

REGISTERED CHARITY NUMBER: 1118052

**REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023
FOR
HEATH EVANGELICAL CHURCH**

MHA
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
CF23 8RS

HEATH EVANGELICAL CHURCH

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FOR THE YEAR ENDED 31 DECEMBER 2023**

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HEATH EVANGELICAL CHURCH

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2023

The trustees present their report with the financial statements of the charity for the year ended 31 December 2023. 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

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

MONDAY

Missionary Prayer Meeting
Home Bible Study Groups (first Monday of the month)
Young Persons Bible Study

TUESDAY

Seniors Coffee Morning (one2two)
International Ladies' Bible Study (one2two)
Music & Movement (Church Hall)

WEDNESDAY

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

THURSDAY

International Students Bible Study
Toddler Group (term-time Church Hall)
Warm Bank (Annexe)
Men's Reading Group - monthly (one2two)

FRIDAY

Youth Bible Study 11-18 years (Annexe)
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

Ladies Reading Group monthly (one2two)

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2023**

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 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.
- 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, 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 2023

OBJECTIVES AND ACTIVITIES

Grant making

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 2023

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. Our Assistant Pastor, Andy Christofides preached on 15 occasions. Our trainee pastor, Nathan Munday, preached on 8. Visiting preachers throughout the year were: Dave Gobbett (Highfields - Cardiff), Marcus Nelson (St Mark's - Cardiff), James Allan (Dowlais), James Sibley (Bridgend), Eryl Davies (Church Elder) and Gary McKee (Church Member). (a)
- Recordings of sermons and Bible studies were provided through the website (downloads) and YouTube page. (a)
- Christianity Explored and Life Explored courses were held (a)

Financially, the Church was able to meet all its commitments during 2023 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 Africa, Europe, Haiti 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. Other missionaries were supported financially in their primary task of preaching the Gospel. We also provided help in related work including support for: UFM Worldwide seed sower project, Hope for the Valleys, Eglwys Efengylaidd Ardduw, Janet and Lucy Hodges and Paul Daniel. The Church has provided the manse as accommodation for a Ukrainian family of six. (a) (b)
- Special collections were made for Turkey earthquake, Malawi cyclone, Manipur, Israel/Gaza conflict and Christmas for work with children 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)
- From September, the Church provided the opportunity for the training and development of two "apprentices". Partial financial support was also provided, although the majority of their expenses were provided by donors. This training will continue until the end of August 2024. (a)
- 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)

Christian talks in morning assemblies for local schools are provided as requested (a)

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, YouTube page and social media accounts continued to be a useful tool for providing information worldwide and welcoming electronic contact from website visitors. (a)

Hospitality was provided to those in need. (b)

A Warm Bank was held for one day each week (from October to the following March) (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.

HEATH EVANGELICAL CHURCH

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2023

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.

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 and Assistant Pastor who have 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

Financially, the Church has faced a difficult 2023. At the AGM in May 2023, the Treasurer presented a bleak picture as to the finances at that time. The response from the membership was magnificent, and this, together with prudent control on the expenditure, meant that the church ended the year in a very strong position. The trustees have agreed that the reserves should not be less than £100,000 at any time, and this can be used in any future extreme situation to offset the deficit between income and expenditure whilst remedial action is taken again to alleviate the situation.

Property maintenance during 2023

Routine inspection, servicing, and cyclic maintenance work has progressed during the year in order to satisfy safety and statutory obligations. Day to day maintenance and some unexpected repairs, including remedial works in one2two, have been dealt with.

On several occasions mains drainage problems in Whitchurch Road resulted in foul water rising in the Coffee Shop resulting in closures and subsequent cleaning and reinstatement work. Dwr Cymru/Welsh Water has monitored the situation and implemented major work in the street to improve the main sewer. A claim for compensation was made via the Church Insurers, and the costs incurred by the Church were met in full by Dwr Cymru/Welsh Water.

