

TRUSTEES' REPORT AND ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2020

Registered Charity No. 1141725

HILLFIELDS CHURCH, COVENTRY

LEGAL AND ADMINISTRATIVE INFORMATION

Treasurer:	Mr Daniel Field
Office address:	18 Lower Ford Street Coventry CV1 5QJ
Bankers:	Yorkshire Bank
Current Trustees:	James Young Paul Watts Simon Hook Peter Cordle Daniel Field

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TRUSTEES' REPORT

The Trustees present their report and accounts for the year ended 31 December 2020.

Structure, governance and management

Hillfields Church Coventry is an independent Baptist Church located in Lower Ford Street and Waterloo Street, Coventry. The Church was first registered as a charitable unincorporated association with the Church Constitution adopted on 3rd March 2011.

Trustees & Staffing

The Trustees who served during the year were:-

Pastor Paul Watts
Pastor James Young
Pastor Simon Hook
Mr Peter Cordle
Mr Daniel Field

The Trustees are the designated Officers of the Church as laid down in the constitution. These are the Elders, including the Pastors. A Pastor is one of the Elders whose gift in preaching, teaching and pastoral care has been recognised by the Church and has been appointed by the Church to exercise such a ministry.

During 2020 James Young and Simon Hook have served as full time pastors of the church. Paul Watts retired as a paid pastor during the year but continues as an elder. The Trustees are required by the constitution to meet at least twice in a twelve month period, but have met more frequently during the year to address specific issues. Any matter requiring a decision of the Trustees requires a simple majority of those present and voting at a properly convened meeting. In the event of an equality of votes the chairman of the meeting is entitled to a second or casting vote.

In addition to the work carried out by the Elders the church has a finance team led by our treasurer, Daniel Field. The work of the finance team includes producing an annual forecast of our estimated expenditure needs, collecting and allocating gifts to the church, reclaiming tax from HMRC on gift aided income, paying staff members, maintaining the financial accounts and distributing monies to those in need in accordance with the wishes of the Trustees.

Policies

Church policies are set by the Trustees. HCC currently has policies addressing the following:

Safeguarding of children, young people and vulnerable adults.
Reserves
Data protection
Trustees' conflict of interest
Finance, including Investment, Internal control and paying staff
Managing volunteers
Risk management
Disability

A Health and Safety policy is in process with a view to being fully implemented in 2022.

Objectives and activities

The purposes of the Church are the advancement of the Christian faith in accordance with the Doctrinal Basis of Faith primarily but not exclusively within Coventry and the surrounding neighbourhood, and such other charitable purposes as shall, in the opinion of the members of the church in general meeting, further the work of the church. To this end our regular Sunday worship and biblical preaching ministry have been maintained with morning and evening services each Sunday open to members and all visitors, though these services were live-stream only for periods where this was required by law as a result of the COVID-19 pandemic. Access to the church worship services online has been a help to many listeners both in the UK and overseas.

We have maintained a comprehensive programme of teaching and activities for children, young people and students on Sundays and during the week to help them understand the Bible and the way in which its teaching should affect our lives. During the week the church has held regular meetings for prayer, Bible study and fellowship, generally either at the church or in small home groups on alternating weeks, as well as promoting informal contact between members and others for mutual help and encouragement. The COVID-19 pandemic meant that all activities had to cease "in person" for varying periods but most activities were continued online in some form.

Apart from specific meetings during the year for church members our meetings for worship, prayer, Bible study and fellowship are freely open to the public.

We have a number of church members and visitors with learning disabilities. They take an active part in the life of the church and we are grateful for the contributions which they make to our meetings for worship, fellowship, prayer and Bible study.

The church has been able to give financially in response to several UK and overseas needs which have arisen during the year and which have been brought to our attention. This has been done with the recommendation of the Trustees.

