

Hope Churches

Report and Accounts

Year ended 31 December 2021

Stewardship 
Active generosity

1 Lamb's Passage, London EC1Y 8AB
www.stewardship.org.uk

HOPE CHURCHES
LEGAL AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 DECEMBER 2021

ADDRESS FOR CORRESPONDENCE	17 Hunloke Way Malmesbury SN16 9FL
GOVERNING DOCUMENT	CIO Constitution dated March 2013, as amended May 2019
CHARITY REGISTRATION NUMBER	1151101
TRUSTEES RESPONSIBLE FOR MANAGING THE CHARITY	Ian Cambray-Smith Mark Faithfull David Jones Susan Jones
BANKERS	CAF Bank Limited
INDEPENDENT EXAMINER	Jaimée Young Stewardship 1 Lamb's Passage LONDON EC1Y 8AB

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HOPE CHURCHES
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2021

The Trustees have pleasure in submitting the Report and Accounts for the year ended 31 December 2021.

Objects of the charity

The charity, which is a church, is governed by a constitution and is constituted as a charitable incorporated organisation. The charity's principal objects, as set out in its governing document, are:

- * To advance the Christian faith for the benefit of the public in accordance with the statements of belief appearing in schedule A of its constitution.
- * To relieve persons who are in conditions of need or hardship or who are aged or sick and to relieve the distress caused thereby in the United Kingdom or the world as the Trustees may from time to time think fit.

The aims of the charity are primarily outworked through the operation of Hope Church in the town of Malmesbury, Wiltshire. 2021 was the ninth year of operation for Hope Church. The Church continued to hold public worship services every Sunday along with a programme of complementary mid-week activities including Monday night communion and mid-week bible study and home groups called Centre. Events were moved online during the pandemic lockdown in order to continue to serve the church members and continue to pursue the charity's objectives.

Hope Church has a very practical, inclusive and family friendly approach to all its activities, enabling ordinary people to live out their faith through:

- * Worship and prayer, learning about the Good News of Jesus, increasing their knowledge of Scripture and how to apply these to daily living.
- * Pastoral care for people both within and outside the Hope Church family.
- * Outreach work to share the Gospel

Review of the charity's main activities and achievements

To further the above objects and vision, the charity's main activities and achievements were as follows:

Worship, prayer and establishing Services of Christian Worship are held every Sunday morning in the main hall of Malmesbury Secondary School and later moved to Malmesbury Town Hall. These are characterised by modern, high energy worship and a very relaxed and child friendly atmosphere.

The service includes bible-based teaching from the Church Pastors and Elders, visiting speakers and members of the congregation. The sermons are recorded and made freely available on the Church website and Apple, Google and Spotify podcasts.

During periods of national lockdown and pandemic related restrictions, all events were moved online using a combination of pre-recorded and livestream events. Multiple events took place online every week during periods of lockdown.

All services and events are open to all and free of charge and are funded by the donations of the congregation and friends of Hope Church.

In planning the activities the Trustees have applied the guidance on public benefit issued by the Charity Commission.

In support of the charity's objective to relieve need and hardship we launched a new initiative Good News Shoes which, in partnership with a local Clark's Shoe Shop, provides vouchers for school shoes to primary school aged children who come from families in need (defined as qualifying for free school meals) in the town of Malmesbury.

Volunteers

The majority of the work of the charity is performed by volunteers, including the Pastors and Trustees. It has been gratifying to observe more members of the congregation get involved in practical ways in the running of Sunday services, special events, midweek groups and pastoral care.

Financial review

During the year income decreased by £8,700, to £55,700, and expenditure decreased by £12,100, to £40,700. As a result the cash held by the charity increased by £15,000, to £80,300, of which £62,900 is unrestricted and can be used for any charitable purpose.

The initial deposit of £2,350 paid to Charlton Park was refunded in 2021 as we cancelled the lease. The pandemic did affect the income of the charity with a reduction in donations however the move to online events resulted in significant savings in planned costs for room rental and as a result the charity remains in a healthy financial position.

Lead Pastor Mark Faithfull was paid a gross salary of £7,198 and Lead Pastor Lydia Faithfull was paid a gross salary of £7,198 in respect of their employment as church pastors. No other Trustee received any remuneration or reimbursement of expenses during the year for acting as a Trustee.

Reserves policy

The trustees have determined that the charity should aim to hold unrestricted cash of no less than 6 months' of unrestricted expenditure (approximately £20,000) in order to protect the work of the charity from sudden changes in donation levels and to fund the replacement of any material equipment that should fail. At the year end, the charity held unrestricted cash of £62,900 and the charity is complying with its reserves policy.