With only a base budget allocated for 2023, a number of significant planned maintenance items were deferred. These including painting the external woodwork of the Hall, renewing the boiler room roof structure, and re-rendering the rear of one2two. It will be necessary to undertake these works as soon as resources permit otherwise the deterioration of the structures will put the assets at risk. It is anticipated that Property Committee will be able to move forward with these items during 2024.

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.

FINANCIAL REVIEW

Financial position

The Statement of Financial Activities reports a net surplus for the financial year of £47,571 (2022 - net deficit £13,152).

The financial position for the Church has shown a staggering turnaround since the AGM in May 2023. In particular, church general donations have risen to £395,868 compared to £297,357 in the prior year, an increase of £98,511. Overall, the donations to the Church and Missionary account show an increase of £92,100.

During the financial year the Church received a legacy donation of £20,000. The donation was restricted to be used to support the various camps.

The coffee shop continued to run at a deficit but has shown a significant improvement over 2022. Direct coffee shop income reported at £61,958 with an additional sum of £6,355 received by way of restricted donations. Coffee shop expenditure reported at £80,904 including salary costs and overheads, resulting in a deficit of £12,591 (2022 - net deficit - £18,938).

Camps generated an income of £33,043 with costs of £34,664 which meant a deficit of £1,621 (2022 - net deficit £5,408).

HEATH EVANGELICAL CHURCH

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2023

FINANCIAL REVIEW

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. The donation boxes in the foyer have also been re-opened and have proved to be a significant source of income.

Income from offerings, gift aid and the missionary account was £542,844 compared with £448,165 in 2022 (legacies excluded). Missionary income from donations was £141,493 (2022 - £147,905). The decrease in missionary giving is not a concern. In previous years donations from appeals were handled via the missionary bank account but this practice was changed in 2023.

Total income for the year is reported at £672,080 including a legacy donation of £20,000 compared to £651,388 in 2022 which included a legacy donation of £110,360. The overall increase in income is due to the wonderful response of the membership when faced with the dire financial situation reported by the Treasurer at the AGM in May 2023.

The coffee shop generated income of £61,958 compared to £57,776 in the prior year and camps £33,043 compared to £29,810.

Despite the remarkable recovery in 2023 and the answer to many prayers that "The Lord will provide", it is incumbent upon the Church that we remain as wise stewards of the money. It is unknown whether the increased giving will continue in 2024 as the increased donations may have been a response to a particular set of circumstances. Day-to-day expenses should be paid from current income. The significant reserves should be used wisely and profitably for the Lord's service.

Reserves policy

The total funds held at the year end stand at £2,346,826 (2022: £2,299,255), of which £58,849 is restricted. However, of this amount the Church has designated funds of £1,892,757 leaving free reserves of £395,220.

Included within designated funds are the following:

- Fixed asset fund of £1,843,892 equal to the net book value of the fixed assets held.
- Legacy fund of £48,865 set aside to primarily cover the salary costs of the Assistant Pastor.

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, free reserves held of £395,220 are considerably in excess of £100,000.

The 2023 financial statements show a surplus for the year of £47,571. As clearly noted under the financial review section, the trustees are mindful to the unknown of whether the increased giving will continue in 2024 and the continued need to manage the reserves held accordingly.

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.

STRUCTURE, GOVERNANCE AND MANAGEMENT

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.

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 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 Church's finances are subject to external independent examination. During 2023, day to day expenditure was managed from the church income. The church reserves remained untouched and, in fact, grew during the year.

The trustees are satisfied that any major risks are being assessed and systems put in place for their mitigation.

