

HOPE CHURCH SEVENOAKS

Report and Accounts

year ended 31 December 2022

HOPE CHURCH SEVENOAKS
FOR THE YEAR ENDED 31 DECEMBER 2022
COMPANY INFORMATION

| | |
|--|--|
| Directors / trustees | Steven Collins Ian Lettington Adam Northcroft Oluwafisayo Onagoruwa Nigel Parrington |
| Key staff | Ian Lettington Adam Northcroft |
| Governing Document | Memorandum and Articles of Association dated November 2011 |
| Company Registration Number | 07867586 |
| Charity Registration Number | 1145667 |
| Registered Office and Principal Address | The Mill Lane Centre Mill Lane Sevenoaks Kent TN14 5AX |
| Independent Examiner | Ajay Rajani FCIE Stewardship 1 Lamb's Passage London EC1Y 8AB |
| Bankers | Barclays Bank PLC Leicester Leicestershire LE87 2BB |
| Solicitors | Knocker & Foskett The Red House 50 High Street Sevenoaks Kent TN13 1JL |

| Contents | Page |
|--|-------------|
| Company Information | 1 |
| Directors' Report | 2-5 |
| Independent Examiner's Report | 6 |
| Statement of Financial Activities | 7 |
| Balance Sheet | 8 |
| Notes to the Accounts | 9-16 |
| Detailed Statement of Financial Activities with Comparatives | 17 |

HOPE CHURCH SEVENOAKS
REPORT OF THE TRUSTEES AND DIRECTORS
YEAR ENDED 31 DECEMBER 2022

The trustees have the pleasure of presenting their report and financial statements for the year ended 31 December 2022.

The accounts have been prepared in accordance with the accounting policies set out in note 2 to the accounts and comply with the charity's memorandum and articles of association, the Companies Act 2006 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 (FRS 102)".

Objectives and activities

The charity's objects for the public benefit are to advance the Christian faith, in accordance with the Statement of Beliefs, in Sevenoaks, and in such other parts of the United Kingdom or world as the Charity in general meetings may from time-to-time think fit and to fulfil such other purposes which are exclusively charitable according to law of England and Wales and are connected with charitable work of the Charity. This can be summarised as follows:

- the advancement of the Christian Faith, be it in the United Kingdom or overseas.
- the promotion of missionary activity undertaken to spread the Christian faith.
- the relief of the poor, needy, sick and aged.
- the furtherance of education, be it religious or secular.

The trustees have paid due regard to the Charity Commission's guidance on public benefit in planning the charity's activities and the Charity Commissions Code of Governance in relation to its review and maintenance of its policies.

By its very nature the Christian Faith being rooted in the life and teachings of Jesus Christ has a strong positive influence through the Church into society. It remains extremely wide and powerful in its influence. The Christian faith brings a clear sense of meaning and purpose to life. The Christian faith helps and gives support to 'the poor' in its widest definition. It supports the essential societal foundational institutions of marriage and family, both in the promotion of and the engagement with marriage and family according to God's outstanding wisdom. The Christian faith expressed through charity helps those entering into marriage and parenting through advice, marriage/parenting preparation, personal example and marriage and parenting classes. The principled moral fabric provided by the Christian faith ensures a society that cares, values justice, treats all human life with dignity and kindness.

Chair's report

The year started with the appointment of two additional elders, Sanjeev Manaktala and Andre Holthausen, who have served us wonderfully alongside Ian Lettington and Adam Northcroft. Their appointments have given us further pastoral capacity and leadership. With a focus on being able to gather together more regularly, and with fewer restrictions, there has been a focus on local discipleship and ministry. In addition, we have been able to host another Frontier Team volunteer as well as taking on our first volunteer on a part-time basis.

HOPE CHURCH SEVENOAKS
REPORT OF THE TRUSTEES AND DIRECTORS CONTINUED
YEAR ENDED 31 DECEMBER 2022

Following the invasion of Ukraine, we began a series of regular trips alongside our sister churches to provide supplies and food to support the relief work in Poland and into Ukraine. Some have also hosted Ukrainians who have been forced to leave their country and we have added a number of people to our congregation. We have also continued our financial and prayer support to overseas mission work, notably in Africa and Germany, and have been able to continue our financial support to our sister churches who comprise the New Ground family of churches.

We have continued to support the Sevenoaks Larder food bank who have operated during the year from the building, growing in scale and the number of families they support in the local community, and reopen our building for use by several local organisations.

