

HOPE CORNER
(a company limited by guarantee)

OPERATING AS

**HOPE CORNER CHURCH
HOPE CORNER SCHOOL**

**ANNUAL REPORT AND
UNAUDITED FINANCIAL STATEMENTS

FOR

THE YEAR ENDED MARCH 31 2021**

**HOPE CORNER
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31 2021**

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**HOPE CORNER
ADMINISTRATIVE INFORMATION
FOR THE YEAR ENDED MARCH 31 2021**

DIRECTORS

Rev'd Mark B J Finch JP
Mr John C Cavanagh
Mr Jason K Worrall
Mrs Pauline E Rushworth
Mr Mathew B M Finch
Mr John O Ilupeju

COMPANY SECRETARY

Mr Paul John Rushworth

PRINCIPAL STAFF

Rev'd Mark B J Finch JP
Mrs Maria Houghton

Senior Minister
School Head Teacher

REGISTERED OFFICE

70 Clifton Road,
Runcorn
WA7 4TD

PRINCIPAL PLACE OF BUSINESS

70 Clifton Road
Runcorn
WA7 4TD

**INDEPENDENT EXAMINER
& ACCOUNTANTS**

Peter Smith BA FCA DChA
HGA Accountants & Financial Consultants Ltd
t/a Chittenden Horley - Chartered Accountants
456 Chester Road
Old Trafford
Manchester M16 9HD

**HOPE CORNER
TRUSTEES' AND DIRECTORS' ANNUAL REPORT
FOR THE YEAR ENDED MARCH 31 2021**

INTRODUCTION

The trustees present their annual report together with the financial statements of Hope Corner for the year ended March 31 2021 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and 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 (FRS102) (effective 1 January 2019), referred to as the Charities SORP (FRS 102) (second edition – October 2019).

OUR PURPOSES AND ACTIVITIES

Objects

The objects of the charity are for the benefit of the public particularly in the areas of Christian life and general Education. Specifically, this includes;

- Advancing the Christian Faith in accordance with the Statement of faith of the Assemblies of God
- The relief of sickness and hardship and promotion of good health.
- Advancing education particularly supporting those with special needs.

We use the resources available to the charity for the good of people regardless of their age, background, race, religion or gender.

Our ***Devotion Together*** in the Christian faith, inspires us to support the relevant needs of those accessing Hope Corner and those of the wider community.

We support and encourage both directly and indirectly practitioners helping the wider community both in Britain and overseas particularly in the areas of Church development, education and the relief of poverty.

The Trustees oversee a wide range of activities directed to fulfilling these objects. Hope Corner Church promotes all three of the charity's objects across a range of activities. Hope Corner School is focused exclusively on the advancement of education. The charity principally operates from its purpose-built freehold premises in Clifton Road, Runcorn and Church Street Runcorn.

The charity does not generally charge its beneficiaries, for the services they receive and therefore the Trustees are confident that the charity is able to demonstrate its adherence to the Charity Commission's guidance, with regard to public benefit.

Together with the provision of inspiring Church services, we run a special educational needs school, community cafe, children's work, youth work, financial management training, oversees support to Uganda and India. The Charity aims to provide programmes emphasising a holistic provision for beneficiaries that fosters;

Spiritual, Physical, Mental and Social wellbeing.

We have been awarded national recognition for our work.

OUR CHARTER

We provide an inclusive service to our community by:

1. Serving and respecting all people regardless of their gender, marital status, race, ethnic origin, religion, age, sexual orientation or physical and mental capability.
2. Acknowledging the freedom of people of all faiths or none both to hold and to express their beliefs and convictions respectfully and freely, within the limits of the UK law.
3. Never imposing our Christian faith or belief on others but allowing them to view and inquire about what it means to be in relationship to Christ Jesus.
4. Developing partnerships with other churches, voluntary groups, statutory agencies and local government wherever appropriate in order to create an effective, integrated service for our clients avoiding unnecessary duplication of resources.
5. Providing and publicising regular consultation and reporting forums to client groups and the wider community regarding the effective development and delivery of our work and our responsiveness to their actual needs.

