

HIGHFIELDS CHURCH

England & Wales · Charity number 1179013

Details

Status Registered

Legal form CIO

Registered 2018-07-02

Register [View on the Charity Commission register](#)

Contact

Address Highfields Church
Monthermer Road
Cardiff
CF24 4QW

Phone 02920650740

Email office@highfieldschurch.org.uk

Website www.highfieldschurch.org.uk

Activities

Objects: THE PURPOSES OF THE CHURCH ARE:3.1.1 THE ADVANCEMENT OF THE CHRISTIAN FAITH IN ACCORDANCE WITH THE BASIS OF FAITH PRIMARILY BUT NOT EXCLUSIVELY WITHIN CARDIFF AND THE SURROUNDING NEIGHBOURHOOD; AND3.1.2 SUCH OTHER CHARITABLE PURPOSES AS SHALL, IN THE OPINION OF THE CHARITY TRUSTEES, PUT INTO PRACTICE THE CHRISTIAN FAITH IN ACCORDANCE WITH THE BASIS OF FAITH, INCLUDING BUT NOT LIMITED TO: THE PREVENTION AND RELIEF OF NEED, HARDSHIP AND SICKNESS; THE ADVANCEMENT OF EDUCATION; AND THE PROVISION OF FACILITIES IN THE INTERESTS OF SOCIAL WELFARE FOR RECREATION OR OTHER LEISURE TIME OCCUPATION OF INDIVIDUALS WHO HAVE NEED OF SUCH FACILITIES BY REASON OF THEIR YOUTH, AGE INFIRMITY OR DISABILITY, FINANCIAL HARDSHIP OR SOCIAL CIRCUMSTANCES WITH THE OBJECT OF IMPROVING THEIR CONDITIONS OF LIFE.PROVIDED THAT THE ADVANCEMENT OF SUCH PURPOSES MUST BE UNDERTAKEN IN A MANNER THAT IS CONSISTENT WITH THE DOCTRINAL DISTINCTIVES AND ETHICAL STATEMENTS AS MAY BE ADOPTED AND AMENDED BY THE CHURCH FROM TIME TO TIME IN ACCORDANCE WITH THE PROVISIONS OF THE CHURCH HANDBOOK.

Activities: The principal activity of Highfields Church is the promotion of Christianity. We run a local church and associated activities including weekly clubs for all ages of children, as well as ministries focussed on Students and Internationals. We support missionaries both in the UK and abroad in order to spread the gospel worldwide.

Classification

- **How:** Makes Grants To Organisations, Provides Services
- **What:** Religious Activities
- **Who:** The General Public/mankind

Geography

- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£875,180	£861,774	£1,159,592	12
2023-12-31	£825,069	£793,678	£1,146,186	14
2022-12-31	£722,947	£716,855	£1,114,795	14
2021-12-31	£688,678	£714,054	£1,108,703	13
2020-12-31	£712,312	£663,902	£1,134,079	12

Trustees

Name	Role	Appointed
David Bhakia Raj		2022-04-11
David Evans		2019-08-25
Dr Anthony John Williams		2022-04-11
Dr Christopher Chen-Wei Ng		2024-04-01
Dr Joseph sunday		2025-05-04
Dr Rowland Hughes		2019-08-25
Edwin Gooderham		2024-04-01
Jason Stuart Phillips		2019-08-25
John Clayton		2025-01-01
Rev DAVID MARTYN GOBBETT		2018-07-02
Rev JONATHAN DAVID REEVES		2018-08-02

HIGHFIELDS CHURCH

England & Wales - Charity number 1179013

Accounts

**Report of the Trustees and
Unaudited Financial Statements
for the Year Ended 31 December 2024
for
HIGHFIELDS CHURCH**

MHA (trading name of MHA Advisory Limited)
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
County of Cardiff
CF23 8RS

HIGHFIELDS CHURCH

**Contents of the Financial Statements
FOR THE YEAR ENDED 31 DECEMBER 2024**

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HIGHFIELDS CHURCH

Report of the Trustees FOR THE YEAR ENDED 31 DECEMBER 2024

The trustees present their report with the financial statements of the charity for the period ended 31 December 2024. 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

Charitable objects

The charity's objective and principal activity continues to be the promotion of Christianity. The object is met through the operation of a church and its associated activities such as Sunday Services, weekly clubs and activities for children of all ages as well as students, internationals and older members of the community.

Public benefit

The organisation's trustees can confirm that they have given due regard to public benefit guidance published by the Charity Commission. Significant activities that we undertook during the year that demonstrate public benefit are set out on the following pages.

Activities

We run a whole range of activities for all ages in Highfields Church. One of the most popular ways in which we serve the local community is through our pre-school groups, which run on Monday and Thursday mornings (Tiddlywinks Parent & Toddler Group). Many parents & carers from the local community (most of whom are non-Highfields families), come along with their pre-schoolers and enjoy taking part in these activities, and making friends. We have also been part of the council Flying Start initiative, which uses our premises. Other groups from the community have made more use of our premises in the recent months, and we have rented Dalton Street on a regular basis to an additional needs support group that provides daytime care for those clients with additional needs during educational establishment holidays, as a respite service. Our Wednesday Kids club for primary age is full to capacity, and our Edge and Gen groups on Friday for Comprehensive age children is also very busy on a Friday night with over 80 teenagers attending the both groups. A Friday evening group for Yr 4-7 is also at capacity.

We continue to have excellent relationships with a number of local primary and secondary schools where we are regularly invited in to take assemblies and input into religious education lessons as part of the National Curriculum and also, in the past, hosted local school's Christmas concerts. Many local children come along to our weekly clubs, with 180 or more attending the special holiday clubs taking place in the school holidays.

Highfields runs a significant ministry for Internationals in Cardiff; We hold women's English Conversation Classes on Monday and Tuesday mornings and there is also a Women's Sewing Class held every Monday lunchtime. These groups primarily serve women from predominantly Muslim countries.

Every two months an International Families event is held which includes international food and games for the children, and an ever-increasing ministry involving children with Additional Needs has started to be more significant in terms of numbers of attendees.

We also provide opportunities for Internationals to find out more about the Christian faith through a weekly bible study, held on Sunday afternoon.

On Sundays we run an International Lunch that is specifically aimed at International Students, but all internationals are welcome.

Each year we take internationals on a Weekend Away, and this is being restarted in the future. We also have an influx of Hong Kong Chinese resettled in Cardiff and groups specifically for them have been initiated, and are continuing.

We continue to reach out to students attending the local universities, and our student ministry continues to be busy, with over 100 students regularly attending a weekly dinner and bible study as well as attending the church services.

The Dalton Street Centre is used by Highfields for other ministries, such as work with students and internationals, although it is now too small for some of these activities, so they have moved to the main site, and we have seen an increase in attendance at these ministry activities in 2024.

We also run a very popular weekly coffee morning on Thursdays, which is attended by people of all ages from the local community as well as members of the Highfields Church congregation.

Specific outreach activities, such as a 3-2-1 Course and Christianity Explored Course for those who wish to find out more about the Christian faith are run from Highfields Church, and we regularly hold events or services particularly aimed at non-Christians, where they can find out more.

In addition, we also work with other organisations to provide a variety of activities for the local community. This includes adult education art classes, and use of the premises for elections.

OBJECTIVES AND ACTIVITIES

Volunteers

The charity's different activities are run mainly by volunteers, many of whom are members of the church. Almost all the activities run at Highfields would not be possible without the input of volunteers on a weekly basis. This includes people running and helping with the clubs and activities for children of all ages, as well as the groups during the week for students, internationals, church members and being available for external hirers.

We also have volunteers who man the reception desk and help in the church office. There are well over 150 people who week by week help with these activities, giving up 2 or more hours of their time every week.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

During 2024 we have continued to make it a priority to welcome new people and integrate them into the life of the church and have continued our focus on encouraging people to join small groups that meet regularly together for study, prayer and fellowship at various locations across the city. We have over 20 small groups that meet together weekly for this purpose, as well as our 20s ministry, where up to 80 people in their 20s meet together weekly in order to study God's word and encourage one another in their faith.

Throughout the year we run weekly clubs for children aged 4-18, these are open to the community as well as church families, and we continue to see regular attendance of over 200 children and young people. In addition, our summer holiday club attracts close to 200 children.

During term time we regularly see about 120 students attending the church on a Sunday, with about 100 of these regularly attending Bible Study groups during the week. There is a smaller number of them who meet up with other members of the church in the week, to study the Bible and pray together. This is a real encouragement to the students, as they face the challenges of university life. The students are also great at getting involved in serving in wider church ministries, such as Children's & Youth Work.

The Internationals team continues to have links with over 30 Internationals, many of whom come along to one or more of the weekly activities.

The popularity of our English Conversation Classes for women on Mondays and Tuesdays continues to grow, with at least 30 students in 4 different level groups taking place on both days. A crèche is sometimes provided to enable the mothers to study. Weekly internationals games evenings (Primarily Table tennis and Badminton) is also offered, which is popular with members of the Asian community, especially the recently immigrated Hong King Chinese groups. A bible study is also offered for these.

