

**REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021
FOR
HEATH EVANGELICAL CHURCH**

Watts Gregory LLP
Chartered Accountants
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
County of Cardiff
CF23 8RS

HEATH EVANGELICAL CHURCH

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FOR THE YEAR ENDED 31 DECEMBER 2021**

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HEATH EVANGELICAL CHURCH

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

The trustees present their report with the financial statements of the charity for the year ended 31 December 2021. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The objects of the charity (taken from the Governing Document) are:

- a) to advance the Christian faith in accordance with the Statement of Doctrines referred to in Schedule 1 and Schedule 2 of the governing document in such ways and in such parts of the United Kingdom or the rest of the world as the Pastor and Elders from time to time may think fit.
- b) as subsidiary to (a) above (and only as subsidiary) to relieve sickness and financial hardship and to promote and preserve good health by the provision of funds, goods or services of any kind in such parts of the United Kingdom or the rest of the world as the Church Council from time to time may think fit.

Activities and meetings (including those for public benefit)

The following meetings and activities are open to non-members as well as members of the Church. Many of the meetings are attended by the public, particularly those in the local community:

SUNDAY

CHURCH SERVICE 10.45am
Morning Sunday Schools (Church Hall & Annexe)
CHURCH SERVICE 6.00 pm
Informal Fellowship Meeting (Church Hall)

MONDAY

Missionary Prayer Meeting (Lecture Room)
Home Bible Study Groups 7.30pm (first Monday of the month)

TUESDAY

Seniors Coffee Morning (one2two)
International Ladies' Bible Study (one2two)

WEDNESDAY

Women's Bible Class (Church Hall)
BIBLE STUDY & PRAYER MEETING (Church Hall)
7.30pm

THURSDAY

Toddler Group (term-time Church Hall)

FRIDAY

Internationals English Conversation Class (one2two)
Youth Activity Meetings
4-11 years (Church Hall)
11-18 years (Church Hall)
Open House for Internationals (one2two)
Seniors' Lunch (first Friday of the month)

SATURDAY

Youth Fellowship Meeting
11-15 years (one2two)
16-22 years (Annexe)
Ladies Reading Group monthly (one2two)
Men's Reading Group monthly (one2two)

Limitations on activities due to Covid 19

Restrictions in place due to the Covid 19 pandemic affected the numbers able to attend public meetings. However, activities were able to be held via live streaming/video conferencing and, where guidelines permitted, in the buildings (worship on the Lord's day and on Wednesday evening for prayer and Bible study) with risk assessments in place and adhered to.

HEATH EVANGELICAL CHURCH

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

OBJECTIVES AND ACTIVITIES

Significant activities

The Church allows the Annexe building to be used as a polling station in local/general elections and as an emergency facility for a neighbouring school. Other Churches, organisations and individuals occasionally made use of Church facilities by arrangement when there was availability and where those activities were in line with the Church constitution.

- The sick, needy and dying (members and non-members) are supported and given practical help. These may be visits to private homes, care homes, hospices or hospitals.
- Weddings and funerals are conducted on the Church premises (members and non-members).
- The Church raises funds for the relief of suffering in parts of the world that experience great hardship e.g. through natural disasters.
- A part-time worker supports Iranian asylum seekers and translates the sermons into Farsi each Sunday
- The Church employs a full time worker to lead the International Student Work, support the young people's work and provide pastoral care for young men.
- The Church also employs a full time Women's Worker to engage in care and discipleship work as well as evangelism among women of all ages.

Access

The aforementioned activities are for the use and participation of all in the community. In order to give as wide an access as possible, the following are provided:

- Physical access to the church buildings complies with the requirements of the Equality Act 2010.

Strategies adopted and activities undertaken to achieve the objects of the charity

In order to further the opportunities to engage the community in the meetings, activities and events of the Church, and to wisely review what is currently done, the following are employed:

- Prayer (specific prayer groups, corporate prayer and personal prayer).
- Personal conversation and invitation.
- Advertising and publicity (specialist church newspapers, flyers and leaflets in the community were distributed by Royal Mail, church magazine, notices and announcements at public church meetings).
- Website information, downloads and opportunity for e-mail contact with the church. The Church has Facebook, Twitter pages and a YouTube channel.
- Video Streaming: Every Sunday, both Morning and Evening Services are available as a 'live stream' (via YouTube) to anyone who has access to the internet. The broadcasts include hymn singing, Bible reading, prayer and sermon.
- Seeking information and advice from relevant individuals, churches and organisations about the spiritual and practical needs of missions, groups and individuals on a case by case basis.
- The Elders and Church Council have regular meetings which function in a manner that monitors and reviews the activities and objects of the church.

How the Church measured success in the reporting period

The Elders and Church Council are conscious that it is only in eternity that we will see what the Lord has been doing amongst us. However, we in no way wish to use this as an excuse to abrogate our responsibilities and, whilst holding on to the principle that it is His work, not ours, we endeavour to be faithful stewards. As such we look to see the Gospel preached, church members and all others worshipping and fellowshiping with us taught and ministered to, and any facing hardship looked after in practical ways. This report sets out financial information which provides some limited insights into our "success". Other numerical information such as our membership roll, numbers of those attending our meetings and services and "footfall" in our café and the linked Heath Christian Bookshop can be helpful, but our main litmus test is the prayer meeting, the Power House of the Church, and even then not in numbers of those attending; the real test is whether we are attending on the Throne of Grace, and our success or otherwise in appealing for God's help in all we seek to do in His Name. We covet more of His Presence and, whilst we are not ungrateful for the wonders we see Him doing in individual lives, we long for greater blessing through an outpouring of His Spirit.