HEATH EVANGELICAL CHURCH

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2023**

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number
1118052

Principal address

122 Whitchurch Road
Heath
CARDIFF
County of Cardiff
CF14 3LZ

Trustees

R W Akrill (Elder)
A J Barker (Elder)
K Batstone (Elder)
L Chorbajian (Elder)
A Christofides (Assistant Pastor)
T Cross (Deacon)
D E Davies (Elder)
A Denton (Deacon)
W G Evans (Elder)
M Forde (Deacon)
J Gigg (Treasurer)
G Grizelle (Deacon)
R Hate (Secretary)
A W Hughes (Pastor)
A Jones (Deacon)
J G Jones (Deacon)
J Musty (Deacon)
K J Orchard (Elder)
M S Packnianather (Deacon)
C Prothero (Deacon)
M J Pugh (Deacon)
G R Roberts (Deacon)
G Seymour (Deacon)
P W Tench (Elder)

Independent Examiner

MHA (trading name of MacIntyre Hudson LLP)
Limited liability partnership in England & Wales
Registered number OC312313
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
CF23 8RS

Approved by order of the Board of Trustees on 19-MAR-2024 and signed on its behalf by:



.....
R D Hate (Trustee and Secretary)

**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 2023.

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 member of the 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
MHA (trading name of MacIntyre Hudson LLP)
Limited liability partnership in England & Wales
Registered number OC312313
CARDIFF
CF23 8RS

Date: 26 March 2023

HEATH EVANGELICAL CHURCH

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2023

| | Notes | Unrestricted funds £ | Restricted funds £ | 2023 Total funds £ | 2022 Total funds £ |
|------------------------------------|-------|----------------------------|--------------------------|-----------------------------|-----------------------------|
| INCOME AND ENDOWMENTS FROM | | | | | |
| Donations and legacies | 3 | 360,406 | 207,838 | 568,244 | 561,675 |
| Charitable activities | 5 | | | | |
| The promotion of Christianity | | 33,043 | - | 33,043 | 30,656 |
| Coffee shop | | 61,958 | - | 61,958 | 57,776 |
| Investment income | 4 | 5,587 | - | 5,587 | 681 |
| Other income | | <u>3,248</u> | <u>-</u> | <u>3,248</u> | <u>600</u> |
| Total | | <u>464,242</u> | <u>207,838</u> | <u>672,080</u> | <u>651,388</u> |
| EXPENDITURE ON | | | | | |
| Charitable activities | 6 | | | | |
| The promotion of Christianity | | 372,241 | 171,364 | 543,605 | 584,926 |
| Coffee shop | | <u>74,549</u> | <u>6,355</u> | <u>80,904</u> | <u>79,614</u> |
| Total | | <u>446,790</u> | <u>177,719</u> | <u>624,509</u> | <u>664,540</u> |
| NET INCOME/(EXPENDITURE) | | 17,452 | 30,119 | 47,571 | (13,152) |
| RECONCILIATION OF FUNDS | | | | | |
| Total funds brought forward | | <u>2,270,525</u> | <u>28,730</u> | <u>2,299,255</u> | <u>2,312,407</u> |
| TOTAL FUNDS CARRIED FORWARD | | <u><u>2,287,977</u></u> | <u><u>58,849</u></u> | <u><u>2,346,826</u></u> | <u><u>2,299,255</u></u> |

The notes form part of these financial statements

HEATH EVANGELICAL CHURCH

BALANCE SHEET 31 DECEMBER 2023

| | Notes | Unrestricted funds £ | Restricted funds £ | 2023 Total funds £ | 2022 Total funds £ |
|--|-------|----------------------------|--------------------------|-----------------------------|-----------------------------|
| FIXED ASSETS | | | | | |
| Tangible assets | 12 | 1,843,892 | - | 1,843,892 | 1,848,313 |
| CURRENT ASSETS | | | | | |
| Debtors | 13 | 21,245 | 3,220 | 24,465 | 7,815 |
| Cash at bank and in hand | | <u>431,192</u> | <u>55,629</u> | <u>486,821</u> | <u>451,705</u> |
| | | 452,437 | 58,849 | 511,286 | 459,520 |
| CREDITORS | | | | | |
| Amounts falling due within one year | 14 | (8,352) | - | (8,352) | (8,578) |
| NET CURRENT ASSETS | | <u>444,085</u> | <u>58,849</u> | <u>502,934</u> | <u>450,942</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | <u>2,287,977</u> | <u>58,849</u> | <u>2,346,826</u> | <u>2,299,255</u> |
| NET ASSETS | | <u>2,287,977</u> | <u>58,849</u> | <u>2,346,826</u> | <u>2,299,255</u> |
| FUNDS | 16 | | | | |
| Unrestricted funds | | | | 2,287,977 | 2,270,525 |
| Restricted funds | | | | <u>58,849</u> | <u>28,730</u> |
| TOTAL FUNDS | | | | <u>2,346,826</u> | <u>2,299,255</u> |