The other community activities that take place at Highfields continue to see sustained interest. Art classes continue running on Friday mornings and afternoons throughout the terms, with 15-20 attending each session.

As ever, the building is regularly used for Children's Parties, and we hope to continue to welcome schools into our premises for special events such as carol concerts or end of year services. We also visit schools and take classes at Easter and Christmas, and at other occasions throughout the year. Many of the families have links with the church through children attending the church or clubs and activities that take place here.

Strategies for Aims and Objectives.

We continue to seek to further the Aims of the organisation, by continuing the current practice of proclamation of the Gospel, at large gatherings on a Sunday, and building relationships with others through the variety of small groups that operate during the week. Further, initial contact with those not known to us is sought by enabling access to community groups such as 3C's Coffee Morning, and child related activities such as parent and toddler groups. Also opening the building for outside hire, such as Art classes, additional needs groups, elections, helps get us recognition within the community. We aim to continue to do this and will see the effectiveness with increased engagement from those, both within and without, who previously may not have been present. We are also a Christians Against Poverty (CAP) debt centre and employ a manager to oversee this activity 2 days per week.

In the longer term, we will assess our staff structure, which will be adapted to the needs of the church and the community we serve. This will be ongoing, seeking the furtherance of the church.

Performance Achievement.

We have continued to operate the clubs effectively in this year, and have increased the number accessing them, especially the Tiddlywinks parent and child club, which is continually oversubscribed. The Art classes for the local community are also very popular, and youth programs are also very active.

Membership has increased, and the financial picture has been incredibly strong this year with a 4% uplift overall in income. This has proved to be fortuitous, despite the current financial climate generally

HIGHFIELDS CHURCH

Report of the Trustees FOR THE YEAR ENDED 31 DECEMBER 2024

FINANCIAL REVIEW

Financial position

Given the current challenging conditions, at home and throughout the world, we have been very encouraged that giving to Highfields has increased significantly to meet the majority of the expenditure throughout the year.

The Statement of Financial Activities shows total incoming resources for the year of £875,180 compared to £825,069 for last year. Total resources expended for the year were £861,234. This spend is 8.5% higher than 2023, due to an increase of approximately £37,000 donated to Penarth Church plus increased staffing costs, mainly due to pay rises to combat the cost of living.

The principal risks associated with the coming year would be the inability for members to give effectively to cover costs, and there may be a shortfall, if there are givers who stop giving for some reason, and we are currently using the saved money for Ministry Interns, which will deplete the fund without increased giving. We have also increased the staff base, with new position of Student Worker, to help deal with the large volume of students that regularly attend, and this is a permanent position. We are hopeful that giving will increase though to cover this when we make the need known. We have every confidence as this has been the experience of the previous year, and there have been no substantial changes in the membership that would indicate otherwise.

Reserves policy

At 31 December 2024 the charity's total funds amounted to £1,159,592, of which £720,649 is tied up within restricted funds, including the building fund. This leaves unrestricted funds of £438,943. As outlined in the accounts, the trustees have designated £256,183 for specific purposes, therefore after excluding fixtures and fittings, the charity has free reserves of £166,257.

Although encouraged by the giving in 2024, the trustees are aware of the challenges of the coming year again, with increased staff costs related to increased salaries and pension costs, and changes in the NI contribution levels.

The trustees consider the financial position to be satisfactory.

FUTURE DEVELOPMENTS

We have completed the process of reviewing our vision for the church and this was renewed in June 2023. This has set the strategic direction for the church for the next five years, both building on our strengths and maximising our opportunities to meet our charitable objectives. Our Aims and Objectives have not changed, but the way we concentrate on certain aspects of the new vision will adapt the way the implement our services within the church setting. We will endeavour to get all groups within the church to embrace the vision and operate accordingly.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The full name of the charity is Highfields Church and is known as Highfields. We are a CIO, incorporated in June 2018. The Current Constitution was ratified on 2nd July 2017

Method of election of Elders/Trustees

Instruction shall be given to Church Members concerning the biblical qualifications of an Elder. In addition, potential Elders, apart from those referred to in 4.2.2 (Pastors, Associate Pastors, and Assistant Pastors), should normally have been members of the church for at least 2 years. All Church Members shall be invited to submit, by hand or post, their nomination of Member(s) of the Church for the office of Elder, having been given at least two weeks notification to do so. The Elders will consider all nominations received to ensure the nominees are members and suitable for office. The existing Elders will then seek confirmation from the nominees of their willingness to stand before submitting the names of those deemed suitable and willing to stand to the Church to vote upon by postal ballot. Members will be given 3 weeks to return ballot papers.

To be chosen as an Elder, each nominee must receive at least two-thirds of the positive votes of the Church Members voting. Those persons duly confirmed by the Church through voting, will be invited to accept the office. Those persons duly chosen as Elders shall be recognised at an Ordination Service. Elders shall also be appointed as Managing Trustees.

Elders, apart from Staff Elders, shall be elected for a period of 4 years, or as long as they continue as members of the church, or until they resign, or until they are removed from office, whichever is the earlier. An election or re-election of Elders shall be held at least every four years. On expiry of the term of office, Elders shall be eligible for re-election, until a maximum of 2 consecutive terms has been served, and then a year should pass before their next election.

The duly elected Elders are the Managing Trustees as laid down in the Constitution. The Elders are responsible for the spiritual oversight of the Church, the Church discipline, the administration of the Charity and its funds in accordance with the constitution. They shall determine the structure, purpose, and direction of the church. All Elders must be members of the Church and be in agreement with the Basis of Faith.

Induction and training of new trustees

Trustees of Highfields are always those who have been members of the church for a significant period of time, and hence are generally familiar with its activities. They have copies of the previous annual reports and constitution. They are made familiar with the responsibilities of trustees when they take up their post. The regular input from different ministry leaders to the Elders' meetings provides the trustees with the ability to keep up to date with the charity's activities on an ongoing basis.

Organisational structure

As of 31st December 2024 there are 11 Elders, these include four staff elders, Lead Pastor, Dave Gobbett, Associate Pastor Jon Reeves, and Internationals worker Rowland Hughes. David Bhakia Raj is a worker supported by donations to an outside organisation from the church, but is not directly employed by the church, however, for the purposes of the charity running and organisation, is considered staff, and therefore is absent for financial discussions that may be impacted by his attendance. Elders typically meet every two weeks to manage the affairs of the church.

The Elders may delegate the running of certain administrative and practical affairs of the Church and ministries, as they see fit, to Deacons, Associate workers, and Ministry Leaders. Deacons are responsible, as directed by the Elders, for the administration and practical matters of the church. They maintain and administer the church in terms of buildings, equipment, procedures and format. Ministry Leaders are primarily involved in word, pastoral and prayer-based ministries as directed by the Elders. Associate Workers are those appointed by the Elders to carry out specific roles as determined by the Elders. All Deacons, Associate Workers and Ministry Leaders must be members of the church and be in agreement with the Basis of Faith.

Requests by the Elders for the Deacons to undertake specific duties will be recorded in the minutes of the Elders meetings and requests provided to the Deacons. The Deacons shall record details and minutes of any meetings and copy these to the Elders.

Members of staff who head up particular areas of ministry are named amongst this group. Deacons and Ministry Leaders make day to day decisions about their areas of ministry, but will liaise with one or more Elders about important matters.

Certain areas of responsibility are delegated to committees, such as Finance and Mission. Both committees are chaired by an Elder and report to the Elders on a regular basis about important decisions.

HIGHFIELDS CHURCH

Report of the Trustees FOR THE YEAR ENDED 31 DECEMBER 2024

STRUCTURE, GOVERNANCE AND MANAGEMENT

Related parties

The trustees are considered the only related parties. Declaration forms are provided.

Risk management

The Church's finances are subject to external examination. The trustees comply with Charity Commission advice and directives in the running of the Church. The trustees are satisfied that major risks are being assessed and systems put in place for their mitigation. Financially, the Church continues to be well supported by members and remains able to meet all commitments.

In general, given the current economic climate and public concern over the stability of the banking system, we want to keep below the maximum insured levels of £85k per bank. We have a three month Operational Reserve which has been reviewed at the end of 2024, taking into account salary increases and staffing levels and general operating costs and has been increased to £130,000. We believe this reserve, combined with regular reviews of the financial systems, will provide sufficient resources in the event of adverse conditions.

Highfields Church is committed to protecting any vulnerable people we come into contact with. As part of this we have a Safeguarding Policy which requires all paid and voluntary workers who have responsibility for children or vulnerable adults to apply for an Enhanced Disclosure of any record held by the Disclosure and Barring Service (DBS). In 2024 we have again reviewed our Safeguarding Policy to take into account changes in legislation and best practice. We also comply with the Code of Practice set out by the voluntary body 31:8, in matters of confidentiality and safe keeping of records.

