

The Hill Church Swansea

(A company limited by guarantee)

Annual Report and Accounts

For the year to 31 March 2021

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for the Year to 31 March 2021

Charity Information

Charity Name:	The Hill Church Swansea
Registered Numbers:	Company Number: 08415396 Charity Number: 1151797
Registered Office:	33 Tawe Park Ystradgynlais Swansea SA9 1GU
Trustees:	Dawn Bishop Louisa Dwyer (Appointed 11th February 2021) David Ellerby Allan Johnston (Resigned 13th August 2021) John Tresidder
Independent Examiner:	Steve Ellum Steve Ellum & Associates Ltd Chartered Accountants Adulum House Glan Yr Afon Llanelli SA15 3QB
Bankers:	The Co-Operative Bank plc PO Box 250 Delf House South Way Skelmersdale WN8 6WT

Report of the Trustees (incorporating the directors' report) For the Year to 31 March 2021

The trustees present their report and the audited financial statements of the charity for the year ended 31 March 2021, which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities".

Objectives and Activities

The objects, for which the charity is established, as stated in its Articles of Association, are:

1. To advance the Christian faith in Wales in such ways and in such parts of the United Kingdom or the world as the trustees from time to time may think fit;
2. To prevent or relieve poverty in Wales and in such parts of the United Kingdom or the world as the trustees from time to time may think fit;
3. To fulfil such other purposes which are exclusively charitable according to the law of England and Wales and are connected to the charitable work of the charity as the trustees from time to time may think fit.

These objectives are either achieved separately or collectively depending on our activities and initiative as outlined in this report. For example, the Matthew's House initiative is intended to achieve objective two.

Ethos

There is a complete vision for human health, wellbeing and flourishing at the heart of the message of the Christian faith. The Hill Church is committed to being faithful to the Bible. The foundation of this message is reconciliation with a God of love, truth and grace through Jesus Christ. The Christian faith is meant to be living, active and effective for all those who encounter it.

As a church, we acknowledge that many people desire to consider and understand the message and wisdom of the Christian faith. We desire to reach out to people of all backgrounds, characteristics and circumstances and to provide a safe and welcoming environment for people to explore the claims of Jesus Christ. One application of the Christian message is an unrelenting compassion for people, particularly those considered as vulnerable, isolated and least.

As a registered charity, we are committed to ongoing best practice, lawful compliance and improvement in all we do. In our activities we will demonstrate love for people. We will seek to be clear in our communication and use plain language. We will act with transparency and integrity. We reject actions and attitudes that intentionally seek to devalue or damage human dignity. Each of our guests, volunteers, members and staff, regardless of their background, characteristics and circumstances has immeasurable value and will be treated with dignity, respect and free from threat of harassment.

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Achievements and Performance

Objective One

The past year brought unique challenges and opportunities for the church. In particular, the impact, risks, and restrictions due to the Covid-19 pandemic. The church community adapted and responded well to the limitations of meeting imposed on them because of the closure upon places of worship. Since March 2020 the church has met publicly online every Sunday. This has been very successful, and within weeks we of the pandemic taking holding in the UK we had managed to get the majority of those of our church community online or able to access those meetings. This was important because some of our most vulnerable members would also have the lowest level of access to technology. We also ensured that our website was immediately updated to make access easy for anyone new or interested in the church.

Our ministry to the children and youth also continued online, with proper safeguarding measures in place, and these have been popular and well attended throughout. Furthermore, we ran two courses, known as Alpha Courses, for those with no faith and who wished to understand Christianity. We saw guests join us from across the UK and Europe. Our Life Group communities continued to operate throughout, again largely online, and these have provided practical support for one another, particularly those who have struggled financially, have been more vulnerable or not able to meet online. During the winter months we were able to hold several Sunday services within the building. These were targeted towards the most vulnerable, isolated, and least connected (technology-wise) persons.

Through the ministry activities of objective two, the church has remained very busy throughout the pandemic. We are so encouraged by the many people in the city who serve in our project. We are equally thrilled with the dedication and commitment of the team leading it. It truly has, as it evidenced below, served the needs of the vulnerable, isolated, shielding, or lonely members of our community during a most challenging time for everyone.

We have also revised our website and the branding of the church. We now feel that this reflects accurately our identity and reinforces our presence in the city as a force for good and for the good news of Jesus Christ. In addition, we collaborated with other churches in the UK and raised monies to provide much needed support and equipment for other parts of the world severely affected by the pandemic.

