

London Huaxia Christian Church

Report and Accounts

Year ended 31st December 2023

Stewardship 
Active generosity

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

LONDON HUAXIA CHRISTIAN CHURCH
LEGAL & ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 DECEMBER 2023

ADDRESS FOR CORRESPONDENCE	Ray Lodge Road Woodford Green Essex IG8 7NX	
GOVERNING DOCUMENT	Constitution dated 31st August 2015	
CHARITY REGISTRATION NUMBER	1165159	
TRUSTEES RESPONSIBLE FOR MANAGING THE CHARITY	Chunsheng Zhang Guanghua Li Katherine Lee Kai Xue	<i>resigned February 2023</i> <i>appointed February 2023</i>
CUSTODIAN TRUSTEES		
INDEPENDENT EXAMINER	Lisa Darby FCA Stewardship 1 Lamb's Passage LONDON EC1Y 8AB	

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LONDON HUAXIA CHRISTIAN CHURCH
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2023

Objects of the charity

The charity is a charitable incorporated organisation and is governed by its Constitution. The objects of the charity, as set out in the governing document are:

To advance the Christian religion for the benefit of the public, in accordance with the statement of beliefs attached to this constitution, in particular but not exclusively by:

- a) The holding of prayer meetings, lectures, conferences, Christian festivals and producing or distributing literature on Christianity to enlighten others about the Christian religion;
- b) The provision of sacred spaces and worship services;
- c) The provision of public rituals and ceremonies;
- d) Delivering Christian messages of an evangelistic and teaching nature.
- e) Contributing to the spiritual and moral education of children;
- f) Contributing to followers' or adherents' good mental and physical health

The trustees note that the Church is not a building, but a gathering of ordinary people of different ages and backgrounds, whose lives have been changed by Jesus Christ, the Son of God. The New Testament reveals the Church as a community of people, properly taught and cared for, who by loving and serving Jesus Christ, were also committed to love and care for each other and to bring a blessing to the area in which they lived. London Huaxia Christian Church; its trustees, elders and members are committed to the restoration of those New Testament principles. It is not alone in this, it is one of many Churches in the area, country and all over the world that is re-discovering the excitement of knowing Jesus Christ. The vision is to see the people of London and all world come into this experience of knowing Jesus as their Lord, Saviour and friend.

Summary 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:

Regular Activities

1. Sunday Worship and Services:

- We continued to provide both in-person and online Sunday worship services to the public.
- Sunday school classes were conducted for children aged 11-17 years.

2. Online Prayer Meetings and Bible Study:

- Online prayer meetings were held every morning during weekdays.
- Bible study groups met every evening during weekdays

3. Baptism Services:

- Six baptism services were held throughout the year. The total number of individuals baptized is 11.

Special Events

1. Dedication Ceremony:

- January 21, 2023: We held the dedication ceremony for our new church building.

2. Retreat Camp:

- March 18, 2023: A retreat camp was organized with two speakers from Taiwan. The theme was "Go the extra mile, love is in the church."

3. Collaboration with Red Balloon Foundation:

- From June 4, 2023: We began a collaboration with the Red Balloon Foundation, a Christian charity serving local families and communities. This partnership includes paid staff for Sunday school.

4. Short-term Mission Conference:

- July 22, 2023: A one-day short-term mission conference was held at Huaxia Church in London. Five short-term missionary workers from the United States attended and shared their experiences, enhancing our understanding of campus ministry in the UK.

5. Short-term Mission Team Training:

- September 8-10, 2023: A three-day training camp was conducted in collaboration with the UK Ambassadors For Christ camp. The training focused on the Great Commission and included activities such as family ministry, student ministry, youth gatherings, evangelism, and spiritual mapping. These activities promoted prayer and ministry around the city.

6. Youth Fellowship:

- October 20, 2023: We restarted the Youth Fellowship and rented an office in Hammersmith to facilitate this initiative.

Meetings

1. Member Assembly:

- November 26, 2023: A general assembly meeting was held to elect new deacons.

2. AGM - Registered Member Assembly:

- December 17, 2023: A registered member assembly was convened to elect new trustees and to approve various policies.

