No remuneration was paid to trustees in the year, nor was any expenses reimbursed to them. The staff costs were:

| | 2021 | 2020 |
|--------------------|-------------|-------------|
| | £ | £ |
| Wages and Salaries | 109,903 | 108,829 |

The average weekly number of staff employed, calculated on the basis of full time equivalents during the year was 6 (2020 - 5)

No employee received remuneration of more than £ 60,000

HARMONY CHRISTIAN MINISTRIES
NOTES TO THE FINANCIAL STATEMENT
FOR THE PERIOD ENDED 31 MARCH 2020

6. INTEREST PAYABLE AND SIMILAR CHARGES

| | 2021 | 2020 |
|-----------------------|--------|--------|
| | £ | £ |
| Loan Interest Payable | 19,315 | 27,493 |

7. TANGIBLE FIXED ASSETS

| | Land & Building | Plant & Machinery | Fixtures & Fittings |
|------------------------|------------------|--------------------|---------------------|
| COST: | | | |
| At 01/04/2020 | 2,335,928 | 137,823 | 134,413 |
| Additions | | 0 | 13,275 |
| At 31/03/2021 | <u>2,335,928</u> | <u>137,823</u> | <u>147,688</u> |
| At 01/04/2020 | 612,594 | 125,268 | 109,084 |
| Charge for the year | 46,718 | 3,139 | 9,651 |
| At 31/03/2021 | <u>659,312</u> | <u>128,407</u> | <u>118,735</u> |
| NET BOOK VALUE: | | | |
| At 31/03/2021 | <u>1,676,616</u> | <u>9,416</u> | <u>28,953</u> |
| At 31/03/2020 | <u>1,723,334</u> | <u>12,555</u> | <u>25,329</u> |
| | Motor Vehicle | Computer Equipment | TOTAL |
| COST: | | | |
| At 01/04/2020 | 48,879 | 21,592 | 2,678,635 |
| Additions | | 0 | 13,275 |
| At 31/03/2021 | <u>48,879</u> | <u>21,592</u> | <u>2,691,910</u> |
| At 01/04/2020 | 48,879 | 12713 | 908,538 |
| Charge for the year | - | 2220 | 61,728 |
| At 31/03/2021 | <u>48,879</u> | <u>14,933</u> | <u>970,266</u> |
| NET BOOK VALUE: | | | |
| At 31/03/2021 | <u>-</u> | <u>6,659</u> | <u>1,721,644</u> |
| At 31/03/2020 | <u>-</u> | <u>8,879</u> | <u>1,770,097</u> |

HARMONY CHRISTIAN MINISTRIES
NOTES TO THE FINANCIAL STATEMENT
FOR THE PERIOD ENDED 31 MARCH 2021

8. CREDITORS - Due within one year

| | 2021 | 2020 |
|----------------------------------|---------------|---------------|
| | £ | £ |
| Trade Creditors | 1,480 | 2,240 |
| Taxation & social security Costs | 4,865 | 14,325 |
| Other creditors | - | - |
| Groups & Association | 5,538 | 2,875 |
| | <u>11,883</u> | <u>19,440</u> |

9. CREDITORS - After one year

| | 2021 | 2020 |
|--------------------------------------|------------------|------------------|
| | £ | £ |
| Bank Loans more 5yr by Instalment -1 | 708,845 | 751,260 |
| Bank Loans more 5yr by Instalment -2 | 463,652 | 463,700 |
| | <u>1,172,497</u> | <u>1,214,960</u> |

10. SECURED DEBTS

The following secured debts are included within Creditors:

| | 2021 | 2020 |
|-----------------------------------|------------------|------------------|
| | £ | £ |
| Bank and Building Societies Loans | <u>1,172,497</u> | <u>1,214,960</u> |

11. CONTINGENT LIABILITY

A legal charge has been given on 23 - 27 Kemp Road, Dagenham, Essex to Barclays Bank PLC on all monies due or hereafter to become due or from time to time accruing due from Harmony Christian Ministries to the bank upon any account and in any matter whatsoever, but only in respect of the liabilities due to the Bank under the terms of facility letter dated the 24 October 2007.