Objective Two

Matthew's House has gained increasing credibility and support from the wider community of Swansea during the past 12 months. A key catalyst for this development has been our resilience and response to the Covid-19 pandemic. Our leadership and staff team were instrumental in co-ordinating and leading the Swansea Together response throughout. This collective response was instigated on 17 March 2020 by Matthew's House, in partnership with Zac's Place, and it quickly formalised into a network of 55 organisations who collaborated to ensure that the vulnerably housed and rough sleepers in Swansea were not forgotten. Within three days of the pandemic sweeping the UK and the first lockdown being announced a plan for materialised to provide a hot meal and other hygiene essentials to be delivered daily to anyone living in any form of temporary accommodation across the city. Throughout Matthew's House supplied provisions three days a week, whilst also managing the logistics of delivery seven days a week – thus ensuring that there was provision every day of the week.

These meals were delivered with packs that conveyed hope and that no one had been forgotten. Up to 180 meals were delivered every day to between 15-22 locations by volunteers and the Swansea Together organisations. This equated to 18,000 packs being sent out over the first five months of the pandemic. Following this, and as restrictions began to ease, we co-ordinated a safe transition to a seven-day outdoor emergency takeaway across the city averaging 70-100 hot meal packages daily. This provision was still operating at the end of the financial year.

Achievements and Performance (continued)

Objective Two (continued)

Throughout this period our volunteer team fluctuated due to other commitments and caring responsibilities. This meant ongoing recruitment and training of new volunteers was essential and the volunteer base grew in excess beyond 100 volunteers by the end of the calendar year, and there were an additional 36 temporary volunteers who served during the first lockdown. Our volunteers continued to be drawn from every sphere and demographic of our city. This brings advantages of diversity, but also challenges. Our core team led this aspect of the project in a noteworthy manner and continued throughout to embed the culture of hospitality and hope in all who served. Many of our volunteers (over 50%) are connected to Matthew's House via being a guest – either through a guest receiving support through the café, homeless period, or advocacy scheme. Many of our volunteers regularly donate or fundraise for the project.

During these 12 months we awarded 26 volunteers with awards for four years continuous volunteering service. This pays tribute to our volunteer retention and the culture developed at Matthew's House. The total number of volunteer applications received since 2017 has surpassed 400, and we have robust selection and training programme. The training includes safeguarding, culture, values, first aid and food hygiene. During the pandemic we operated a more focused emphasis on wellbeing of the volunteers – which included telephone support check-on and online meetings. These continued for all volunteers, whether they were presently able to serve during this time.

Fundraising has been a blend of success and challenge throughout this period. Prior to the pandemic we were able to complete the Cold Truth campaign which raised £11,000 and involved 30 fundraising participants. However, the Swansea Half Marathon (where we usually have 8+ runners) was cancelled and this was a significant lost opportunity. One creative solution was our Home Run initiative, which raised £4,200 with 11 participants. Therefore, we saw higher engagement, but a reduction in funds raised. The Hill Church members have donated an excess of £60,000 towards the project – with many of the church members donating monthly basis as well.

Our contacts have now grown to more than 2700 individuals, businesses, schools, national third sector organisations and local authority teams. Our Friends of Matthew's House scheme has risen to more than 170 monthly supporters and our monthly email update is sent out to more than 650 people in the UK and to other countries across the world including Germany, Spain, and America.

Support has been received nationally and locally. These include Stewardship, Elsbe Property Maintenance, Homeless Link, Swansea City Council Food Poverty Fund, The Wave Radio Station, Moondance Foundation, Listed Places of Worship, Swansea Council Project Funds, Julia & Hans Rausing Trust, Western Power Covid Fund, Community Aid Foundation, Swansea Council Period Poverty Fund, Crisis UK Covid Fund, Austin Bailey Foundation, Swansea Welsh Church Act Trust, Marks & Spencer's staff gift to nominated charity, Singing Armadillos, Nationwide Community Trust, Swansea Lions Club, various schools and UWTSD Swansea Business School.