ACTIVITIES

We value all individuals in a way that is consistent with our distinctive Christian ethos by:

1. Creating an environment where clients, volunteers and employees are encouraged and enabled to realise their potential.
2. Assisting our clients, volunteers and employees to take responsibility for their own learning and development, both through formal and informal training opportunities and ongoing assessment.
3. Developing an organisational culture in which individuals learn from any mistakes made and where excellence and innovation are encouraged and rewarded.
4. Promoting the value of a balanced, holistic lifestyle as part of each individual's overall personal development.
5. Abiding by the requirements of employment law in the UK and implementing best employment practices and procedures designed to maintain our distinctive ethos and values.

We continually strive to develop a professional approach to management, practice and funding by:

- Implementing a management structure, which fosters and encourages participation by staff at all levels in order to facilitate the fulfilment of the project's goals and visions.
- Setting and reviewing measurable and timed outcomes annually and regularly to evaluate and monitor our management structure and output, recognising the need for ongoing organisational flexibility, development and good stewardship of resources.
- Doing all we can to ensure that we are not over-dependent on any one source of funding.
- Implementing best practice procedures in terms of Health and Safety and Safeguarding in order to protect our staff, volunteers and clients.
- Handling our funding in a transparent and accountable way and to give relevant people from outside our organisation reasonable access to our accounts.

It has been, without a doubt, one of the most challenging years in the history of Hope Corner. Of course the challenges have been considerable for many charities, with some closing altogether. Churches have been particularly on the front line dealing with everything people have had to endure; from hunger to joblessness, illness and even loss of loved ones. All this together with the pressure of not being able to meet together due to restrictions.

Even with all these serious issues I am so pleased to say our Church is coming through the storm and even grown stronger! The need to adapt the way we serve our people and the wider community has enabled us to not just exist, but to flourish in some ways throughout the COVID crisis.

Adaptation

We have creatively developed our 'on-line strategy' over recent months to cater for all kinds of activities in our various departments including our school (which has stayed open throughout the pandemic) and all our church services. It's been amazing to see how our community engagement has grown with this technology not just in relation to the younger age groups but also with senior people.

We deeply appreciate all those here at Hope Corner who have worked so hard to not only bringing together the various strands of the technology needed but also helping everyone to understand how to use it.

Amazing answers to prayer

One of the most successful ways we have used (and are using) online meetings is with prayer. Three times every week during the last 12 months people have joined together to pray for anyone who has sent a request; many requests have been to do with the effects of the pandemic. We have even had national requests in connection with the development of vaccines and the pressures on the NHS. Following the on-line prayer times we have seen many incredible answers to prayer.

It is interesting to see how many are turning to prayer during these momentous days.

HOPE CORNER TRUSTEES' AND DIRECTORS' ANNUAL REPORT FOR THE YEAR ENDED MARCH 31 2021

The Extra Mile

We want to acknowledge the outstanding devotion of all our staff and volunteers to their various vocations they have continually undertaken during all the restrictions. We have already mentioned challenges faced by our school staff who have enabled the students to attend even while other schools have been closed. The very fact that this church charity is still in full operation providing support to the community is testament to the determination of everyone in our various departments.

We have an incredible team.

Giving

As a charity we rely on those who donate to the vision of this church on a regular basis and this has been even more acute during the COVID months.

Thanks to the Local Authority for the finance provided to enable our specialist work to continue with vulnerable young people in our school.

We also acknowledge the help from our mortgage provider 'Stewardship' who gave a few months of mortgage relief.

At the heart of donations are all of our people at Hope Corner who have given so sacrificially. They are the backbone of this charity.

Above all we give thanks to our Lord and Saviour Jesus Christ who is the driving force of Love in all that we do. With Him 'all things are possible'.

FINANCIAL REVIEW

Preamble

For any charity of our size, this is an area that always brings great challenges. We are so grateful for the way all the community family of Hope Corner give sacrificially on a regular basis. Besides those fees paid to our school, the giving of God's people is the backbone of our financial base and despite the pandemic has held up remarkably well. We already know that for every £1 given to Hope Corner, the value is increased to around £3 due to the careful way we run the charity (Cinnamon Audit 2015). We are working to increase this value to £4 over the next two years.