We comply with the Disability Discrimination Act and make every effort to be inclusive to anyone, whatever their disability. Access to our premises at ground level is straightforward and we have a lift to ensure that wheelchair users can get onto the 1st floor without any difficulty. We have a loop system in the chapel to help those who are hearing impaired to be able to be fully involved in the services and meetings taking place there. We also give training and guidelines to those involved in speaking, producing presentations or notice sheets or manning the PA or lighting to make them aware of those with visual or hearing impairments. We can produce Braille hymn sheets on our Braille printer.

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.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

1179013

Principal address

Monthermer Road
CARDIFF
County of Cardiff
CF23 4QW

HIGHFIELDS CHURCH

Report of the Trustees FOR THE YEAR ENDED 31 DECEMBER 2024

Trustees

G Cresswell	Chair	
A Rees	Chair of Finance	
Rev D Gobbett (Staff trustee)		
Rev J Reeves (Staff trustee)		
Rev M Teutsch (Staff trustee)		Resigned 31/08/2024
J Phillips		
Dr R Hughes (Staff trustee)		
D Evans		
D Bhakia Raj		
J Popham		Resigned 09/09/2024
J N Graham		Resigned 08/09/2024
Dr A Williams		
E Gooderham		Appointed 01/04/2024
Dr C Ng		Appointed 01/04/2024
John Clayton		Appointed 01/01/2025

Senior Staff

Lead Pastor	Rev D Gobbett
Associate Pastor	Rev J Reeves
Associate Pastor	Rev M Teutsch - Resigned 31/09/2024
Assistant Pastor (Trainee)	John Clayton – Appointed 01/01/2025

Independent Examiner

MHA (trading name of MHA Advisory Limited)
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
County of Cardiff
CF23 8RS

Bankers

Lloyds TSB
1 Queen Street
Cardiff
CF10 2AS

HIGHFIELDS CHURCH

Report of the Trustees FOR THE YEAR ENDED 31 DECEMBER 2024

REFERENCE AND ADMINISTRATIVE DETAILS

Bankers

Kingdom Bank
Media House
Beeston
NOTTINGHAM
NG9 2RS

Monmouthshire Building Society
Monmouthshire House
John Frost Square
NEWPORT
NP20 1PX

Shawbrook Bank
3rd floor, 8 Bishopsgate,
Cornhill.
LONDON
EC2N 3AR

Charity Bank
Fosse House
182 High Street
TONBRIDGE
TN9 1BE

Triodos Bank
Deanery Road
BRISTOL
BS1 5AS

Solicitors

John Phillips
1 Bishops Place
Whitchurch
CARDIFF
CF14 1LQ

HIGHFIELDS CHURCH

Report of the Trustees FOR THE YEAR ENDED 31 DECEMBER 2024

STATEMENT OF TRUSTEES' RESPONSIBILITIES

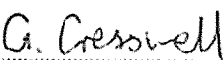
The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed 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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. 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.

Approved by order of the board of trustees on 11 May 2025 and signed on its behalf by:


.....
G Cresswell - Trustee

**Independent Examiner's Report to the Trustees of
Highfields Church**

Independent examiner's report to the trustees of Highfields Church

I report to the charity trustees on my examination of the accounts of Highfields Church (the Trust) for the year ended 31 December 2024.

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 member of the Association of Chartered Certified Accountants, 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.

Rachel Doyle

Rachel Doyle ACA DCha

MHA (trading name of MHA Advisory Limited)
CARDIFF
CF23 8RS

Date: 12/05/2025

HIGHFIELDS CHURCH

Statement of Financial Activities FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	Unrestricted funds £	Restricted funds £	2024 Total funds £	2023 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	634,878	159,564	794,442	764,197
Charitable activities	6				
The promotion of Christianity		51,175	-	51,175	43,247
Other trading activities	4	12,310	-	12,310	4,984
Investment income	5	9,275	-	9,275	6,725
Other income		7,978	-	7,978	5,916
Total		<u>715,616</u>	<u>159,564</u>	<u>875,180</u>	<u>825,069</u>
EXPENDITURE ON					
Charitable activities	7				
The promotion of Christianity		<u>664,472</u>	<u>197,302</u>	<u>861,774</u>	<u>793,678</u>
NET INCOME/(EXPENDITURE)		51,144	(37,738)	13,406	31,391
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>1,065,115</u>	<u>81,071</u>	<u>1,146,186</u>	<u>1,114,795</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>1,116,259</u></u>	<u><u>43,333</u></u>	<u><u>1,159,592</u></u>	<u><u>1,146,186</u></u>

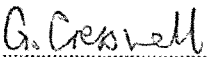
The notes form part of these financial statements

HIGHFIELDS CHURCH

Balance Sheet 31 DECEMBER 2024

	Notes	Unrestricted funds £	Restricted funds £	2024 Total funds £	2023 Total funds £
FIXED ASSETS					
Tangible assets	13	693,819	-	693,819	715,015
CURRENT ASSETS					
Debtors	14	52,084	-	52,084	51,746
Cash at bank		<u>384,241</u>	<u>43,333</u>	<u>427,574</u>	<u>383,419</u>
		436,325	43,333	479,658	435,165
CREDITORS					
Amounts falling due within one year	15	(13,885)	-	(13,885)	(3,994)
NET CURRENT ASSETS		<u>422,440</u>	<u>43,333</u>	<u>465,773</u>	<u>431,171</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,116,259</u>	<u>43,333</u>	<u>1,159,592</u>	<u>1,146,186</u>
NET ASSETS		<u>1,116,259</u>	<u>43,333</u>	<u>1,159,592</u>	<u>1,146,186</u>
FUNDS	17				
Unrestricted funds				1,116,259	1,065,115
Restricted funds				<u>43,333</u>	<u>81,071</u>
TOTAL FUNDS				<u>1,159,592</u>	<u>1,146,186</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 11 May 2025 and were signed on its behalf by:


G Cresswell - Trustee


A Rees - Trustee

The notes form part of these financial statements

HIGHFIELDS CHURCH

Cash Flow Statement FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	2024 £	2023 £
Cash flows from operating activities			
Cash generated from operations	1	<u>43,407</u>	<u>26,410</u>
Net cash provided by operating activities		<u>43,407</u>	<u>26,410</u>
Cash flows from investing activities			
Interest received		9,275	6,725
Purchase of tangible fixed assets		(9,827)	(16,568)
Sale of tangible fixed assets		<u>1,300</u>	<u>-</u>
Net cash provided by/(used in) investing activities		<u>748</u>	<u>(9,843)</u>
		<u> </u>	<u> </u>
Change in cash and cash equivalents in the reporting period		44,155	16,567
Cash and cash equivalents at the beginning of the reporting period		<u>383,419</u>	<u>366,852</u>
Cash and cash equivalents at the end of the reporting period		<u><u>427,574</u></u>	<u><u>383,419</u></u>

The notes form part of these financial statements

HIGHFIELDS CHURCH

Notes to the Cash Flow Statement FOR THE YEAR ENDED 31 DECEMBER 2024

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2024 £	2023 £
Net income for the reporting period (as per the Statement of Financial Activities)	13,406	31,391
Adjustments for:		
Depreciation charges	31,023	34,052
Profit on disposal of fixed assets	(1,300)	-
Interest received	(9,275)	(6,725)
Increase in debtors	(338)	(29,832)
Increase/(decrease) in creditors	9,891	(2,476)
Net cash provided by operations	<u>43,407</u>	<u>26,410</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/1/24 £	Cash flow £	At 31/12/24 £
Net cash			
Cash at bank	<u>383,419</u>	<u>44,155</u>	<u>427,574</u>
	<u>383,419</u>	<u>44,155</u>	<u>427,574</u>
Total	<u>383,419</u>	<u>44,155</u>	<u>427,574</u>

The notes form part of these financial statements

1. STATUTORY INFORMATION

Highfields Church is a registered charity, registered in England and Wales under charity number 1179013. The governing document of Highfields Church is its Constitution and it is a Charitable Incorporated Organisation (CIO). The principal address is Monthermer Road, Cardiff, CF24 4QW. The nature of the charity's operations and principal activities is disclosed within the Report of the Trustees.

The financial statements are presented in Sterling (£), the charity's functional currency, and rounded to the nearest pound.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

2. 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.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent to provide a 'true and fair' view. This departure has involved following the 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 issued in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

There have been no material departures from Financial Reporting Standard 102.

GOING CONCERN

No material uncertainties exist relating to events or conditions that may cast significant doubt upon the entity's ability to continue as a going concern.

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.

This includes capital grants.

Donations and legacies income includes donations, gifts and grants that provide core funding or are of a general nature are recognised where there is entitlement, probability of receipt and the amount can be measured with sufficient reliability. Such income is only deferred when the donor specifies it must be used in future accounting periods or the donor has imposed conditions which must be met before the charity has unconditional entitlement.

Income from charitable activities includes income received under contract or where entitlement to grant funding is subject to specific performance conditions. This income is recognised where there is entitlement, when the receipt is probable and the amount can be measured reliably. Income is deferred when the amounts received are in advance of the performance of the service or event to which they relate.