Public benefit

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

HEATH EVANGELICAL CHURCH

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

OBJECTIVES AND ACTIVITIES

Grantmaking

The Church makes discretionary grants to individuals and institutions. Such support is focused on the following categories:

- Theological training for ministerial students and others
- "Our Missionaries" - Christian workers sent out by the Heath Church
- Other missionaries
- Pastors
- Christian workers
- People in financial hardship

The size and duration of grants are considered at the discretion of the elders and recommended to Church Council for approval. In particular we support missionaries and other Christian workers who have been commissioned by our Church. We only provide such support to individuals and organisations whose beliefs and practices fit with Church's aims and objectives. On occasions we also provide humanitarian aid as well as helping in cases of individual financial hardship. Generally, this will be either given directly to beneficiaries or channelled through a trusted intermediary church or other organisation.

Volunteers

The charity's different activities are run mainly by volunteers, most of whom are members of the church.

The many and varied activities of the Church are made possible by the voluntary work of members. Members give their unpaid time to such activities as Sunday school and Bible Classes, Youth and Children's Clubs, audio Ministry, website maintenance, stewarding duties, Church Magazine contributions and editing, and visiting the sick and needy.

Individual members hold specific posts voluntarily. These include the Treasurers (Church and Missionary), Gift Aid Administrator, Church Secretary, Secretary to the Elders, DBS Administrator, Health and Safety Officer, Chief Steward and Minibus Keeper. Volunteers help to produce leaflets for evangelism and the bimonthly prayer diary. This list is not exhaustive but it gives a flavour of the breadth of voluntary work. It is impossible to quantify the hours per annum but it runs into the tens of thousands.

HEATH EVANGELICAL CHURCH

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

ACHIEVEMENT AND PERFORMANCE

Charitable activities

(Referenced to the two main objects (a) and (b) of the charity)

The Church met for worship throughout the year, twice on Sunday and throughout the week for prayer, Bible study and activities for young and old. (a)

- The Pastor preached on the majority of Sundays; the Pastor did not preach for us on the last Sunday of each month. Visiting preachers throughout the year were (in order of preaching) Dustin Benge (Union), Adrian Brake (Carmarthen), Philip Swann (Llanelli), Mike Mellor (Bournemouth), Conrad Pomeroy (Dudley), David Jones (Merthyr), Peter Milsom (Newport), Maged Drotta (France), Mark Fisher (Hanney), Matt Francis (Deeside), John Orchard (Bridgend) and Andy Christofides (Cardiff). Our trainee pastor, Hywel George, preached on 3 Sundays. (a)
- Recordings of sermons and Bible studies continued to be provided through the website (downloads). (a)
- Simultaneous translation in the Sunday services is provided in the Farsi language; also provided is a real time transcription of Sunday Services and prayer meetings for the hearing impaired. (a)

Financially, the Church was able to meet all its commitments during 2021 through the continued support of its members (a)

- The Church continued to provide financial support for the Heath Christian Bookshop Trust. (a)
- The Church owns 122 Whitchurch Road known as "one2two" which is used as a Christian Bookshop and Coffee Shop. Additional rooms on the first floor are used as an office and a lounge for Church meetings/activities. One2two is a ministry of the Church in the community. (a) (b)
- The Church runs the coffee shop in one2two and employs a coffee shop manager and supervisors. A coffee shop committee is appointed to plan, monitor, review, and report to Church Council. Volunteers along with paid staff serve and help with the day to day operations of the coffee shop. (b)
- Financial, spiritual and moral support was provided for members serving across the world in Haiti, Africa, Europe and Asia. The Church continued to support the work of one of its missionaries involved in helping to run homes for men and women with physical and/or learning disabilities in Moldova, expanding this work into a 5th home during this year. Other missionaries were supported financially in their primary task of preaching the Gospel. We also provided help in related work including support for: Lampeter Evangelical church, Romanian Ministries Emanuel Hospice, work in Nepal, Arab Media Centre project in France, work in Yemen and for various Iranian brethren in the church (a) (b)
- Special collections were made for covid relief (India), earthquake survivors (Haiti), a mother and baby unit (Israel), vitamins for Holocaust survivors (Israel), and at Christmas for hardship relief in Haiti and Eastern Europe. (b)
- The Church continued to administer a fund for the relief of financial hardship experienced by individual members and non-members. (b)
- The Church continued to employ an administrative assistant to enable the church office to be open for 5 hours 4 days per week and to help with the efficient running of the church. (a) (b)

A weekly coffee morning is run to foster fellowship and counter loneliness for seniors within the local community. (a) (b)

The Church continued to edit and publish a bi-monthly magazine for distribution (both electronically and in print) to members and other interested parties. (a)

The Church website continued to be a useful tool for providing information worldwide and welcoming e-mail contact from website visitors. (a)

Hospitality was provided to those in need. (b)

Regular outreach to residential care establishments included Bethel House, Lakeside and Ty Coch residential homes. (a)

Progress the Church has made against its objectives

Wednesday evening meetings involve a Bible study, a time of prayer, and opportunities to present a review of progress by the members of the congregation involved in various activities of the Church.

Members are encouraged to bring questions or matters of concern to the Trustees. The Elders consider all points raised and respond as they deem appropriate, keeping other Trustees informed at monthly meetings of the full Church Council.

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

The Elders assess progress on a continual basis at their regular Tuesday evening meetings and bring everything to the Lord in prayer, feeding back to the congregation through individual letters, the bi-monthly church magazine and announcements in the Sunday and other services.