Purpose and achievements

Hope Church upholds the aims and ethos of the Christian faith. This combines the outworking of the Christian faith for our members and in our society, along with specific work into communities we support both locally and further afield. This has included:

1. Sunday worship and teaching - the church holds regular Sunday services and mid-week meetings for church members although anyone is welcome to attend.
2. Connect Groups – regular times for church members to study and pray together.
3. Alpha - a series of seminars and discussion groups for Christians and non-Christians, which includes meals and special days.
4. Kids work (0–11-year old's) - a weekly extension of church for church member's children and visitors, including an online programme when we were unable to meet in person.
5. Youth work (11–18-year old's) - weekly and monthly meetings, bible studies and activities for young people designed to encourage them on their journey to faith and living a dynamic faith-filled life.
6. Prayer - regular monthly prayer meetings, weekly Wednesday mornings and dedicated weeks of prayer throughout the year.
7. Support to the Sevenoaks Larder – we have continued to allow use of the building to facilitate the work of the charity, providing food to families and individuals in need. This now supports more than 100 families per week.
8. Overseas mission work – we continue to provide support to the church in Krakow, Poland, and financial support to work in Africa, Germany, through other New Ground churches and the wider mission of New Frontiers International.
9. Other assistance: Provision of a base for Sevenoaks Walkers, a group providing exercise for elderly and infirm locals; reduced room rate for Child Clinics and regional meetings run by NHS Health Visitors; contribution to aid to Ukraine through food, clothing and other material donated by the church.

Plans for the future

As trustees we look forward to 2023 expectantly as a year to see more teaching, discipleship and growth, as well as supporting those facing continued economic and other challenges, and continue to trust in God for his provision. We will hold a weekend away for church members, to give us time as a community for fellowship and teaching. We also look forward to more development of the staff team; with our expanded eldership team and administration. We are grateful that we have recently appointed a permanent administrator. We seek to extend our ability to serve our church members, and reach further into our communities, working with other local partners, and exploring options for better use of the building.

HOPE CHURCH SEVENOAKS
REPORT OF THE TRUSTEES AND DIRECTORS CONTINUED
YEAR ENDED 31 DECEMBER 2022

We will continue to support our sister churches in Poland and Ukraine, and have started sponsoring five children in Kenya through Compassion, to provide education and healthcare.

Financial review

The charity derives the majority of its income from voluntary donations and associated income tax recovery from gift aid donations. These donations are a combination of monthly and one off donations. The principal areas of expenditure are salaries and related staff costs and the running costs of the church premises.

During the year, there was a deficit of income over expenditure of £20,507 (2021: surplus £24,904) on unrestricted funds and the charity's unrestricted net assets decreased by that amount to £1,317,389. The charity's unrestricted net current assets (which is a measure of the charity's working capital) have increased by £5,108 to £237,441. On restricted funds, there was a surplus of income over expenditure of £845 (2021: surplus £171) and the charity's restricted net assets increased by that amount to £6,817.

Reserves Policy

During the year, the trustees reviewed and revised its reserves policy. The revision now requires the charity to maintain unrestricted, undesignated cash at a level equivalent to at least three months unrestricted, non-discretionary expenditure, being approximately £72,000. 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 continue the charity's current activities whilst consideration is given to ways in which additional funds may be raised. The charity ended the year with unrestricted, undesignated cash of £214,034 and the trustees are satisfied that the charity is complying with its reserves policy.

Risk Statement

The trustees have assessed the major risks to which the charity is exposed at various trustees' meetings, and are satisfied that systems are in place to mitigate exposure to the major risks.

Structure, governance and management

The Charity is a company limited by guarantee governed by memorandum and articles of association. The trustees, who are also the directors for the purpose of company law, and who have served since the previous balance sheet date are named on page 1, 'Company Information'. Trustees are appointed and removed by Members who are the Trustees of the church. Trustees may appoint new trustees however they must resign and be re-appointed at the next Annual General Meeting (AGM).

Elders and existing trustees ensure that new trustees are aware of their legal obligations under charity law together with the operations of the charity.

The trustees have overall legal, financial and management responsibility and meet regularly throughout the year.

A largely separate ministry team comprising Elders and other lay-workers had overall responsibility for spiritual leadership and for the day to day running of the church.

HOPE CHURCH SEVENOAKS
REPORT OF THE TRUSTEES AND DIRECTORS CONTINUED
YEAR ENDED 31 DECEMBER 2022

The church is affiliated to New Ground Churches (Company Number 06281483), which is a group of churches across the UK and Europe related to the New Frontiers International family of churches (Company Number 02535392).