Income from other trading activities is recognised as the related services are provided and there is entitlement, probability of receipt and the amount can be measured with sufficient reliability. Income is deferred when the amounts received are in advance of the delivery of the service or event to which it relates.

Investment income is recognised on a receivables basis.

It is not the policy of the charity to show income net of expenditure.

2. ACCOUNTING POLICIES - continued

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.

Charitable expenditure comprises 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 costs of an indirect nature to support them.

Support costs are those costs that, whilst necessary to deliver an activity, do not themselves produce or constitute the output of the charitable activity. This includes "Governance costs" which are those costs associated with meeting the constitutional and statutory requirements of the charity and include the accountancy fees and costs linked to the strategic management of the charity as well as a proportion of salaries based on an approximation of time spent in this area.

Expenditure includes VAT as the charity is not VAT registered.

ALLOCATION AND APPORTIONMENT OF COSTS

All costs are allocated between the expenditure categories on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly; others are apportioned on an appropriate basis.

TANGIBLE FIXED ASSETS

Fixed assets are initially recorded at cost. Fixed assets costing over £500 are capitalised.

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Fixtures and fittings	- 4 to 8 years straight line
Freehold land	- not depreciated
Freehold property	- 50 years straight line

TAXATION

As a registered charity the organisation is exempt from income and corporation tax to the extent that its income and gains are applicable to charitable purposes only. Value Added Tax is not recoverable by the organisation and is therefore included in the relevant costs in the Statement of Financial Activities.

FUND ACCOUNTING

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

Designated funds are created for specific purposes 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.

Operating leases

Rentals applicable to operating leases where substantially all the benefits and risks of ownership remain with the lessor are charged to the statement of financial activities on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension are charged to the Statement of Financial Activities in the period to which they relate.

2. ACCOUNTING POLICIES - continued**Capital grants**

Capital grants are accounted for in accordance with FRS 102 SORP. The board of trustees consider that in order to comply with the SORP, grants of a capital nature given for specific purposes and fully utilised in the furtherance of the charity's objectives should be credited to the building fund after the sums have been properly expended on the restricted purpose. The related assets are shown in the balance sheet at cost or valuation.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Debtors with no stated interest rate and receivable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure. Prepayments are valued at the amount prepaid net of any trade discounts due.

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

3. DONATIONS AND LEGACIES

	2024	2023
	£	£
Donations/offerings	<u>794,442</u>	<u>764,197</u>

4. OTHER TRADING ACTIVITIES

	2024	2023
	£	£
Use of premises	<u>12,310</u>	<u>4,984</u>

5. INVESTMENT INCOME

	2024	2023
	£	£
Bank interest receivable	<u>9,275</u>	<u>6,725</u>

6. INCOME FROM CHARITABLE ACTIVITIES

	2024	2023
	£	£
Youth and children's work	9,582	8,624
Pre-school	1,762	1,327
Bookstall	458	445
Internationals	5,337	3,786
Network courses	7,260	3,655
Students	8,921	8,402
Christians Against Poverty	15,930	14,650
Connection	1,105	981
Conversation classes	<u>820</u>	<u>1,377</u>
	<u>51,175</u>	<u>43,247</u>

All income is from the single charitable activity of 'The Promotion of Christianity'.

7. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 8) £	Support costs (see note 9) £	Totals £
The promotion of Christianity	<u>741,709</u>	<u>120,065</u>	<u>861,774</u>

8. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2024 £	2023 £
Staff costs	324,611	311,886
Staff training and expenses	17,137	13,142
Administration costs	45,705	39,755
Premises expenses	50,969	56,231
Bookstall expenses	432	331
Other Miscellaneous costs	46,527	11,263
Pulpit	2,342	3,792
Pastoral	3,718	3,237
Evangelism	4,601	4,275
Youth and children's work	15,101	12,077
Internationals	5,480	5,317
Students	9,974	10,823
Pre-school	476	887
Network	2,435	1,668
Dalton Street project costs (excluding staff costs)	7,765	6,044
Grants payable - Missionary Support	134,294	128,493
Conversational classes	569	1,281
Christians Against Poverty	10,079	9,215
Donations - Specific appeals	26,902	23,834
Connection	2,189	1,590
Depreciation	<u>30,403</u>	<u>33,371</u>
	<u>741,709</u>	<u>678,512</u>

Included within direct costs of charitable activities above are grants payable of £134,294 (2023: £128,493) to Missionaries. This includes grants of £26,480 paid to 2 individuals and grants of paid £105,667 to 15 Mission Organisation (prior year: £28,040 was paid to 2 individuals and £102,342 to 12 Mission Organisations).

9. SUPPORT COSTS

	Staff costs £	Other costs £	Governance costs £	Totals £
The promotion of Christianity	<u>86,427</u>	<u>30,458</u>	<u>3,180</u>	<u>120,065</u>

Included within support costs are independent examination fees of £3,180 (2023 - £2,700)

10. TRUSTEES' REMUNERATION AND BENEFITS

The following remuneration was paid to trustees during the year:

Trustee	Role		2024 £	2023 £
D Gobbett	Lead Pastor	Salary	46,589	44,370
		Pension	1,471	1,401
J Reeves	Associate Pastor	Salary	38,689	36,123
		Pension	1,222	1,141
M Teutsch	Associate Pastor	Salary	27,631	39,473
		Pension	873	1,247
R Hughes	Internationals worker	Salary	31,309	29,818
		Pension	989	942

10. TRUSTEES' REMUNERATION AND BENEFITS - continued

Payment is permitted by virtue of paragraph 6.3 of the constitution adopted 2 July 2017.

TRUSTEES' EXPENSES

There were no trustees' expenses paid for the year ended 31 December 2024 or for the year ended 31 December 2023.

11. STAFF COSTS

	2024	2023
	£	£
Wages and salaries	384,591	355,500
Social security costs	26,906	25,142
Other pension costs	<u>10,535</u>	<u>9,625</u>
	<u>422,032</u>	<u>390,297</u>

Total remuneration paid to trustees and key management personnel in the year was £194,728 (2023: £200,667).

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

	2024	2023
	<u>14</u>	<u>14</u>
Employees		

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

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	597,002	167,195	764,197
Charitable activities			
The promotion of Christianity	43,247	-	43,247
Other trading activities	4,984	-	4,984
Investment income	6,725	-	6,725
Other income	<u>5,916</u>	<u>-</u>	<u>5,916</u>
Total	<u>657,874</u>	<u>167,195</u>	<u>825,069</u>
EXPENDITURE ON			
Charitable activities			
The promotion of Christianity	<u>643,973</u>	<u>149,705</u>	<u>793,678</u>
NET INCOME	13,901	17,490	31,391
RECONCILIATION OF FUNDS			
Total funds brought forward	<u>1,051,214</u>	<u>63,581</u>	<u>1,114,795</u>
TOTAL FUNDS CARRIED FORWARD	<u>1,065,115</u>	<u>81,071</u>	<u>1,146,186</u>

HIGHFIELDS CHURCH

Notes to the Financial Statements - continued FOR THE YEAR ENDED 31 DECEMBER 2024

13. TANGIBLE FIXED ASSETS

	Freehold property £	Freehold land £	Fixtures and fittings £	Totals £
COST				
At 1 January 2024	1,031,227	80,000	83,505	1,194,732
Additions	-	-	9,827	9,827
Disposals	-	-	(24,259)	(24,259)
At 31 December 2024	<u>1,031,227</u>	<u>80,000</u>	<u>69,073</u>	<u>1,180,300</u>
DEPRECIATION				
At 1 January 2024	413,286	-	66,431	479,717
Charge for year	20,625	-	10,398	31,023
Eliminated on disposal	-	-	(24,259)	(24,259)
At 31 December 2024	<u>433,911</u>	<u>-</u>	<u>52,570</u>	<u>486,481</u>
NET BOOK VALUE				
At 31 December 2024	<u>597,316</u>	<u>80,000</u>	<u>16,503</u>	<u>693,819</u>
At 31 December 2023	<u>617,941</u>	<u>80,000</u>	<u>17,074</u>	<u>715,015</u>

All assets are held for direct charitable purposes and there are no inalienable or historic assets.

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024 £	2023 £
Gift aid debtor	30,402	30,518
Prepayments and accrued income	<u>21,682</u>	<u>21,228</u>
	<u>52,084</u>	<u>51,746</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024 £	2023 £
Accruals and deferred income	<u>13,885</u>	<u>3,994</u>

16. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2024 £	2023 £
Within one year	<u>3,869</u>	<u>3,869</u>

Lease payments recognised as an expense in the year are £3,869 (2023: £4,147).