Mindful of the need to continue to invest in the infrastructure of the growing church and fund the charitable objectives, the Trustees have agreed that they should continue to build the reserves of the charity over the next few years with the aim to purchase a suitable building to support the charity's activities. £20,000 was specifically designated from unrestricted funds to support this vision.

Structure, governance and management

The charity is managed and administered by the trustees who give due regard to the spiritual leadership of the church which is provided by the Pastors and Elders. New trustees are appointed by the existing trustees by a majority vote.

The Trustees at the end of 2021 were: Mark Faithfull, Ian Cambray-Smith, David Jones, Sue Jones who are supported by a book-keeper and treasurer.

The spiritual leadership of the church is provided by the Lead Pastors, Mark and Lydia Faithfull. The Pastors are assisted by the Church Elders: David and Sue Jones.

Responsibilities of trustees

Charity law requires us as Trustees to prepare financial statements for each accounting year which record the receipts and payments of the charity for the year.

We are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable us to ensure that the financial statements comply with the Charities Act 2011.

We also have a responsibility to safeguard the assets of the charity and to take reasonable steps to prevent fraud or any other irregularities.

Approval

This report was approved by the trustees and signed on their behalf by:

Mark Faithfull

Date: 15 October 2022

INDEPENDENT EXAMINER'S REPORT
TO THE TRUSTEES OF
HOPE CHURCHES

I report to the trustees on my examination of the accounts of Hope Churches ('the charity') for the year ended 31 December 2021 on pages 6 to 9 following.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the 2011 Act').

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

Independent examiner's statement

I have completed my examination. I confirm that no material 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 accordance with section 130 of the 2011 Act; or
2. the accounts do not accord with the accounting records.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Jaimée Young

Stewardship
1 Lamb's Passage
LONDON
EC1Y 8AB

Date: 17 October 2022

HOPE CHURCHES
RECEIPTS AND PAYMENTS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	<u>Unrestricted Funds</u>		Restricted Funds	Total 2021	Total 2020
		General Funds	Designated Funds			
		£	£	£	£	£
<i>Income receipts</i>						
Donations		43,168	-	-	43,168	49,262
Gift aid receipts		10,188	-	-	10,188	15,108
Refund of deposit		2,350	-	-	2,350	-
Other		-	-	-	-	50
<i>Total receipts</i>		<u>55,706</u>	<u>-</u>	<u>-</u>	<u>55,706</u>	<u>64,420</u>
<i>Payments</i>						
Payments in relation to charitable activities undertaken directly	2	38,695	-	-	38,695	43,592
Grants paid in relation to charitable activities undertaken by others	3	1,996	-	-	1,996	9,231
<i>Total payments</i>		<u>40,691</u>	<u>-</u>	<u>-</u>	<u>40,691</u>	<u>52,823</u>
Net of receipts / (payments) before transfers		15,015	-	-	15,015	11,596
Transfers between funds	5	-	-	-	-	-
<i>Net movement in funds</i>		<u>15,015</u>	<u>-</u>	<u>-</u>	<u>15,015</u>	<u>11,596</u>
Cash funds as at last year end (restated)	6	27,872	20,000	17,446	65,318	53,721
<i>Cash funds at this year end</i>	A	<u>42,887</u>	<u>20,000</u>	<u>17,446</u>	<u>80,333</u>	<u>65,318</u>

The notes on pages 8-9 form part of these accounts.

HOPE CHURCHES
STATEMENT OF ASSETS AND LIABILITIES
FOR THE YEAR ENDED 31 DECEMBER 2021

	<u>Unrestricted Funds</u>		Restricted funds	Total 2021	Total 2020
	General funds	Designated funds			
	£	£	£	£	£
A Cash funds					
Cash at bank with immediate access	42,773	20,000	17,446	80,219	65,204
Petty cash	114	-	-	114	114
	<u>42,887</u>	<u>20,000</u>	<u>17,446</u>	<u>80,333</u>	<u>65,318</u>
B Other monetary assets					
Gift aid due to charity	9,991	-	-	9,991	9,895
Other debtors	-	-	-	-	2,163
	<u>9,991</u>	<u>-</u>	<u>-</u>	<u>9,991</u>	<u>12,058</u>
C Liabilities					
Falling due within one year:					
PAYE/NI and pension due	136	-	-	136	136
Fee for Independent Examination	2,160	-	-	2,160	1,020
	<u>2,296</u>	<u>-</u>	<u>-</u>	<u>2,296</u>	<u>1,156</u>

D Assets retained for charity's own use	Value 2021
	£
Contents and equipment	17,089
	<u>17,089</u>

The trustees have used insurance values as the trustees are unable to reliably estimate current values; insurance values may differ materially from current values.