The financial statements were approved by the Board of Trustees and authorised for issue on 19-MAR-2024 and were signed on its behalf by:


R D Hate (Trustee and Secretary)

The notes form part of these financial statements

HEATH EVANGELICAL CHURCH

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2023**

| | Notes | 2023 £ | 2022 £ |
|---|-------|-----------------------|-----------------------|
| Cash flows from operating activities | | | |
| Cash generated from operations | 1 | <u>29,529</u> | <u>(1,473)</u> |
| Net cash provided by/(used in) operating activities | | <u>29,529</u> | <u>(1,473)</u> |
| Cash flows from investing activities | | | |
| Purchase of tangible fixed assets | | - | (3,388) |
| Interest received | | <u>5,587</u> | <u>681</u> |
| Net cash provided by/(used in) investing activities | | <u>5,587</u> | <u>(2,707)</u> |
| Change in cash and cash equivalents in the reporting period | | 35,116 | (4,180) |
| Cash and cash equivalents at the beginning of the reporting period | | <u>451,705</u> | <u>455,885</u> |
| Cash and cash equivalents at the end of the reporting period | | <u><u>486,821</u></u> | <u><u>451,705</u></u> |

The notes form part of these financial statements

HEATH EVANGELICAL CHURCH

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2023

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

| | 2023 £ | 2022 £ |
|--|---------------|----------------|
| Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities) | 47,571 | (13,152) |
| Adjustments for: | | |
| Depreciation charges | 4,421 | 4,579 |
| Interest received | (5,587) | (681) |
| (Increase)/decrease in debtors | (16,650) | 7,693 |
| Increase in creditors | (226) | 88 |
| Net cash provided by/(used in) operations | <u>29,529</u> | <u>(1,473)</u> |

2. ANALYSIS OF CHANGES IN NET FUNDS

| | At 1/1/23 £ | Cash flow £ | At 31/12/23 £ |
|--------------------------|----------------|----------------|------------------|
| Net cash | | | |
| Cash at bank and in hand | <u>451,705</u> | <u>35,116</u> | <u>486,821</u> |
| | <u>451,705</u> | <u>35,116</u> | <u>486,821</u> |
| Total | <u>451,705</u> | <u>35,116</u> | <u>486,821</u> |

The notes form part of these financial statements

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

In light of the charity's free reserves held and cash flow management, 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.

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.

2. ACCOUNTING POLICIES - continued

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 instrument. 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.

Fund accounting

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

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2023

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

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

| | 2023 | 2022 |
|--|----------------|----------------|
| | £ | £ |
| Offerings, covenants, gift aid & other donations | 401,351 | 300,260 |
| Missionary account | 141,493 | 147,905 |
| Welsh Government - Homes for Ukraine Scheme | 5,400 | 3,150 |
| Legacies | <u>20,000</u> | <u>110,360</u> |
| | <u>568,244</u> | <u>561,675</u> |

4. INVESTMENT INCOME

| | 2023 | 2022 |
|--------------------------|--------------|------------|
| | £ | £ |
| Deposit account interest | <u>5,587</u> | <u>681</u> |