The church supports a number of missionaries in prayer and receives their prayer letters and emails. Missionaries are prayed for by individuals and also from time to time at the Church prayer meeting. The Church has been particularly supporting Alex and Mari Walker and their three children in Africa for a number of years. We also support David and Georgina Gray in their work of Bible translation and Scripture engagement.

During the year we began a major program of refurbishments at our Waterloo Street site with a complete renovation of the existing toilet facilities and addition of a new disabled toilet, funded by a generous grant of £26,800 from the Grace Baptist Trust Corporation.

Achievements and performance

We rely entirely upon God's grace and power to produce lasting benefit from our activities. At the same time we encourage everyone in the church family to be involved in serving.

We are very grateful to God for the consistent and helpful biblical ministry from our pastors, other preachers from within the church and visiting preachers during the year. This has been a great help to many people, some of whom have understood their need of repentance and of putting their trust in the Lord Jesus Christ as their Saviour and Lord. We are very pleased to report that during 2020 we welcomed 11 new members into the church fellowship. 2 ceased membership, bringing the number to 225 at the end of the year.

Financial review

The Church made a surplus for the year on its General Fund of £20,891. This is higher than forecast due primarily to a significant reduction in expenditure as a result of the limitations on activities caused by the pandemic. The Trustees consider the financial position at the year-end to be satisfactory. The Trustees review the level of reserves each year to ensure that it is sufficient for ongoing day to day purposes. A budget for 2021 has been set based on the Church's ongoing and projected activities and a small deficit is expected as a result of increasing the hours of our student worker Sophia Browne to 4.5 days per week and the exhaustion of the restricted fund which has paid Simon Hook's salary up to the end of 2020. This deficit will be met from reserves carried forward. In setting the budget the Trustees have considered the possible impact of the economic climate on donations and they are satisfied that their assumptions are reasonable.

The main source of funds comes from donations. These funds enable the Trustees to fulfil their aims and objectives as stated above. It is the current policy of the Church that liquid reserves (freely available unrestricted funds which have not been designated for a specific use) should be maintained at a level equivalent to at least 10% of annual General Fund expenditure, excluding costs of activities which are recharged to service users. The Trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to achieve an orderly change in the Church's current activities while consideration is given to ways in which additional funds may be raised. The level of General Fund liquid reserves at 31 December 2020 was just under £27,000, higher than that required by policy. However, the trustees believe this to be reasonable due to the planned additional expenditure over the next few years.

There are no restrictions on the Trustees to invest. The unrestricted and restricted funds may be invested in any type of investment. The investment strategy is reviewed annually.

Due to the Grace Baptist Trust Corporation grant mentioned above as well as giving from church members to our Virus Relief Fund, the Church's income increased to over £250,000 in the year and the Financial Statements have therefore been prepared on an accruals basis and in line with the Charities SORP as required by the Charity Commission. We anticipate income will again exceed £250,000 in 2021 as a result of grants and gifts towards the Waterloo Street renovations but reduce below that level from 2022 when the first phase of renovation works should have been completed.

Plans for future periods

All our plans for the future are made in dependence on God. We are intending to continue our regular worship, Bible teaching ministry and prayer to give spiritual support to Church members and visitors. We are also hoping to develop further our evangelism with initiatives designed to engage with those who are not currently Christians, so that more people in Coventry and beyond, but in the local district of Hillfields in particular, are able to hear and understand and given an opportunity to respond to the message of the Christian gospel. To this end we are actively thinking through new opportunities for outreach, building relationships and providing practical support to the local community based particularly at the Waterloo Street site. We plan to continue the renovations to the Waterloo Street building to ensure it is suitable as a base for ministry.

We continue to seek as far as we can to meet the need for pastoral help and support for families, men and women in our fellowship which continues to increase as the church grows.


We hope to see the use of our buildings increase for both church ministries and as a resource for our local community; rooms are available for hire to external groups.