Positive and negative factors that affected the achievement of objectives and how future plans are affected

We have been blessed with a Pastor who has been enabled to preach to us and teach us in thoughtful and helpful ways. Through this ministry we are seeing new individuals brought to a saving knowledge of Christ, and Christians growing spiritually.

As well as benefiting from the ministry, there are many members who are actively engaged in the work, mostly unpaid but some paid, as teachers, helpers, evangelists, cleaners, book and coffee shop assistants, missionaries, encouragers and youth workers. We are grateful for the tireless efforts of so many who, in His name give willingly of their time to run these activities - and those also who work so hard behind the scenes to make sure that the environment is safe and suitable in many other ways for these things to continue. Our God is good.

Principal risks and uncertainties

Despite the ongoing impact of Covid 19, the Church has been able to continue to budget sufficiently to maintain the buildings and keep them in a good state of repair. As stated in previous reports, we are advised that at some point over the next 20 years we will find it necessary to undertake substantial repair work or indeed replace the main church roof. The trustees have taken the view that to keep funds aside for an event that could be a decade or more in the future is not appropriate and that the need to replace the roof will be addressed as and when it becomes clear that it is necessary. Unless, anything significant occurs in 2022 then reference to replacing the church roof should be removed from future reports. The trustees have agreed that the reserves should not be less than £100,000 at any time, and this can be used in an extreme situation to offset such eventualities.

Covid 19

The measures taken by the Church to handle the Covid 19 pandemic have resulted in continued disruption to the work and activities of the Church. Indeed it still remains a possibility that basket donations will not be re-introduced once all restrictions are removed. Consequently, other forms of Sunday giving may be researched, such as contactless payments.

The Church has, again, taken full advantage of the Government's furlough scheme in 2021. The four coffee shop employees were furloughed until the middle of May. Once permissible, the coffee shop reopened in May.

All the activities of the Church, such as Sunday services, midweek prayer meetings, Sunday schools etc were performed fully under the restrictions and guidelines laid down by the Welsh Government. The Church has been supported and helped by the congregation; in particular, individuals have performed great work in keeping the church open, interpreting and implementing the guidelines, and running the technology that allows all the services to be available online.

Property maintenance during 2021

With the Covid-19 restrictions and associated difficulties in gaining a prompt response from contractors, much of the planned maintenance and improvement work to the church premises has been further deferred to 2022 or beyond. It proved particularly difficult to arrange inspection of the deteriorating the timber louvres on the stair tower roofs, but the erection of scaffolding during January 2022 will enable a professional report to be obtained and remedial work to progress.

Although delayed on occasions, routine inspection, testing, servicing, and cyclic maintenance work continued in order to satisfy safety and statutory obligations. Water systems have been regularly flushed and tested for the presence of Legionella and other bacteria.

Remedial work was necessary following failure of electrical supply to the Church Boiler Room, and improvements were also undertaken to the primary electrical distribution boards in the Church Hall. General maintenance included updating emergency lights, replacement of the motor on the security roller shutter, and sundry roofing repairs.

More major projects saw complete renovation and refitting of The Manse bathroom. Additional large digital screens have been installed in the Church for the display of hymns, images, presentations, and video recordings. A commercial standard "pop up" gazebo was purchased to provide external seating and increase the socially distanced capacity of the Coffee Shop during the summer months.

As reported annually, at some point in the future there will be a major financial requirement for complete re-roofing of the main church building and for repainting the ceiling.

HEATH EVANGELICAL CHURCH

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

Factors likely to affect future financial performance or position

The trustees are still in the process of reviewing and choosing between potential uses for the current balance of reserves. Given the impact of Covid 19 it was decided to defer any decision until the pandemic eases and balanced decisions could be taken.

It is encouraging to see how many members still want to attend the Sunday services and midweek prayer meeting and Bible study despite restrictions such as socially distanced seating and the wearing of facemasks. It is not possible to assess the long-term impact on church attendance until the lockdown restrictions are fully relaxed.

During the pandemic we concluded that it was not possible to make a definitive link between church finances and numbers attending. This year's partial lockdown and other restrictions have meant that numbers attending have continued to fluctuate widely. We need to see what happens to the income when the pandemic has passed.

FINANCIAL REVIEW

Financial position

The Statement of Financial Activities reports net income for the financial year of £81,081 (2020 - net income £24,646).

During the financial year the Church received legacy income of £106,012, all of which was unrestricted. Of this amount, only £16,000 was spent during the financial year, leaving £90,012 carried forward for 2022 and beyond. Excluding the impact of the legacy money, the Church would in fact be reporting a net deficit for the financial year of £8,931.

The coffee shop continued to run at a deficit. Direct coffee shop income reported at £24,411 with an additional sum of £6,136 received by way of restricted donations. Coffee shop expenditure reported at £58,865 including salary costs and overheads, resulting in a deficit of £28,318.

Principal funding sources

The Church's income takes the form of regular giving via the Church website, and also directly into the Church's bank accounts. Alternatively, members also regularly send cheques directly to the Treasurer for depositing in the bank accounts.

Income from offerings, gift aid and Missionary account held up well at £495,851 compared to £455,404 in 2020. Missionary income from donations was £181,336 (2020 - £136,973). The increase in missionary income is reflected by the excellent response to the appeals for India, Haiti, Israel and the ongoing support for Casa Mea.

The Church claimed £5,667 from the Government's Job Retention Scheme.

Because of restrictions to Church activities due to Covid 19, the usual income from camps, house parties and the coffee shop was depressed compared with pre-pandemic years.

Total income for the year is reported at £632,327, an increase of £129,568 over 2020. The Church was incredibly fortunate and grateful to receive two legacies during 2021 amounting to £106,012.

