

HOPE CHURCH LUTON TRUST

TRUSTEES' ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31ST MARCH 2021

Company number: 07131310

Charity number: 1133954

**HOPE CHURCH LUTON TRUST
TRUSTEES REPORT and FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31ST MARCH 2021**

Contents

Page number

1 – 6	Trustees' Annual Report
7	Independent Examiner's Report
8	Statement of Financial Activities
9	Balance Sheet
10 – 14	Notes to the Financial Statements

**HOPE CHURCH LUTON TRUST
TRUSTEES REPORT and FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31ST MARCH 2021**

The Trustees present their annual report and the financial statements of the church for the period ended 31st March, 2021

AIMS AND OBJECTIVES

The church's purposes, as more fully set out in the objects which form part of its Memorandum of Association, are:

- to advance the Christian faith
- to provide relief for those who are in conditions of need, sickness or financial hardship and who may be aged and to relieve the distress caused thereby;
- to advance education
- to provide, or assist in providing, facilities in the interests of social welfare for recreation or other leisure time occupation of individuals who have need of such facilities by reason of youth, age, infirmity or disability, financial hardship or social circumstances with the object of improving their conditions of life.

REVIEW OF ACTIVITIES

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Church's aims and objectives and in planning future activities.

The Church operates in association with the Catalyst Sphere of Newfrontiers.

Worship and prayer

All are welcome to attend our regular Sunday services, when activities and groups are provided for children and youth, with a crèche for babies.

This year's Review

- Plans have been submitted to the council for the development of the Lansdowne Club next door. They are still under consideration. We have submitted our objections to the plans.
- Our special projects have all had to adapt in the light of government restrictions following the Coronavirus pandemic. Our FACES worker has been furloughed for some of the period, our Hightown Community worker has significantly changed their focus towards gardening projects in the area and Open House has partially furloughed the manager and focused on being a foodbank.
- FACES has set itself up as a separate charity and we will be transferring funds to that from April. We have grants to keep the Hightown Community worker employed for the next year. We have funds for Open House for the next 6 months and are applying for more funding.
- We have had minimal lettings over the last year. Our office manager has been furloughed for most of the year with other staff members covering non-lettings related tasks. The new financial systems are working well, reducing workload.
- Our main Sunday service has been online throughout the year. Those watching the service when it is broadcast has declined over the year from up to 100 views initially to currently around 60. Our 4pm service has been on zoom for some of the year and live when permitted.
- Our kids and youth activities have been curtailed. Regular gatherings online have continued but few in person gatherings. Our children's and family worker left at the end of October and has not been replaced.
- Work with other churches on a housing estate in Luton has had to be done online. We are currently running an Alpha Course with over 20 people attending.
- Offerings income has remained steady despite services moving online. Letting's income has drastically reduced. This has been offset by furloughing staff and reducing the amount spent on the building.

FINANCIAL REVIEW

Income generation

The church's total income for the year was £247,920 (2020: £273,585). Donations of £142,002 have been received during the year (2020: £149,441). On the other hand Activities for generating funds have dropped to £6,199 (2020: £29,352). The decrease is due to the lettings income dropping drastically due to COVID restrictions.

Expenditures

Total Expenditures were £212,243 (2020: £268,939). The reduction came due to cutbacks on non-essential expenditure due to reduction in income due to COVID.

Net assets

Net assets have increased to £450,971 in 2021 (2020: £415,294).

General funds have increased by £26,253 over the year, the Capital fund has increased by £17,810 due to cumulative mortgage payments being recognised.

Restricted funds have decreased by £8,386 due to grants timing.

Reserves policy

The church holds unrestricted and restricted funds. Transfers are made from unrestricted to restricted funds in order to prevent restricted funds from going into deficit. Our overall policy for unrestricted funds is only to increase reserves above a minimum threshold necessary to operate the organisation (not more than 3 months expenditure) or where specific projects are being planned for subsequent years.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Hope Church Luton Trust is a company limited by guarantee, incorporated on 20th January 2010 and registered as a charity on 1st February 2010. The church previously operated as an unincorporated charity. The company was established by a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

Appointment of responsible individuals and elders

The Church is governed by its responsible individuals, who are appointed according to the Articles of Association.

The responsible individuals and elders, who are Directors for the purpose of company law and Trustees for the purpose of charity law, who served during the period up to the date of this report are set out on page 5.

Responsible Individuals and Elders are closely involved in the church's operations prior to appointment and are appointed according to their ability to lead the church and the skills they bring to the post. Existing Responsible Individuals, Elders and new appointees have a good knowledge of the operation of the Church prior to appointment.