This level of support has allowed us to achieve the following in the 12-month period:

- Sustain and lead Swansea Together initiative through Covid-19
- Develop key partnerships with housing support
- Identify and support daily those living temporarily housed in Swansea March-August 2020
- Provide crucial resources to refuge safe houses during Covid-19
- Refurbish and reequip the kitchen of our expression, Matt's Cafe
- Improve facilities for storage and distribution of support within Matthew's House
- Restore of all ground floor wooden floors
- Temporarily employ two Covid Response co-ordinators for Covid March-December 2020
- Strengthen our staff team for a further two years
- Create a sustainable and safe outdoor take away food share provision
- Engage and lift the bans of 30 guests to ensure support in a time of national crisis

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Achievements and Performance (continued)

Objective Two (continued)

- Volunteer recognition, well-being and training
- Develop videos for impact storytelling and fundraising
- Launch the first stages of our friendly advocacy support, Matt's Cwtsh
- Serve Christmas Day meals and gifts to over 110 guests within Covid regulations
- Organise our 'birthday week' with over 300 guests receiving focused support for well-being
- Food Hygiene training for over 15 volunteers with Swansea Council Lifelong Learning
- Collaborate and support the local authority with community regeneration of the High Street
- Commence the planning to launch our 'Hope in Swansea' app
- Recommence other charities working onsite through our outdoor furniture set-up
- Upgrade our CCTV and refresh furnishing and fitting within Matthew's House
- Early planning and foundation work on our expression, Matt's Choir
- Repair and restore work of all our external pathways
- Complete and open a private safe space called Matt's Lounge
- Install a defibrillator onsite
- Accumulate 8,343 volunteer hours of service
- Recruited 43 new volunteers
- Provide 30,687 pay-as-you-feel meals (averaging 142 meals per day open)
- Distribute 359 dignity packs and 339 emergency food parcels
- Distribute 58 emergency tents and bedding
- Intercept an excess of 10 tonnes of food destined for waste or landfill
- Continued hospitality for life-giving groups, such as alcoholics anonymous, throughout Covid

Members of our team were recognised by the following:

- Community Champion award by the Welsh Assembly Member and Housing Minister
- Covid Hero award by the Swansea East Member of Parliament
- Nominated for the 2021 Queens Award for Voluntary Service (announced 2021-2022)
- Nominated for the St. David's Award by Welsh Assembly (announced 2021-2022)

We recognise the power of the story as a charity. The following stories are indicative of the work of Matthew's House.

Several guests approached our volunteers in August 2020 after the lifting of the first lockdown. They stated that they were street sleeping and had been placed in temporary B&B accommodation March-August 2020. They made very clear to our volunteers that without the provision of Matthew's House and the Swansea Together initiative they would have lost hope and gone very hungry. It was sobering to hear their account of the impact we had made to those living and confined to a small room with no food or storage facilities.

We received a specific message of encouragement from an NHS specialist nurse who had served for more than 30 years in the homeless community. She wanted to acknowledge that the efforts of Swansea Together had saved lives.

We received a message from a guest who was homeless and living with disabilities. She was temporarily housed, and we were able to provide an emergency food parcel. She replied, "Thanks a million for the meal, that was extremely kind of you to send someone for my meal, it was delish by the way." We then worked with other organisations to ensure she had more wraparound support. She continues to make progress in life and messaged us as follows: Thank you for the wonderful gift you give to all of us...feeding us and providing for us. Bless you all.

Achievements and Performance (continued)

Objective Two (continued)

One guest and her young child reached out to us. They were seeking help and had struggled severely with food poverty through the pandemic. We provided essential supplies and encouraged further engagement. We received a message later from them, "Thank you, millions. A lovely gentleman appeared at our front door with a smile and provisions. It is appreciated bigtime. Your kindness is inspirational. From my heart, thank you. Stay safe lovely people"

During the past year we have received many endorsements surround Matthew's House and the difference we have made to people's lives. One such endorsement was from a Swansea Cabinet member on behalf of the local authority: *I write this letter as a recommendation for The Hill Church when applying for grants. As a Local Authority we have worked closely with Matthew's House in supporting our most vulnerable people in Swansea. Throughout this COVID pandemic the staff moved at lightning speed to protect hundreds of people who were immediately at risk of harm. An immediate concern was the closure of many third sector services that provide food and support. The team at Matthews House in partnership with the Council and SCVS provided not only food but an amazing wrap around support where problems were identified and dealt with by the correct professionals. This church and its members are invaluable within the community for people to feel safe and cared about. People are dealt with compassion and a genuine caring about their wellbeing. I highly recommend this charity going forward for any grant they may apply for.*

Public benefit

The Trustees have paid due regard to the Charity Commission guidance on public benefit, and keep it in mind in all developments, to ensure that all our activities are delivering benefit to the public, as defined there.

