

CHARITY REGISTRATION NUMBER : 1137094

**HIGHBURY QUADRANT CONGREGATIONAL CHURCH
REPORT AND ACCOUNTS
YEAR ENDED 31 DECEMBER 2022**

HIGHBURY QUADRANT CONGREGATIONAL CHURCH

LEGAL AND ADMINISTRATIVE INFORMATION YEAR ENDED 31 DECEMBER 2022

1.1 Charity Name

Congregational Chapel and Lecture Hall, Known locally as Highbury Quadrant
Congregational Church.

Charity Registered Number

1137094

Principal address

Highbury Quadrant Congregational Church
Highbury Quadrant
London
N5 2TE

Trustees

Revd. Shahnawaz Javed
Deacon J O'Donovan
Miss Joyce Price
Mrs M McGuire
Mr Leo John Mendoza

Minister
Treasurer
Secretary
Removed on 23.4.2023
Elder- Elected on 23.4.2023

Independent Examiner

M. Said & Co.
Chartered Certified Accountants
137 Blackstock Road
London
N4 2JW

Banker

HSBC
312 Seven Sisters Road
London N4 2AW

**HIGHBURY QUADRANT CONGREGATIONAL CHURCH
TRUSTEES' REPORT
YEAR ENDED 31 DECEMBER 2022**

The Church Leadership submits its annual report together with the independently examined financial statements of the Church for the period ended 31 December 2022.

The trustees confirm that the financial statements of the Charity comply with the current statutory requirements of Charity's governing document and the recommendation of the "FRS102 SORP" effective from January 2016 and in accordance with the Charities Act 2011.

1.1 Charity Name

Congregational Chapel and Lecture Hall, Known locally as Highbury Quadrant Congregational Church. The Church was established in 1878.

1.2 Affiliations

The Church is a member of the Evangelical Fellowship of Congregational Churches (www.efcc.karoo.net), the Congregational Federation (www.congregational.org.uk), and the Evangelical Alliance (www.eauk.org).

STRUCTURE, GOVERNANCE AND MANAGEMENT

2.1 The Governing Documents

The Church's governing documents are as follows:

- * Charity Commission Scheme of 4 July 1983, governing the Church's Constitution and property at Highbury Quadrant Congregational Church, Highbury Quadrant, London N5 2TE. The Scheme stipulates that the property is to be held on trust in accordance with the provision of clauses 3-17 of the activities of the Little Longstone Congregational Scheme Confirmation Act 1920.
- * The Manse Trust Deed dated 1993, governing the use of the Church manse in connection with activities of the Church.
- * Approved Governing Document by the Congregational Model Trust Deed dated 13th day of June 2009

2.2 Trustees

The Church has two classes of trustees as follows:

2.2.1 Managing Trustees

The Managing Trustees of the Church are responsible for the day to day management of the Church's business in accordance with Church's Objects.

The Managing Trustees are the members of the Church Leadership elected by the Church members' meeting.

The Church Leadership are the deacons and minister along with members who are elected by the Church Meeting as Trustees.

*The Deacons serve a term of three years. All are eligible for re-election.

- * The Church Secretary and Treasurer are each appointed annually.

The Church Leadership meets at least 10 times per annum to discuss a full range of matters relating to finance, fabric, general administration and responsibility of keeping of the Church membership roll.

One of the Church's officers, the Minister, received remuneration during the year, see note 10 for further details.

The Induction process for the Church member newly-appointed to the Church leadership comprises as initial meeting with the Minister and receipt of copies of:

- * the most recent financial statement
- * the Charity Commission's guidance 'The essential Trustee'.

2.2.2 Holding Trustee

The holding trustee is responsible for holding the Church's land and buildings on trust for the benefit of the Church and ensuring that the use of the land and buildings is as envisaged by the Approved Governing Document and Trust Deed. The holding trustee is the Congregational Federation Limited of 4 Castle Gate Nottingham NG1 7AS (Registered Charity No: 267469) and is appointed by the Members without fixed term and can be removed by the Members.

