

House of Mercy Christian Assembly Trustees Report and Financial Statements

For the year ended 31 March 2023



House of Mercy Christian Assembly

House of Mercy Christian Assembly Annual Report 2022-2023

Message from the Chair

We are pleased to present the Trustees' Annual Report for the period 1 April 2022 to 31 March 2023. As a result of the COVID-19 pandemic, HMCA is still trying to recover and as result, we are experienced a delay in preparing this annual Trustees' Annual Report and so there is some overlap with the reporting for this period. This report reflects work planned within the HMCA's strategy and operational plan, and highlights how HMCA members have worked together to respond to new challenges that have arisen over the past year.

Throughout the year we have built new alliances that have supported us to think differently and create a louder voice for the profession and our service users. We have seen new ways of working and new roles emerging, as well as an increase in the sharing of clinical expertise and experiences. Alongside this, the profile of speech and language therapy has risen because of the media coverage we have been able to secure.

It is undeniable that this year has brought profound lows, with many members suffering from the impact of the recession, cost of living and lasting effects of COVID-19 and lockdown. We are and will continue to act where we can address these issues and support members' wellbeing. We are proud of all that we have achieved together as a Church with our members and with other stakeholders. The challenges and opportunities will continue. We would like to pay tribute to the members who have actively engaged to support the Church with their continuous giving and reaching out to those who needed moral support and guidance to go through these difficult times. We hope this report gives you a sense of some of the highlights and achievements during the year.

Trustee Report

The trustees, who are also directors for the purposes of company law, present their annual report and financial statements for the year ended 31 March 2022. The annual report includes the Trustees' Annual Report required by Charity law and Directors' Annual Report required by company law. The financial

statements have been prepared in accordance with the accounting policies set out in Note 1 to the financial statements and comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102))

Purpose and activities of the Charity A summary of the objects of the Charity as set out in its governing document, the Memorandum and Articles of Association The objects of the Charity are to promote:

General Charitable Purposes

Education/training

Religious Activities

Human Rights/religious Or Racial Harmony/equality Or Diversity

Recreation

The Charity's aims including the changes or differences it seeks to make through its activities The Charity aims to achieve the above objectives by:

Providing learning opportunities covering general poverty relief

Promoting Christian Religious Faith and doctrine,

Offering music For Change and to children and young people,

Food bank,

Extra tuition support for Primary and secondary school,

CAP Job Club, Dance School, Adults English Classes,

In setting our objectives and planning our activities, trustees have considered the Charity Commission's guidance on public benefit.

Summary of the main activities of the Charity in relation to its objects The Church's diverse range of activities include religious classes, Sundays and midweek sermons and religious classes, after school tuitions, music and dance classes, project work, commissioned services, social enterprise, and ongoing development work. In pursuit of its stated objectives, the Charity's activities can be classified according to the aims of individual projects and pieces of work as follows:

Education by providing training and learning opportunities;

Recreation and Leisure facilities for the community in the interest of social welfare, for support and counseling, recreation and other leisure time occupations;

Social Inclusion by providing opportunities for all in the community

Social Enterprise by providing unique opportunities for local people, developing educational programs, supply of goods to the those in need via our food bank project, preaching the Gospel of Jesus Christ and promotion of Christian faith through our programmes and services.

House of Mercy Christian Assembly, s Strategic Plan 2023-2026

Focus area	Strategic topic	Strategic objectives
Organization overhaul	Renewal and Revival	Programs reviews, membership revamping and starting actual services, combined with virtual to give full flexibility to members.
		Fundraising and lunching of major outreach and evangelism campaigns.
		Building based and in person support and revamping of children's activities, including after school and Sunday schools.
	Services and programs	Attract, train, and retain quality members, volunteers and developing an inhouse workforce
		Enrich our programs ensuring that quality messages and services are delivered.
		Make our services more vibrant, modern, and attractive to young people by adopting modern music and inviting urban and world Gospel artist to perform at our various programs
	Volunteers and leadership	Support members throughout their careers to develop their leadership, knowledge, evidence-based practice, and skills
	Professional guidance	Support members to develop in their respective field through mentoring support and networking.
		Understand the implications of new technology and supporting members to use it. Taking advantage of digital explosion and harnessing the benefits for the church.
	Stakeholder	Continue to co-produce with our key stakeholders.