Responsible Individuals and Elders are aware of the legal requirements in connection with the charitable company. New appointees are supported in their posts by existing appointees. New appointees are also provided with copies of the Memorandum and Articles of Association, latest financial statements and guidance from the Charity Commission, including the Charity Commission guide 'The Essential Trustee'.

Risk management

The Trustees have assessed the major risks to which the church is exposed, in particular those relating to the operations and finances of the church. The Trustees are satisfied that systems are in place to mitigate their exposure to major risk.

HOPE CHURCH LUTON TRUST
TRUSTEES REPORT and FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31ST MARCH 2021

REFERENCE AND ADMINISTRATIVE INFORMATION

Company Registration No: 07131310

Charity Registration No: 1133954

MANAGING TRUSTEES/DIRECTORS

Trustees/Directors:	Tony Thompson	
	Mervyn Thomas	Resigned 2020
	John Telford	
	Michael Reynolds	

REGISTERED ADDRESS	Hope Church Luton Villa Road Off Old Bedford Road Luton Bedfordshire. LU2 7NT England
--------------------	--

INDEPENDENT EXAMINER	Mervyn Thomas 128 Putnoe Lane Bedford, MK41 8LS
----------------------	---

PRINCIPAL BANKERS	NatWest Bank 501 Silbury Boulevard Milton Keynes. MK9 3ER
-------------------	---

TRUSTEES' RESPONSIBILITIES

The Trustees/Directors are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees/Directors to prepare financial statements for each financial year. Under that law the Trustees/Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the surplus or deficit of the company for that period. In preparing these financial statements, the directors are required to:

- Select suitable accounting policies and then apply them consistently
- Make judgements and estimates that are reasonable and prudent
- Comply with applicable accounting standards subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume the church will continue its activities.

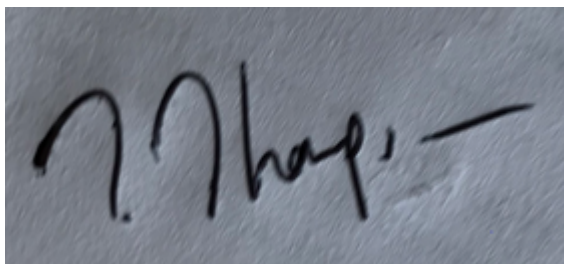
The Trustees/Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**HOPE CHURCH LUTON TRUST
TRUSTEES REPORT and FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31ST MARCH 2021**

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with 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 United Kingdom and Republic of Ireland (FRS 102) and with the Charities Act 2011 and in accordance with the small companies regime under the Companies Act 2006.

ON BEHALF OF THE TRUSTEES

A handwritten signature in black ink on a light blue background. The signature appears to be 'T. Thompson' with a long horizontal stroke at the end.

Tony Thompson

Dated: 17 June 2021

**HOPE CHURCH LUTON TRUST
TRUSTEES REPORT and FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31ST MARCH 2021**

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF HOPE CHURCH LUTON TRUST

on the accounts for the year to **31st March 2021** as set out on pages 8 – 14 in this document

Respective responsibilities of trustees and examiner

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

Independent examiner's statement

It is my responsibility to:

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

My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

In connection with my examination, no matter has come to my attention which gives me reasonable cause to believe that in, any material respect, the requirements:

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

I wish to state that I am independent of the Trustees/Directors of the company having resigned that role recently. I have sought advice from the Charity Commission who have confirmed I can serve as the Independent Examiner, having no other declaration of interest.

Signed:



Mervyn Thomas
128 Putnoe Lane
Bedford MK41 8LS

Dated: 17/05/2021

HOPE CHURCH LUTON TRUST
TRUSTEES REPORT and FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31ST MARCH 2021

STATEMENT OF FINANCIAL ACTIVITIES

	Notes	Unrestricted Funds £	Restricted Fund £	Endowment Funds £	Total Funds 2021 £	Total Funds 2020 £
Incoming Resources	3					
Voluntary income		170,771	4,045	-	174,816	182,836
Activities for generating funds		6,199	-	-	6,199	29,352
Charitable activities		11,936	54,969		66,905	61,397
Total Incoming Resources		188,906	59,014	-	247,920	273,585
Resources Expended	4					
Raising funds		60	-		60	1,805
Charitable activities		144,783	67,400	-	212,183	267,134
Total Charitable Resources Expended		144,843	67,400	-	212,243	268,939
Net income/(expenditure)		44,063	(8,386)	-	35,677	4,646
Transfers between funds		(17,810)		17,810	-	-
Net movement in funds		26,253	(8,386)	17,810	35,677	4,646
Reconciliation of funds:						
Total funds brought forward		15,326	42,015	357,953	415,294	410,648
Total funds carried forward		41,579	33,629	375,763	450,971	415,294