**HIGHBURY QUADRANT CONGREGATIONAL CHURCH
TRUSTEES' REPORT
YEAR ENDED 31 DECEMBER 2022**

2.3 Church Members

Church Membership is open to those who:

- * accept the beliefs of the Church;
- * commit themselves to serving Christ within the Church and beyond;
- * acknowledge their responsibilities as Church Members;

Church Members share in the responsibility for the finances, administration, maintenance and activities of the church and elect the Church Leadership. Church Trustees met 4 times during the year to discuss reports from church leadership and to discuss church and shop matters.

2.4 Church Adherents

Church Adherents are all those who attend Sunday Worship, Study or Discipleship meetings or Open Evenings. They are considered part of the Church Family and may be invited to attend and speak at Church meetings but are not eligible to vote on matters at Church Meetings.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Risk Management

The trustees have a duty to identify and review the risks to which the charity is exposed to ensure appropriate controls are in place to provide reasonable assurance against fraud and terror.

The Church's primary concern and objective is the Glory of God. Whilst it is the Church's policy to trust wholly in the Lord that He will work out His Purpose to this end, the Church also acknowledges that it has a responsibility, both as individual members and as a body of the members, for the identification and proper management of risks faced by the Church in achieving its primary aim. The Church Leadership is constantly assessing the major risks to which the Church is exposed, in particular those relating to the specific operational areas of the charity, its investments and its finances, and is currently seeking to establish effective systems and procedures to mitigate those risks.

OBJECTIVES AND ACTIVITIES

Objectives and aims

3.1 Objective

In accordance with the Trust Deed, "The Trustees shall permit the buildings belonging to the Charity to be used, occupied and enjoyed as a place for the public worship of God and for preaching the Gospel of the Lord Jesus Christ according to the principles and usages for the time being of Protestants of the Congregational Denomination commonly called Independents, being Paedo-Baptist, as well as Believer Baptist and for the instruction of the children and adults and for the promotion of such other charitable purposes whether religious or philanthropic in connection therewith as the Church shall from time to time direct."

Significant activities

3.2 Activities

The Charity carried out the following activities during the year:

- "Sunday Morning Worship (including monthly Communion service) for all ages
- "Occasional Sunday Evening Worship & Praise Service for all ages
- "Pastoral work carried out by the minister and other members
- "Monday discipleship Group for adults
- "Friday Prayer and Bible study, including fellowship meal
- "Singing Group
- "Employment and oversight of staff at the "Second Chance" Charity Shop, 161 Blackstock Road N4 2JS
- Pastoral/Counselling opportunities and fund raising to support Church and other charities.
- "Management as landlord of the Former Manse 27 Birchmore Walk N5 2TJ

**HIGHBURY QUADRANT CONGREGATIONAL CHURCH
TRUSTEES' REPORT
YEAR ENDED 31 DECEMBER 2022**

At 31 December 2022 the Church had net free reserves of £109,469 (2021:£118,422) as follows:

	2022	2021
	£	£
Total Reserves	148,294	158,418
Less: restricted fund	-	-
Less: fixed assets used for the continuing work of the Church	(38,825)	(39,996)
Unrestricted Reserves	<u>109,469</u>	<u>118,422</u>

5.3 Property Review

Planning permission was approved in June 2022 to start the development of 40 residential flats and a new church. When permission is received the developer is expected to pay the sum of two million Pounds (£2 million) as well as building a smaller church.

The church was vacated on 15th December 2022, demolition work started in February 2023 soon to be followed by building work.

5.4 Investment Policy

The Church currently invest its funds in short term cash deposits on the basis that free reserves may be required at short notice.

5.5 Grants Policy

The Church makes grants to support missionary and other philanthropic endeavours both in the UK and abroad. The Church is seeking to move towards a policy in which grants will be given on the basis that they are subject to annual review and only renewed on the basis of meeting set criteria. The intention is that amounts equivalent to approximately 10% of the surplus will be donated as gifts to other charities. Although there was a deficit during the year grants in the sum of £1,770 were given to a number of Charities as in note 8 to the accounts.