Statement of Trustees' Responsibilities

The trustees, who are also the directors of Hope Church Sevenoaks for the purpose of company law, are responsible for preparing the Trustees' 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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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;
- 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity 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 charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approval

This report, which has been prepared in accordance with the provisions of the Companies Act 2006 relating to small companies, was approved by the trustees on and signed on their behalf by

Steven Collins

Steven Collins
Chair of Trustees

Date: 25 July 2023

INDEPENDENT EXAMINER'S REPORT
TO THE TRUSTEES OF
HOPE CHURCH SEVENOAKS
('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 December 2022 on pages 7 to 17 following, which have been prepared on the basis of the accounting policies set out on pages 9 and 10.

Responsibilities and basis of report

As the charity's 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 charity'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 Fellow of the Association of Charity Independent Examiners, 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:

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.

Ajay Rajani

Ajay Rajani FCIE
Fellow of the Association of Charity Independent Examiners
Stewardship
1 Lamb's Passage
London
EC1Y 8AB

Date: 27 July 2023

HOPE CHURCH SEVENOAKS

STATEMENT OF FINANCIAL ACTIVITIES

INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2022

| | Note | Unrestricted Funds £ | Restricted Funds £ | Total Funds 2022 £ | Total Funds 2021 £ |
|------------------------------------|------|----------------------------|--------------------------|-----------------------------|-----------------------------|
| INCOME AND ENDOWMENTS FROM: | | | | | |
| Donations and legacies | 3 | 266,122 | 24,981 | 291,103 | 267,656 |
| Charitable activities | 4 | 10,521 | - | 10,521 | 2,939 |
| Interest receivable | | 1 | - | 1 | 2 |
| Total income and endowments | | 276,644 | 24,981 | 301,625 | 270,597 |
| EXPENDITURE ON: | | | | | |
| Charitable activities: | 5 | 297,151 | 24,136 | 321,287 | 245,522 |
| Total expenditure | | 297,151 | 24,136 | 321,287 | 245,522 |
| Net income / (expenditure) | | (20,507) | 845 | (19,662) | 25,075 |
| Transfers between funds | 12 | - | - | - | - |
| Net movement in funds | | (20,507) | 845 | (19,662) | 25,075 |
| Reconciliation of funds: | | | | | |
| Total funds brought forward | | 1,337,896 | 5,972 | 1,343,868 | 1,318,793 |
| Total funds carried forward | 12 | 1,317,389 | 6,817 | 1,324,206 | 1,343,868 |

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing operations.

The statement of financial activities also complies with the requirements for an income and expenditure account required by the Companies Act 2006.

The notes on pages 9 to 16 form part of these accounts.

HOPE CHURCH SEVENOAKS

BALANCE SHEET

AS AT 31 DECEMBER 2022

| | Note | Unrestricted Funds £ | Restricted Funds £ | Total Funds 2022 £ | Total Funds 2021 £ |
|---|------|----------------------------|--------------------------|-----------------------------|-----------------------------|
| FIXED ASSETS | | | | | |
| Tangible assets | 7 | <u>1,079,948</u> | <u>-</u> | <u>1,079,948</u> | <u>1,105,563</u> |
| CURRENT ASSETS | | | | | |
| Debtors | 8 | 14,651 | - | 14,651 | 14,813 |
| Cash at bank and in hand | 9 | <u>234,291</u> | <u>6,817</u> | <u>241,108</u> | <u>235,048</u> |
| | | 248,942 | 6,817 | 255,759 | 249,861 |
| CREDITORS: Amounts falling due within one year | | | | | |
| | 10 | 11,501 | - | 11,501 | 11,556 |
| Net current assets | | <u>237,441</u> | <u>6,817</u> | <u>244,258</u> | <u>238,305</u> |
| TOTAL NET ASSETS | | <u>1,317,389</u> | <u>6,817</u> | <u>1,324,206</u> | <u>1,343,868</u> |
| FUND BALANCES | | | | | |
| Unrestricted Funds | 12 | | | | |
| General funds | | 1,287,333 | - | 1,287,333 | 1,299,953 |
| Designated funds | | <u>30,056</u> | <u>-</u> | <u>30,056</u> | <u>37,943</u> |
| | | 1,317,389 | - | 1,317,389 | 1,337,896 |
| Restricted Funds | | <u>-</u> | <u>6,817</u> | <u>6,817</u> | <u>5,972</u> |
| | | <u>1,317,389</u> | <u>6,817</u> | <u>1,324,206</u> | <u>1,343,868</u> |

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2022.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2022 in accordance with Section 476 of the Companies Act 2006 however, in accordance with Section 145 of the Charities Act 2011, the accounts have been examined by an independent examiner and their report has been included in these financial statements.