Of course we have faced severe restrictions on our ability to generate income from hires and the café because of the measures that the Government had to introduce to combat the pandemic.

Overview of financial accounts

However, we are pleased to note that the charity has made a surplus in the year of £45k. The decision to refinance and restructure our borrowings means that we have been able to repay the loans from individuals, make our loan repayments and increase our cash balances. We believe that God has placed us in a strong position to face the challenges that lie ahead as we emerge from the pandemic.

Risk management summary

We acknowledge the following risks that Hope Corner faces

- Maintaining effective governance and good internal control over the charity's finances
- Prioritising the use of resources to best meet the charity's objectives
- Building a sufficient level of reserves so as to be able to act strategically

After the end of the year we have improved our financial systems. In this subsequent period, we are also in discussions with our mortgagee (Stewardship) to test their appetite to increase their lending to us.

Principal funding sources and going concern

The charity presently relies on two major funding sources

- The church membership for their voluntary income
- Local authority income to support the Hope Corner School – this is earned income computed on a per capita basis

In view of the sustained record of financial surpluses, the Trustees are confident that the charity is a going concern

Reserves

Last year we set the target of eliminating the net current liabilities and we are pleased to say that we achieved this goal. Our free reserves (unrestricted funds not invested in fixed assets, otherwise designated or required to meet secured loans due in more than one year) stood at £92k at the year end. We are in the process of determining what the target level should be for free reserves going forward, but we remain strongly committed to ensuring that we are able to meet our loan repayments as they fall due and to have sufficient funds available to maintain our buildings to an appropriate standard, as we continue to work for the Kingdom of God.

**HOPE CORNER
TRUSTEES' AND DIRECTORS' ANNUAL REPORT
FOR THE YEAR ENDED MARCH 31 2021**

FUTURE PLANS

We have a real determination to make sure everything is in place when it comes to the legal, technical and business requirements of the charity. We have just appointed a Business Manager who is developing new IT systems to handle all that is required of a modern charity; this includes accounting and buildings management. We are looking forward to the role of the Business Manager helping to release our other staff from business tasks, giving them more time for community work and ministry.

One of the biggest challenges over the next 5 years is to train and mentor enough new people in order to handle the growth and development of Hope Corner so that the work in the community remains 'cutting edge'. We need to continue developing our present staff and volunteers but also help them mentor others. We believe that this approach will secure the future of the vital part we play in Runcorn and beyond.

We know COVID is a serious factor when it comes to our physical work in the community but rather than dwell on what we cannot do at the moment, we take the opportunity to be creative in our plans over the next year. We are determined not to allow any barriers to stop us being who we need to be especially to those in need

STRUCTURE GOVERNANCE AND MANAGEMENT

Governing document

The Charity is a company limited by guarantee and is governed by its Memorandum and Articles of Association dated September 20, 2010. It is registered as a charity with the Charity Commission.

Members of the company

The initial members of the company were the five subscribers to the Memorandum. Four of these five remain in membership. There are various qualification requirements to be met before any person is admitted to membership. Furthermore, the constitution grants the Senior Minister and the majority of existing members with discretion as to whether or not to nominate persons for membership. Provided qualification requirements are met and both the Senior Minister and the majority of existing members have invited candidate members to join the company, the directors (Trustees) have no discretion to refuse admittance to membership.

Members may resign or may be removed by an Ordinary resolution of all members.

There are currently 50 members of the company.

£1 in the event of the charity being wound up.

Appointment of Directors and Trustees

The directors of the company (who are Trustees of the Charity) are appointed as follows

- (a) on the nomination of the Senior Minister, or
- (b) By the members in General Meeting

Directors appointed under (a) above do not retire by rotation

Directors appointed under (b) only serve until the following annual general meeting

The minimum number of directors is three and there is presently no maximum number.

Trustee recruitment, induction and training

There has only been one Trustee appointed following the initial appointments on incorporation. The Senior Minister consults with the broader membership when considering nominations to the Board.

It is the intention to recruit additional Trustees in the next three years. Suitable induction and training will be devised for such recruits.