This report highlights our commitment to serving the community and fulfilling our mission as set out in our Constitution. We are grateful for the support and participation of all our members and look forward to continuing our work in the coming year.

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

Volunteers

In achieving our objectives, the Church encourages volunteers to serve, participate and lead in the various ministries including fellowship, worship and Bible studies. They also provide leadership in Deacon Board, Administration & Finance teams. The Volunteers play an essential role in the development of the Church's ministries.

Structure, Governance and Management

Board of Trustees are responsible for managing the Church internally and externally, especially on finance, human resources, safeguarding and risk management. The Board of Trustees have delegated daily spiritual administrative work, such as mission, worship and Sunday school to the Board of Deacons. New trustees are recruited and appointed by the existing trustees.

- The Board of Trustees is the decision-making body of the Church. The Board of Trustees meeting can be called when there are important resolutions to be made. We held twice meetings in 2021.

- The Board of Deacons undertakes daily spiritual administrative work. It is responsible to Board of Trustees.

- The Board of Deacons may assign works to teams to complete ministries. Teams are reporting to the Board of Deacons

- The Board of Deacon meetings can only be hosted when more than two thirds of members attending the meeting.

- The Board of Deacons shall make every effort to achieve a resolution approved by all deacons. In the event of objection, the resolution is only be passed, when it approved by at least two thirds of the members. The voting shall be by secret ballot.

- The Board of Deacons meeting is held once every month to monitor the progress of ministries. The meeting can only be attended by Deacon members. The detailed meeting minutes are checked and signed by all Deacons.

- Deacons members present their annual working plan and goals in July every year, and submit a written report to the Chairman of the Board of Deacons in May in following year. The Chairman of the Board of Deacons reports at the congregation meeting

Financial review

This years accounts have been prepared on a receipts and payments basis, with the prior year comparatives converted from their original accruals basis. A reconciliation of the prior year balances can be seen in note 6.

In the previous year, the charity had raised funds to buy and renovate it's new premises. That year had begun with cash reserves of £926k, income was £301k and total expenditure was £1.1m, resulting in a cash reserves start to this year of £44k. During this year the charity's income was £58k, and its regular operational expenditure was £38k, resulting in a £20k surplus. In addition, £29k was spent on further building renovation work resulting in an overall deficit for the year of £9k. As a result the cash held by the charity this year has decreased by £9k to £35k, £5k of which is restricted in use and a further £24k has been designated for specific expenditure by the trustees.

Reserves policy

The trustees have determined that the charity should aim to hold unrestricted cash of no less than £5k so that the charity could continue to operate should income and / or expenditure vary adversely. At the year end, the charity held unrestricted cash of £29k (£24k is designated in purpose) and the charity is complying with its reserves policy.

Key risks and uncertainties

The charity is exposed to various risks - be they operational, financial or reputational. The trustees review the charity's activities regularly to identify significant risks and, where possible, they take appropriate measures to mitigate those risks.

Being aware of responsibilities of trustees for risk assessment, trustees review and evaluate the risks associated with the charity's daily activities regularly. We introduced Safety Policy, Conflict of Interest Policy, Complaints Handling and Volunteer Policy. The trustees are currently drafting the Risk Management Policy, which they aim to complete in 2024.

In March 2024, we conducted a fire risk assessment. The report indicated that the fire risk is low. Based on the recommendations in the report, we have made some improvements, including adding or adjusting signage and replacing the door locks for the kitchen and the children's Sunday School rooms. Additionally, we completed the annual inspection of our fire extinguishers and replaced two that had reached their expiration dates.

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:

Katherine Lee

Katherine Lee (Oct 28, 2024 16:10 GMT)

.....
KATHERINE LEE

Date: Oct 28, 2024

INDEPENDENT EXAMINER'S REPORT
TO THE TRUSTEES OF
LONDON HUAXIA CHRISTIAN CHURCH

I report to the trustees on my examination of the accounts of London Huaxia Christina Church ('the charity') for the year ended 31 December 2023 on pages 7 to 11 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.