The directors (who are the charitable company's trustees for the purposes of charity law) acknowledge their responsibilities for:

- ensuring that the charitable company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its net income or expenditure for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Directors and were signed on its behalf by:

Ian Lettington

Ian Lettington
Trustee

Date 25 July 2023

Company number: 07867586

Charity number: 1145667

The notes on pages 9 to 16 form part of these accounts.

HOPE CHURCH SEVENOAKS
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2022

1 Statutory Information

The charity is a charitable company limited by guarantee and is incorporated in the United Kingdom. The company's registered number and registered office address can be found on the Company Information page.

2 Accounting Policies

These financial statements are prepared on a going concern basis, under the historical cost convention.

These financial statements 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 in the UK and Republic of Ireland (FRS 102) ("the Charities SORP"), with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland ("FRS 102"), with the Companies Act 2006 and with the Charities Act 2011. The charity meets the definition of a public benefit entity as set out in FRS 102.

The principles adopted in the preparation of the financial statements are set out below.

a) Going concern

The trustees (who are the charitable company's directors for the purposes of company law) have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the trustees have considered the charity's forecasts and projections and the possible implications should projected income and / or expenditure vary unexpectedly. The trustees have concluded that there is a reasonable expectation that the charity has adequate resources to continue to operate for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

b) Income

Income including investment income is recognised in the period in which the charity becomes entitled to receipt, the amount receivable can be measured with reasonable certainty, and receipt is probable. For the most part, income is generally recognised when it is received. Income is only deferred when the charity has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period.

Income from donations and legacies includes recoverable gift aid, which is recognised when the related donation is received. Gift aid that has not been recovered by the balance sheet date is included as a debtor.

Income from charitable activities comprises income from events and courses organised by the church and from letting the church building for activities that benefit the local community.

The charity relies on volunteers to carry out many of its activities. However, in accordance with the SORP, the value of these services has not been included in these financial statements as they cannot be reliably measured.

c) Expenditure

Expenditure, including irrecoverable VAT, is recognised when it is incurred or, if earlier, when a legal or constructive obligation for a payment arises provided that it is probable that settlement will be required and the amount of the obligation can be measured reliably.

The charity makes grants to other institutions and individuals to further its charitable objectives. Grants payable are recognised as constructive obligations arise, which is generally when the charity expresses a commitment to the recipient that can be measured reliably and then only to the extent that any conditions associated with the grant are outside of the control of the charity.

HOPE CHURCH SEVENOAKS
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2022

c) Expenditure continued

Governance costs, which are included in expenditure on charitable activities but are identified separately in the notes to the accounts, includes costs associated with the independent examination of the financial statements, compliance with constitutional and statutory requirements and any other expenditure incurred on the strategic management of the charity.

d) Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity. Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. Restricted funds are donations which are to be used in accordance with specific restrictions imposed by donors; they include donations received from appeals for specific activities or projects.

e) Tangible fixed assets

Items purchased or donated for the charity's own use are capitalised when the cost of purchased items, or the fair value of donated items, is more than £500 and the item is expected to benefit the charity over more than one accounting period. Depreciation is charged on a straight line basis so as to write down the value of each asset to its estimated residual value (if any) over its expected useful economic life. To achieve this objective the following rates of depreciation are charged:

| | |
|--------------------|---|
| Land and buildings | Land, which was valued on 30 April 2012 at £400,000, is not depreciated. Buildings are depreciated over 50 years after taking account of the building's residual value. |
| Equipment | Over 3 to 7 years |

The carrying values of tangible fixed assets are reviewed for impairment in periods when events or changes in circumstances indicate that the carrying value may not be recoverable.

f) Retirement benefits

The charity operates defined contribution pension scheme for its employees. Obligations for contributions to this scheme are recognised as an expense when the liability arises. The assets of this scheme are held separately from those of the charity in independently administered funds.

g) Taxation

The company is a registered charity; it has taken advantage of the various reliefs from taxation available to charities and no tax is payable on the charity's income.

h) Financial instruments

The charity's financial assets and financial liabilities all qualify as basic financial instruments, as defined by FRS102. Creditors and debtors are measured at their expected settlement value (normally the amount of cash that the charity expects to pay or receive). Cash and cash equivalents include cash in hand and deposits held at call with banks.

i) Exemption from preparing a cashflow statement

The charity has taken advantage of an exemption conferred by the Charities SORP and has not prepared a cash flow statement.

j) Critical accounting estimates and areas of judgement

In preparing these financial statements certain judgements, estimates and assumptions have been made that affect the depreciation charged in these financial statements. The annual depreciation charge for property, plant and equipment is sensitive to changes in the estimates for useful economic life and residual value. These estimates are reassessed annually and, when necessary, adjusted to reflect current circumstances.