Related parties and management of conflict of interest

The Trustees are aware of the Charity Commission guidance relating to management of conflict of interest issues.

As disclosed in the notes to the accounts there are a number of related party transactions in connection with the Senior Minister. The charity has established policies to manage conflict of interest issues and these are reviewed periodically.

**HOPE CORNER
TRUSTEES' AND DIRECTORS' ANNUAL REPORT
FOR THE YEAR ENDED MARCH 31 2021**

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The trustees (who are also directors of the Charity for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102) (second edition – October 2019);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and 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.

SMALL COMPANY PROVISIONS AND APPROVAL

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

Approved by the Board of Trustees and signed on its behalf by:

Mark Finch

Mark Finch
Chair of Trustees

Date: 20/12/21

**INDEPENDENT EXAMINER'S REPORT
TO THE TRUSTEES OF HOPE CORNER
FOR THE YEAR ENDED MARCH 31 2021**

I report to the charity trustees on my examination of the accounts of the company for the year ended March 31 2021 which are set out on pages 8 to 19.

Responsibilities and basis of report

As the charity trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your company's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of *Institute of Chartered Accountants in England and Wales* (ICAEW) which is one of the listed bodies.

I have completed my examination. I confirm that no 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 company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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.

Peter Smith

Peter Smith BA FCA DChA

For and on behalf of:
HGA Accountants & Financial Consultants Ltd t/a Chittenden Horley
Chartered Accountants

456 Chester Road
Old Trafford
Manchester M16 9HD

Date: December 21 2021



HOPE CORNER
STATEMENT OF FINANCIAL ACTIVITIES (including the income and expenditure account)
FOR THE YEAR ENDED MARCH 31 2021

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
INCOME					
Donations	2	90,940	100	91,040	76,650
Charitable activities	3	221,732	2,500	224,232	233,235
Other trading income	4	14,075	-	14,075	49,545
Investment income - bank interest		-	-	-	4
TOTAL INCOME		326,746	2,600	329,346	359,434
EXPENDITURE					
Costs of raising funds	5	12,647	-	12,647	38,452
Expenditure on charitable activities	6	268,895	2,600	271,495	255,939
TOTAL EXPENDITURE		281,542	2,600	284,142	294,391
NET INCOME/(EXPENDITURE) BEFORE TRANSFERS		45,204	-	45,204	65,043
Transfers between funds		-	-	-	-
Other recognised gains		-	-	-	-
NET MOVEMENT IN FUNDS		45,204	-	45,204	65,043
TOTAL FUNDS BROUGHT FORWARD	14	662,451	-	662,451	597,408
TOTAL FUNDS CARRIED FORWARD	14	707,655	-	707,655	662,451

The notes on pages 11 to 19 form part of these financial statements.

**HOPE CORNER
BALANCE SHEET AS AT MARCH 31 2021**

	Notes	2021 £	2021 £	2020 £	2020 £
FIXED ASSETS					
Tangible Assets	10		1,088,058		1,116,231
CURRENT ASSETS					
Stocks for resale		-		-	
Debtors	11	2,506		8,141	
Cash at Bank and in Hand		<u>121,438</u>		<u>66,213</u>	
				74,354	
CREDITORS					
Amounts falling due in one year	12	<u>32,077</u>		<u>97,535</u>	
NET CURRENT ASSETS					
			<u>(32,077)</u>		<u>(23,181)</u>
			1,055,981		1,093,050
CREDITORS					
Amounts falling due in more than one year	13		<u>472,271</u>		<u>430,599</u>
NET ASSETS					
			<u>583,710</u>		<u>662,451</u>
FUNDS					
Unrestricted					
General fund	14	470,041		420,588	
Revaluation reserve		<u>237,614</u>		<u>241,863</u>	
			707,655		662,451
Restricted					
	14		<u>-</u>		<u>-</u>
TOTAL FUNDS			<u>707,655</u>		<u>662,451</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

For the year ending March 31 2021, the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies and no notice has been deposited under section 476 requiring the company to obtain an audit of its accounts for the year in question.