The coffee shop generated income of £24,411 compared to £20,582 in the prior year.

Reserves policy

The total funds held at the year end stand at £2,312,407 (2020: £2,231,326), of which £53,104 is restricted. However of this amount, the Church has designated funds of £1,940,288 leaving free reserves of £319,015.

The trustees consider that reserves should not be less than £100,000 at any time. This is a relatively modest value compared with the income and expenditure flows. However, at present reserves are considerably in excess of £100,000. The 2021 financial statements show a surplus for the year of £81,018 (operational loss of £8,931 excluding the legacy impact), but there continues to be a degree of caution for 2022 as the lasting impacts of Covid 19 are assessed. The trustees consider it prudent to keep in hand sufficient monies to fund deficits for the next five years. Trustees will consider how to most appropriately apply the remaining surplus reserves following the relaxation of the Covid 19 control measures.

HEATH EVANGELICAL CHURCH

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Heath Evangelical Church is constituted as a charitable trust whose governing document is its constitution and trust deed.

Organisational structure

All decisions relating to the spiritual oversight and overall direction of the Church are taken by the Pastor and Elders. All other decisions are made by the Church Council which consists of the Pastor, Elders, Deacons and Church officers.

Appointment of Pastor

The Pastor is elected by the admitted members of the Church by a special resolution passed at a Church meeting.

Election of Elders

Instruction is given to Church members concerning the biblical qualifications of an Elder. Members of the congregation are invited to suggest to the Elders names for consideration. From the names suggested to them, and any others the Elders may consider suitable, the Elders recommend nominees to the Church members, based on the needs of the Church at that time. Their names are then presented to a meeting of Church members called to elect Elders. Those receiving the votes of at least two thirds of the members present and voting are considered duly elected. Those elected are approached by the Pastor and Elders and invited to accept the office. Those persons duly elected as Elders are recognised at an Ordination Service.

Elders are elected for life, or as long as they continue to be members of the church, or until they resign, or until they are removed from office, whichever is the earlier. At least every seven years, a recommendation is placed before the Church members for an election of Elders to be arranged. Should this recommendation be supported by at least two thirds of those present and voting, the necessary arrangements are made.

Election of Deacons

Deacons are elected to office by a meeting of the Church. They are elected from those who have been members of the Church for over three years. Vacancies in the Diaconate are filled by those nominations obtaining the largest number of votes at a Church meeting, provided they receive a minimum of one third of those present and voting. Nominations for election are submitted to the Church Secretary and signed by the proposer, seconder and nominee. All must be members of the Church.

Induction and training of new trustees

Any new deacon elected must have been a member of the Church for a minimum of three years. The pastor, elders, deacons, secretary and treasurer are all trustees. In practice, new trustees have been members for much longer than this. This experience is of great benefit in terms of familiarising trustees with the day to day functioning of the Church and its administrative systems. Information regarding the committees of the Church and roles of key personnel is provided in the annual Members' Directory. Trustees will have received the accounts of the Church for at least the previous three years. New trustees are provided with booklets on the roles and duties of trustees of charities, published by the Charity Commission. The Church Secretary briefs new trustees on the procedures and practices that are unique to Church Council members. The Church Constitution is provided and it gives more detailed information on procedures and practices, including the objectives of the Church.

Key management remuneration

An important pay principle in our pay policies is that our pay scales, salaries and benefits are proportionate to the complexity of role/ responsibilities. We aim to pay around the median for similar roles in similar organisations but not compete on salaries within the public or private sectors. To help us achieve this, we monitor similar charity sector pay trends through available sources.

Related parties

The charity has several trustees in common with Heath Christian Bookshop Trust and has given financial support to this organisation during the year.

HEATH EVANGELICAL CHURCH

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

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 Church's finances are subject to external independent examination. The Church has both a Safeguarding Policy and Safeguarding Guidelines which have been approved by and lodged with the Churches Child Protection Advisory Service. Disclosure and Barring Service (DBS) Disclosures have been sought and received for all trustees of the Church and for those who work with children and vulnerable adults in the Church. There is a rolling programme for updating / renewing these DBS Disclosures. The Health and Safety Policy has been revised to ensure compliance with current recommendations. Key personnel have been consulted and the Policy given to all relevant staff. Adaptations and improvements have been made to the Church premises to ensure compliance with the Equality Act 2010. Insurance cover was set in the light of independent advice. The trustees comply with Charity Commission advice and directives in the running of the Church. The trustees are satisfied that major risks are being assessed and systems put in place for their mitigation. Financially, the Church continues to be well supported by members and able to meet all commitments.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

1118052

Principal address

122 Whitchurch Road
Heath
CARDIFF
CF14 3LZ

Trustees

R W Akrill (Elder)
A J Barker (Elder)
K Batstone (Elder)
A Bernardelli (Deacon) - Resigned 14.04.21
L Chorbajian (Elder)
A Christofides - appointed 16.02.22
J Cross (Deacon)
T Cross (Deacon)
D E Davies (Elder)
N Evans (Deacon)
W G Evans (Elder)
M Forde (Deacon)
J Gigg (Treasurer)
R Hate (Deacon)
A W Hughes (Pastor)
N J Hunt (Deacon) - Resigned 19.11.21
S H Johnson (Elder) - Resigned 29.03.22
A Jones (Deacon)
G Jones (Deacon)
K J Orchard (Elder)
M S Packianather (Deacon)
M J Pugh (Deacon)
G R Roberts (Deacon)
T D Rucinski (Elder and Secretary) - Resigned 01.11.21
P W Tench (Elder)

Independent Examiner

Watts Gregory LLP
Chartered Accountants
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
County of Cardiff
CF23 8RS

HEATH EVANGELICAL CHURCH

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2021

Approved by order of the Board of Trustees on 14-APR-2022 and signed on its behalf by:

R. Hate
R Hate - Deacon

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF HEATH EVANGELICAL CHURCH

Independent examiner's report to the trustees of Heath Evangelical Church

I report to the charity trustees on my examination of the accounts of Heath Evangelical Church (the Trust) for the year ended 31 December 2021.