HOPE CHURCH SEVENOAKS
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2022

3 Donations and legacies

| | Unrestricted Funds £ | Restricted Funds £ | Total 2022 £ | Total 2021 £ |
|--------------------------------|----------------------------|--------------------------|--------------------|--------------------|
| Donations and related gift aid | <u>266,122</u> | <u>24,981</u> | <u>291,103</u> | <u>267,656</u> |

4 Income from charitable activities

| | Unrestricted Funds £ | Restricted Funds £ | Total 2022 £ | Total 2021 £ |
|-----------------------|----------------------------|--------------------------|--------------------|--------------------|
| Book Sales | 601 | - | 601 | 64 |
| Letting of facilities | 4,260 | - | 4,260 | 2,335 |
| Events | 4,681 | - | 4,681 | 540 |
| Other income | 979 | - | 979 | - |
| | <u>10,521</u> | <u>-</u> | <u>10,521</u> | <u>2,939</u> |

5 Charitable expenditure

| | Unrestricted Funds £ | Restricted Funds £ | Total 2022 £ | Total 2021 £ |
|---|----------------------------|--------------------------|--------------------|--------------------|
| a Costs incurred directly on specific activities | | | | |
| Staff costs | 150,096 | - | 150,096 | 118,932 |
| Depreciation and impairment | 26,165 | - | 26,165 | 26,821 |
| Premises costs | 32,997 | - | 32,997 | 27,981 |
| Church events and other ministry expenses | 4,343 | - | 4,343 | 2,457 |
| Children and youth work | 11,922 | - | 11,922 | 1,066 |
| Evangelism | 329 | - | 329 | - |
| Mission to Ukraine | | 9,563 | 9,563 | - |
| Leaders expenses and training | 2,707 | - | 2,707 | 1,200 |
| Music expenses and repairs | 1,967 | - | 1,967 | 2,526 |
| Gifts for visiting speakers | 300 | - | 300 | 300 |
| Insurance | 4,101 | - | 4,101 | 802 |
| | <u>234,927</u> | <u>9,563</u> | <u>244,490</u> | <u>182,085</u> |
| Grants (see note 5c) | <u>36,800</u> | <u>14,573</u> | <u>51,373</u> | <u>33,829</u> |
| | <u>271,727</u> | <u>24,136</u> | <u>295,863</u> | <u>215,914</u> |
| b Costs incurred on support & administration | | | | |
| Governance costs | | | | |
| Fee for examining the accounts | 1,740 | - | 1,740 | 1,560 |
| Staff costs | 5,462 | - | 5,462 | 15,799 |
| Administrative expenses | 18,223 | - | 18,223 | 12,249 |
| | <u>25,425</u> | <u>-</u> | <u>25,425</u> | <u>29,608</u> |
| Total expenditure | <u>297,151</u> | <u>24,136</u> | <u>321,287</u> | <u>245,522</u> |

In addition to the fees payable for the preparation and examination of the 2022 accounts, the charity paid £923 (2021: £782) to Stewardship for payroll bureau and consultancy services.

HOPE CHURCH SEVENOAKS
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2022

5c Grants payable

| | Institutions | Individuals | 2022 |
|--|---------------|---------------|---------------|
| | £ | £ | £ |
| Grants for UK and overseas mission | 21,050 | 15,595 | 36,645 |
| Grants to assist those in poverty or in crisis | 12,711 | 2,017 | 14,728 |
| | <u>33,761</u> | <u>17,612</u> | <u>51,373</u> |

The comparatives for the previous year are as follows:

| | Institutions | Individuals | 2021 |
|--|---------------|---------------|---------------|
| | £ | £ | £ |
| Grants for UK and overseas mission | 22,950 | 10,550 | 33,500 |
| Grants to assist those in poverty or in crisis | - | 329 | 329 |
| | <u>22,950</u> | <u>10,879</u> | <u>33,829</u> |