6. Plans for future Periods

The church buildings was handed over to developers on 15th December 2022

As mentioned in point 5.3 above, the Charity received in consideration of land settlement the sum of £2.4 million which is held by the Congregational Federation as they are custodial trustee. The charity will also receive a new building when development has been completed.

Following the demolition of the Church, Sunday worship will be held in St Augustine's vestry at 108 Highbury New Park London N5 2DR the rent of which will be paid for out of the settlement received.

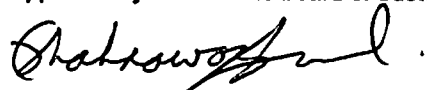
7. Responsibilities of Trustees for the Financial Statements

The Church Leadership is responsible for preparing the report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Practice. Charity law requires the Church Leadership to prepare financial statements for each financial year which give true and fair view of the state of affairs of the charity and of its financial activities for that period.

In preparing those financial statements, the Church Leadership is required to:

* keep proper accounting records which show at any time with reasonable accuracy the financial position of the charity and enables them to ensure that the financial statements comply with the Charities Act 1993. The Church Leadership is also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the board of trustees on 17th Oct 2023 and signed on its behalf by:



Revd. Shah Nawaz Javed - Minister - Trustee

HIGHBURY QUADRANT CONGREGATIONAL CHURCH

INDEPENDENT EXAMINER'S REPORT YEAR ENDED 31 DECEMBER 2022

Report the Trustees of Highbury Quadrant Congregational Church on the accounts for the year ended 31 December 2021 set out on pages 7 to 13.

Respective responsibilities of trustees and examiner

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 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145 (5)(b) of the Act.

Independent Examiner's statement

I am qualified to undertake the examination by being a qualified member of the Association of Chartered Certified Accountants .

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

- the accounting records were not kept in accordance with section 130 of the of the Charities Act; or
- the accounts did not accord with the the accounting records; or
- the accounts did not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulation 2008 other than any requirement to 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.

Signed :

Mahmud Said FCCA
M. Said & Co
Chartered Certified Accountants
137 Blackstock Road
Finsbury Park
N4 2JW London

Dated: 17th October 2023 .

HIGHBURY QUADRANT CONGREGATIONAL CHURCH
STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31 DECEMBER 2022

				2022	2021
	Notes	Unrestricted fund	Restricted fund	Total funds	Total funds
		£	£	£	£
INCOMING RESOURCES					
Voluntary income	2	2,206		2,206	2,661
Government Grants	2	0		0	7,951
Activities for generating funds	3	133,451		133,451	102,276
Interest received		0		0	6
Other income	4	0		0	-
Total incoming resources		135,657	-	135,657	112,894
RESOURCES EXPENDED					
Cost of generating funds	5	83,961		83,961	71,645
Cost of charitable activities	6&7	61,821		61,821	49,713
Total resources expended		145,781	-	145,781	121,358
NET INCOMING RESOURCES		(10,124)	-	(10,124)	(8,464)
RECONCILIATION OF FUNDS					
Total fund brought forward		158,418		158,418	166,882
TOTAL FUNDS CARRIED FORWARD		148,294	-	148,294	158,418

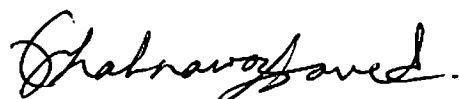
The notes on pages 9 to 13 form part of these financial statements.

HIGHBURY QUADRANT CONGREGATIONAL CHURCH

BALANCE SHEET AS AT 31 DECEMBER 2022

			2022	2021
	Notes	Unrestricted fund £	Restricted fund £	Total funds £
FIXED ASSETS				
Tangible assets	12	38,825		38,825
CURRENT ASSETS				
Debtors	13	805	805	245
Cash at bank and in hand	14	112,704	112,704	123,005
		113,509	113,509	123,250
CREDITORS				
Amounts falling due within one year	15	4,040	4,040	4,828
NET CURRENT ASSETS		109,469	109,469	118,422
TOTAL ASSETS LESS CURRENT LIABILITIES		148,294	148,294	158,418
CREDITORS				
Amounts falling due after more than one year		-	-	-
NET ASSETS		148,294	148,294	158,418
FUNDS				
Restricted funds:		-	-	-
Unrestricted funds:	16	148,294	148,294	158,418
TOTAL FUNDS		148,294	148,294	158,418

The financial statements were approved by the Board of Trustees on 12/10/2023 and were signed on its behalf by:



Revd. S Javed - Minister - Trustee

The notes on pages 9 to 13 form part of these financial statements.