**HARMONY CHRISTIAN MINISTRIES
DETAILED INCOME AND EXPENDITURE
FOR THE PERIOD ENDED 31 MARCH 2021**

| | 2021 | 2020 |
|--|----------------|----------------|
| | £ | £ |
| GENERAL AND UNRESTRICTED INCOME | | |
| Tithe and Offering | 340,416 | 331,595 |
| Outreach | 4,870 | 5,325 |
| TV & radio broadcast | 5,290 | 5,761 |
| Other income | 1,085 | 7,272 |
| Gift Aid | 87,770 | 86,171 |
| Grants | 42,149 | |
| Bank interest | 246 | 47 |
| Rental income | 23,236 | 22,326 |
| Total General and Unrestricted income | 505,062 | 458,497 |
| Total income | 505,062 | 458,497 |
| GENERAL AND UNRESTRICTED EXPENDITURE | | |
| Publicity & advertisement | 1,152 | 568 |
| Printing | 846 | 5,909 |
| Design cost | 1,081 | 1,172 |
| Website management | 708 | 195 |
| Rent - branch venue | 6,379 | 14,586 |
| Stationery - office | 412 | 209 |
| Stationery - church | 840 | 537 |
| Equipment hire | 2,234 | 1,393 |
| Material & Equipment cost | 16,170 | 10,098 |
| Motor fuel | 1,949 | 8,274 |
| Mobile & telephone | 1,119 | 1,144 |
| Adsl & broadband | 2,732 | 2,561 |
| Employer's, Property & Public Liability | 5,776 | 4,978 |
| Motor Finance/ Lease | 3,148 | |
| Insurance | 3,952 | 1,961 |
| Water | 636 | |
| Utility | 18,575 | 10,840 |
| Balance Carried Forward | 67,711 | 64,425 |

This Page does not form part of the statutory statement

**HARMONY CHRISTIAN MINISTRIES
DETAILED INCOME AND EXPENDITURE
FOR THE PERIOD ENDED 31 MARCH 2021**

| | 2021 | 2020 |
|---|----------------|----------------|
| | £ | £ |
| Balance brought Forward | 67,711 | 64,425 |
| Subscription | 2,559 | 1,550 |
| Licencing | | 118 |
| Staff Welfare | | 1,102 |
| Maintenance - building | 29,234 | 11,820 |
| Maintenance - Office Equipt | 832 | 1,527 |
| Maintenance - vehicle | 1,190 | 993 |
| Cleaning expenses | 6,282 | 7,555 |
| Travelling expenses - local | 785 | 1,758 |
| Salaries | 109,903 | 108,829 |
| Accountancy & Audit Expenses | 936 | |
| Bank charges | 3,393 | 3,886 |
| Mortgage loan interest - church building | 10,326 | 15,855 |
| Mortgage Loan Interest - Other Properties | 8,989 | 11,638 |
| Professional & consultancy expenses | 20,217 | 16,079 |
| Freehold building - depreciation | 46,719 | 46,719 |
| Musical equipment - Depreciation | 3,139 | 4,185 |
| Office Equipt - Depreciation | 2,220 | 2,960 |
| Church F&F - Depreciation | 9,651 | 8,443 |
| Equipment warranty | 584 | 317 |
| Postal services | | 80 |
| Other charges | | 940 |
| Cargo & Shipping | | 3,087 |
| Statutory Expenses | 44 | 490 |
| Retreat & training expenses | 34,329 | 39,710 |
| Mission & outreach expenses | 58,982 | 46,093 |
| Total expenditure | 418,023 | 400,159 |
| Surplus / (Deficit) | 87,039 | 58,338 |

This Page does not form part of the statutory statement