Structure, Governance and Management

Governing document

The Hill Church Swansea The organisation is a charitable company limited by guarantee, incorporated on 22nd February 2013 and registered as a charity on 26th April 2013. The company was incorporated under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up, its members are required to contribute an amount not exceeding £1.

Board of Trustees

The Directors of the charitable company ("the charity") are its trustees for the purposes of charity law, and throughout this report are collectively referred to as the trustees. The trustees meet at least twice a year.

Trustee Induction

The need for new trustees is reviewed regularly, and when appropriate possible names are presented at a trustee meeting for consideration. The existing trustees make any new appointments, for an indefinite period. New trustees are given copies of the governing documents, appropriate Charity Commission information and recent trustee minutes.

Risk Management

The Trustees recognise that they have overall responsibility for ensuring that they implement an appropriate system for the management of risks, whether financial or otherwise, to which the charity may be exposed.

Risk reviews are conducted regularly and the trustees consider that there are no major risks to the charity's continued operations in the foreseeable future.

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Financial Review

Total income for the year was £346,632 (2020: £264,757), with expenditure of £179,389 (2020: £179,113). Most of the income is through two streams. Primarily regular tithes and offerings from church members, and secondly voluntary donations and grants related to Matthew's House. Together these amount to £345,620 (2020: £254,576). Both activities, and therefore the charity as a whole, are heavily reliant on these. A more detailed breakdown can be found in Note 2.

The net result for the year was a surplus of £167,243 (2020: £85,644). Unrestricted funds carried forward were £326,368 (2020: £215,687). Restricted funds carried forward were £138,144 (2020: £81,582) held in restricted funds.

Income Sources

The principle funding source for church faith-based activities is the tithes and offerings of the congregation which provides a very stable source of income. The charity also expects that tax recovery on donations made under gift aid will further bolster funds.

The principle funding source for Matthew's House activities is the donation from the church and the regular monthly support from the Friends of Matthew's House scheme. Ad Hoc fundraising and donations for Matthew's House use have also steadily grown since early 2017. The charity also expects that tax recovery on donations made under gift aid will further bolster funds.

Reserves policy

The trustees consider that a sum equivalent to a quarter of a year's anticipated normal ongoing expenditure (excluding specific projects such as purchase of a building) or £5,000, whichever is the greater, is a sufficient sum of money to have readily available in reserve. Based on this financial year the charity's minimum requirement for reserves would have been £26,167 (2020: £34,646). Actual free reserves were £87,469 (2020: £26,079), plus the Emergency Contingency Fund of £53,000 (2020: £53,000), gives a total reserve of £140,469 (2020: £79,079).

The trustees will be reviewing the long-term reserves policy upon the end of the pandemic.

Plans for future periods

This report is being written with Covid-19 still a national concern, with ongoing reviews of regulation which affect how the church is able to run. The effects of the pandemic are expected to still be felt for some time. We are nonetheless still in a secure position financially for the foreseeable future due to our wide and faithful support base.

Our plans are written with an understanding that we are still operating under various regulations which have limited how we are able to operate. However, we still hope and believe that these plans are viable and achievable.

Objective One

- Maintain a viable, active and compassionate expression of Christian community in Swansea
- Return to Sunday worship at the building with ministries rebuilt and strengthened, fully complying with all current legal restrictions and maintaining a safe environment for those who feel more at risk.
- Ensure our public meetings continue to be accessible and welcoming to people of all backgrounds.
- Continue to ensure that no vulnerable, isolated or shielded member will be forgotten.
- Deliver relevant, engaging resources and teaching that deals with the impact and aftermath of the pandemic
- Provide meaningful practical support and advice to those suffering around us with particular emphasis on mental well-being, finances and job security.
- Deliver theological and leadership training to raise up more elders.
- Develop our reach to students, especially considering the new student accommodation built locally.
- Strengthen and increase the reach and quantity of our smaller Life Group communities,

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Plans for future periods (continued)

Objective One (continued)