Public Benefit

The Trustees have paid due regard to the Charity Commission's guidance on public benefit and during the year the Church has sought to provide a distinct public benefit in our activities. A spiritual or practical benefit has been provided to a wide range of members of the public in most of the activities outlined in this Report. The benefits have included some people coming to a personal faith in the Lord Jesus Christ as their Saviour and a transformed direction for their lives. There have been tangible benefits in personal and family relationships as a consequence of the application of Bible teaching. Support has also been given to people with personal and relationship problems. In addition a considerable effort is directed at providing education, training and facilities for young people as well as promoting friendship and good community relations to all, including those from overseas and elderly people. Our premises and facilities have been used in the service of the local people as far as possible with the restrictions that have been in place. Our vision for providing public benefit is not limited to our UK activities. In particular we have contributed through members working abroad as missionaries to the provision and support of community radio stations in sub-Saharan Africa.

On behalf of the Trustees:

Trustee 

Trustee 

Dated: 3 October 2021 Dated: 4 October 2021

INDEPENDENT EXAMINERS REPORT

TO THE TRUSTEES OF HILLFIELDS CHURCH COVENTRY

I report on the accounts of the Church for the year ended 31 December 2020, which are set out on pages 6 to 8.

Respective responsibilities of trustees and independent examiner

The Church's trustees are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year (under section 44(2) of the Charities Act 2011 (the 2011 Act)) and that an independent examination is needed.

It is my responsibility to:

- Examine the accounts under section 145 of the 2011 Act;
- To follow the procedures laid down in the General Directions given by the Charity Commissioners under section 145 (5) (b) of the 2011 Act; and
- To state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commissioners. 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 you as 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.

Independent examiner's statement

The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England & Wales.

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

- the accounting records were not kept in accordance with section 130 of the Charities Act; or
- the accounts did not accord with 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) 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.



D C S Cooke MA (Oxon) FCA FCIE
David Cooke & Co
5 Briar Close
Banbury OX16 9DS

12 October 2021

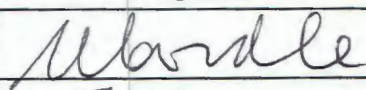
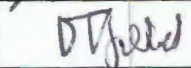
Statement of Financial Activities
for the year ended 31 December 2020

	General Fund £	Designated funds	Restricted income funds £	Total this year £	Total last year £
Incoming resources (Note 3)					
Income from					
Donations and legacies	175,557	-	82,073	257,630	206,347
Charitable activities	5,159	-	-	5,159	14,457
Investments	-	-	-	-	12
Total incoming resources	180,716	-	82,073	262,789	220,816
Resources expended (Notes 4-7)					
Charitable activities	159,825	11,683	93,567	265,075	226,890
Total resources expended	159,825	11,683	93,567	265,075	226,890
Net income/(expenditure)	20,891	(11,683)	(11,494)	(2,286)	(6,074)
Transfers between funds	(23,000)	23,000	-	-	-
Net movement in funds	(2,109)	11,317	(11,494)	(2,286)	(6,074)
Total funds brought forward	53,514	86,591	56,181	196,286	202,360
Total funds carried forward	51,405	97,908	44,687	194,000	196,286

Balance Sheet
as at 31 December 2020

	Note	Unrestricted funds £	Restricted income funds £	Total this year £	Total last year £
Fixed assets					
Tangible assets	10	24,644	-	24,644	29,226
Total fixed assets		24,644	-	24,644	29,226
Current assets					
Debtors	8	7,614	597	8,211	10,728
Cash at bank and in hand		120,254	44,090	164,344	159,912
Total current assets		127,868	44,687	172,555	170,640
Creditors: amounts falling due within one year	9	3,199	-	3,199	3,580
Net current assets/(liabilities)		124,669	44,687	169,356	167,060
Total assets less current liabilities		149,313	44,687	194,000	196,286
Net assets		149,313	44,687	194,000	196,286
Funds of the Charity					
General Fund	11	51,405		51,405	53,514
Designated Funds	11	97,908		97,908	86,591
Restricted income funds	12		44,687	44,687	56,181
Total funds		149,313	44,687	194,000	196,286

Signed on behalf of the trustees

Signature	Print name	Date of approval
	PETER CORDLE	3/10/2021
	DANIEL FIELD	4/10/2021

Notes to the accounts

Note 1 Basis of preparation

1.1 Basis of accounting

The accounts have been prepared in accordance with 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) issued on 16 July 2014, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Charities Act 2011.