The charity's principal grants to institutions comprised:

| | 2022 | 2021 |
|------------------------------------|---------------|---------------|
| | £ | £ |
| New Ground Churches | 21,050 | 22,200 |
| Catalyst (for Ukraine) | 12,549 | - |
| World Shine Foundation | - | 750 |
| Small grants to other institutions | 162 | - |
| | <u>33,761</u> | <u>22,950</u> |

6 Analysis of staff costs, the cost of key management personnel and trustee remuneration

| | 2022 | 2021 |
|--------------------------|----------------|----------------|
| | £ | £ |
| Gross wages and salaries | 141,308 | 121,074 |
| Social security | 10,291 | 9,186 |
| Pension costs | 3,958 | 3,435 |
| Other employment costs | - | 1,036 |
| | <u>155,557</u> | <u>134,731</u> |

Most of the charity's activities are carried out by volunteers. The average monthly number of employees during the year was:

| | 2022 | 2021 |
|------------------------------|----------|----------|
| | Number | Number |
| Ministerial staff | 2 | 2 |
| Administrative support staff | 2 | 1 |
| | <u>4</u> | <u>3</u> |

No staff received salaries at a rate of more than £60,000 per annum. Most of the charity's activities are carried out by volunteers.

The charity's key management comprise the trustees and the key staff named on the Company Information page. Total employment benefits payable to key management for the year were as follows:

| | Wages & salaries | Employer pension contributions | 2022 |
|-----------------------------------|------------------|--------------------------------|----------------|
| | | | £ |
| Adam Northcroft, who is a trustee | 43,333 | 1,300 | 44,633 |
| Ian Lettington, who is a trustee | 57,347 | 1,720 | 59,067 |
| | | | <u>103,700</u> |

HOPE CHURCH SEVENOAKS
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2022

6 Analysis of staff costs continued

The following amounts were charged in the previous year:

| | Wages & salaries | Employer pension contributions | 2021 £ |
|-----------------------------------|------------------|--------------------------------|----------------|
| Adam Northcroft, who is a trustee | 52,615 | 1,578 | 54,193 |
| Ian Lettington, who is a trustee | 52,525 | 1,576 | 54,101 |
| | | | <u>108,294</u> |

Both Adam Northcroft and Ian Lettington were employed to serve as church leaders. They received the above payments for serving in those capacities, not for serving as trustees; these payments are permitted by the charity's governing document.

7 Tangible fixed assets

| | Land and buildings £ | Fixtures, fittings and equipment £ | Total 2022 £ |
|---------------------------------|-------------------------|---------------------------------------|--------------------|
| Cost | | | |
| At 1 January 2022 | 1,250,000 | 149,462 | 1,399,462 |
| Additions | - | 550 | 550 |
| At 31 December 2022 | <u>1,250,000</u> | <u>150,012</u> | <u>1,400,012</u> |
| Accumulated depreciation | | | |
| At 1 January 2022 | 164,333 | 129,566 | 293,899 |
| Charge for the year | <u>17,000</u> | <u>9,165</u> | <u>26,165</u> |
| At 31 December 2022 | <u>181,333</u> | <u>138,731</u> | <u>320,064</u> |
| Net book value | | | |
| At 31 December 2022 | <u>1,068,667</u> | <u>11,281</u> | <u>1,079,948</u> |
| At 31 December 2021 | <u>1,085,667</u> | <u>19,896</u> | <u>1,105,563</u> |

Land and buildings comprises a freehold property transferred from Sevenoaks Town Church charitable trust (STC) to Hope Church Sevenoaks (HCS) on 30 April 2012 when HCS commenced its activities. The market value at that date was estimated by the trustees to be £1,250,000.

8 Debtors

| | 2022 £ | 2021 £ |
|-------------------------------------|---------------|---------------|
| <i>Falling due within one year:</i> | | |
| Trade debtors | 656 | 555 |
| Tax recoverable | 3,308 | 8,458 |
| Other debtors | 4,408 | 2,742 |
| Prepayments and accrued income | <u>6,279</u> | <u>3,058</u> |
| | <u>14,651</u> | <u>14,813</u> |

HOPE CHURCH SEVENOAKS
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2022

9 Cash at Bank and in Hand

| | 2022 | 2021 |
|------------------------------------|----------------|----------------|
| | £ | £ |
| Cash at bank with immediate access | 240,948 | 234,888 |
| Petty cash | 160 | 160 |
| | <u>241,108</u> | <u>235,048</u> |

10 Creditors: liabilities falling due within one year

| | 2022 | 2021 |
|------------------------------|---------------|---------------|
| | £ | £ |
| Trade creditors | 2,317 | 2,349 |
| Taxation and social security | 4,408 | 2,742 |
| Other creditors | 832 | 569 |
| Accruals | 2,344 | 3,296 |
| Grant obligations | 1,600 | 2,600 |
| | <u>11,501</u> | <u>11,556</u> |

11 Pension commitments

During the year employer's pension contributions totalling £3,958 (2021: £3,435) were payable to defined contribution personal pension schemes. At the balance sheet date pension contributions totalling £832 (2021: £569) were owed.