- Deliver The Alpha Course online or in the building.
- Strengthen our pastoral resilience and delivery throughout the aftermath of the pandemic crisis.
- Strengthen our use of technology to manage infrastructure and activities of the charity

Objective Two

Our aims and desires for the next financial year at Matthew's House are listed below supporting our focus on project development, people and service in our community:

- Development and Launch of Hope In Swansea App
- CCTV upgrade to five zones to include all areas and a focus on access/egress for volunteer safety.
- Phase 2 and 3 (of 3) Launch of our Matt's Cwtsh expression – A friendly 1-2-1 advocacy service for the most vulnerable in our city.
 - Phase 1 – A thorough recruitment process for volunteer buddies
 - Phase 2 – A thorough season of specialist and professional training for volunteer buddies
 - Phase 3 – Launch of 1-2-1 service for guests
- Redesign of the artwork, furniture and display areas in the Café area.
- Planning start of Matt's Community Choir expression with the intention of a trial period before launch.
- Redesign of our main entrance doorway to include automatic doors for heat loss prevention and accessibility.
- Repair and restore work of all our external pathways.
- External repairs to our damaged building walls and roof coping stones including the north tower, west and east parapets and west entrance lobby. This will need reports, grant funding and work scheduled in, estimated to be in the range of £15,000 to 45,000.
- Launch our shared Community Lounge space for support services to meet people they are supporting in a more welcoming and secure area.
- Install and train on our new defibrillator that we acquired due to incident documented in 2019 report.
- Implement stronger support networks and areas within Matthew's House for connected specialised support for guests.
- Setup AA support groups again at Matthew's House and other support and community groups using the building after enforced breaks due to pandemic and government restrictions.
- Focus on staff team wellbeing and volunteer strengthening in teams.
- Transition back to opening our café inside and indoor operations, including shower and laundry facilities.

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Responsibilities of the Trustees

The trustees (who are also directors of The Hill Church Swansea for the purpose of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and 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 its incoming resources and application of resources, including income and expenditure. 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 prudent and reasonable
- State where 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and which 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. This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2016 relating to small companies.

Approved by the board and signed on their behalf on 26th October 2021.



David Ellerby
Trustee

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Independent Examiner's Report
On the unaudited Accounts to the Members of The Hill Church Swansea
For the Year to 31 March 2021

I report on the accounts of The Hill Church Swansea for the year ended 31 March 2021 set out on pages 3 to 23.

Respective responsibilities of trustees and independent examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. 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 and Wales.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, 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 Commission 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 statement

My examination was carried out in accordance with the General Directions given by the Charity Commission. 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.

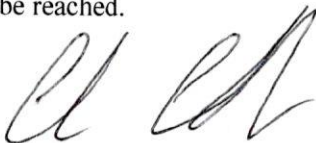
Independent examiner's statement

In connection with my examination, no matter has come to my attention:

(i) which gives me reasonable cause to believe that in any material respect the requirements:

- to keep proper accounting records in accordance with section 386 of the Companies Act 2006; and
- to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities have not been met; or

(ii) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



.....
Steve Ellum

Steve Ellum & Associates
Chartered Accountants
Independent examiner
Date: 26th October 2021

Adulam House
Glan Yr Afon
Llanelli SA15 3QB

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**Statement of Financial Activities (including income and expenditure account)
For the Year Ended 31 March 2021**

	Notes	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Income from:					
Donations and Legacies	2	196,114	149,506	345,620	254,576
Charitable Activities	3	-	-	-	3,211
Investments	4	599	-	599	1,151
Other Income		413	-	413	5,819
Total Income		<u>197,126</u>	<u>149,506</u>	<u>346,632</u>	<u>264,757</u>
Expenditure on:					
Charitable Activities	5	104,667	74,722	179,389	179,113
Total Expenditure		<u>104,667</u>	<u>74,722</u>	<u>179,389</u>	<u>179,113</u>
Net Incoming Resources Before Transfers		92,459	74,784	167,243	85,644
Gross Transfers Between Funds		18,222	(18,222)	-	-
Net Movement in Funds		<u>110,681</u>	<u>56,562</u>	<u>167,243</u>	<u>85,644</u>
Total Funds Brought Forward		215,687	81,582	297,269	211,625
Total Funds Carried Forward		<u><u>326,368</u></u>	<u><u>138,144</u></u>	<u><u>464,512</u></u>	<u><u>297,269</u></u>

The notes on pages 13 to 23 form part of these financial statements.