[Lisa Darby \(Oct 29, 2024 09:33 GMT\)](#)

Lisa Darby FCA
Stewardship
1 Lamb's Passage
LONDON
EC1Y 8AB

Date: Oct 29, 2024

LONDON HUAXIA CHRISTIAN CHURCH
RECEIPTS AND PAYMENTS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	Unrestricted Funds		Restricted Funds	2023	2022
		General Funds	Designated Funds			
		£	£	£	£	£
Income receipts						
Donations and Legacies		47,337	-	6,800	54,137	34,333
Building Fund Donations		-	-	161	161	231,101
Gift aid receipts		1,970	-	-	1,970	35,633
Charitable Activities		1,045	-	-	1,045	-
Interest Income		80	-	-	80	203
Other		300	-	-	300	-
Total receipts		50,731	-	6,961	57,692	301,270
Payments						
Payments in relation to charitable activities undertaken directly	2	35,604	-	-	35,604	39,337
Grants paid in relation to charitable activities undertaken by others	3	2,000	-	-	2,000	-
		37,604	-	-	37,604	39,337
Purchase of building		-	-	-	-	1,030,000
Building renovation cost		-	-	29,289	29,289	64,000
Repayment of Gift Aid (paid in error to charity in 2021)		-	-	-	-	50,433
		-	-	29,289	29,289	1,144,433
Total payments		37,604	-	29,289	66,892	1,183,769
Net of receipts / (payments) before transfers		13,128	-	(22,328)	(9,200)	(882,500)
Transfers between funds	5	(47,773)	23,784	23,989	-	-
Net movement in funds		(34,645)	23,784	1,661	(9,200)	(882,500)
Cash funds as at last year end		40,303	-	3,500	43,803	926,303
Cash funds at this year end	A	5,658	23,784	5,161	34,603	43,803

The notes on pages 9 - 11 form part of these accounts.

LONDON HUAXIA CHRISTIAN CHURCH
STATEMENT OF ASSETS AND LIABILITIES
FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	Unrestricted Funds		Restricted funds	2023	2022
		General funds	Designated funds			
		£	£	£	£	£
A Cash funds						
Cash at bank with immediate access		5,548	20,862		26,411	33,431
Notice deposits (3 months or less)		-	2,922	5,161	8,083	8,003
Petty cash		110	-	-	110	2,369
		<u>5,658</u>	<u>23,784</u>	<u>5,161</u>	<u>34,603</u>	<u>43,803</u>
B Other monetary assets						
Gift aid due to charity		6,241	-	-	6,241	1,376
Prepayments		699	-	-	699	650
		<u>6,940</u>	<u>-</u>	<u>-</u>	<u>6,940</u>	<u>2,026</u>
C Liabilities						
Falling due within one year						
Loans		-	-	-	-	-
Trade creditors		1,000	-	-	1,000	3,779
Taxes due		-	-	-	-	-
Fee for Independent Examination		-	-	-	-	-
Accrued expenses		1,200	-	-	1,200	24,343
		<u>2,200</u>	<u>-</u>	<u>-</u>	<u>2,200</u>	<u>28,122</u>

D Assets retained for charity's own use

	Fund to which asset belongs	Cost
		£
Land and buildings (purchased 2022)		1,007,442
Church & Office Equipment		<u>4,684</u>
		<u>1,012,126</u>

Property and equipment is shown in these accounts at insurance values as estimated by the Trustees.

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:

Katherine Lee
Katherine Lee (Oct 28, 2024 16:10 GMT)

KATHERINE LEE

Date: Oct 28, 2024

The notes on pages 9 - 11 form part of these accounts.

LONDON HUAXIA CHRISTIAN CHURCH
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2023