Directors' responsibilities

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

The notes on pages 11 to 19 form part of these financial statements.

Approved by the Board and authorised for issue on 20/12/21

And signed on their behalf by:

Mark Finch

Mark Finch - Director

Company registration number 7386305

**HOPE CORNER
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31 2021**

		2021	2020
	notes	£	£
Cash used in operating activities	16	<u>76,519</u>	<u>109,310</u>
Cashflows from investing activities			
Interest and dividends		-	4
Purchase of tangible fixed assets		(549)	(8,293)
Proceeds of sale of fixed assets		-	-
Cash provided by/(used in) investing activities		<u>(549)</u>	<u>(8,289)</u>
Cashflows from financing activities			
Proceeds from new borrowings - secured loan		45,000	-
Repayment of borrowing - finance lease		(5,090)	(1,923)
Repayment of borrowing - mortgage creditor		(11,139)	(33,826)
Repayments of borrowing - unsecured loans		<u>(49,515)</u>	<u>(58,785)</u>
Cash used in financing activities		<u>(20,744)</u>	<u>(94,534)</u>
Increase/(decrease) in cash & cash equivalents in the year		55,226	6,487
Cash and cash equivalents brought forward		66,213	59,726
Cash and cash equivalents carried forward		<u><u>121,439</u></u>	<u><u>66,213</u></u>
Cash and cash equivalents consist of:			
Cash at bank and in hand		121,438	66,213
		<u><u>121,438</u></u>	<u><u>66,213</u></u>

HOPE CORNER
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31 2021

1 ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared: under the historic cost convention; in accordance with the Statement of Recommended Practice – Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) effective January 1 2019 (second edition – October 2019); FRS102; and the Companies Act 2006. The charity constitutes a public benefit entity as defined by FRS102.

The accounts are prepared in £ sterling, which is the functional currency.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The principal accounting estimate that affects these accounts relates to:

The estimated useful lives of fixed assets

Income recognition

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably. The following applies to particular types of income:

Grants, whether of a capital or revenue nature, are recognised when the Charity has entitlement to the funds, any performance conditions have been met and it is probable that the income will be received.

Donations from individuals and other bodies (not being of the nature of a grant) are recognised when receivable. Where a donation is contingent upon the performance by the charity of a significant obligation the donation is not recognised until the obligation has been performed.

Donated facilities are recognised on receipt at the value that the charity would be willing to pay to obtain facilities of equivalent economic benefit on the open market, a corresponding amount is then recognised as expenditure in the period of the receipt.

Earned income is measured at the fair value of the consideration received or receivable for services and goods supplied, net of discounts.

Deferred income

Income is only deferred and included in creditors when:

- The income relates to a future accounting period
- A sales invoice has been raised ahead of the work being carried out and there is no contractual entitlement to the income until the work has been done
- Not all the terms and conditions of the grant have been met, including the incurring of expenditure and the grant conditions are such that unspent grant must be refunded

Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

Costs of raising funds including those associated with fundraising activities, managing investments and commercial trading by the subsidiary company.

Charitable activities costs of undertaking the work of charity.

The Charity is not registered for VAT and cannot recover any input tax charged. Costs are stated inclusive of VAT were charged.

Allocation of support costs

Support costs are those functions which assist the work of the Charity either by supporting the delivery of charitable activities or by supporting the generation of funds. They include back office functions, staff costs and professional fees. The basis of allocations is set out in note 5.

HOPE CORNER
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31 2021

1 ACCOUNTING POLICIES (continued)

Tangible fixed assets and depreciation

Individual fixed assets costing more than £250 are capitalised at cost and are depreciated over their estimated useful lives (after deducting any residual value) on a straight-line basis as set out below.

Depreciation rates are as follows:

Freehold buildings – Over 50 years

Leasehold buildings – Over 50 years or the period of the lease if shorter

Property fixtures and fittings – Over 20 years

Furniture – Over 10-15 years

Kitchen equipment 7 years

Computer and IT equipment – 4 years

Debtors

Trade and other debtors are recognised at the settlement amount due and prepayments are valued at the amount prepaid.

Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Creditors and provisions

Creditors and provisions 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 and provisions are normally recognised at their settlement amount.

Financial instruments

The Charity has only basic financial instruments which are initially recorded at cost, and with the exception of investments (as set out above) subsequently measured at their settlement value.

HOPE CORNER
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31 2021

	2021			2020		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£	£	£	£	£	£
2 DONATIONS						
Freewill offerings	43,585	-	43,585	57,933	-	57,933
Gift Aid	10,809	-	10,809	12,212	-	12,212
Other donations	3,734	-	3,734	-	-	-
Grants	-	-	-	4,016	1,489	5,505
HMRC - CJRS	32,812	-	32,812	-	-	-
Restricted donations	-	100	100	-	1,000	1,000
	<u>90,940</u>	<u>100</u>	<u>91,040</u>	<u>74,161</u>	<u>2,489</u>	<u>76,650</u>

3 INCOME FROM CHARITABLE ACTIVITIES

Church	62	2,500	2,562	36	-	36
School	<u>221,670</u>	<u>-</u>	<u>221,670</u>	<u>233,199</u>	<u>-</u>	<u>233,199</u>
	<u>221,732</u>	<u>2,500</u>	<u>224,232</u>	<u>233,235</u>	<u>-</u>	<u>233,235</u>

Income is analysed as follows:

Church

Grants for Souper Heroes	-	2,500	2,500	-	-	-
Other income	<u>62</u>	<u>-</u>	<u>62</u>	<u>36</u>	<u>-</u>	<u>36</u>
	<u>62</u>	<u>2,500</u>	<u>2,562</u>	<u>36</u>	<u>-</u>	<u>36</u>

School

Local authority fees	<u>221,670</u>	<u>-</u>	<u>221,670</u>	<u>233,199</u>	<u>-</u>	<u>233,199</u>
	<u>221,670</u>	<u>-</u>	<u>221,670</u>	<u>233,199</u>	<u>-</u>	<u>233,199</u>

4 OTHER TRADING INCOME

Catering income	7,358	-	7,358	31,767	-	31,767
Room hire	<u>6,717</u>	<u>-</u>	<u>6,717</u>	<u>17,778</u>	<u>-</u>	<u>17,778</u>
	<u>14,075</u>	<u>-</u>	<u>14,075</u>	<u>49,545</u>	<u>-</u>	<u>49,545</u>

HOPE CORNER
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31 2021

5 COSTS OF RAISING FUNDS	2021			2020		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£	£	£	£	£	£
Direct costs	7,649	-	7,649	24,310	1,000	25,310
Direct salaries	-	-	-	5,233	-	5,233
Support costs	4,998	-	4,998	7,909	-	7,909
	<u>12,647</u>	<u>-</u>	<u>12,647</u>	<u>37,452</u>	<u>1,000</u>	<u>38,452</u>

6 CHARITABLE EXPENDITURE

Church	89,307	2,600	91,907	101,147	-	101,147
School	179,588	-	179,588	154,792	-	154,792
	<u>268,895</u>	<u>2,600</u>	<u>271,495</u>	<u>255,939</u>	<u>-</u>	<u>255,939</u>

Expenditure is analysed as follows:

	Direct Costs £	Direct Salaries £	Support Costs £	Total £
2020/21				
Church	4,097	36,906	50,904	91,907
School	6,814	127,261	45,513	179,588
	<u>10,911</u>	<u>164,167</u>	<u>96,417</u>	<u>271,495</u>
2019/20				
Church	16,514	35,295	49,338	101,147
School	4,430	120,819	29,543	154,792
	<u>20,944</u>	<u>156,114</u>	<u>78,881</u>	<u>255,939</u>

7 SUPPORT & GOVERNANCE COSTS

	Fundraising £	Church £	School £	Total 2021 £
2020/21				
Property costs	-	16,835	1,870	18,705
Payroll costs	1,320	2,641	9,241	13,202
Administration costs	1,828	3,657	12,797	18,282
Depreciation/disposal gains	1,200	8,522	19,000	28,722
Finance costs	650	16,644	-	17,294
Governance costs	-	2,605	2,605	5,210
	<u>4,998</u>	<u>50,904</u>	<u>45,513</u>	<u>101,415</u>
2019/20				
Property costs	-	17,739	1,467	19,206
Administration costs	6,050	5,042	9,076	20,168
Depreciation/disposal gains	1,209	8,443	19,000	28,652
Finance costs	650	18,114	-	18,764
	<u>7,909</u>	<u>49,338</u>	<u>29,543</u>	<u>86,790</u>