Responsibilities and basis of report

As the charity trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

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

Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of ACCA which is one of the listed bodies.

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

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

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

Julia Mortimer FCCA
Watts Gregory LLP
Chartered Accountants
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
County of Cardiff
CF23 8RS

Date: 19 April 2022

HEATH EVANGELICAL CHURCH

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	403,663	203,867	607,530	479,825
Charitable activities					
The promotion of Christianity	5	261	-	261	1,758
Coffee shop		24,411	-	24,411	20,582
Investment income	4	36	-	36	253
Other income		89	-	89	341
Total		428,460	203,867	632,327	502,759
EXPENDITURE ON					
Charitable activities					
The promotion of Christianity	6	291,670	200,711	492,381	422,632
Coffee shop		58,865	-	58,865	55,481
Total		350,535	200,711	551,246	478,113
NET INCOME		77,925	3,156	81,081	24,646
RECONCILIATION OF FUNDS					
Total funds brought forward		2,181,378	49,948	2,231,326	2,206,680
TOTAL FUNDS CARRIED FORWARD		<u>2,259,303</u>	<u>53,104</u>	<u>2,312,407</u>	<u>2,231,326</u>

The notes form part of these financial statements

HEATH EVANGELICAL CHURCH

BALANCE SHEET
31 DECEMBER 2021

	Notes	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
FIXED ASSETS					
Tangible assets	12	1,849,504	-	1,849,504	1,843,457
CURRENT ASSETS					
Debtors	13	11,088	4,420	15,508	19,779
Cash at bank and in hand		<u>407,201</u>	<u>48,684</u>	<u>455,885</u>	<u>373,285</u>
		418,289	53,104	471,393	393,064
CREDITORS					
Amounts falling due within one year	14	(8,490)	-	(8,490)	(5,195)
NET CURRENT ASSETS		<u>409,799</u>	<u>53,104</u>	<u>462,903</u>	<u>387,869</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,259,303</u>	<u>53,104</u>	<u>2,312,407</u>	<u>2,231,326</u>
NET ASSETS		<u>2,259,303</u>	<u>53,104</u>	<u>2,312,407</u>	<u>2,231,326</u>
FUNDS	16				
Unrestricted funds				2,259,303	2,181,378
Restricted funds				<u>53,104</u>	<u>49,948</u>
TOTAL FUNDS				<u>2,312,407</u>	<u>2,231,326</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 14 APR - 2022 and were signed on its behalf by:

R Hate
R Hate - Deacon

The notes form part of these financial statements

HEATH EVANGELICAL CHURCH

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Notes	2021 £	2020 £
Cash flows from operating activities			
Cash generated from operations	1	<u>92,023</u>	<u>27,235</u>
Net cash provided by operating activities		<u>92,023</u>	<u>27,235</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(9,459)	(830)
Interest received		<u>36</u>	<u>253</u>
Net cash used in investing activities		<u>(9,423)</u>	<u>(577)</u>
Change in cash and cash equivalents in the reporting period		82,600	26,658
Cash and cash equivalents at the beginning of the reporting period		<u>373,285</u>	<u>346,627</u>
Cash and cash equivalents at the end of the reporting period		<u>455,885</u>	<u>373,285</u>

The notes form part of these financial statements

HEATH EVANGELICAL CHURCH

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2021

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021 £	2020 £
Net income for the reporting period (as per the Statement of Financial Activities)	81,081	24,646
Adjustments for:		
Depreciation charges	3,412	7,349
Interest received	(36)	(253)
Decrease/(increase) in debtors	4,271	(4,011)
Increase/(decrease) in creditors	<u>3,295</u>	<u>(496)</u>
Net cash provided by operations	<u>92,023</u>	<u>27,235</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/1/21 £	Cash flow £	At 31/12/21 £
Net cash			
Cash at bank and in hand	<u>373,285</u>	<u>82,600</u>	<u>455,885</u>
	<u>373,285</u>	<u>82,600</u>	<u>455,885</u>
Total	<u>373,285</u>	<u>82,600</u>	<u>455,885</u>

The notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

1. STATUTORY INFORMATION

Heath Evangelical Church is an unincorporated charity in Wales within the United Kingdom. The principal address is 122 Whitchurch Road, Heath, Cardiff, CF14 3LZ.

The financial statements are presented in Sterling (£), the charity's functional currency, and rounded to the nearest pound.

The principal activities and nature of the charity's operations is to advance the Christian faith, to relieve sickness and financial hardship and to preserve good health by the provision of funds, goods or services of any kind in such parts of the United Kingdom or the rest of the world as the Pastors, Elders and Church Council from time to time may think fit.

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

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent to provide a 'true and fair' view. This departure has involved following the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

There have been no material departures from Financial Reporting Standard 102.

Going concern

No material uncertainties exist relating to events or conditions that may cast significant doubt upon the entity's ability to continue as a going concern.