12 Funds

During the year the movements in the charity's funds were as follows:

| | Opening balance 2022 £ | Incoming resources 2022 £ | Outgoing resources 2022 £ | Transfers in the year 2022 £ | Closing balance 2022 £ |
|-----------------------------------|---------------------------------|------------------------------------|------------------------------------|---------------------------------------|---------------------------------|
| <i>Designated Funds</i> | | | | | |
| Building fund | 4,329 | - | (3,078) | - | 1,251 |
| Savings | 33,614 | - | (4,809) | - | 28,805 |
| | <u>37,943</u> | <u>-</u> | <u>(7,887)</u> | <u>-</u> | <u>30,056</u> |
| <i>General Unrestricted Funds</i> | 1,299,953 | 276,644 | (289,264) | - | 1,287,333 |
| Total Unrestricted Funds | <u>1,337,896</u> | <u>276,644</u> | <u>(297,151)</u> | <u>-</u> | <u>1,317,389</u> |
| <i>Restricted Funds</i> | | | | | |
| Help fund | 5,972 | 1,500 | (935) | - | 6,537 |
| Webbs fund | - | 5,035 | (4,795) | - | 240 |
| New Ground Churches fund | - | 50 | (50) | - | - |
| Sevenoaks Larder fund | - | 202 | (162) | - | 40 |
| Ukraine fund | - | 18,194 | (18,194) | - | - |
| | <u>5,972</u> | <u>24,981</u> | <u>(24,136)</u> | <u>-</u> | <u>6,817</u> |
| Aggregate of funds | <u>1,343,868</u> | <u>301,625</u> | <u>(321,287)</u> | <u>-</u> | <u>1,324,206</u> |

HOPE CHURCH SEVENOAKS
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2022

12 Funds continued

Analysis of net assets by fund

The assets and liabilities of the various funds were as follows:

| | <u>Unrestricted Funds</u> | | Restricted | 2022 |
|--------------------------|---------------------------|------------------|--------------|------------------|
| | General funds | Designated funds | funds | |
| | £ | £ | £ | £ |
| Fixed assets | 1,070,149 | 9,799 | - | 1,079,948 |
| Debtors | 14,651 | - | - | 14,651 |
| Cash at bank and in hand | 214,034 | 20,257 | 6,817 | 241,108 |
| Current liabilities | (11,501) | - | - | (11,501) |
| | <u>1,287,333</u> | <u>30,056</u> | <u>6,817</u> | <u>1,324,206</u> |

In the previous year the movements in the charity's funds were as follows:

| | Opening balance | Incoming resources | Outgoing resources | Transfers in the year | Closing balance |
|-----------------------------------|------------------|--------------------|--------------------|-----------------------|------------------|
| | 2021 | 2021 | 2021 | 2021 | 2021 |
| | £ | £ | £ | £ | £ |
| <i>Designated Funds</i> | | | | | |
| Vision and Mission fund | 393 | - | (393) | - | - |
| Building fund | 6,157 | 1,250 | (3,078) | - | 4,329 |
| Savings | <u>37,616</u> | <u>-</u> | <u>(4,002)</u> | <u>-</u> | <u>33,614</u> |
| | 44,166 | 1,250 | (7,473) | - | 37,943 |
| <i>General Unrestricted Funds</i> | 1,268,826 | 268,847 | (237,720) | - | 1,299,953 |
| Total Unrestricted Funds | <u>1,312,992</u> | <u>270,097</u> | <u>(245,193)</u> | <u>-</u> | <u>1,337,896</u> |
| <i>Restricted Funds</i> | | | | | |
| Help fund | <u>5,801</u> | <u>500</u> | <u>(329)</u> | <u>-</u> | <u>5,972</u> |
| | 5,801 | 500 | (329) | - | 5,972 |
| Aggregate of funds | <u>1,318,793</u> | <u>270,597</u> | <u>(245,522)</u> | <u>-</u> | <u>1,343,868</u> |