Hillfields Church Coventry meets the definition of a public benefit entity under FRS102.

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 Trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

1.2 Change in basis of accounting

Due to income exceeding £250,000 in the year, these accounts are prepared on the accruals basis. In previous years accounts have been prepared on a receipts and payments basis. As a result, all comparative prior year figures have been restated.

Note 2 Accounting policies

2.1 Reconciliation with Receipts & Payments basis

Reconciliation of funds per Receipts & Payments basis to funds determined under FRS 102

	31-Dec-19
	£
Prior period fund balances as previously stated	159,912
Adjustments:	
Debtors	10,728
Creditors	(3,580)
Fixed Asset Net Book Value	29,226
Prior period fund balances as restated	<u>196,286</u>

Reconciliation of net income/expenditure per Receipts & Payments basis to net income/(net expenditure) under FRS 102

	£
Prior period net expenditure as previously stated	(18,689)
Adjustments:	
Unclaimed Gift Aid	2,761
Expenses paid in year relating to other periods	6,962
Expenses paid on other years relating to 2019	(6,871)
Purchase of fixed assets	16,213
Depreciation	(6,450)
Prior period net expenditure as restated	<u>(6,074)</u>

Notes to the accounts (cont.)

2.2 Income

Recognition of incoming resources	These are included in the Statement of Financial Activities (SoFA) when: <ul style="list-style-type: none"> the charity becomes entitled to the resources; it is more likely than not that the trustees will receive the resources; and the monetary value can be measured with sufficient reliability.
Offsetting	There has been no offsetting of assets and liabilities, or income and expenses, unless required or permitted by the FRS 102 SORP or FRS 102.
Grants and donations	Grants and donations are only included in the SoFA when the general income recognition criteria are met.
Tax reclaims on donations and gifts	Gift Aid receivable is included in income when there is a valid declaration from the donor. Any Gift Aid amount recovered on a donation is considered to be part of that gift and is treated as an addition to the same fund as the initial donation unless the donor or the terms of the appeal have specified otherwise.
Volunteer help	The value of any voluntary help received is not included in the accounts but is described in the trustees' annual report.
Income from interest, royalties and dividends	This is included in the accounts when receipt is probable and the amount receivable can be measured reliably.

2.3 Expenditure & Liabilities

Liability recognition	Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to pay out resources.
Grants payable without performance conditions	These are only recognised in the accounts when a commitment has been made and there are no conditions to be met relating to the grant which remain in the control of the charity.

2.4 Assets

Tangible fixed assets for use by charity	These are capitalised if they can be used for more than one year, and cost at least £400. They are valued at cost or a reasonable value on receipt. Assets are depreciated on a straight line basis over their useful life as follows: <ul style="list-style-type: none"> - Electronic equipment - 5 years - Furniture, fixtures and fittings - 10 years - Motor vehicles - 10 years
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Note 3 Analysis of income

		Unrestricted funds	Restricted income funds	Total funds	Prior year
Analysis		£	£	£	£
Donations and legacies	Donations	146,761	49,436	196,197	170,877
	Legacies	-	-	-	4,000
	Gift Aid	28,796	5,837	34,633	31,470
	Grants	-	26,800	26,800	-
	Total	175,557	82,073	257,630	206,347
Charitable activities	Event & activity	2,653	-	2,653	8,413
	Café sales	1,756	-	1,756	3,599
	Rent receivable	750	-	750	2,445
	Total	5,159	-	5,159	14,457
Investment income	Interest receivable	-	-	-	12
	Total	-	-	-	12
		180,716	82,073	262,789	220,816