The trustees are satisfied that despite the Coronavirus pandemic, it is appropriate for the charity's financial statements to be prepared on a going concern basis. The trustees have taken steps to minimise the effect on the charity and will continue to do so. In the circumstances they have concluded that no adjustments or additional disclosures are required to the financial statements at this time.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Donations and legacies income includes donations and gifts that provide core funding or are of a general nature and are recognised where there is entitlement, probability of receipt and the amount can be measured with sufficient reliability. Such income is only deferred when the donor specifies it must be used in future accounting periods or the donor has imposed conditions which must be met before the charity has unconditional entitlement.

Income from charitable activities includes income received from camps, coffee shop and similar sources. This income is recognised as the related service is provided and there is entitlement, probability of receipt and the amount can be measured with sufficient reliability. Such income is only deferred when the amounts received are in advance of the performance of the service to which it relates.

Investment income is recognised on a receivable basis.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

2. ACCOUNTING POLICIES - continued

Income

It is not the policy of the charity to show incoming resources net of expenditure.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs are those costs that, whilst necessary to deliver an activity, do not themselves produce or constitute the output of the charitable activity. This includes governance costs which are those costs associated with meeting the constitutional and statutory requirements of the charity..

Allocation and apportionment of costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include staff costs, finance costs, general office and premises costs, and governance costs which support the activities of the charity. These costs have been allocated to charitable activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly; others are apportioned on an appropriate basis.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as a basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Debtors

Trade debtors and other debtors are recognised at the settlement amount due after any trade discounts offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Creditors

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any trade discounts due.

Tangible fixed assets

Fixed assets are capitalised at cost.

The charity has previously adopted a policy of revaluing its freehold property to fair value, however advantage has been taken of the transitional exemptions of FRS 102 and the previous revalued amount is now being treated as deemed cost.

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Fixtures, fittings and contents	- 25% on cost
Motor vehicles	- 25% on reducing balance
Equipment	- 25% on cost

Depreciation is not charged on the properties as the Church Council are committed to ensuring they are maintained to a high standard.

Taxation

The charity is exempt from tax on its charitable activities.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

2. ACCOUNTING POLICIES - continued**Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Designated funds are created for specific purposes at the discretion of the trustees.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

3. DONATIONS AND LEGACIES

	2021	2020
	£	£
Grants	5,667	24,421
Offerings, covenants, gift aid & other donations	314,515	318,431
Missionary account	181,336	136,973
Legacies	<u>106,012</u>	<u>-</u>
	<u>607,530</u>	<u>479,825</u>

Grants received, included in the above, are as follows:

	2021	2020
	£	£
Cardiff Council - grant to support local business	-	10,000
Coronavirus Job Retention Scheme	<u>5,667</u>	<u>14,421</u>
	<u>5,667</u>	<u>24,421</u>

4. INVESTMENT INCOME

	2021	2020
	£	£
Deposit account interest	<u>36</u>	<u>253</u>

5. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2021	2020
		£	£
Camps income	The promotion of Christianity	261	-
House party fees	The promotion of Christianity	-	1,758
Coffee shop income	Coffee shop	<u>24,411</u>	<u>20,582</u>
		<u>24,672</u>	<u>22,340</u>

HEATH EVANGELICAL CHURCH

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

6. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 7) £	Support costs (see note 8) £	Totals £
The promotion of Christianity	467,400	24,981	492,381
Coffee shop	58,865	-	58,865
	<u>526,265</u>	<u>24,981</u>	<u>551,246</u>

7. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2021 £	2020 £
Staff costs	136,755	140,217
Staff expenses	404	914
Insurance, fire and security	10,010	9,449
Missionary support	205,220	160,693
Telephone	956	3,302
Sundries	5,633	4,541
Support to Heath Christian Bookshop Trust	10,188	9,750
Discretionary grant payments	35,916	11,149
Heat, light & water rates	16,099	12,852
Repairs and maintenance	27,581	22,544
Sunday school and youth work	516	712
Gospel Support Wales	1,750	500
Minibuses	741	297
Pulpit supply	3,850	5,525
House party costs	395	2,726
Heath camps	1,442	400
Catering and hospitality	1,401	650
Magazine costs	2,675	1,834
Coffee shop direct costs	15,904	12,881
Coffee shop salaries and wages	35,660	37,413
Coffee shop social security	2,115	760
Coffee shop pensions	1,398	1,446
Coffee shop heat light & water	2,943	2,981
Media outreach	3,301	2,140
Depreciation	3,412	7,349
	<u>526,265</u>	<u>453,025</u>

Within direct costs are grants payable of £35,916. This includes:

	No.	£
Grants payable to individuals	17	18,872
Grants payable to institutions	8	17,044

Charitable Objective	Description	Individuals£	Institutions£	Total£
b	Hardship relief UK	4,445	-	4,445
a	Theological training	2,200	-	2,200
a	Evangelical churches + AECW	-	17,044	17,044
a	Evangelistic activities	9,826	-	9,826
a&b	Support for former pastors	2,400	-	2,400
		<u>18,872</u>	<u>17,044</u>	<u>35,916</u>

HEATH EVANGELICAL CHURCH

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2021

7. DIRECT COSTS OF CHARITABLE ACTIVITIES - continued

Examples of grants awarded to institutions are as follows:

Organisation	Purpose	£
Heath Christian Bookshop	Sale of Christian Books	10,188
UFM Worldwide	Churches representation	10,000
AECW	Churches representation	1,000
EMW	Churches representation	1,500
Union Foundation	Churches representation	1,000
Christian Institute	Churches representation	1,000

8. SUPPORT COSTS

	Staff costs £	Other £	Governance costs £	Totals £
The promotion of Christianity	<u>12,007</u>	<u>9,554</u>	<u>3,420</u>	<u>24,981</u>

Included within support costs are independent examination fees of £3,420 (2020 - £3,420).