Financial performance for the year

The HMCA reported income of £66,959,000 in 2022-2023, representing an increase of 64% on the

income of £43,000 in 2021-2022

Tithing of £44,052 is the principal funding source for the charity accounting for 65% of total income. Additional income is earned from donations, and this is used to run our services, music and afterschool classes for children and young people.

Expenditure on raising funds amounted to £12,000 of this relates to the cost of commercial publicity material, portal development and announcements. The HMCA does not engage in any public fundraising activities. Fundraising is done as part of church programs and appeals through our platforms.

Financial position on 31 March 2023

On 31 March 2021, the HMCA had net assets of £5 860, and this has not increased from March 2022.

Cash balances have reduced by £3,200 since 31 March 2022

Auditors' Report to the Members of the House of Mercy Christian Assembly.

Opinion

We have audited the financial statements of The House of Mercy Christian Assembly for the year ended 31 March 2023 which comprise the Consolidated Statement of Financial Activities, the Group and Charity Balance Sheet, the Consolidated Cash Flow Statement, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102.

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 March 2023 net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.

Conclusions relating to going concern.

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Consolidated statement of financial activities

(Incorporating an Income and Expenditure account)

For the year ended 31 March 2023

		Unrestricted			Total Funds	Total Funds (as restated)
	Note	Other Funds	Designated	Restricted	2021	2021
		£'000	Funds £'000	Funds £'000	£'000	£'000
Income and endowments						
Donations and legacies		8,356	-	-	-	-
Tith		44,600	-	-	37	-
Charitable activities	3	12,000	-	-	4,363	4,070
Other trading activities	4	2,000	-	-	492	663
Investments	6	0.000	-	-	67	77
Total income and endowments		66,959	-	-	4,959	4,810
Expenditure						
Raising funds	7	12,000	-	-	512	599
Charitable activities	8	63,759	-	-	4,510	4,965
Total expenditure		63,759	-	-	5,022	5,564
Net income/(expenditure) before gains/(losses) on investments		66,959	-	-	(63)	(754)
Net gains/(losses) on investments	15	-	-	-	432	(98)
Net income/(expenditure) before transfers		89,600	-	-	369	(852)
Transfers between funds		(22,641)	-	-	-	-
Net income/(expenditure) after transfers		66,959	-	-	369	(852)
Other recognised gains and losses						
Loss on revaluation of property for own use		-	-	-	(83)	-
Net movement in funds			-	-	286	(852)
Fund balances brought forward		46,795	-	-	8,737	9,589
Fund balances carried forward		3,200	-	-	9,023	8,737
		(Note 19)	(Note 19)	(Note 18)		(Note 27)

All gains and losses arising in the year are included in the Statement of Financial Activities and arise from continuing activities.

Balance sheet at 31 March 2023

	Note	Group		Charity	
		2023 £'000	2021 £'000	2020 £'000	2019 £'000
Fixed assets					
Tangible fixed assets	13	5,860	5,860	4,997	7,281
Intangible fixed assets	14	-	-	-	-
Investments	15	-	-	3,146	2,984
		<u>5,860</u>	<u>5,860</u>	<u>7,745</u>	<u>8,017</u>
		-----	-----	-----	-----

1. Charitable activities

	2023 £'000	2021 £'000
Subscriptions	4,052	3,853
Services to Federation and church Bodies	884	82
Events	6,800	81
Grants received	-	50
Sundry expenses	767	4
	<u>12,503</u>	<u>4,070</u>
	=====	=====

2. Other trading activities

	2023 £'000	2022 £'000
Evangelism campaigns	5,477	33,000
Insurance and IT	7800,	10,00
Hire of premises	11,900	
Rent and utilities	18,000	-
Tutors	5,200	
Music and after school club	7,600	
Activities, including events	7,782	
	<u>63,959</u>	<u>5,000</u>
	=====	=====