5. INCOME FROM CHARITABLE ACTIVITIES

| | Activity | 2023 | 2022 |
|--------------------|-------------------------------|---------------|---------------|
| | | £ | £ |
| Camps income | The promotion of Christianity | 33,043 | 29,810 |
| House party fees | The promotion of Christianity | - | 846 |
| Coffee shop income | Coffee shop | <u>61,958</u> | <u>57,776</u> |
| | | <u>95,001</u> | <u>88,432</u> |

6. CHARITABLE ACTIVITIES COSTS

| | Direct Costs (see note 7) | Support costs (see note 8) | Totals |
|-------------------------------|---------------------------------|----------------------------------|----------------|
| | £ | £ | £ |
| The promotion of Christianity | 514,421 | 29,184 | 543,605 |
| Coffee shop | <u>80,904</u> | <u>-</u> | <u>80,904</u> |
| | <u>595,325</u> | <u>29,184</u> | <u>624,509</u> |

HEATH EVANGELICAL CHURCH

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2023

7. DIRECT COSTS OF CHARITABLE ACTIVITIES

| | 2023 | 2022 |
|---|----------------|----------------|
| | £ | £ |
| Staff costs | 184,653 | 176,071 |
| Staff expenses | 3,412 | 2,231 |
| Insurance, fire and security | 8,551 | 9,321 |
| Missionary support | 163,026 | 194,896 |
| Telephone | 853 | 775 |
| Sundries | 5,965 | 7,068 |
| Support to Heath Christian Bookshop Trust | 9,613 | 9,063 |
| Discretionary grant payments | 41,146 | 31,801 |
| Heat, light & water rates | 29,042 | 16,035 |
| Repairs and maintenance | 19,224 | 47,923 |
| Sunday school and youth work | 1,326 | 3,936 |
| Gospel Support Wales | 2,850 | 8,000 |
| Minibuses | 2,107 | 768 |
| Pulpit supply | 884 | 1,750 |
| Heath camps | 34,664 | 35,218 |
| House party expenditure | - | 275 |
| Catering and hospitality | 2,497 | 5,374 |
| Literature costs | 1,741 | 2,818 |
| Coffee shop direct costs | 25,554 | 28,553 |
| Coffee shop salaries and wages | 42,720 | 38,466 |
| Coffee shop social security | 2,370 | 2,497 |
| Coffee shop pensions | 1,855 | 1,743 |
| Coffee shop heat light & water | 6,563 | 7,702 |
| Media outreach | 288 | 1,061 |
| Depreciation | 4,421 | 4,579 |
| | <u>595,325</u> | <u>637,924</u> |

Within direct costs are grants payable of £41,146. This includes:

| | No. | £ |
|--------------------------------|-----|--------|
| Grants payable to individuals | 11 | 17,654 |
| Grants payable to institutions | 9 | 23,492 |

| Charitable Objective | Description | Individuals | Institutions | Total |
|----------------------|-----------------------------|---------------|---------------|---------------|
| | | £ | £ | £ |
| b | Hardship relief UK | 1,200 | - | 1,200 |
| a | Theological training | 1,701 | - | 1,701 |
| a | Evangelical churches + AECW | - | 23,492 | 23,492 |
| a | Evangelistic activities | 12,353 | - | 12,353 |
| a&b | Support for former pastors | 2,400 | - | 2,400 |
| | | <u>17,654</u> | <u>23,492</u> | <u>41,146</u> |

Examples of grants awarded to institutions are as follows:

| Organisation | Purpose | £ |
|--|-------------------------|-------|
| Embrace The Middle East | Earthquake appeal | 6,976 |
| Zamabesi Mission | Malawi project | 3,016 |
| AsiaLink | Manipur | 3,785 |
| Grace and Truth Christian Congregation | Holocaust appeal | 1,067 |
| AECW | Churches representation | 1,000 |
| EMW | Churches representation | 1,000 |
| Union Foundation | Churches representation | 500 |
| UFM Worldwide | Seed Sower project | 570 |
| Grace and Truth Christian Congregation | Israel/ Gaza appeal | 5,578 |

In addition to the above, grant provided to Heath Christian Bookshop for the purpose of the sale of Christian book was £9,000 (2022: £9,000).