9. TRUSTEES' REMUNERATION AND BENEFITS

The following payments were made to trustees and connected persons:-

Remuneration and benefits as employees:

	2021 £	2020 £
K Batstone for pastoral work	7,080	6,932
A W Hughes as pastor	34,328	34,022
L Chorbajian for pastoral work	<u>26,112</u>	<u>25,879</u>

A W Hughes (Pastor) occupied the Church Manse as a condition of his employment, until December 2021. The Church maintains the Manse and meets the cost of gas, electricity, and the telephone (land line).

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2021 or for the year ended 31 December 2020.

10. STAFF COSTS

	2021 £	2020 £
Wages and salaries	173,692	175,735
Social security costs	7,232	7,198
Pension costs	<u>7,011</u>	<u>7,576</u>
	<u>187,935</u>	<u>190,509</u>

The average number of staff employed by the charity during the financial year amounted to 13 (2020: 12).

No employee earned more than £60,000 during the year.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

11. PREVIOUS YEAR COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	336,346	143,479	479,825
Charitable activities			
The promotion of Christianity	1,758	-	1,758
Coffee shop	20,582	-	20,582
Investment income	253	-	253
Other income	341	-	341
Total	359,280	143,479	502,759
EXPENDITURE ON			
Charitable activities			
The promotion of Christianity	275,855	146,777	422,632
Coffee shop	54,775	706	55,481
Total	330,630	147,483	478,113
NET INCOME/(EXPENDITURE)	28,650	(4,004)	24,646
RECONCILIATION OF FUNDS			
Total funds brought forward	2,152,728	53,952	2,206,680
TOTAL FUNDS CARRIED FORWARD	<u>2,181,378</u>	<u>49,948</u>	<u>2,231,326</u>

12. TANGIBLE FIXED ASSETS

	Church, hall & annexe buildings £	Manse £	Fixtures, fittings & contents £
COST			
At 1 January 2021	1,486,753	350,000	79,764
Additions	-	-	964
At 31 December 2021	<u>1,486,753</u>	<u>350,000</u>	<u>80,728</u>
DEPRECIATION			
At 1 January 2021	-	-	79,101
Charge for year	-	-	670
At 31 December 2021	<u>-</u>	<u>-</u>	<u>79,771</u>
NET BOOK VALUE			
At 31 December 2021	<u>1,486,753</u>	<u>350,000</u>	<u>957</u>
At 31 December 2020	<u>1,486,753</u>	<u>350,000</u>	<u>663</u>

HEATH EVANGELICAL CHURCH

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

12. TANGIBLE FIXED ASSETS - continued

	Motor vehicles £	Equipment £	Totals £
COST			
At 1 January 2021	19,400	90,364	2,026,281
Additions	-	8,495	9,459
At 31 December 2021	19,400	98,859	2,035,740
DEPRECIATION			
At 1 January 2021	17,661	86,062	182,824
Charge for year	435	2,307	3,412
At 31 December 2021	18,096	88,369	186,236
NET BOOK VALUE			
At 31 December 2021	1,304	10,490	1,849,504
At 31 December 2020	1,739	4,302	1,843,457

Depreciation is not charged on the properties as the Church Council are committed to ensuring they are maintained to a high standard and it is considered that a significant proportion of the value of its property relates to land.

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Other debtors	15,508	19,779

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Other creditors	8,490	5,195

15. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2021 £	2020 £
Within one year	331	1,324
Between one and five years	-	331
	331	1,655

The total lease payments recognised as an expense in the year amounted to £1,366 (2020: £1,366).

HEATH EVANGELICAL CHURCH

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

16. MOVEMENT IN FUNDS

	At 1/1/21 £	Net movement in funds £	Transfers between funds £	At 31/12/21 £
Unrestricted funds				
General fund	335,399	13,067	(29,451)	319,015
Missionary fund - designated	-	(19,992)	19,992	-
Gospel Support Wales	2,522	(1,750)	-	772
Fixed Asset Fund	1,843,457	(3,412)	9,459	1,849,504
Legacy fund	-	90,012	-	90,012
	2,181,378	77,925	-	2,259,303
Restricted funds				
Missionary fund	49,948	3,156	-	53,104
TOTAL FUNDS	<u>2,231,326</u>	<u>81,081</u>	<u>-</u>	<u>2,312,407</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	327,448	(314,381)	13,067
Missionary fund - designated	-	(19,992)	(19,992)
Gospel Support Wales	-	(1,750)	(1,750)
Fixed Asset Fund	-	(3,412)	(3,412)
Legacy fund	101,012	(11,000)	90,012
	428,460	(350,535)	77,925
Restricted funds			
Missionary fund	196,356	(193,200)	3,156
Salary fund	1,375	(1,375)	-
Coffee shop support	6,136	(6,136)	-
	203,867	(200,711)	3,156
TOTAL FUNDS	<u>632,327</u>	<u>(551,246)</u>	<u>81,081</u>

Comparatives for movement in funds

	At 1/1/20 £	Net movement in funds £	Transfers between funds £	At 31/12/20 £
Unrestricted funds				
General fund	299,730	55,499	(19,830)	335,399
Missionary fund - designated	-	(19,000)	19,000	-
Gospel Support Wales	3,022	(500)	-	2,522
Fixed Asset Fund	1,849,976	(7,349)	830	1,843,457
	2,152,728	28,650	-	2,181,378
Restricted funds				
Missionary fund	53,952	(4,004)	-	49,948
TOTAL FUNDS	<u>2,206,680</u>	<u>24,646</u>	<u>-</u>	<u>2,231,326</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

16. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	359,280	(303,781)	55,499
Missionary fund - designated	-	(19,000)	(19,000)
Gospel Support Wales	-	(500)	(500)
Fixed Asset Fund	-	(7,349)	(7,349)
	359,280	(330,630)	28,650
Restricted funds			
Missionary fund	141,073	(145,077)	(4,004)
Salaries fund	1,700	(1,700)	-
Coffee shop support	706	(706)	-
	143,479	(147,483)	(4,004)
TOTAL FUNDS	<u>502,759</u>	<u>(478,113)</u>	<u>24,646</u>

Designated funds

The missionary fund has been set up to deal with income which has been designated by the Church for missionary work.