Support costs are allocated on the following basis:

Area	Basis
Property costs	Proportional use of property
Administrative costs	Allocation based on staff allocation
Depreciation and finance costs	Allocation of depreciated or financed assets

HOPE CORNER
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31 2021

8 STAFF INFORMATION

2021

2020

£

£

a Employees

Salaries and wages	165,625	149,601
Employer's pension contributions	3,282	2,667
Employer's NI contributions	8,462	8,379
	177,369	152,268

No employees earned more than £60,000 p.a. in either year.

b Key management personnel

The key management of the charity comprise the trustees and senior staff (as set out on page1).

The trustees do not receive any remuneration for their services as Trustees. The Senior Minister, Mark Finch also serves as an employee of the charity and is one of the two key management personnel.

The total employee benefits, including employer pension and Employers' NI contributions, of the employed key management personnel were as follows:

65,526

64,386

c Average staff numbers

The average number of employees was as follows:-

**Average
number**

**Average
number**

9

10

9 NET INCOME/(EXPENDITURE) BEFORE TRANSFERS (for the Group)

This is stated after charging/(crediting):

£

£

Independent examiners & accountants fees:

Examination	700	1,600
Accountancy fees	776	400
Under accrual prior year	-	500
Depreciation of fixed assets	28,722	27,797
Trustees remuneration	-	-

Number

Number

Trustees claiming expenses in relation to Trustee duties

-

-

HOPE CORNER
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31 2021

10 TANGIBLE FIXED ASSETS	Freehold	Leasehold		Instruments		
	Land &	Land &	Furniture	equipment	Motor	
	Buildings	Buildings	& fittings	& computers	vehicles	Total
Cost or valuation	£	£	£	£	£	£
As at April 1 2020	950,000	150,000	15,108	40,872	16,700	1,172,680
Additions	-	-	-	549	-	549
As at March 31 2021	950,000	150,000	15,108	41,421	16,700	1,173,229
Depreciation						
As at April 1 2020	32,000	6,000	2,125	10,980	5,344	56,449
Charge for the year	16,000	3,000	1,209	5,841	2,672	28,722
Eliminated on disposals	-	-	-	-	-	-
As at March 31 2021	48,000	9,000	3,334	16,821	8,016	85,171
Net Book Value						
As at March 31 2021	902,000	141,000	11,774	24,600	8,684	1,088,058
As at March 31 2020	918,000	144,000	12,983	29,892	11,356	1,116,231

Included in the net book value of equipment at March 31 2020 was £7,178 of equipment held on finance leases (2021 - nil).

The freehold and leasehold property was valued at August 1 2018 by Anthony Chadwick MRICS of Hardie Brack Chartered Surveyors.

	2021	2020
	£	£
11 DEBTORS		
Income receivable	2,506	4,305
Sundry debtors and prepayments	-	3,836
	2,506	8,141
12 CREDITORS falling due within one year		
Trade creditors	2,689	3,691
Other taxes and social security	-	2,646
Accruals	2,453	2,593
Other creditors	746	-
Finance lease creditor due in one year	-	5,090
Mortgage repayable in one year	26,189	34,000
Unsecured loans repayable in one year	-	49,515
	32,077	97,535
13 CREDITORS falling due in more than one year		
Mortgage payable within 2 - 5 years	117,722	120,000
Mortgage repayable in more than 5 years	354,549	310,599
	472,271	430,599

The mortgage is secured by a charge on the freehold and leasehold properties of the Charity. During the year and additional sum of £45,000 was advanced and the loan repayment period extended to 2035. There was a capital repayment holiday until October 2020. Interest is charged at 3.75%.