Notes to the accounts (cont)

Note 4 Analysis of resources expended

		Unrestricted	Designated	Restricted		
	Analysis	funds	funds	income	Total funds	Prior year
		£	£	£	£	£
Charitable activities	Officeholder and employee-related costs	96,577	-	29,385	125,962	105,131
	Payments to preachers/speakers	999	-	-	999	2,077
	Gifts and financial support given	22,961	-	23,942	46,903	43,508
	Children's and youth ministry	814	-	120	934	8,089
	18-30s ministry	343	-	-	343	2,749
	Church holiday and other events	715	-	-	715	2,297
	Café costs	769	-	-	769	2,243
	Other activities	707	-	-	707	2,693
	Training and conferences	1,300	11,683	9,010	21,993	15,538
	Equipment and resources	2,605	-	-	2,605	4,246
	Utilities, rates and insurance	15,026	-	-	15,026	15,205
	Minibus expenses	1,499	-	-	1,499	3,376
	Repairs and maintenance	4,148	-	31,110	35,258	3,807
	Licences and other fees	2,789	-	-	2,789	3,385
	Printing & copying	1,327	-	-	1,327	1,372
	Consumables and sundry expenses	1,784	-	-	1,784	2,919
	Depreciation	5,062	-	-	5,062	6,450
	Legal & accountancy fees	400	-	-	400	1,807
	Total	159,825	11,683	93,567	265,075	226,890

Note 5 Details of certain items of expenditure

5.1 Fees for examination or audit of the accounts

£400 is due to the independent examiner (2019: £350) for the examination of the accounts and £nil for other services (2019: £nil).

Note 6 Paid employees

6.1 Staff Costs

	This year	Last year
	£	£
Salaries and wages	85,134	77,192
Employer's National Insurance costs	1,633	1,025
Pension costs (defined contribution scheme)	11,740	10,181
Other benefits	27,455	13,941
Total staff costs	125,962	102,339

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

Notes to the accounts (cont)

6.2 Average head count in the year

	This year Number	Last year Number
Charitable Activities	7.5	7
Total	7.5	7

6.3 Pensions

The charity operates a defined contribution benefit scheme and contributes to NEST or an alternative scheme of the staff members' choice.

Note 7 Grantmaking

7.1 Analysis of grants paid (included in cost of charitable activities)

Purpose for which grants made	Grants to institutions	Grants to individuals
	Total amount £	Total amount £
Support of missionary workers	13,580	3,620
Overseas charitable projects	8,796	-
Gifts to UK churches and Christian charities	3,107	-
Bible College study	-	12,690
Support for student ministry	580	-
Support for individuals in need	200	10,579
Total this year	26,263	26,889
Total last year	30,837	13,152

There were no costs incurred in grantmaking (2019: £nil).

7.2 Grants made to institutions

Names of institutions	Purpose	Total amount of grants paid £
Reach Beyond	Missionary Support	10,000
MediAfrique, Togo	Charity Project	6,615
Wycliffe Bible Translators	Missionary Support	3,000
King of Kings Church, South Africa	Charity Project	2,181
Willenhall Free Church	General Activities	2,017
Gifts of £1,000 or less to 11 organisations		2,450
	Total grants to institutions	26,263

Note 8 Debtors and prepayments

Analysis of debtors

	This year £	Last year £
Income Tax recoverable	4,222	5,857
Prepayments	3,989	4,871
Total	8,211	10,728

Notes to the accounts (cont)

Note 9 Creditors and accruals

Analysis of creditors

	Amounts falling due within one year	
	This year £	Last year £
Social Security and Other Taxation	1,492	1,762
Accruals	1,707	1,818
Total	3,199	3,580