HIGHFIELDS CHURCH

Notes to the Financial Statements - continued FOR THE YEAR ENDED 31 DECEMBER 2024

17. MOVEMENT IN FUNDS

	At 1/1/24 £	Net movement in funds £	Transfers between funds £	At 31/12/24 £
Unrestricted funds				
General fund	98,645	154,115	(70,000)	182,760
Designated fund - Building fund	697,941	(20,625)	-	677,316
Designated fund - Operations reserve	115,000	-	15,000	130,000
Designated fund - Contingency fund	29,923	-	-	29,923
Designated fund - Training (Immanuel)	16,560	(12,519)	15,000	19,041
Designated fund - Missionary fund	17,400	(17,400)	-	-
Designated fund - Ministry Apprentices	35,619	(33,749)	18,000	19,870
Designated fund - Maintenance fund	54,027	(18,678)	22,000	57,349
	1,065,115	51,144	-	1,116,259
Restricted funds				
Missionary fund	11,557	(11,495)	-	62
Dai Hankey fund	11,564	(9,481)	-	2,083
Student Friends of Highfields fund	3,365	135	-	3,500
Sharing our lives fund	32,288	(2,851)	-	29,437
Good Causes	3,954	1,991	-	5,945
UCCF Fund	1,250	625	-	1,875
Christians Against Poverty	307	124	-	431
Penarth Fund	16,786	(16,786)	-	-
	81,071	(37,738)	-	43,333
TOTAL FUNDS	<u>1,146,186</u>	<u>13,406</u>	<u>-</u>	<u>1,159,592</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	715,616	(561,501)	154,115
Designated fund - Building fund	-	(20,625)	(20,625)
Designated fund - Training (Immanuel)	-	(12,519)	(12,519)
Designated fund - Missionary fund	-	(17,400)	(17,400)
Designated fund - Ministry Apprentices	-	(33,749)	(33,749)
Designated fund - Maintenance fund	-	(18,678)	(18,678)
	715,616	(664,472)	51,144
Restricted funds			
Missionary fund	74,567	(86,062)	(11,495)
Dai Hankey fund	22,159	(31,640)	(9,481)
Student Friends of Highfields fund	1,335	(1,200)	135
Sharing our lives fund	4,910	(7,761)	(2,851)
Good Causes	4,533	(2,542)	1,991
UCCF Fund	3,625	(3,000)	625
Christians Against Poverty	16,638	(16,514)	124
Penarth Fund	31,797	(48,583)	(16,786)
	159,564	(197,302)	(37,738)
TOTAL FUNDS	<u>875,180</u>	<u>(861,774)</u>	<u>13,406</u>

HIGHFIELDS CHURCH

Notes to the Financial Statements - continued FOR THE YEAR ENDED 31 DECEMBER 2024

17. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1/1/23 £	Net movement in funds £	Transfers between funds £	At 31/12/23 £
Unrestricted funds				
General fund	51,671	146,978	(101,879)	96,770
Designated fund - Building fund	718,566	(20,625)	-	697,941
Designated fund - Operations reserve	115,000	-	-	115,000
Designated fund - Contingency fund	24,923	-	5,000	29,923
Designated fund - Training (Immanuel)	12,155	405	4,000	16,560
Designated fund - Missionary fund	13,241	(24,845)	29,004	17,400
Designated fund - Dai Hankey fund	-	(1,000)	1,000	-
Designated fund - Ministry Apprentices	71,511	(52,892)	17,000	35,619
Designated fund - Maintenance fund	44,147	(29,120)	39,000	54,027
Designated fund - Student friends of Highfields	-	-	1,875	1,875
Designated fund - UCCF	-	(5,000)	5,000	-
	1,051,214	13,901	-	1,065,115
Restricted funds				
Missionary fund	9,743	1,814	-	11,557
Dai Hankey fund	11,284	280	-	11,564
Student Friends of Highfields fund	3,036	329	-	3,365
Sharing our lives fund	34,876	(2,588)	-	32,288
Good Causes	3,310	644	-	3,954
UCCF Fund	969	281	-	1,250
Christians Against Poverty	363	(56)	-	307
Penarth Fund	-	16,786	-	16,786
	63,581	17,490	-	81,071
TOTAL FUNDS	<u>1,114,795</u>	<u>31,391</u>	<u>-</u>	<u>1,146,186</u>

HIGHFIELDS CHURCH

Notes to the Financial Statements - continued FOR THE YEAR ENDED 31 DECEMBER 2024

17. 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	641,604	(494,626)	146,978
Designated fund - Building fund	-	(20,625)	(20,625)
Designated fund - Training (Immanuel)	11,250	(10,845)	405
Designated fund - Missionary fund	-	(24,845)	(24,845)
Designated fund - Dai Hankey fund	-	(1,000)	(1,000)
Designated fund - Ministry Apprentices	5,000	(57,892)	(52,892)
Designated fund - Maintenance fund	20	(29,140)	(29,120)
Designated fund - UCCF	-	(5,000)	(5,000)
	657,874	(643,973)	13,901
Restricted funds			
Missionary fund	80,211	(78,397)	1,814
Dai Hankey fund	24,480	(24,200)	280
Student Friends of Highfields fund	329	-	329
Sharing our lives fund	8,278	(10,866)	(2,588)
Good Causes	13,616	(12,972)	644
UCCF Fund	3,281	(3,000)	281
Christians Against Poverty	14,650	(14,706)	(56)
Penarth Fund	22,350	(5,564)	16,786
	167,195	(149,705)	17,490
TOTAL FUNDS	<u>825,069</u>	<u>(793,678)</u>	<u>31,391</u>

Designated funds

Designated funds are set up by resolution of the Finance Committee and are approved by the Elders of the church.

Building fund - this is the amount designated to match the net book value of the land and buildings.

Operations reserve - this fund is intended to meet 3 months of the total operating costs of the church, including staff salaries.

Contingency fund- this fund has been set up to deal with any unforeseen emergency costs that may arise.

Training (Immanuel) - gifts received in previous years set aside to be used for training.

Missionary fund - has been set up to deal with income which has been designated by the church for missionary work.

Ministry Apprentices - this fund has been created to set aside funds to support ministry apprentice costs.

Maintenance fund - this fund has been created to set aside funds for maintenance work to be carried out.

Dai Hankey fund - this fund has been created to provide additional funds to support Dai Hankey in his work.

UCCF fund - The fund was created to fund the christian unions.

Student friends of Highfields fund - The fund was created to allow students who have attended Highfields, but since left Cardiff, to give to a fund created to support the student ministry at Highfields.

17. MOVEMENT IN FUNDS - continued

Restricted funds

The missionary fund - relates to offerings given under the gift aid scheme, designated for this particular fund. These offerings are paid over to the Missionary Committee in the month following their allocation, to be used as the committee sees fit.

Dai Hankey fund - Dai is a missionary, who has moved to Trevethin to set up a church plant, Redeemer Church and an anti-slavery charity, Red Community. This fund has been set up to help finance Dai in his work.

Student Friends to Highfields fund - the fund was created to allow students who have attended Highfields, but since left Cardiff, to give to a fund created to support the student ministry at Highfields.

Sharing our lives - This fund has been designed to help those currently experiencing financial hardship.

Good Causes - The fund was created for donations for charitable issues such as earthquake appeals and Ukraine.

UCCF Fund - The fund was created to fund the christian unions.

Christians Against Poverty - The fund was created to help with poverty.

Penarth fund - Opening a new church in Penarth, this fund is to have separate income and expenditure

TRANSFERS BETWEEN FUNDS

Transfers totalling £70,000 have been made from the general fund to a number of designated funds in the year as outlined below:

- A transfer of £18,000 to the designated Ministry Apprentices fund to be used towards the costs associated with ministry apprentices.
- A transfer of £22,000 has been made to the designated maintenance fund in respect of work carried out on maintaining and updating the premises.
- A transfer of £15,000 has been made to the designated operation reserve fund in respect to the operation reserve policy - maintaining 3 months of costs as a reserve.
- A transfer of £15,000 has been made to the designated Training (immanuel) fund to be set aside for training costs.

18. EMPLOYEE BENEFIT OBLIGATIONS

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in independently administered funds. The pension cost charge represents contributions paid by the charity to the fund and amounted to £10,535 (2023: £9,625). There were no outstanding contributions at the year end.

19. RELATED PARTY DISCLOSURES

The total unconditional donations made to the charity by its trustees and close family members amounted to £52,985 (2023: £62,521).

Missionary grants totalling £14,150 (2023: £13,800) were made to an organisation, Pioneers UK, to support D Bhakia Raj, an international Families Worker. The payments were made since D Bhakia Raj was appointed as a Trustee of Highfields Church.

There were no other related party transactions or balances requiring disclosure for the year ended 31 December 2024 or for the year ended 31 December 2023.

HIGHFIELDS CHURCH

England & Wales - Charity number 1179013

Accounts

REGISTERED CHARITY NUMBER: 1179013

**REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023
FOR
HIGHFIELDS CHURCH**

MHA
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
CF23 8RS

HIGHFIELDS CHURCH

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FOR THE YEAR ENDED 31 DECEMBER 2023**

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HIGHFIELDS CHURCH

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2023

The trustees present their report with the financial statements of the charity for the period ended 31 December 2023. 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

Charitable objects

The purposes of the church are:

- The advancement of the Christian faith in accordance with the Basis of Faith primarily but not exclusively within Cardiff and the surrounding neighbourhood; and
- Such other charitable purposes as shall, in the opinion of the charity trustees, put into practice the Christian faith in accordance with the Basis of Faith, including but not limited to; the prevention and relief of need, hardship and sickness; the advancement of education; and the provision of facilities in the interests of social welfare for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age infirmity or disability, financial hardship or social circumstances with the object of improving their conditions of life.