The Gospel Support Wales fund was set up using a legacy received during 2016. The fund is used to support mission activity within Wales and the rest of the UK.

The fixed asset fund represents the net book value of the tangible fixed assets.

The legacy fund was set up following the receipt of a new legacy in the financial year of £101,012. The Trustee Board has set aside the funds to segregate for internally agreed use, including covering two years of salary costs for the new Assistant Pastor who took up post in February 2022.

Restricted funds

The missionary fund exists to provide financial support to church missionaries in various parts of the world. It is maintained by donations received.

The salaries fund was to enable the Church to employ staff currently on short term contracts beyond their initial two year term.

The coffee shop support fund represents specific donations and the associated gift aid on donations given directly to support the coffee shop during the pandemic closure.

Transfers between funds

The Church designated £19,992 of unrestricted income to be used for Missionary work. This amount was spent during the year.

A transfer of £9,459 has been made from the general fund to the designated fixed asset fund in respect of fixed asset additions in the year.

17. EMPLOYEE BENEFIT OBLIGATIONS

The charity contributes to individual stakeholder pensions. The assets of the schemes are held separately from those of the charity in independently administered funds. The pension cost charge represents contributions due to the employees of the charity and amounted to £7,011 (2020: £7,576). Outstanding contributions at the year end amounted to £Nil (2020: £Nil).

18. RELATED PARTY DISCLOSURES

The charity is connected with the Heath Christian Bookshop Trust in that it has trustees in common. During the year, financial support of £10,188 (2020: £9,750) was given of which £9,000 (2020: £9,000) is from the Church and £1,188 is restricted gifts including tax refunds. There was no balance outstanding at the year end.

O Batstone (son of a trustee) received a grant of £300 (2020: £1,095) as a restricted gift.

G Jones (son of a trustee) received support costs of £2,960 (2020: £2,991) which was funded via restricted donations received by the Church.

The total unconditional donations made to the charity by its trustees amounted to £45,965 (2020: £49,181). In addition, several trustees made donations restricted to providing support to Church missionaries totalling £16,340 (2020 - £15,930).

The total employment benefits of the key management personnel of the charity were £44,702 (2020 - £44,219).

HEATH EVANGELICAL CHURCH

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2021**

	2021 £	2020 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Grants	5,667	24,421
Offerings, covenants, gift aid & other donations	314,515	318,431
Missionary account	181,336	136,973
Legacies	<u>106,012</u>	<u>-</u>
	607,530	479,825
Investment income		
Deposit account interest	36	253
Charitable activities		
Camps income	261	-
Coffee shop income	24,411	20,582
House party fees	<u>-</u>	<u>1,758</u>
	24,672	22,340
Other income		
Miscellaneous income	<u>89</u>	<u>341</u>
Total incoming resources	632,327	502,759
EXPENDITURE		
Charitable activities		
Wages	126,643	128,289
Social security	4,691	6,289
Pensions	5,421	5,639
Staff expenses	404	914
Insurance, fire and security	10,010	9,449
Missionary support	205,220	160,693
Telephone	956	3,302
Sundries	5,633	4,541
Support to Heath Christian Bookshop Trust	10,188	9,750
Discretionary grant payments	35,916	11,149
Heat, light & water rates	16,099	12,852
Repairs and maintenance	27,581	22,544
Sunday school and youth work	516	712
Gospel Support Wales	1,750	500
Minibuses	741	297
Pulpit supply	3,850	5,525
House party costs	395	2,726
Heath camps	1,442	400
Catering and hospitality	1,401	650
Magazine costs	2,675	1,834
Coffee shop direct costs	15,904	12,881
Coffee shop salaries and wages	35,660	37,413
Coffee shop social security	2,115	760
Coffee shop pensions	1,398	1,446
Coffee shop heat light & water	2,943	2,981
Media outreach	3,301	2,140
Carried forward	522,853	445,676

This page does not form part of the statutory financial statements

HEATH EVANGELICAL CHURCH

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2021

	2021 £	2020 £
Charitable activities		
Brought forward	522,853	445,676
Fixtures and fittings depreciation	670	677
Motor vehicle depreciation	435	580
Equipment depreciation	<u>2,307</u>	<u>6,092</u>
	526,265	453,025
Support costs		
Staff costs		
Wages	11,389	10,033
Social security	426	149
Pensions	<u>192</u>	<u>491</u>
	12,007	10,673
Other		
Advertising	1,435	1,584
Heat, light & water rates	176	130
Insurance, fire and security	1,112	1,050
Repairs and maintenance	708	460
Postage and stationery	2,858	3,210
Flowers and wreaths	517	66
Legal and professional fees	1,547	3,214
Bank charges	<u>1,201</u>	<u>1,281</u>
	9,554	10,995
Governance costs		
Independent examination fees	<u>3,420</u>	<u>3,420</u>
Total resources expended	<u>551,246</u>	<u>478,113</u>
Net income	<u>81,081</u>	<u>24,646</u>