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's income exceeded £250,000 and the charity was obliged to prepare its accounts on an accruals basis using the Charities SORP. As the charity's income is now less than £250,000, it 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 2023	Total 2022
	General funds	Designated funds			
	£	£	£	£	£
2 Payments in relation to charitable activities undertaken directly					
Legal and Professional fees during purchase of the church	-	-	-	-	33,331
Children's Activities	780	-	-	780	270
Church Outreach and Mission work	3,000	-	-	3,000	-
Speakers Honorarium	4,500	-	-	4,500	4,183
Church Events & Activities (Inc. food)	3,504	-	-	3,504	-
Venue hire	-	-	-	-	100
Church maintenance and cleaning	757	-	-	757	-
Church equipment	1,540	-	-	1,540	-
Utilities	7,538	-	-	7,538	39
Insurance	1,567	-	-	1,567	867
IE fee (2021 & 2022)	6,780	-	-	6,780	-
Bank Charges	-	-	-	-	25
Training costs	-	-	-	-	165
Office Costs	5,274	-	-	5,274	335
Miscellaneous expenses	364	-	-	364	22
	-	-	-	-	-
	<u>35,604</u>	<u>-</u>	<u>-</u>	<u>35,604</u>	<u>39,337</u>
3 Grants paid in relation to charitable activities undertaken by others					
Grants for:					
UK AFC	2,000	-	-	2,000	-
Mission Donation	2,000	-	-	2,000	-
	<u>2,000</u>	<u>-</u>	<u>-</u>	<u>2,000</u>	<u>-</u>

LONDON HUAXIA CHRISTIAN CHURCH
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2023

4 Transactions with related parties

Pastor Paul Wei Lee (related party to Trustee Katherine Lee) was paid preaching fees of £1,400 during the year (2022: Nil). These payments are permitted by the charity's governing document.

Reimbursements for expenses incurred when acting as agent for the charity or incurred when undertaking employment duties not connected with serving as a trustee are not included in this disclosure.

5 Movement of funds

	Opening balance £	Receipts £	Payments £	Transfers £	Closing balance £
General funds	40,303	50,731	(37,604)	(47,773)	5,658
Designated Funds					
Pastoral Recruitment Fund				1,892	1,892
Theological Fund				1,892	1,892
Mission Fund				20,000	20,000
	-	-	-	23,784	23,784
Unrestricted Funds	40,303	50,731	(37,604)	(23,989)	29,442
Restricted funds					
Building Fund	-	161	-	-	161
Mission Ministry Fund	1,000	-	-	-	1,000
Church Dedication Fund	2,500	-	-	-	2,500
Church Renovation & Maintenance Fund	-	5,300	(29,289)	23,989	-
Church Equipment Fund	-	1,500	-	-	1,500
Restricted Funds	3,500	6,961	(29,289)	23,989	5,161
Total funds	43,803	57,692	- 66,892	-	34,603

Transfers between funds

General fund transfers were made to establish designated funds for mission, pastoral recruitment and theological studies.
The General Fund transferred £23,989 funds to cover the costs incurred in the renovation and maintenance fund during the year.

Designated funds

Designated funds have been created in 2023 for specific future expenditure plans as described by the fund name.

Restricted Funds

The Building Fund was created in 2021 for the funds raised for the future purchase of a building for the church. The church building was purchased during 2022 and is recorded as a General Fund Asset.
The Mission Ministry Fund was created in 2022 to support the mission ministry of the church.
The Church Dedication Fund was created in 2022 to collect donations towards the future dedication ceremony of the new church building.
The Church renovation and Maintenance Fund was created to fund the work needed on the new church building.
The Church Equipment Fund has been created to hold monies donated for future equipment needs.

LONDON HUAXIA CHRISTIAN CHURCH
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2023

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

	2022 £	2021 £
Previously reported reserves, at 31 December	1,106,108	923,370
Adjustments arising from use of receipts and payments basis:		
Exclusion of previously included fixed assets	(1,088,400)	-
Exclusion of previously included debtors	(2,027)	(50,980)
Exclusion of previously included creditors	28,122	53,913
Re-stated reserves, at 31 December	<u>43,803</u>	<u>926,303</u>

Reconciliation of results

	2022 £
Previously reported results	182,738
Adjustments arising from use of receipts and payments basis:	
Previously capitalised expenditure, less depreciation, now expensed	(1,088,400)
Excluded movements in debtors resulting in the recognition of more / (less) income	48,953
Excluded movements in creditors resulting in the recognition of less / (more) expenditure	(25,791)
Re-stated results	<u>(882,500)</u>










LHCC 2023 Draft Accounts - Final Draft Accounts

Final Audit Report

2024-10-29

Created:	2024-10-28
By:	Lisa Darby (lisa.darby@stewardship.org.uk)
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