

Report of the Trustees and
Unaudited Financial Statements for the Year Ended 31 December 2021
for
Hope Church

Accountancy Services
Raddon Station Hill
Chudleigh
Newton Abbot
Devon
TQ13 0EE

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for the Year Ended 31 December 2021

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The trustees present their report with the financial statements of the charity for the year ended 31 December 2021. The trustees have adopted the provisions of 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 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The charity is a registered charitable incorporated organisation and is governed by its Constitution dated 11th May 2018. The objects of the charity, as set out in the governing document are:

a) to advance the Christian faith in accordance with its Statement of Beliefs in Dawlish, and in such other parts of the UK or the world as the charity trustees may from time to time think fit and to fulfil such other purposes which are exclusively charitable according to the law of England and Wales and connected with the charitable work of the charity.

b) to relieve sickness and financial hardship and to promote and preserve good health by the provision of funds, goods and services of any kind, including counselling and support in such parts of the UK or the world as the trustees from time to time may think fit.

Public benefit

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

Volunteers

Most of the charity's activities are undertaken by volunteers as there is only one full-time leader and one part-time Church Administrator. The charity could not operate effectively without the efforts of its volunteers. This is done by praying, training, public teaching and worship, besides all the befriending. All the running costs of the church are covered by the freewill donations of the 80 or so members.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

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

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. Hope Church; its trustees, elders, deacons 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 Dawlish and District come into this experience of knowing Jesus as their Lord, Saviour and friend. The church's strap line is "more people, more like Jesus in more places".

In a normal year, the church would be running Sunday services, Sunday school, Youth Groups, life groups, friendship groups and After school clubs. However, even though there has been a pandemic in 2021, the church has broadcast Sunday services on its website, with additional specific videos for children and toward the end of the year fortnightly face to face services were held at Dawlish College. It was difficult to provide a regular digital formal event for the youth group, but toward the end of the year fortnightly face to face meetings were arranged. Life groups and friendship groups were kept socialising by Zoom, WhatsApp, letters, periodicals and telephone calls and again toward the end of the year some face to face gatherings were held.

The church has partnered other social and statutory groups in Dawlish in order to offer "Helping Dawlish" to anyone in Dawlish. From this there have been opportunities to support families and isolated people. The church also supports the local Food bank known as The Dawlish Larder that is run by the ROC (Redeeming Our Communities) Dawlish charity. The three After-school clubs have obviously been put on hold, though the schools have encouraged the church to support the families.

Fundraising activities

During the year voluntary fundraising was undertaken to raise funds for the new Church Community Centre. In total £83,500 was received from Trusts, the church's own members have given £151,762 and £18,170 was recovered through the gift aid scheme. Approximately £250,000 is needed to be able to complete the building project

Hope Church

Report of the Trustees for the Year Ended 31 December 2021

FINANCIAL REVIEW

Financial position

During the year income was £327,436 (2020 was £983,175), and expenditure was £544,631 made up of building works of £471,095 and general £73,526 (2020 was £771,141 being building works of £701,207 and general £69,934). Over the last two years we have spent £1,172,302 on the building.

We are pleased to report that despite a reduction in the cash collections due to the Pandemic, we were still able to cover all expenses and have a surplus.

Investment policy and objectives

The Constitution allows Trustees to invest the moneys of the church not immediately required for the furtherance of the objects in or upon such investments, securities (including the making of loans) or property as may be thought fit, subject to conditions and consents as may for the time being be imposed or required by law. The Trustees have considered it appropriate to hold funds in a combination of short-term deposits.

Reserves policy

The trustees have determined that the charity should aim to hold unrestricted cash of no less than £20,000 (which equates to about 5 months' of unrestricted expenditure) 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 £164,743 and the charity is complying with its reserves policy. The trustees expect to use these reserves to help pay for the higher running costs of the new building.

FUTURE PLANS

The church has almost completed a new Church Community Centre in a new housing estate. Having been offered land by the Local Council and hearing God directing the church, a £1.9m budget was set to build a café, meeting rooms, worship hall, function room, toilets and offices to provide a Community Centre in the midst of the planned 1,000 homes being built on the north side of Dawlish. By careful management of the project the budget is now £1.7m. The project has proceeded well throughout 2021, having started onsite in November 2019. The move to this new building will also coincide with a planned Church name change to Hope Church.

Funding for this large project has reached £1.486m, which will almost fund the completion of work to enable the ground floor to be opened. So far the members have contributed just over £575,000, other trusts have given £270,000 and the rest came from the sale of the old premises, gift-aid and investment income.