HEATH EVANGELICAL CHURCH**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2023****8. SUPPORT COSTS**

| | Staff costs £ | Other £ | Governance costs £ | Totals £ |
|-------------------------------|---------------------|--------------|--------------------------|---------------|
| The promotion of Christianity | <u>16,363</u> | <u>9,041</u> | <u>3,780</u> | <u>29,184</u> |

Included within support costs are independent examination fees of £3,780 (2022 - £3,780).

9. TRUSTEES' REMUNERATION AND BENEFITS

The following payments were made to trustees and connected persons:

Remuneration and benefits as employees (Gross pay and employers pension contributions)

| | 2023 £ | 2022 £ |
|----------------------------------|---------------|---------------|
| K Batstone for pastoral work | 5,668 | 7,722 |
| A W Hughes as pastor | 45,450 | 42,245 |
| L Chorbadian for pastoral work | 27,105 | 27,105 |
| A Christofides for pastoral work | <u>36,700</u> | <u>30,454</u> |

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2023 or for the year ended 31 December 2022.

10. STAFF COSTS

| | 2023 £ | 2022 £ |
|-----------------------|----------------|----------------|
| Wages and salaries | 225,855 | 212,001 |
| Social security costs | 12,212 | 12,075 |
| Pension costs | <u>9,894</u> | <u>8,882</u> |
| | <u>247,961</u> | <u>232,958</u> |

The average number of staff employed by the charity during the financial year amounted to 13 (2022: 13).

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

11. PREVIOUS YEAR COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

| | Unrestricted funds £ | Restricted funds £ | Total funds £ |
|------------------------------------|----------------------------|--------------------------|---------------------|
| INCOME AND ENDOWMENTS FROM | | | |
| Donations and legacies | 404,989 | 156,686 | 561,675 |
| Charitable activities | | | |
| The promotion of Christianity | 30,656 | - | 30,656 |
| Coffee shop | 57,776 | - | 57,776 |
| Investment income | 681 | - | 681 |
| Other income | 600 | - | 600 |
| Total | <u>494,702</u> | <u>156,686</u> | <u>651,388</u> |
| EXPENDITURE ON | | | |
| Charitable activities | | | |
| The promotion of Christianity | 403,866 | 181,060 | 584,926 |
| Coffee shop | 79,614 | - | 79,614 |
| Total | <u>483,480</u> | <u>181,060</u> | <u>664,540</u> |
| NET INCOME/(EXPENDITURE) | 11,222 | (24,374) | (13,152) |
| RECONCILIATION OF FUNDS | | | |
| Total funds brought forward | 2,259,303 | 53,104 | 2,312,407 |
| TOTAL FUNDS CARRIED FORWARD | <u>2,270,525</u> | <u>28,730</u> | <u>2,299,255</u> |

12. TANGIBLE FIXED ASSETS

| | Church, hall & annexe buildings £ | Manse £ | Fixtures, fittings & contents £ |
|--|---|----------------|--|
| COST | | | |
| At 1 January 2023 and 31 December 2023 | <u>1,486,753</u> | <u>350,000</u> | <u>30,305</u> |
| DEPRECIATION | | | |
| At 1 January 2023 | - | - | 28,668 |
| Charge for year | - | - | 574 |
| At 31 December 2023 | - | - | 29,242 |
| NET BOOK VALUE | | | |
| At 31 December 2023 | <u>1,486,753</u> | <u>350,000</u> | <u>1,063</u> |
| At 31 December 2022 | <u>1,486,753</u> | <u>350,000</u> | <u>1,637</u> |