The charity's objective and principal activity continues to be the promotion of Christianity. The object is met through the operation of a church and its associated activities such as Sunday Services, weekly clubs and activities for children of all ages as well as students, internationals and older members of the community.

Public benefit

The organisation's trustees can confirm that they have given due regard to public benefit guidance published by the Charity Commission. Significant activities that we undertook during the year that demonstrate public benefit are set out on the following pages.

Activities

We run a whole range of activities for all ages in Highfields Church. One of the most popular ways in which we serve the local community is through our pre-school groups, which run on Thursday mornings (Tiddlywinks Parent & Toddler Group). Many parents & carers from the local community (most of whom are non-Highfields families), come along with their pre-schoolers and enjoy taking part in these activities, and making friends. We have also been part of the council Flying Start initiative, which uses our premises. Other groups from the community have made more use of our premises in the recent months, and we are in discussions with others to rent Dalton Street on a weekly basis. Our Wednesday Kids club for primary age is full to capacity, and our Edge and Gen groups on Friday for Comprehensive age children is also very busy on a Friday night with over 80 teenagers attending the both groups.

We continue to have excellent relationships with a number of local primary and secondary schools where we are regularly invited in to take assemblies and input into religious education lessons as part of the National Curriculum and also host local school's Christmas concerts. Many local children come along to our weekly clubs, with 150 or more attending the special holiday clubs taking place in the school holidays.

Highfields runs a significant ministry for Internationals in Cardiff; we hold women's English Conversation Classes on Monday and Tuesday mornings and there is also a Women's Sewing Class held every Monday lunchtime.

Every two months an International Families event is held which includes International food and games for the children, and an ever-increasing ministry involving children with Additional Needs has started to be more significant in terms of numbers of attendees.

We also provide opportunities for Internationals to find out more about the Christian faith through a weekly bible study, held on an evening.

On Sundays we run an International Lunch that is specifically aimed at International Students, but all internationals are welcome.

Each year we take internationals on a Weekend Away, and this is being restarted in the future. We also have an influx of Hong Kong Chinese resettled in Cardiff and groups specifically for them have been initiated, and are continuing.

We continue to reach out to students attending the local universities, and our student ministry continues to be busy, with a significant number of students attending the church.

HIGHFIELDS CHURCH

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2023

Activities

The Dalton Street Centre is used by Highfields for other ministries, such as work with students and internationals, although it is now too small for some of these activities, so they have moved to the main site, and we have seen an increase in attendance at these ministry activities in 2023.

We also run a very popular weekly coffee morning on Thursdays, which is attended by people of all ages from the local community as well as members of the Highfields Church congregation.

Specific outreach activities, such as a Christianity Explored Course for those who wish to find out more about the Christian faith are run from Highfields Church, and we regularly hold events or services particularly aimed at non-Christians, where they can find out more.

In addition, we also work with other organisations to provide a variety of activities for the local community. This includes adult education art classes and dance classes, and use of the premises for elections.

Volunteers

The charity's different activities are run mainly by volunteers, many of whom are members of the church. Almost all the activities run at Highfields would not be possible without the input of volunteers on a weekly basis. This includes people running and helping with the clubs and activities for children of all ages, as well as the groups during the week for students, internationals, church members and being available for external hirers.

We also have volunteers who man the reception desk and help in the church office. There are well over 150 people who week by week help with these activities, giving up 2 or more hours of their time every week.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

During 2023 we have continued to make it a priority to welcome new people and integrate them into the life of the church and have continued our focus on encouraging people to join of small groups that meet regularly together for study, prayer and fellowship at various locations across the city. We have over 20 small groups that meet together weekly for this purpose, as well as our 20s ministry, where up to 80 people in their 20s meet together weekly in order to study God's word and encourage one another in their faith.

Throughout the year we run weekly clubs for children aged 4-18, these are open to the community as well as church families, and we continue to see regular attendance of over 200 children and young people. In addition, our summer holiday club attracts close to 200 children.

During term time we regularly see about 120 students attending the church on a Sunday, with about 80-90 of these regularly attending Bible Study groups during the week. There are a small number of them who meet up with other members of the church in the week, to study the Bible and pray together. This is a real encouragement to the students, as they face the challenges of university life. The students are also great at getting involved in serving in wider church ministries, such as Children's & Youth Work.

The Internationals team continues to have links with over 30 Internationals, many of whom come along to one or more of the weekly activities.

The popularity of our English Conversation Classes for women on Mondays and Tuesdays continues to grow, with at least 50 students in 5 different level groups taking place on both days. A crèche is also provided to enable the mothers to study with 25 pre-school children registered. This is in addition to the classes that take place for any members of the community on Thursday evenings.

The other community activities that take place at Highfields continue to see sustained and even increased interest. Art classes continue running on Wednesday mornings, and Friday mornings and afternoons throughout the terms, with 15-20 attending each session.

As ever, the building is regularly used for Children's Parties, and we hope to continue to welcome schools into our premises for special events such as carol concerts or end of year services. We also visit schools and take classes at Easter and Christmas, and at other occasions throughout the year. They find our premises to be the right size for these types of events and many of the families have links with the church through children attending the church or clubs and activities that take place here.

HIGHFIELDS CHURCH

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2023

Strategies for Aims and Objectives

We continue to seek to further the Aims of the organisation, by continuing the current practice of proclamation of the Gospel, at large gatherings on a Sunday, and building relationships with others through the variety of small groups that operate during the week. Further, initial contact with those not known to us is sought by enabling access to community groups such as 3 C's, and children related activities such as parent and toddler groups. Also opening the building for outside hire, such as Art classes, helps get us recognition within the community. We aim to continue to do this and will see the effectiveness with increased engagement from those, both within and without, who previously may not have been present. We are also a Christians Against Poverty (CAP) debt centre and employ a manager to oversee this activity 2 days per week.

This year we have engaged with a number of people from within Highfields to go to plant a new church in an outlying area in the Vale of Glamorgan, Penarth. We set aside 2 elders and approximately 25 people to go to start a new church. They currently rent a school premises for Sunday meetings, and there is a regular attendance of around 60-75 on a weekly basis. They are currently applying to the Charity Commission and have made an application for which we await a decision. The two Elders and members will then transfer to the new church which will be called Penarth Evangelical Church.

In the longer term, we will assess our staff structure, which will be adapted to the needs of the church and the community we serve. This will be ongoing, seeking the furtherance of the church.

Performance achievement

We have continued to operate the clubs effectively in this year, and have increased the number accessing them, especially the Tiddlywinks parent and child club, which is continually oversubscribed. The Art classes for the local community are also very popular, and youth programs are also very active.

Membership has increased, and the financial picture has been incredibly strong this year with a 10% uplift overall in income. This has proved to be fortuitous, despite the current financial climate generally.

FINANCIAL REVIEW

Financial position

Given the current challenging conditions, at home and throughout the world, we have been very encouraged that giving to Highfields has increased significantly to meet the majority of the expenditure throughout the year.

The Statement of Financial Activities shows total incoming resources for the year of £825,069 compared to £722,947 for last year. Total resources expended for the year were £793,678. This spend is 10% higher than 2022, due to an increase spend on maintenance and equipment plus increased staffing costs, mainly due to pay rises to combat the cost of living.

Given the ongoing challenging financial climate, we have been very encouraged that giving to Highfields has increased to meet the majority of the increased expenditure over to last year. We had a significant increase over 2022 and have been heartened that the incoming funds have been sufficient to meet the needs. The principal risks associated with the coming year would be the inability for members to give effectively to cover costs, and there may be a shortfall, if there are givers who stop giving for some reason, and we are currently using the saved money for Ministry Apprentices and Ministry Interns, which will deplete the fund without increased giving. We are hopeful that giving will increase though to cover this when we make the need known. We have every confidence as this has been the experience of the previous year, and there have been no substantial changes in the membership that would indicate otherwise.

Reserves policy

At 31 December 2023 the charity's total funds amounted to £1,146,186, of which £81,071 is tied up within restricted funds. This leaves unrestricted funds of £1,065,115. As outlined in the accounts, the trustees have designated £270,404 for specific purposes and a further £697,941 in a building fund, equating to the net book value of land and buildings. Therefore after excluding fixtures and fittings, the charity has free reserves of £79,696.

Although encouraged by the giving in 2023, the trustees are aware of the challenges of the coming year again, with increased staff costs related to increased salaries and pension costs.

The trustees consider the financial position to be satisfactory.