Balance Sheet at 31 March 2021

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Notes to the Accounts for the year ended 31 March 2021

1. Company information

The Hill Church Swansea is a company limited by guarantee and registered in England and Wales, registration number 7550894, and a registered charity number 1140949. The registered office is 82 Howells Road, Dunvant, Swansea SA2 7RR.

1.1 Basis of preparation of financial statements

The financial statements 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) (effective January 2019) – (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006.

The charity has applied Update Bulletin 1 as published on 2 February 2016 and does not include a cash flow statement on the grounds that it is applying FRS 102 Section 1A.

The Hill Church Swansea meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

The trustees continue to pursue strategies to increase the number of grants and donations needed to fund the work, and hence these accounts have been prepared on a Going Concern basis.

The financial statements are prepared in sterling (£), and rounded to the nearest pound.

1.2 Fixed assets and depreciation

Depreciation is provided by the charity to write off the cost of tangible fixed assets by equal instalments over their estimated useful economic lives as follows:

Leasehold building	- 89 years
Equipment	- 4 years

Provision is made for depreciation on the leasehold property over the term of the lease which was purchased in May 2016.

1.3 Income

All income is recognised in the Statement of Financial Activities when the charity has entitlement to the funds, it is probable that the income will be received and the amount can be reliably measured.

Donations, legacies and similar incoming resources are reported gross and the related fundraising costs are reported in costs of generating funds.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable.

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1.4 Expenditure

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation to pay. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates:

Raising Funds represents expenditure incurred in motivating the individual supporters, trusts and other organisations to contribute to the work of the charity; costs associated with the running of the charity shop and investment management costs.

Charitable activities represents those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those of an indirect nature necessary to support them.

Governance represents those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

All costs including support costs are allocated between the expenditure categories of the SoFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly; others are apportioned on the basis of an estimate of the proportion of time spent by staff on the activity.

1.5 Fund accounting

The charity maintains various types of funds as follows:

Unrestricted funds represent income which can be used in accordance with the charitable objects at the discretion of the trustees.

Restricted funds represent income to be used in accordance with specific restrictions imposed by donors or which has been raised by the charity for particular purposes.

1.6 Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the statement of financial activities.

1.7 Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand. For the purpose of the cash flow statement, cash and cash equivalents are net of bank overdrafts which are payable on demand.

1.8 Legal status of the charity

The Hill Church Swansea is a company limited by guarantee and accordingly does not have a share capital. Every member of the company undertakes to contribute such amount as may be required not exceeding £1 to the assets of the charitable company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member.

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Notes to the Accounts for the year ended 31 March 2021

2 Donations and Legacies

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Donations	156,682	15,977	172,659	137,474
Reclaimed tax	23,630	-	23,630	15,322
Grants received	15,802	133,529	149,331	101,780
	<u>196,114</u>	<u>149,506</u>	<u>345,620</u>	<u>254,576</u>

3 Income from charitable activities

	Unrestricted Total Funds 2021 £	Unrestricted Total Funds 2020 £
Café Income	-	3,211
	<u>-</u>	<u>3,211</u>

The café acts as a meeting place for fulfilling the objects of the charity. There is no charge for the food provided, but there is a donation box for those who wish to make a gift towards the running costs of Matthew's House.

4 Investments

	Unrestricted Total Funds 2021 £	Unrestricted Total Funds 2020 £
Rental income	-	695
Bank interest receivable	599	456
	<u>599</u>	<u>1,151</u>

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Notes to the Accounts for the year ended 31 March 2021

5 Expenditure on charitable activities

By Centre:

	Hill Church 2021 £	Matthew's House 2021 £	Total funds 2021 £	Total funds 2020 £
Venues	-	5,496	5,496	23,198
Staff costs	34,157	43,107	77,264	61,370
Equipment	1,517	9,017	10,534	24,074
Leadership and training	112	-	112	2,899
Volunteers	-	3,927	3,927	1,564
Catering	-	-	-	352
Resources	246	-	246	227
Travel and subsistence	217	-	217	827
Administration and insurance	2,259	8,297	10,556	10,032
Publicity	706	814	1,520	2,081
Buildings Refurbishment	-	8,040	8,040	18,170
Depreciation	903	4,555	5,458	5,182
Governance	2,231	-	2,231	1,703
Grants to other charities	300	-	300	-
Project costs	(3,088)	55,853	52,765	27,026
Hospitality	-	663	663	408
Sundry	60	-	60	-
	<u>39,620</u>	<u>139,769</u>	<u>179,389</u>	<u>179,113</u>
Hill Church contribution To Matthew's House	6,400	(6,400)	-	-
	<u>46,020</u>	<u>133,369</u>	<u>179,389</u>	<u>179,113</u>