HEATH EVANGELICAL CHURCH

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2023

12. TANGIBLE FIXED ASSETS - continued

| | Motor vehicles £ | Equipment £ | Totals £ |
|--|------------------------|----------------|------------------|
| COST | | | |
| At 1 January 2023 and 31 December 2023 | <u>19,400</u> | <u>41,896</u> | <u>1,928,354</u> |
| DEPRECIATION | | | |
| At 1 January 2023 | 18,422 | 32,951 | 80,041 |
| Charge for year | <u>245</u> | <u>3,602</u> | <u>4,421</u> |
| At 31 December 2023 | <u>18,667</u> | <u>36,553</u> | <u>84,462</u> |
| NET BOOK VALUE | | | |
| At 31 December 2023 | <u>733</u> | <u>5,343</u> | <u>1,843,892</u> |
| At 31 December 2022 | <u>978</u> | <u>8,945</u> | <u>1,848,313</u> |

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

| | 2023 £ | 2022 £ |
|--------------------------------|---------------|--------------|
| Gift aid recoverable | 10,051 | 7,815 |
| Prepayments and accrued income | <u>14,414</u> | <u>-</u> |
| | <u>24,465</u> | <u>7,815</u> |

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2023 £ | 2022 £ |
|------------------------------|--------------|--------------|
| Taxation and social security | 1,699 | - |
| Other creditors | <u>6,653</u> | <u>8,578</u> |
| | <u>8,352</u> | <u>8,578</u> |

Included within other creditors above is £Nil (2022 - £500) of deferred income. This was in relation to the early receipt of income for a weekend camp held in February 2023.

15. LEASING AGREEMENTS

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

| | 2023 £ | 2022 £ |
|----------------------------|--------------|--------------|
| Within one year | 1,657 | 1,366 |
| Between one and five years | <u>5,386</u> | <u>331</u> |
| | <u>7,043</u> | <u>1,697</u> |

The total lease payments recognised as an expense in the year amounted to £1,736 (2022: £1,366).

HEATH EVANGELICAL CHURCH

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2023

16. MOVEMENT IN FUNDS

| | At 1/1/23 £ | Net movement in funds £ | Transfers between funds £ | At 31/12/23 £ |
|-----------------------------------|------------------|----------------------------------|------------------------------------|---------------------|
| Unrestricted funds | | | | |
| General fund | 372,875 | 42,337 | (19,992) | 395,220 |
| Missionary fund - designated | - | (19,992) | 19,992 | - |
| Legacy fund | 48,865 | - | - | 48,865 |
| Gospel Support Wales | 472 | (472) | - | - |
| Fixed Asset Fund | <u>1,848,313</u> | <u>(4,421)</u> | <u>-</u> | <u>1,843,892</u> |
| | 2,270,525 | 17,452 | - | 2,287,977 |
| Restricted funds | | | | |
| Missionary fund / special appeals | 28,730 | 10,119 | - | 38,849 |
| Camps fund | <u>-</u> | <u>20,000</u> | <u>-</u> | <u>20,000</u> |
| | <u>28,730</u> | <u>30,119</u> | <u>-</u> | <u>58,849</u> |
| TOTAL FUNDS | <u>2,299,255</u> | <u>47,571</u> | <u>-</u> | <u>2,346,826</u> |

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

| | Incoming resources £ | Resources expended £ | Movement in funds £ |
|-----------------------------------|----------------------------|----------------------------|---------------------------|
| Unrestricted funds | | | |
| General fund | 464,242 | (421,905) | 42,337 |
| Missionary fund - designated | - | (19,992) | (19,992) |
| Gospel Support Wales | - | (472) | (472) |
| Fixed Asset Fund | <u>-</u> | <u>(4,421)</u> | <u>(4,421)</u> |
| | 464,242 | (446,790) | 17,452 |
| Restricted funds | | | |
| Missionary fund / special appeals | 181,483 | (171,364) | 10,119 |
| Coffee shop fund | 6,355 | (6,355) | - |
| Camps fund | <u>20,000</u> | <u>-</u> | <u>20,000</u> |
| | <u>207,838</u> | <u>(177,719)</u> | <u>30,119</u> |
| TOTAL FUNDS | <u>672,080</u> | <u>(624,509)</u> | <u>47,571</u> |

16. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

| | At 1/1/22 £ | Net movement in funds £ | Transfers between funds £ | At 31/12/22 £ |
|------------------------------|------------------|----------------------------------|------------------------------------|---------------------|
| Unrestricted funds | | | | |
| General fund | 319,015 | 77,240 | (23,380) | 372,875 |
| Missionary fund - designated | - | (19,992) | 19,992 | - |
| Legacy fund | 90,012 | (41,147) | - | 48,865 |
| Gospel Support Wales | 772 | (300) | - | 472 |
| Fixed Asset Fund | <u>1,849,504</u> | <u>(4,579)</u> | <u>3,388</u> | <u>1,848,313</u> |
| | 2,259,303 | 11,222 | - | 2,270,525 |
| Restricted funds | | | | |
| Missionary fund | <u>53,104</u> | <u>(24,374)</u> | <u>-</u> | <u>28,730</u> |
| TOTAL FUNDS | <u>2,312,407</u> | <u>(13,152)</u> | <u>-</u> | <u>2,299,255</u> |

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

| | Incoming resources £ | Resources expended £ | Movement in funds £ |
|------------------------------|----------------------------|----------------------------|---------------------------|
| Unrestricted funds | | | |
| General fund | 494,502 | (417,262) | 77,240 |
| Missionary fund - designated | - | (19,992) | (19,992) |
| Legacy fund | - | (41,147) | (41,147) |
| Gospel Support Wales | 200 | (500) | (300) |
| Fixed Asset Fund | <u>-</u> | <u>(4,579)</u> | <u>(4,579)</u> |
| | 494,702 | (483,480) | 11,222 |
| Restricted funds | | | |
| Missionary fund | 153,048 | (177,422) | (24,374) |
| Coffee shop fund | <u>3,638</u> | <u>(3,638)</u> | <u>-</u> |
| | 156,686 | (181,060) | (24,374) |
| TOTAL FUNDS | <u>651,388</u> | <u>(664,540)</u> | <u>(13,152)</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 in 2021 following the receipt of a new legacy in the prior 2021 financial year of £101,012. The Trustee Board set aside the funds to segregate for internally agreed use, including covering salary costs for the new Assistant Pastor who took up post in February 2022. No spend has been allocated to this fund during 2023 as an increase in general giving levels has allowed the costs to be covered out of general funds. However, an extension has been made to the Assistant Pastor's contract and the fund is anticipated to be used in 2024.

Restricted funds

The missionary /special appeals fund exists to provide financial support to church missionaries in various parts of the world and for giving to specific appeal causes. It is maintained by donations received.

16. MOVEMENT IN FUNDS - continued

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

A legacy of £20,000 was received towards the end of 2023 to be used by the church to allow children to attend the various church camps.

Transfers between funds

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

Prior year

A transfer of £3,388 was made from the general fund to the designated fixed asset fund in respect of fixed asset additions in the year.

The Church designated £19,992 of unrestricted income to be used for Missionary work. This amount was spent during 2022.

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 £9,894 (2022: £8,882). Outstanding contributions at the year end amounted to £Nil (2022: £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 £9,613 (2022: £9,063) was given of which £9,000 (2022: £9,000) is from the Church and £613 (2022: £63) 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 £1,200 (2022: £1,200) as a restricted gift along with £100 (2022: £100) for speaking engagements within the Church.

G Jones (son of a trustee) received support costs of £4,145 (2022: £2,138) which was funded via restricted donations received by the Church.

The total unconditional donations made to the charity by its trustees amounted to £52,673 (2022: £37,710). In addition, several trustees made donations restricted to providing support to Church missionaries totalling £14,916 (2022: £12,630).

The total employment benefits of trustees and key management personnel of the charity were £125,710 (2022: £117,809).