Currently the plans are to open at the end of May 2022, subject to all the necessary funding being received.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a constitution dated 11th May 2018, and constitutes a charitable incorporated organisation.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Responsibilities of trustees under charity law

The trustees are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Charity law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year. In preparing these financial statements, the trustees are required to:

1. select suitable accounting policies and apply them consistently;
2. observe the methods and principles in the Charities SORP;
3. make judgements and estimates that are reasonable and prudent;
4. state whether the applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
5. prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011 and the Charity (Accounts and Reports) Regulations 2008. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Organisational structure

The Elders are responsible for the spiritual aspects of the church, including the vision and strategies. Deacons, each responsible for activities of church life eg. Prayer, Youth work, Outreach etc., meet to implement the strategies and to keep all the church members informed and involved. The trustees, are responsible for all the legal duties, including employment matters and risk management, by exercising the powers of the CIO. Major appointments and decisions for the church are also put to the church members for a consultation and vote.

We support the Christians Against Poverty (CAP) debt councillor in Teignbridge (our local district council area) as well as Redeeming Our Communities {ROC} which works in the community as part of a national initiative.

Key management remuneration

Mark Jones - Church Leader
Cecilia Middleton - Church Administrator

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

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.

The church takes advice from the organisation Thirtyone: eight for safeguarding matters.

Hope Church

Report of the Trustees
for the Year Ended 31 December 2021

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

1178345

Principal address

2 Black Swan Units
Black Swan Road
Dawlish
Devon
EX7 0FQ

Trustees

A T Coombes
G D Harvey
Dr D W Lear
Mrs C Middleton
A C Rudall

Independent Examiner

Clare Lillington
FMAAT
Accountancy Services
Raddon Station Hill
Chudleigh
Newton Abbot
Devon
TQ13 0EE

Advisers

Bankers:
Lloyds Bank PLC
Lewisham Branch
PO Box 1000
BX1 1LT

Approved by order of the board of trustees on 5 July 2022 and signed on its behalf by:

G D Harvey - Trustee

Independent Examiner's Report to the Trustees of
Hope Church

Independent examiner's report to the trustees of Hope Church

I report to the charity trustees on my examination of the accounts of Hope Church (the Trust) for the year ended 31 December 2021.

Responsibilities and basis of report

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

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

Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of FMAAT which is one of the listed bodies.

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 respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

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

Clare Lillington
FMAAT
Accountancy Services
Raddon Station Hill
Chudleigh
Newton Abbot
Devon
TQ13 0EE

15 July 2022

Hope Church

Statement of Financial Activities
for the Year Ended 31 December 2021

	Notes	Unrestricted funds £	Restricted fund £	31.12.21 Total funds £	31.12.20 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	67,598	258,644	326,242	982,609
Investment income	3	19	1,175	1,194	566
Total		67,617	259,819	327,436	983,175
 EXPENDITURE ON					
Charitable activities					
General		69,732	3,804	73,536	69,934
NET INCOME/(EXPENDITURE)		(2,115)	256,015	253,900	913,241
Transfers between funds	9	471,095	(471,095)	-	-
Net movement in funds		468,980	(215,080)	253,900	913,241
 RECONCILIATION OF FUNDS					
Total funds brought forward		962,837	376,123	1,338,960	425,719
 TOTAL FUNDS CARRIED FORWARD		1,431,817	161,043	1,592,860	1,338,960

The notes form part of these financial statements

Hope Church

Balance Sheet

31 December 2021

	Notes	Unrestricted funds £	Restricted fund £	31.12.21 Total funds £	31.12.20 Total funds £
FIXED ASSETS					
Tangible assets	6	1,266,649	-	1,266,649	805,381
CURRENT ASSETS					
Debtors	7	2,356	-	2,356	5,097
Cash at bank		164,743	161,043	325,786	530,320
		<hr/>	<hr/>	<hr/>	<hr/>
		167,099	161,043	328,142	535,417
CREDITORS					
Amounts falling due within one year	8	(1,931)	-	(1,931)	(1,838)
		<hr/>	<hr/>	<hr/>	<hr/>
NET CURRENT ASSETS		165,168	161,043	326,211	533,579
		<hr/>	<hr/>	<hr/>	<hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,431,817	161,043	1,592,860	1,338,960
		<hr/>	<hr/>	<hr/>	<hr/>
NET ASSETS		1,431,817	161,043	1,592,860	1,338,960
		<hr/>	<hr/>	<hr/>	<hr/>
FUNDS	9				
Unrestricted funds				1,431,817	962,837
Restricted funds				161,043	376,123
				<hr/>	<hr/>
TOTAL FUNDS				1,592,860	1,338,960
				<hr/>	<hr/>

The financial statements were approved by the Board of Trustees and authorised for issue on 5 July 2022 and were signed on its behalf by:

G D Harvey - Trustee

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

Income

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

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings - Straight line over 7 years

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

2. DONATIONS AND LEGACIES

	31.12.21	31.12.20
	£	£
Donations	300,090	956,796
Gift aid	21,549	24,815
Charitable activities	4,603	998
	<u>326,242</u>	<u>982,609</u>

3. INVESTMENT INCOME

	31.12.21	31.12.20
	£	£
Deposit account interest	1,194	566
	<u>1,194</u>	<u>566</u>

4. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2021 nor for the year ended 31 December 2020.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2021 nor for the year ended 31 December 2020.