HIGHBURY QUADRANT CONGREGATIONAL CHURCH

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2022

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard SORP FRS102 (effective January 2016), the Charities Act 2011 and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities.

Incoming resources

Donations and income from the recovery of tax on gift aided donations are accounted for in the period which they are received. Legacies are accounted for when their receipt is certain and can be properly quantified. Investment income and other income is recognised in the period to which it relates.

Resources expended

Expenditure is accounted for on an accruals basis (and includes attributable VAT which can not be recovered) and has been included under expense categories that aggregate all costs for allocation to activities. Where costs can not be directly attributed to particular activities they have been allocated on a basis consistent with the use of these resources.

Charitable expenditure comprises expenditure on the Charity's primary objectives and in the delivery of activities and services for its beneficiaries. They include grants made to other organisations whose charitable objects complement the work of the church. Eighty percent of this was allocated as direct costs and twenty percent as support costs. Governance costs are the costs associated with the governance arrangement and with the administration of the charity and in compliance with constitutional and statutory requirement. It includes the cost of the annual independent examination, and other expenditure on compliance with constitutional and statutory requirements.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life.

Fixtures and fittings	12% p.a. on the reducing balance method
Improvement	2% p.a. on the straight line method

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

Unrestricted Funds comprise those funds which the Church Leadership are free to use in accordance with the charitable objects.

Restricted funds are those funds which have been received for particular purposes where the Church Leadership must respect the wishes of donors. Apart from the women's Fellowship, the restricted funds all relate to amounts given for specific causes, normally in the context normally in the context of donations made by customers of the Second Chance Charity Shop.

Pension costs and other post-retirement benefits

The Charity operates a work place pension scheme for all staff.

2. VOLUNTARY INCOME

	2022	2021
	£	£
Offering and donations	2,206	2,661
GOVERNMENT GRANTS :		
JRS Grants received	0	7,951

HIGHBURY QUADRANT CONGREGATIONAL CHURCH

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED YEAR ENDED 31 DECEMBER 2022

3. ACTIVITIES FOR GENERATING FUNDS

	2022	2021
	£	£
Sales of donated goods (Second Chance charity shop)	99,600	66,136
Letting Income - Manse	33,611	32,596
Match day and private parking	240	3,544
	<u>133,451</u>	<u>102,276</u>

4. OTHER INCOME

	£	£
Insurance and other claims	-	-
	<u>-</u>	<u>-</u>

5. COSTS OF GENERATING FUNDS

	£	£
Staff costs	44,658	36,533
Maintenance	2,535	159
Insurance	3,581	2,718
Telephone	526	404
Cleaning and refuse collection	24	35
Staff welfare	479	321
Rent	13,767	14,233
Rates and water	4,604	2,936
Light and heating	8,474	7,752
Payroll processing costs	912	1,084
Printing and stationery	107	151
Bank and Credit card charges	2,582	1,664
Shop consumables		210
Volunteer expenses	448	1,095
Sundry expenses	92	78
Depreciation	1,173	1,226
	<u>83,981</u>	<u>70,601</u>

6. CHARITABLE ACTIVITIES COSTS

	2022	2021
	£	£
Church Life & Outreach	522	819
Office & Administration costs	750	647
Provision for Minister	38,778	29,854
Church Building Costs	16,253	13,304
Gifts to organisations (See note 8)	1,770	1,520
Accountancy and Independent examination	3,748	3,569
	<u>61,821</u>	<u>49,713</u>

Provision for Minister has gone up due to the relocation to a temporary place following the vacation of the Church for development.