HIGHFIELDS CHURCH

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2023

FUTURE DEVELOPMENTS

We have completed the process of reviewing our vision for the church and this was renewed in June 2023. This has set the strategic direction for the church for the next five years, both building on our strengths and maximising our opportunities to meet our charitable objectives. Our Aims and Objectives have not changed, but the way we concentrate on certain aspects of the new vision will adapt the way the implement our services within the church setting. We will endeavour to get all groups within the church to embrace the vision and operate accordingly.

We aim to continue to further the church objects, by continuing to proclaim the message of the gospel in large Sunday gatherings, while also maintaining the smaller groups within the church family, for the maintenance of friendships and relationships, and continuing community involvement, ensuring the continuing of Highfields Church. We will endeavour to continue to use our resources in this purpose, ensuring we maintain a healthy accounting structure, to enable us to effectively manage the resources available. We have significantly renewed parts of the building and will spend more in the coming year to keep it in good order, and safe for use, in line with our Environmental and Health & Safety policies.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The full name of the charity is Highfields Church and is known as Highfields. We are a CIO, incorporated in June 2018, but have was an old CUA charity, closing in December 31st 2018. The Current Constitution was ratified on 2nd July 2017

Method of election of Elders/Trustees

Instruction shall be given to Church Members concerning the biblical qualifications of an Elder. In addition potential Elders, apart from those referred to in 4.2.2 (Pastors, Associate Pastors, and Assistant Pastors), should normally have been members of the church for at least 2 years. All Church Members shall be invited to submit, by hand or post, their nomination of Member(s) of the Church for the office of Elder, having been given at least two weeks notification to do so. The Elders will consider all nominations received to ensure the nominees are members and suitable for office. The existing Elders will then seek confirmation from the nominees of their willingness to stand before submitting the names of those deemed suitable and willing to stand to the Church to vote upon by postal ballot. Members will be given 3 weeks to return ballot papers.

To be chosen as an Elder, each nominee must receive at least two-thirds of the positive votes of the Church Members voting. Those persons duly confirmed by the Church through voting, will be invited to accept the office. Those persons duly chosen as Elders shall be recognised at an Ordination Service. Elders shall also be appointed as Managing Trustees.

Elders, apart from Staff Elders, shall be elected for a period of 4 years, (a recent change) or as long as they continue as members of the church, or until they resign, or until they are removed from office, whichever is the earlier. An election or re-election of Elders shall be held at least every seven years. On expiry of the term of office, Elders shall be eligible for re-election.

The duly elected Elders are the Managing Trustees as laid down in the Constitution. The Elders are responsible for the spiritual oversight of the Church, the Church discipline, the administration of the Charity and its funds in accordance with the constitution. They shall determine the structure, purpose, and direction of the church. All Elders must be members of the Church and be in agreement with the Basis of Faith.

Induction and training of new trustees

Trustees of Highfields are always those who have been members of the church for a significant period of time, and hence are generally familiar with its activities. They have copies of the previous annual reports and constitution. They are made familiar with the responsibilities of trustees when they take up their post. The regular input from different ministry leaders to the Elders' meetings provides the trustees with the ability to keep up to date with the charity's activities on an ongoing basis.

HIGHFIELDS CHURCH

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2023

Organisational structure

As of 31 December 2023 there are 12 Elders, these include four staff elders, Lead Pastor, Dave Gobbett, Associate Pastor Jon Reeves, Associate Pastor Michael Teutsch and Internationals worker Rowland Hughes. Elders typically meet every two weeks to manage the affairs of the church.

The Elders may delegate the running of certain administrative and practical affairs of the Church and ministries, as they see fit, to Deacons, Associate workers, and Ministry Leaders. Deacons are responsible, as directed by the Elders, for the administration and practical matters of the church. They maintain and administer the church in terms of buildings, equipment, procedures and format. Ministry Leaders are primarily involved in word, pastoral and prayer-based ministries as directed by the Elders. Associate Workers are those appointed by the Elders to carry out specific roles as determined by the Elders. All Deacons, Associate Workers and Ministry Leaders must be members of the church and be in agreement with the Basis of Faith.

Requests by the Elders for the Deacons to undertake specific duties will be recorded in the minutes of the Elders meetings and requests provided to the Deacons. The Deacons shall record details and minutes of any meetings and copy these to the Elders.

Members of staff who head up particular areas of ministry are named amongst this group. Deacons and Ministry Leaders make day to day decisions about their areas of ministry, but will liaise with one or more Elders about important matters.

Certain areas of responsibility are delegated to committees, such as Finance and Mission. Both committees are chaired by an Elder and report to the Elders on a regular basis about important decisions.

Related parties

No matters to note under this heading. Declaration forms are provided.

Risk management

The Church's finances are subject to Independent Examination. The trustees comply with Charity Commission advice and directives in the running of the Church. The trustees are satisfied that major risks are being assessed and systems put in place for their mitigation. Financially, the Church continues to be well supported by members and remains able to meet all commitments.

In general, given the current economic climate and increasing public concern over the stability of the banking system, we want to keep below the maximum insured levels of £85k per bank. We have a three month Operational Reserve which has been reviewed at the end of 2023, taking into account salary and staffing levels and general operating costs and has been held at £115,000. We believe this reserve, combined with regular reviews of the financial systems, will provide sufficient resources in the event of adverse conditions.

Highfields Church is committed to protecting any vulnerable people we come into contact with. As part of this we have a Safeguarding Policy which requires all paid and voluntary workers who have responsibility for children or vulnerable adults to apply for an Enhanced Disclosure of any record held by the Disclosure and Barring Service (DBS). In 2023 we have again reviewed our Safeguarding Policy to take into account changes in legislation and best practice. We also comply with the Code of Practice set out by the voluntary body 31:8, in matters of confidentiality and safe keeping of records.

We comply with the Disability Discrimination Act and make every effort to be inclusive to anyone, whatever their disability. Access to our premises at ground level is straightforward and we have a lift to ensure that wheelchair users can get onto the 1st floor without any difficulty. We have a loop system in the chapel to help those who are hearing impaired to be able to be fully involved in the services and meetings taking place there. We also give training and guidelines to those involved in speaking, producing presentations or notice sheets or manning the PA or lighting to make them aware of those with visual or hearing impairments. We regularly produce Braille hymn sheets on our special printer.

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.

HIGHFIELDS CHURCH

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2023

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number
1179013

Principal address

Monthermer Road
CARDIFF
County of Cardiff
CF23 4QW

Trustees

G Cresswell	Chair	Appointed 02/07/2018
A Rees	Chair of Finance	Appointed 02/07/2018
E J M Wiltshire		Appointed 02/07/2018, Resigned 11/09/2023
Rev D Gobbett (Staff trustee)		Appointed 02/07/2018
Rev J Reeves (Staff trustee)		Appointed 02/07/2018
Rev M Deutsch (Staff trustee)		Appointed 02/07/2018
J Phillips		Appointed 01/09/2019
Dr R Hughes (Staff trustee)		Appointed 01/09/2019
D Evans		Appointed 01/09/2019
D Bhakia Raj		Appointed 11/04/2022
J Popham		Appointed 11/04/2022
J N Graham		Appointed 11/04/2022
Dr A Williams		Appointed 11/04/2022
E Gooderham		Appointed 01/04/2024
Dr C Ng		Appointed 01/04/2024

Senior Staff

Lead Pastor	Rev D Gobbett
Associate Pastor	Rev J Reeves
Associate Pastor	Rev M Deutsch

Independent Examiner

MHA (trading name of MacIntyre Hudson LLP)
Limited liability partnership in England & Wales
Registered number OC312313
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
CF23 8RS

Bankers

Lloyds TSB
1 Queen Street
Cardiff
CF10 2AS

HIGHFIELDS CHURCH

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2023**

REFERENCE AND ADMINISTRATIVE DETAILS

Bankers

Virgin Money
1/3 Windsor Place
CARDIFF
CF10 3BX

Monmouthshire Building Society
Monmouthshire House
John Frost Square
NEWPORT
NP20 1PX

Shawbrook Bank
3rd floor, 8 Bishopsgate,
Cornhill,
LONDON
EC2N 3AR

Charity Bank
Fosse House
182 High Street
TONBRIDGE
TN9 1BE

Tridos Bank
Deanery Road
BRISTOL
BS1 5AS

Solicitors

John Phillips
1 Bishops Place
Whitchurch
CARDIFF
CF14 1LQ

Approved by order of the Board of Trustees on 03/05/2024 and signed on its behalf by:

G. Cresswell
G Cresswell (Chair of Trustees)

A Rees
A Rees (Chair of Finance)

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF HIGHFIELDS CHURCH

Independent examiner's report to the trustees of Highfields Church

I report to the charity trustees on my examination of the accounts of Highfields Church (the Trust) for the year ended 31 December 2023.

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.

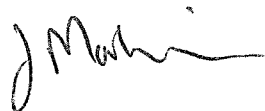
Independent examiner's statement

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 member of the Association of Chartered Certified Accountants, 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.