Note 10 Tangible fixed assets

	Fixtures, fittings and equipment £	Motor vehicles	Total £
10.1 Cost or valuation			
Balance brought forward	51,158	16,320	67,478
Additions	480	-	480
Disposals	-	-	-
Balance carried forward	51,638	16,320	67,958
10.2 Accumulated depreciation and impairment provisions			
Balance brought forward	27,644	10,608	38,252
Depreciation charge for year	3,430	1,632	5,062
Disposals	-	-	-
Balance carried forward	31,074	12,240	43,314
10.3 Net book value			
Brought forward	23,514	5,712	29,226
Carried forward	20,564	4,080	24,644

Note 11 Unrestricted and designated funds

	Fund balances brought forward £	Incoming resources £	Outgoing resources £	Transfers £	Fund balances carried forward £
Unrestricted funds					
General Fund	53,514	180,716	(159,825)	(23,000)	51,405
Designated funds					
Building Fund	31,538	-	-	-	31,538
Ministry Fund	43,935	-	(11,683)	21,000	53,252
Minibus Replacement Fund	11,118	-	-	2,000	13,118
Total Funds	140,105	180,716	(171,508)	-	149,313

The designated Building Fund is money set aside by the church from existing funds towards the cost of renovation work at the Waterloo Street site.

The Ministry fund is designated by the church to be put towards the costs of employing an additional worker should the church be unable to cover the full cost from regular income in the short term, as well as funding ministry training costs.

11.3 Transfers between funds

From Fund (Name)	To Fund (Name)	Reason	Amount
General Fund	Ministry Fund	Allocate 2020 surplus	21,000
General Fund	Minibus Replacement Fund	Allocate 2020 surplus	2,000

Notes to the accounts (cont)

Note 12 Endowment and restricted income funds

12.1 Funds held

The church holds no endowment funds. The following are the restricted income funds held by the church:

Fund Name	Purpose and Restrictions
Building Fund	To fund the church building project.
Pastor Fund	To fund the stipend of a pastor.
Virus Relief Fund	To support those in the congregation in financial need as a result of COVID-19.
Special Collections	To assist selected organisations and individuals.
Ministry Fund	To fund church worker costs and ministry training.
Specific Ministries	Gifts given for specific ministries of the church.
Help Fund	Ad hoc assistance to individuals in need.
Hope4Babies	In support of the Hope4Babies project in South Africa.
Overseas Workers Support	Support for individual Christian workers overseas
Short Term Mission Fund	To support short term mission opportunities for church members.
Church Holiday Support Fund	To assist individuals in paying church holiday charges.

12.2 Movements of funds

Fund names	Fund balances brought forward £	Incoming resources £	Outgoing resources £	Transfers £	Fund balances carried forward £
Building Fund	8,692	35,067	(31,110)	-	12,649
Pastor Fund	30,931	-	(29,385)	-	1,546
Virus Relief Fund		21,512	(4,534)	-	16,978
Special Collections	6,044	9,160	(15,101)	-	103
Ministry Fund	47	9,051	(9,011)	-	87
Specific Ministries	3,898	973	(120)	-	4,751
Help Fund	2,780	1,625	(175)	-	4,230
Hope4Babies	(16)	2,410	(2,181)	-	213
Overseas Workers Support	342	1,650	(1,950)	-	42
Short Term Mission Fund	3,144	-	-	-	3,144
Church Holiday Support Fund	319	625	-	-	944
Total Funds	56,181	82,073	(93,567)	-	44,687

Note 13 Transactions with trustees and related parties

13.1 Trustee remuneration and benefits

As permitted by the church constitution, trustees James Young, Simon Hook and Paul Watts received remuneration in their capacity as Pastors. In total this remuneration was as follows:

	This year £	Last year £
Stipends	34,121	35,666
Pension costs	9,640	8,054
Accommodation	27,455	13,941
Total costs	71,216	57,661

13.2 Trustee expenses

None of the Trustees were paid or reimbursed for expenses relating to their services as trustees during the year. (2019:none).