HOPE CHURCH LUTON TRUST
TRUSTEES REPORT and FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31ST MARCH 2021

BALANCE SHEET

	Notes	Unrestricted funds	Restricted funds	Endowment funds	2021	2020
		£	£	£	£	£
Fixed assets	5			596,948	596,948	596,948
Current assets						
Debtors (less than 1 year))	6	4,004			4,004	5,818
Cash at bank and in hand		37,932	33,629	-	71,561	52,048
Total current assets		41,936	33,629	-	75,565	57,866
Short Term Liabilities	7	(357) -		-	(357)	(525)
Long term liabilities - Mortgage				(221,185)	(221,185)	(238,995)
Total assets less liabilities		41,579	33,629	375,763	450,971	415,294
Charity Funds	8					
Unrestricted funds		41,579			41,579	15,326
Restricted Funds			33,629		33,629	42,015
Endowment Fund				375,763	375,763	357,953
Total funds		41,579	33,629	375,763	450,971	415,294

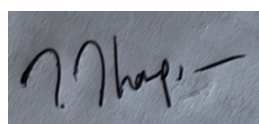
For the year ending 31st March 2020, the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime under the Companies Act 2006 and with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and with the Charities Act 2011.

ON BEHALF OF THE TRUSTEES



Tony Thompson
Trustee/Director

Dated: 17th. May 2021

The notes on pages 11 to 14 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1 BASIS OF PREPARATION

1.1 Basis of accounting

These accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

The accounts have been prepared in accordance with:

the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable

and with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

and with the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.

1.2 Going concern

The Charity is a going concern. Income generation through members' donations is maintaining adequate reserves and restrictive funds are adequate.

1.3 Change of accounting policy

The accounts present a true and fair view and the accounting policies adopted are those outlined in note 2.

1.4 Changes to accounting estimates

No changes to accounting estimates have occurred in the reporting period (3.46 FRS 102 SORP).

2. ACCOUNTING POLICIES

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the period.

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. and in accordance with the Companies Act 2006 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and with the Charities Act 2011.

2.2 Fund accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the church. Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal. Transfers are made from unrestricted to restricted funds as necessary to prevent restricted funds from going into deficit. The Endowment or Capital fund is to hold the Church Property.

2.3 Incoming resources

All incoming resources are included in the Statement of Financial Activities (SoFA) when the church becomes entitled to the income, it is more likely than not that it will receive the resources and the amount can be quantified with reasonable accuracy. Voluntary income is received by way of donations and gifts and is included in full in the SoFA when receivable. Grants are included in the SoFA when the general income recognition criteria above are met and in the case of performance related grants income is recognised to the extent that the specified goods or services have been provided. Donated services and facilities are included at the value to the church where this can be measured reliably. The value of services provided by volunteers has not been included in these accounts. Investment income is included when received.

HOPE CHURCH LUTON TRUST
TRUSTEES REPORT and FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31ST MARCH 2021

2.4 Resources expended

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT that cannot be fully recovered, which is reported as part of the expenditure to which it relates. 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. Governance costs include those costs associated with meeting the constitutional and statutory requirements of the church (as a charitable company) and include the audit fees and costs linked to the church's legal constitution.

2.5 Fixed assets

Depreciation is provided at rates calculated to write off the cost of fixed assets less their estimated residual value, over their expected useful lives on the following bases:

Equipment and fittings: 25% per annum on cost

No depreciation is provided on freehold land or buildings, following a change in accounting policy implemented in the Accounts for the period ended 31st March 2018.

2.6 Pension costs

Employees of the church are entitled to join a defined contribution pension scheme. The church contribution is limited to the contributions disclosed in note 3.

2.7 Debtors

Debtors (including trade debtors and loans receivable) are measured on initial recognition at settlement amount after any trade discounts or amount advanced by the charity. Subsequently, they are measured at the cash or other consideration expected to be received.

2.8 Creditors

Creditors (including accruals) are recognised when due at the balance sheet date.