By fund:

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Staff Costs	58,886	18,378	77,264	61,370
Venues	5,496	-	5,496	23,198
Buildings Refurbishment	-	8,040	8,040	18,170
Other costs	40,285	48,304	88,589	76,375
	<u>104,667</u>	<u>74,722</u>	<u>179,389</u>	<u>179,113</u>

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6 Staff numbers and cost

Employment costs

	2021 £	2020 £
Wages and salaries	84,049	55,737
Social security costs	1,938	1,070
Employers pension contributions	5,778	4,563
	<u>91,765</u>	<u>61,370</u>

Number of employees

The average monthly number of employees during the year, calculated on the basis of average monthly head count, was as follows:

	2021	2020
Charitable Activities	4.8	3.2

No staff member was paid more than £60,000 in the financial year. No trustee received any remuneration during the year or payment of expenses during the year (2020: £nil).

The charity is primarily run by volunteers and therefore the total employment benefits, including employer pension contributions, of the key management personnel of the charity were £nil (2020: £nil).

7 Tangible fixed assets

	Leasehold Building £	Equipment £	Total £
Cost			
At 1 st April 2020	80,300	17,111	97,411
Additions	-	18,222	18,222
At 31 st March 2021	<u>80,300</u>	<u>35,333</u>	<u>115,633</u>
Depreciation			
At 1 st April 2020	3,608	17,111	20,719
Charge for the Year	902	4,555	5,457
At 31 st March 2021	<u>4,510</u>	<u>21,666</u>	<u>26,176</u>
Net Book Value			
At 31 st March 2021	<u>75,790</u>	<u>13,667</u>	<u>89,457</u>
At 31 st March 2020	<u>76,692</u>	<u>-</u>	<u>76,692</u>

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8 Debtors

	2021 £	2020 £
Trade debtors	9,100	-
Gift aid tax recoverable	10,471	10,471
	<u>19,571</u>	<u>10,471</u>

9 Creditors: Amounts falling due within one year

	2021 £	2020 £
Loans	-	10,000
PAYE and NI	1,829	-
Accruals and deferred income	1,350	3,085
	<u>3,179</u>	<u>13,085</u>

The loan was from a church member to facilitate the purchase of Matthew's House, it was interest free and was repaid in July 2020.

10 Unrestricted funds

	General Funds £	Designated Funds £	Total £
Balance @ 1st April 2020	102,771	112,916	215,687
Income	197,126	-	197,126
Expenditure	(104,667)	-	(104,667)
Transfers between funds	(36,526)	36,526	-
Transfers from restricted funds	18,222	-	18,222
	<u>176,926</u>	<u>149,442</u>	<u>326,368</u>
Balance @ 31st March 2021	176,926	149,442	326,368

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11 Designated Funds

	Balance at 1 Apr 2020 £	Transfers £	Balance at 31 Mar 2021 £
Apostolic Initiative	5,607	1,859	7,466
Poverty Relief	9,204	(2,040)	7,164
New Churches	5,105	1,707	6,812
Listed Building	40,000	20,000	60,000
Contingency Fund	53,000	-	53,000
Green Hill Garden Project	-	10,000	10,000
Hope in Swansea App Development	-	5,000	5,000
	<hr/> 112,916 <hr/>	<hr/> 36,526 <hr/>	<hr/> 149,442 <hr/>

At the end of the financial year a number of transfers were made from the General Fund to the following Designated Funds:

Apostolic Initiative

This fund is to support new or innovative Christian-based initiatives. It is funded by faith-based donations only via The Hill Operating account.

Poverty Relief

This fund is used for poverty related relief and associated costs to relieve poverty or make a significant difference to poverty. It will include a contribution to paying off an interest free loan raised during the building purchase, which is due for repayment in July 2020. It is funded by faith-based donations only via The Hill Operating account.