Analysis of net assets by fund

In the previous year the assets and liabilities of the various funds were as follows:

| | <u>Unrestricted funds</u> | | Restricted | 2021 |
|--------------------------|---------------------------|------------------|--------------|------------------|
| | General funds | Designated funds | funds | |
| | £ | £ | £ | £ |
| Fixed assets | 1,088,684 | 16,879 | - | 1,105,563 |
| Debtors | 14,813 | - | - | 14,813 |
| Cash at bank and in hand | 208,013 | 21,063 | 5,972 | 235,048 |
| Current liabilities | (11,556) | - | - | (11,556) |
| | <u>1,299,953</u> | <u>37,943</u> | <u>5,972</u> | <u>1,343,868</u> |

HOPE CHURCH SEVENOAKS
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2022

12 Funds continued

Designated funds

Vision and Mission fund: these funds were set aside by the trustees for the purpose of refurbishing the crèche area and improving communications and advertising.

Building fund: these funds were set aside by the trustees for the purpose of maintaining and improving the building.

Savings fund: these funds have been set aside by the trustees for various infrastructure projects.

Restricted funds

The **Help** fund represents donations received for to help those in poverty or in crisis.

The **Webbs** fund represents donations received to support the work done by missionaries.

The **New Ground Churches** fund represents donations received to help support the work of this organisation

The **Sevenoaks Larder** fund represents donations received to help support a foodbank.

The **Ukraine** fund represents donations received to help those affected by the war in Ukraine. It has largely been used to help cover the cost of delivering aid to Ukraine and Poland and to make grants to Catalyst to support their work amongst those affected by the war.

13 Transactions with related parties

During the year the charity:

- a) received donations totalling £25,818 (2021: £28,356) from related parties (which includes trustees, key management and anyone closely connected to them).
- b) three (2021: one) trustees and their wives were reimbursed a total of £2,254 (2021: £nil) for travelling expenses and £1,333 (2021: £173) for conference and training expenses.

Except as disclosed in note 5 'Analysis of staff costs', there have been no other transactions with related parties during the year.

14 Members

Each member of the company commits to contribute if the charity is wound up an amount of £10.

HOPE CHURCH SEVENOAKS
DETAILED STATEMENT OF FINANCIAL ACTIVITIES WITH COMPARATIVES
FOR THE YEAR ENDED 31 DECEMBER 2022

| | | Unrestricted Funds - General | | Unrestricted Funds - Designated | | Restricted Funds | | Total Funds | Total Funds |
|------------------------------------|------|------------------------------|------------------|---------------------------------|----------------|------------------|--------------|------------------|------------------|
| | | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 |
| | Note | £ | £ | £ | £ | £ | £ | £ | £ |
| INCOME AND ENDOWMENTS FROM: | | | | | | | | | |
| Donations and legacies | 3 | 266,122 | 265,906 | - | 1,250 | 24,981 | 500 | 291,103 | 267,656 |
| Charitable activities | | 10,521 | 2,939 | - | - | - | - | 10,521 | 2,939 |
| Interest receivable | | 1 | 2 | - | - | - | - | 1 | 2 |
| Total income and endowments | | 276,644 | 268,847 | - | 1,250 | 24,981 | 500 | 301,625 | 270,597 |
| EXPENDITURE ON: | | | | | | | | | |
| Charitable activities | 5 | 289,264 | 237,720 | 7,887 | 7,473 | 24,136 | 329 | 321,287 | 245,522 |
| Total Expenditure | | 289,264 | 237,720 | 7,887 | 7,473 | 24,136 | 329 | 321,287 | 245,522 |
| Net income/(expenditure) | | (12,620) | 31,127 | (7,887) | (6,223) | 845 | 171 | (19,662) | 25,075 |
| Transfers between funds | 12 | - | - | - | - | - | - | - | - |
| Net movement in funds | | (12,620) | 31,127 | (7,887) | (6,223) | 845 | 171 | (19,662) | 25,075 |
| Reconciliation of funds: | | | | | | | | | |
| Total funds brought forward | | 1,299,953 | 1,268,826 | 37,943 | 44,166 | 5,972 | 5,801 | 1,343,868 | 1,318,793 |
| Total funds carried forward | 12 | 1,287,333 | 1,299,953 | 30,056 | 37,943 | 6,817 | 5,972 | 1,324,206 | 1,343,868 |