HOPE CORNER
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31 2021

14 STATEMENT OF FUNDS

2019/20				2020/21			
01/04/2019		Income	Expenditure	transfers	b/f and c/f		
£	£	£	£	£	31/03/2021	01/04/2021	
					£	£	
351,296	356,945	(289,142)	1,489		420,588		
246,112	-	(4,249)	-		241,863		
597,408	356,945	(293,391)	1,489		662,451		
-	2,489	(1,000)	(1,489)		-		
-	-	-	-		-		
-	-	-	-		-		
-	2,489	(1,000)	(1,489)		-		
597,408	359,434	(294,391)	-		662,451		

HOPE CORNER
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31 2021

15 ANALYSIS OF NET ASSETS BETWEEN FUNDS

Company fund balances at March 31 2021

are represented by:-

	Unrestricted Funds £	Restricted Funds £	Total £
Tangible fixed assets	1,088,058	-	1,088,058
Net current assets	(32,077)	-	(32,077)
Creditors due in more than one year	(472,271)	-	(472,271)
	<u>583,710</u>	<u>-</u>	<u>583,710</u>
Free Reserves:			
Net current assets	<u>(32,077)</u>		

Company fund balances at March 31 2020

are represented by:-

	Unrestricted Funds £	Restricted Funds £	Total £
Tangible fixed assets	1,116,231	-	1,116,231
Net current assets	(23,181)	-	(23,181)
Creditors due in more than one year	(430,599)	-	(430,599)
	<u>662,451</u>	<u>-</u>	<u>662,451</u>

16 RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASHFLOW FROM OPERATING ACTIVITIES

	2021 £	2020 £
Net income/(expenditure)	45,204	65,043
Add back depreciation	28,722	28,652
Deduct interest income shown in investing activities	-	(4)
Increase in Stocks	-	3,000
Decrease/(increase) in debtors	5,635	10,396
Increase/(decrease) in creditors (Exc. Loans)	(3,042)	2,223
Net cash generated from/(used in) operating activities	<u>76,519</u>	<u>109,310</u>

17 NET MOVEMENT IN DEBT

	At 31/3/20 £	cashflows £	Loans repaid £	loan received £	At 31/03/21 £
Cash and cash equivalents					
Cash at bank and in hand	66,213	75,970	(65,744)	45,000	121,438
Debt					
Mortgage loans	(464,599)	-	11,139	(45,000)	(498,460)
Unsecured loans	(49,515)	-	49,515	-	-
Finance lease obligations	(5,090)	-	5,090	-	-
	<u>(519,204)</u>	<u>-</u>	<u>65,744</u>	<u>(45,000)</u>	<u>(498,460)</u>
Cash and cash equivalents net of debt	<u>(452,991)</u>				<u>(377,021)</u>

19 TAXATION

The company is a registered charity and is entitled to claim annual exemption from UK corporation tax under sections 466 to 477 of the Corporation Tax Act 2010.

20 CAPITAL COMMITMENTS

The company had no capital commitments at the year end (2020- none)

21 RELATED PARTY TRANSACTIONS

The Chair of Trustees (Revd. Mark Finch) is also the Senior Minister of the Church and is remunerated in this capacity (but not for acting as Trustee). The charity's constitution permits this arrangement. Mr Finch is also closely related to other employees of the charity. During the year his employment benefits were £36,906 (2020 - £33,388).

In 2018/19, Mr and Mrs Finch loaned the charity £45,000 on an interest free basis in order that the charity could repay loans made by unconnected third party, and this was outstanding as at March 31 2020. during the year this loan was repaid in full as the charity obtained an advance from its existing secured lender.

Mr Matthew Finch, a trustee, is also the Deputy Head of the School, and is remunerated in this capacity but not for acting as a trustee. The Charity's constitution permits this. His wife is employed by the charity and he is the son of the Chair. His employment benefits were £24,446 (2020 - £23,734).

His wife received employment benefits of £ 14,008 (2020 - £13,916).

In 18/19, Mr Jason Worrall, a Trustee, made an interest free loan to the charity of £3,000 of which £2,400 was outstanding as at March 31 2019. The balance was repaid in 2019/20.