HIGHBURY QUADRANT CONGREGATIONAL CHURCH

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED Year Ended 31 December 2022

7. CHARITABLE ACTIVITIES COSTS

	Direct costs	Support costs	Total	Total
	£	£	£	£
Church Life & Outreach	417	104	522	507
Office & Administration costs	600	150	750	647
Provision for Minister	31,023	7,756	38,778	29,854
Church Building Costs	13,003	3,251	16,253	19,915
Gifts to organisations	1,416	354	1,770	1,520
Accountancy and Independent examination	2,998	750	3,748	3,569
	49,457	12,364	61,821	60,874

8: GIFTS TO ORGANISATIONS

	2022	2021
	£	£
The Congregation Federation	200	200
Richard House	100	
St Joseph's Hospice	100	
Evangelical Fellowship	100	100
Open Doors	120	120
UNHCR	-	100
Miscellaneous donations £50 each (23 donations:2021 20 donations	1,150	1,000
	1,770	1,520

No donations made to individuals during the year.

9: GOVERNANCE COSTS:

	£	£
Accountancy and Independent examination fees	3,748	3,569

HIGHBURY QUADRANT CONGREGATIONAL CHURCH
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
YEAR ENDED 31 DECEMBER 2022

10. TRUSTEES' REMUNERATION AND BENEFITS

	2022	2021
	£	£
Provision for Minister	28,800	27,406
Minister's Gross salary	142	32
Employer National Insurance	864	822
Work place pension	633	376
Flat Insurance and water	1,373	1,218
Flat Heating and Lighting	6,967	0
Temporary Manse rent	38,778	29,854

Provision for Minister is higher this year due to cost of renting temporary manse following vacating the Church to begin development.

Trustees' expenses	0	231
Trustee's expenses		

11. STAFF COSTS

	2022	2021
	£	£
Wages & Salaries	43,853	35,117
Social security costs	88	0
Work place pension	716	1,416
	44,658	36,533

Revd. Shah Nawaz Javed received a gross remuneration of £28,800 (2021 : £27,406). in his capacity as a minister and in accordance with the terms of employment, where he is required to live in , rent free accommodation provided by the Church.

Joan O'Donovan, a Managing Trustee, received gross remuneration of £Nil during the period in her employed capacity as the Church's charity shop manageress.

The average number of employees during the period was 7 (2021: 6). No employee received Emoluments in excess of £60,000 during the year.
 No trustee received any benefits in kind during the period .(YE 31.12.2021 £Nil)
 No trustee received any reimbursement of expenses during the period .(YE 31.12.2021 £Nil)

12. TANGIBLE FIXED ASSETS

Fixtures and fittings

	Fixtures & Fittings	Improvement	Total
	£	£	£
Costs			
Cost at 01.01.2022			
Additions during the year	22,194	39,335	61,529
Cost at 31.12.2022	22,194	39,335	61,529
Depreciation			
at 01.01.2022			
Charge for the year	18,969	2,562	21,531
at 31.12.2022	387	786	1,173
NET BOOK VALUE	19,356	3,348	22,704
at 31.12.2022			
at 31.12.2021	2,839	35,986	38,825
	3,225	36,773	39,998

HIGHBURY QUADRANT CONGREGATIONAL CHURCH

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED YEAR ENDED 31 DECEMBER 2022

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Other Debtors and Prepayments	805	245
	<u>805</u>	<u>245</u>

	2022	2021
	£	£
14: Bank and Cash Balance	112,704	123,005
	<u>112,704</u>	<u>123,005</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Rent deposit	-	745
Loans	0	0
Other creditors and accruals	4,040	4,083
	<u>4,040</u>	<u>4,828</u>

16. MOVEMENT IN FUNDS	At 01.01.2022	Net movement	AT 31.12.2022
	£	£	£
Unrestricted funds	158,418	(10,124)	148,294
TOTAL FUNDS	158,418	(10,124)	148,294

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

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds	135,657	145,781	(10,124)
TOTAL FUNDS	135,657	145,781	(10,124)

17. OTHER FINANCIAL COMMITMENTS

The church had the following annual commitments under operating leases as follows

	2022	2021
	£	£
Expiring within one year	-	-

18. POST BALANCE SHEET EVENTS:

In April 2023 Ms Mariam McGuire was removed as a trustee and Mr Leo John Mendoza was elected.