5. STAFF COSTS

The average monthly number of employees during the year was as follows:

	31.12.21	31.12.20
Church administrator	1	1
Church leader	1	1
	<u>2</u>	<u>2</u>

No employees received emoluments in excess of £60,000.

6. TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures and fittings £	Totals £
COST			
At 1 January 2021	746,416	68,792	815,208
Additions	471,095	-	471,095
	<u>1,217,511</u>	<u>68,792</u>	<u>1,286,303</u>
At 31 December 2021	1,217,511	68,792	1,286,303
DEPRECIATION			
At 1 January 2021	-	9,827	9,827
Charge for year	-	9,827	9,827
	<u>-</u>	<u>19,654</u>	<u>19,654</u>
At 31 December 2021	-	19,654	19,654
NET BOOK VALUE			
At 31 December 2021	<u>1,217,511</u>	<u>49,138</u>	<u>1,266,649</u>
At 31 December 2020	<u>746,416</u>	<u>58,965</u>	<u>805,381</u>

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.21	31.12.20
	£	£
Trade debtors	2,356	5,097

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.21	31.12.20
	£	£
Trade creditors	1,931	1,838

9. MOVEMENT IN FUNDS

	At 1.1.21 £	Net movement in funds £	Transfers between funds £	At 31.12.21 £
Unrestricted funds				
General fund	962,837	(2,115)	471,095	1,431,817
Restricted funds				
Restricted	376,123	256,015	(471,095)	161,043
TOTAL FUNDS	<u>1,338,960</u>	<u>253,900</u>	<u>-</u>	<u>1,592,860</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	67,617	(69,732)	(2,115)
Restricted funds			
Restricted	259,819	(3,804)	256,015
TOTAL FUNDS	<u>327,436</u>	<u>(73,536)</u>	<u>253,900</u>

Comparatives for movement in funds

	At 1.1.20 £	Net movement in funds £	Transfers between funds £	At 31.12.20 £
Unrestricted funds				
General fund	249,024	12,606	701,207	962,837
Restricted funds				
Restricted	176,695	900,635	(701,207)	376,123
TOTAL FUNDS	<u>425,719</u>	<u>913,241</u>	<u>-</u>	<u>1,338,960</u>

9. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	78,510	(65,904)	12,606
Restricted funds			
Restricted	904,665	(4,030)	900,635
TOTAL FUNDS	<u>983,175</u>	<u>(69,934)</u>	<u>913,241</u>

Restricted funds consist of:

Building fund - fund for new church building currently under construction
Christians Against Poverty (CAP) - Support for local Teignbridge group of CAP
Church Weekend - Annual Church weekend
Missions - Foreign missions
Parent & Toddler - Group suspended while we are without a base
Signpost International - Support for 2 children in Africa and 1 in Asia
Thursday Club - Weekly group for mainly older people
Youth Fund - Anchor youth group meets on Sunday mornings and evenings
Missional Community

10. RELATED PARTY DISCLOSURES

During the year the charity received donations totalling £75,866 (2020 £88,504) from related parties. These include trustees, any other members of key management and anyone closely connected to them.

The church administrator Mrs Celia Middleton is a trustee. Her salary of £6,972 (2020 £6,820) is related to her role as administrator.

Hope Church

Detailed Statement of Financial Activities for the Year Ended 31 December 2021

	31.12.21 £	31.12.20 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	300,090	956,796
Gift aid	21,549	24,815
Charitable activities	4,603	998
	<hr/>	<hr/>
	326,242	982,609
Investment income		
Deposit account interest	1,194	566
	<hr/>	<hr/>
Total incoming resources	327,436	983,175
EXPENDITURE		
Charitable activities		
Wages	36,816	37,529
Church running costs	2,876	3,529
Programme activity costs	-	3,861
Support / gifts	9,662	10,100
Equipment	759	597
Sundries	-	445
Staff expenses	1,844	-
Office costs	3,316	-
Fixtures and fittings	9,827	9,827
Grants to institutions	5,938	2,296
Grants to individuals	1,200	1,200
	<hr/>	<hr/>
	72,238	69,384
Support costs		
Governance costs		
Staff training	281	-
Bank charges	667	-
Independent examination	350	550
	<hr/>	<hr/>
	1,298	550
Total resources expended	<hr/>	<hr/>
	73,536	69,934
Net income	<hr/>	<hr/>
	253,900	913,241