3. ANALYSIS OF INCOME

	Unrestricted Funds	Restricted Funds	Total Funds 2021	Total Funds 2020
	£	£	£	£
Voluntary Income				
Donations	138,027	3,975	142,002	149,441
Gift Aid	32,744	70	32,814	33,395
Total Voluntary Income	170,771	4,045	174,816	182,836
Activities for generating funds				
Building Hire	4,247	-	4,247	22,273
Car Park	1,752	-	1,752	4,620
Sales (Books, Courses and Events)	200	-	200	2,459
Total Activities for generating Funds	6,199	-	6,199	29,352
Charitable Activities				
Grants	11,936	54,969	66,905	61,397
Grand Total Incoming Resources	188,906	59,014	247,920	273,585

HOPE CHURCH LUTON TRUST
TRUSTEES REPORT and FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31ST MARCH 2021

4 ANALYSIS OF EXPENDITURE

	Unrestricted Funds	Restricted Funds	Total Funds 2020	Total Funds 2019
	£	£	£	£
Expenditure on raising funds				
Website and Publicity				
Total expenditure on raising funds	60	-	60	1,805
Expenditure on Charitable Activities				
Employee Salaries	63,264	50,304	113,568	163,627
Employer's National Insurance	27,520	-	27,520	
Pension Contributions	9,232	-	9,232	10,423
Sub Contractors	9,632	-	9,632	10,957
Expenses	9	23	32	855
Visiting Speakers	50	-	50	525
Training	36	-	36	854
Total Staff Costs	109,743	50,327	160,070	187,241
Utilities	4,634	-	4,634	6,632
Maintenance	2,376	-	2,376	7,098
Insurance	1,991	-	1,991	2,521
Office Services and Supplies	2,680	-	2,680	4,878
Subscriptions	1,616	-	1,616	2,269
Legal and professional	13	-	13	9,062
Equipment	145	469	614	367
Catering	757	28	785	5,225
Mortgage Interest	12,087	-	12,087	8,485
Bank Charges	252	-	252	441
Total Establishment Costs	26,551	497	27,048	46,978
Children	9	-	9	1,355
Youth	22	-	22	1,992
Conferences and Events	-	-	-	399
Direct Project Expenses	-	16,576	16,576	23,398
Resources	90	-	90	1,467
Total Ministry Costs	121	16,576	16,697	28,611
International	8,368	-	8,368	4,666
Local Donations	-	-	-	(362)
Total Donations	8,368	-	8,368	4,304
TOTAL EXPENDITURE	144,843	67,400	212,243	268,939

HOPE CHURCH LUTON TRUST
TRUSTEES REPORT and FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31ST MARCH 2021

4.1 Remuneration

No employees received salaries or employee benefits (excluding employer pension costs) for the reporting period of more than £60,000

4.2 Average headcount in the year	2020	2019
Functional Department		
Charitable Activities	5	6
Governance	-	-
Total	5	6

4.3 Trustees Disclosures

Mr Tony Thompson a Trustee receives remuneration as Pastor of the Church.
 No trustee has received expenses in connection with trustee related matters.

5 Tangible fixed assets

Cost or valuation

	Freehold land & buildings	Equipment & Fittings	Total
	£	£	£
Brought Forward	596,948	18,507	615,455
Disposals	-	-	-
Additions in the year at cost	-	-	-
Carried Forward	596,948	18,507	615,455

Depreciation

Brought Forward	-	18,507	18,507
Disposals	-	-	-
Additions in the year at cost	-	-	-
Carried Forward	-	18,507	18,507

Net Book Value

Net Book Value at March 2020	596,948	-	596,948
Net Book Value at March 2021	596,948	-	596,948

HOPE CHURCH LUTON TRUST
TRUSTEES REPORT and FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31ST MARCH 2021

6 DEBTORS AND PREPAYMENTS

	2021	2020
Debtors less than 1 year	£	£
Gift Aid Receivable	4,004	5,818
Total	4,004	5,818

7 CREDITORS AND ACCRUALS

	2021	2020
	£	£
Short term creditors and accruals	357	525
Long term creditors - Mortgage loan	221,185	238,995
Total	221,542	238,995

8. CHARITY FUNDS

Details of All Funds with movements during the CURRENT reporting period 2020-2021

	Brought Forward	Income	Expenditure	G/Losses	Carried Forward
Unrestricted General Church	15,325	188,906	(144,842)	(17,810)	41,579
Restricted Funds					-
Debt Advice	3	-	-		3
Children Project	727	2,200	(1,704)		1,223
Newday	1,467	-	-		1,467
Social Fund	1,712	344	(23)		2,033
Open House Lounge	7,481	23,938	(23,452)		7,967
High Town Community Projects	-	17,231	(6,546)		10,685
FACES	30,625	15,301	(35,675)		10,251
Total Restricted Funds	42,015	59,014	(67,400)	-	33,629
Capital Endowment Fund	357,953			17,810	375,763
Total Funds	415,293	247,920	(212,242)	-	450,971