New Churches

This fund is to support new churches being started. It is funded by faith-based donations only via The Hill Operating account.

Listed Building

This fund is used for unexpected and high value building repairs, refurbishments and related improvements, including due to Listed Building status.

Contingency Fund

This fund is to ensure sufficient continuity of operating, salary and charity costs during an economic or practical crisis over a six-month period. It is a fund that is being established over a period of years with the view that the charity is in its infancy and needs robust resilience over the long-term. It was extended to six-months following the Covid-19 pandemic in March 2020.

Green Hill Garden Project

This fund is for the long-term repair and improvements to the external landscape and grounds of Matthew's House.

Hope in Swansea App Development

This fund is part of the short-term troubleshooting and long-term development and improvement to the 2021 launched smartphone app freely serving multi-organisations in Swansea.

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Notes to the Accounts for the year ended 31 March 2021

12 Restricted funds

	Balance at 1 Apr 2020 £	Income £	Expenditure £	Transfers £	Balance at 31 Mar 2021 £
Hospitality Fund	19,623	28,953	(8,040)	(18,222)	22,314
Choir Expression Fund	2,410	-	(104)	-	2,306
Advocacy Expression Fund	37,699	1,191	(4,120)	-	34,770
Matt's Café Expression Fund	4,982	5,700	(9,017)	-	1,665
Covid Fund	16,868	35,977	(49,137)	-	3,708
Salary Costs Fund	-	48,585	(4,304)	-	44,281
Hope in Swansea Fund	-	29,100	-	-	29,100
	<u>81,582</u>	<u>149,506</u>	<u>(74,722)</u>	<u>(18,222)</u>	<u>138,144</u>

Hospitality Fund are grants and donations towards refurbishment and improvements to Matthew's House. During the year £18,222 of this fund were spent on Fixed Assets and as the restriction had been met, this amount was transferred to the General Fund.

Choir Expression Fund are grants and donations towards the costs of Matt's Choir hospitality expression.

Advocacy Expression Fund are grants and donations received towards the Matt's Cwtch and Buddy Scheme hospitality expression.

Matt's Café Expression Fund are grants and donations received towards refurbishment and improvements of the Matt's Cafe hospitality expression.

Covid Fund are grants and donations received in relation to the Swansea Together collaborative response to food poverty during the Covid-19 crisis.

Salary Costs Fund is monies that have been raised to cover salary costs.

Hope in Swansea Fund is monies raised to launch and run the 2021 smartphone app freely serving multi-organisations in Swansea.

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Notes to the Accounts for the year ended 31 March 2021

13 Analysis of net assets between funds

	Unrestricted Funds £	Restricted funds £	Total Funds 2021 £	Total Funds 2019 £
Fund balances at 31 March 2021 as represented by:				
Fixed Assets	89,457	-	89,457	76,692
Current Assets	240,090	138,144	378,234	233,662
Current liabilities	(3,179)	-	(3,179)	(13,085)
	<u>326,368</u>	<u>138,144</u>	<u>464,512</u>	<u>297,269</u>

14 Taxation

As a charity, The Hill Church Swansea is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

15 Related Parties

The total amount of donations received during the year from related parties was £7,464 (2020: £18,520).

16 Controlling parties

In the opinion of the trustees there is no single ultimate controlling party of the charity.

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Notes to the Accounts for the year ended 31 March 2021

17 Statement of Financial Activities (including income and expenditure account) for the year ended 31st March 2020

	Unrestricted funds £	Restricted funds £	Total 2020 £
Income from:			
Donations and legacies	175,083	79,493	254,576
Charitable Activities	3,211	-	3,211
Investments	1,151	-	1,151
Total Income	<u>185,264</u>	<u>79,493</u>	<u>264,757</u>
Expenditure on:			
Charitable activities	138,585	40,528	179,113
Total Expenditure	<u>138,585</u>	<u>40,528</u>	<u>179,113</u>
Net income/(expenditure)	46,679	38,965	85,644
Transfers between funds	<u>(7,000)</u>	<u>7,000</u>	<u>-</u>
Net Movement in funds	39,679	45,965	85,644
Reconciliation of Funds			
Total funds brought forward	<u>176,008</u>	<u>35,617</u>	<u>211,625</u>
Total funds carried forward	<u><u>215,687</u></u>	<u><u>81,582</u></u>	<u><u>297,269</u></u>