E Guarantees and secured debts

The charity has not given any guarantees and has not provided its assets as security for any liabilities.

The accounts were approved by the trustees and signed on their behalf

by Mark Faithfull date 15 October 2022

The notes on pages 8-9 form part of these accounts.

HOPE CHURCHES
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

The accounts have been prepared on a receipts and payments basis and comprise a statement that shows the charity's receipts and payments, a statement that summarises the charity's assets and liabilities and related notes. The accountancy profession have determined that only accounts prepared in accordance with applicable accounting standards present a 'true and fair' view and, as these receipts and payments accounts have not (and cannot) be prepared in accordance with accounting standards, these accounts do not present (and are not intended to present) a 'true and fair' view of the charity's financial activities and state of affairs.

In the previous year, the charity presented accounts prepared on the accruals basis using the Charities SORP. However, the charity has taken advantage of the option to prepare its accounts on a receipts and payments basis and the results reported previously have been restated; further information is given in note 6 below.

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.

	<u>Unrestricted Funds</u>		Restricted Funds	Total 2021	Total 2020
	General funds	Designated funds			
	£	£	£	£	£
2 Payments in relation to charitable activities undertaken directly					
Employment costs	14,667	-	-	14,667	14,930
Rent	12,363	-	-	12,363	13,127
Motor vehicle	3,828	-	-	3,828	4,851
Other ministry costs	7,838	-	-	7,838	10,685
	<u>38,695</u>	<u>-</u>	<u>-</u>	<u>38,695</u>	<u>43,592</u>

3 Grants and gifts paid to others

Organisations:					
Christian concern	-	-	-	-	2,500
Barnabas Fund	-	-	-	-	1,500
Salvation Army	-	-	-	-	1,500
Malmesbury PCC	500	-	-	500	1,000
Organisations < £1,000	1,196	-	-	1,196	25
Individuals	300	-	-	300	2,706
	<u>1,996</u>	<u>-</u>	<u>-</u>	<u>1,996</u>	<u>9,231</u>

HOPE CHURCHES
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2021

4 Transactions with related parties

Mark Faithfull, trustee, and Lydia Faithfull (spouse), served as church leaders and were paid £7,198 and £7,198 [2020: 12,799 and £1,799] respectively for serving in that capacity, not for serving as trustees; these payments are permitted by the charity's governing document.

No payments were made to trustees or persons related to them, except for reimbursement of expenses paid out on behalf of the charity.

5 Movement of funds

	Opening balance £	Receipts £	Payments £	Transfers £	Closing balance £
General funds	27,872	55,706	(40,691)	-	42,887
Designated funds					
Building fund	20,000	-	-	-	20,000
	<u>47,872</u>	<u>55,706</u>	<u>(40,691)</u>	<u>-</u>	<u>62,887</u>
Restricted funds					
Building fund	17,446	-	-	-	17,446
	<u>17,446</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>17,446</u>
Total funds	<u>65,318</u>	<u>55,706</u>	<u>(40,691)</u>	<u>-</u>	<u>80,333</u>

The designated Building fund represents funds set aside by the trustees to secure a future church building (known as the Home 4 Hope project).

The restricted Building fund was created from donations received to help secure a future church building (known as the Home 4 Hope project).

6 Reconciliation with previously reported funds

As explained in note 1 'Accounting Policies', in the previous year the charity prepared its accounts using the accruals basis; in the current year the charity has taken advantage of the option to prepare its accounts on a receipts and payments basis. The comparatives presented in these accounts have been re-stated using the receipts and payments basis and a reconciliation with the reserves and results reported previously follows:

Reconciliation of reserves

	2020 £	2019 £
Previously reported reserves, at [31 December]	77,083	69,539
Adjustments arising from use of receipts and payments basis:		
Exclusion of previously included fixed assets	(562)	(1,125)
Exclusion of previously included debtors	(12,058)	(17,307)
Exclusion of previously included creditors	855	2,615
Re-stated reserves, at [31 December]	<u>65,318</u>	<u>53,722</u>

Reconciliation of results

	2020 £
Previously reported results	7,544
Adjustments arising from use of receipts and payments basis:	
Previously capitalised expenditure, less depreciation, now expensed	563
Excluded movements in debtors resulting in the recognition of more / (less) income	5,249
Excluded movements in creditors resulting in the recognition of less / (more) expenditure	(1,760)
Re-stated results	<u>11,596</u>