Julia Mortimer FCCA
MHA (trading name of MacIntyre Hudson LLP)
Limited liability partnership in England & Wales
Registered number OC312313
CARDIFF
CF23 8RS

Date: 15 May 2024

HIGHFIELDS CHURCH

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	597,002	167,195	764,197	685,365
Charitable activities	6				
The promotion of Christianity		43,247	-	43,247	29,676
Other trading activities	4	4,984	-	4,984	2,550
Investment income	5	6,725	-	6,725	442
Other income		<u>5,916</u>	<u>-</u>	<u>5,916</u>	<u>4,914</u>
Total		<u>657,874</u>	<u>167,195</u>	<u>825,069</u>	<u>722,947</u>
EXPENDITURE ON					
Charitable activities	7				
The promotion of Christianity		<u>643,973</u>	<u>149,705</u>	<u>793,678</u>	<u>716,855</u>
NET INCOME		13,901	17,490	31,391	6,092
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>1,051,214</u>	<u>63,581</u>	<u>1,114,795</u>	<u>1,108,703</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>1,065,115</u></u>	<u><u>81,071</u></u>	<u><u>1,146,186</u></u>	<u><u>1,114,795</u></u>

The notes form part of these financial statements

HIGHFIELDS CHURCH

BALANCE SHEET 31 DECEMBER 2023

	Notes	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
FIXED ASSETS					
Tangible assets	13	715,015	-	715,015	732,499
CURRENT ASSETS					
Debtors	14	51,746	-	51,746	21,914
Cash at bank		<u>302,348</u>	<u>81,071</u>	<u>383,419</u>	<u>366,852</u>
		354,094	81,071	435,165	388,766
CREDITORS					
Amounts falling due within one year	15	(3,994)	-	(3,994)	(6,470)
NET CURRENT ASSETS		<u>350,100</u>	<u>81,071</u>	<u>431,171</u>	<u>382,296</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,065,115</u>	<u>81,071</u>	<u>1,146,186</u>	<u>1,114,795</u>
NET ASSETS		<u>1,065,115</u>	<u>81,071</u>	<u>1,146,186</u>	<u>1,114,795</u>
FUNDS	17				
Unrestricted funds				1,065,115	1,051,214
Restricted funds				<u>81,071</u>	<u>63,581</u>
TOTAL FUNDS				<u>1,146,186</u>	<u>1,114,795</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 03/03/2024 and were signed on its behalf by:

G. Cresswell
G Cresswell (Chair of Trustees)

A Rees
A Rees (Chair of Finance)

The notes form part of these financial statements

HIGHFIELDS CHURCH**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Notes	2023 £	2022 £
Cash flows from operating activities			
Cash generated from operations	1	<u>26,410</u>	<u>42,774</u>
Net cash provided by operating activities		<u>26,410</u>	<u>42,774</u>
Cash flows from investing activities			
Interest received		6,725	442
Purchase of tangible fixed assets		<u>(16,568)</u>	<u>(4,172)</u>
Net cash used in investing activities		<u>(9,843)</u>	<u>(3,730)</u>
Change in cash and cash equivalents in the reporting period		16,567	39,044
Cash and cash equivalents at the beginning of the reporting period		<u>366,852</u>	<u>327,808</u>
Cash and cash equivalents at the end of the reporting period		<u><u>383,419</u></u>	<u><u>366,852</u></u>

The notes form part of these financial statements

HIGHFIELDS CHURCH**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2023****1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	2023 £	2022 £
Net income for the reporting period (as per the Statement of Financial Activities)	31,391	6,092
Adjustments for:		
Depreciation charges	34,052	31,008
Interest received	(6,725)	(442)
(Increase)/decrease in debtors	(29,832)	20,311
Decrease in creditors	(2,476)	(14,195)
Net cash provided by operations	<u>26,410</u>	<u>42,774</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/1/23 £	Cash flow £	At 31/12/23 £
Net cash			
Cash at bank	<u>366,852</u>	<u>16,567</u>	<u>383,419</u>
	<u>366,852</u>	<u>16,567</u>	<u>383,419</u>
Total	<u>366,852</u>	<u>16,567</u>	<u>383,419</u>

The notes form part of these financial statements

HIGHFIELDS CHURCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

1. STATUTORY INFORMATION

Highfields Church is a registered charity, registered in England and Wales under charity number 1179013. The governing document of Highfields Church is its Constitution and it is a Charitable Incorporated Organisation (CIO). The principal address is Monthermer Road, Cardiff, CF24 4QW. The nature of the charity's operations and principal activities is disclosed within the Report of the Trustees.

The financial statements are presented in Sterling (£), the charity's functional currency, and rounded to the nearest pound.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

2. 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.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent to provide a 'true and fair' view. This departure has involved following the 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 issued in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

There have been no material departures from Financial Reporting Standard 102.

Going concern

No material uncertainties exist relating to events or conditions that may cast significant doubt upon the entity's ability to continue as a going concern.

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.

This includes capital grants.

Donations and legacies income includes donations, gifts and grants that provide core funding or are of a general nature are recognised where there is entitlement, probability of receipt and the amount can be measured with sufficient reliability. Such income is only deferred when the donor specifies it must be used in future accounting periods or the donor has imposed conditions which must be met before the charity has unconditional entitlement.

Income from charitable activities includes income received under contract or where entitlement to grant funding is subject to specific performance conditions. This income is recognised where there is entitlement, when the receipt is probable and the amount can be measured reliably. Income is deferred when the amounts received are in advance of the performance of the service or event to which they relate.

Income from other trading activities is recognised as the related services are provided and there is entitlement, probability of receipt and the amount can be measured with sufficient reliability. Income is deferred when the amounts received are in advance of the delivery of the service or event to which it relates.

Investment income is recognised on a receivables basis.

HIGHFIELDS CHURCH

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2023

2. ACCOUNTING POLICIES - continued

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.

Charitable expenditure comprises 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 costs of an indirect nature to support them.

Support costs are those costs that, whilst necessary to deliver an activity, do not themselves produce or constitute the output of the charitable activity. This includes "Governance costs" which are those costs associated with meeting the constitutional and statutory requirements of the charity and include the accountancy fees and costs linked to the strategic management of the charity as well as a proportion of salaries based on an approximation of time spent in this area.

Expenditure includes VAT as the charity is not VAT registered.

Allocation and apportionment of costs

All costs are allocated between the expenditure categories on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly; others are apportioned on an appropriate basis.

Tangible fixed assets

Fixed assets are initially recorded at cost. Fixed assets costing over £500 are capitalised.

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Fixtures and fittings	- 4 to 8 years straight line
Freehold land	- not depreciated
Freehold property	- 50 years straight line

Taxation

As a registered charity the organisation is exempt from income and corporation tax to the extent that its income and gains are applicable to charitable purposes only. Value Added Tax is not recoverable by the organisation and is therefore included in the relevant costs in the Statement of Financial Activities.

Fund accounting

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

Designated funds are created for specific purposes 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.

Operating leases

Rentals applicable to operating leases where substantially all the benefits and risks of ownership remain with the lessor are charged to the statement of financial activities on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension are charged to the Statement of Financial Activities in the period to which they relate.

HIGHFIELDS CHURCH

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2023

2. ACCOUNTING POLICIES - continued

Capital grants

Capital grants are accounted for in accordance with FRS 102 SORP. The board of trustees consider that in order to comply with the SORP, grants of a capital nature given for specific purposes and fully utilised in the furtherance of the charity's objectives should be credited to the building fund after the sums have been properly expended on the restricted purpose. The related assets are shown in the balance sheet at cost or valuation.

Financial Instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Debtors with no stated interest rate and receivable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure. Prepayments are valued at the amount prepaid net of any trade discounts due.

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

3. DONATIONS AND LEGACIES

	2023	2022
	£	£
Donations/offerings	<u>764,197</u>	<u>685,365</u>

4. OTHER TRADING ACTIVITIES

	2023	2022
	£	£
Use of premises	<u>4,984</u>	<u>2,550</u>

5. INVESTMENT INCOME

	2023	2022
	£	£
Bank Interest receivable	<u>6,725</u>	<u>442</u>

6. INCOME FROM CHARITABLE ACTIVITIES

	2023	2022
	£	£
Youth and children's work	8,624	5,790
Pre-school	1,327	1,554
Bookstall	445	1,239
Internationals	3,786	740
Network courses	3,655	3,215
Students	8,402	5,878
Conversation classes	1,377	-
Connection	981	1,068
Christians Against Poverty	<u>14,650</u>	<u>10,192</u>
	<u>43,247</u>	<u>29,676</u>

All income is from the single charitable activity of 'The Promotion of Christianity'.

HIGHFIELDS CHURCH

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2023

7. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 8) £	Support costs (see note 9) £	Totals £
The promotion of Christianity	<u>678,512</u>	<u>115,166</u>	<u>793,678</u>

8. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2023 £	2022 £
Staff costs	311,886	304,580
Staff training and expenses	13,142	10,403
Administration costs	39,755	36,842
Premises expenses	56,231	30,469
Bookstall expenses	331	976
Other Miscellaneous costs	11,263	12,531
Pulpit	3,792	2,010
Pastoral	3,237	950
Evangelism	4,275	4,289
Youth and children's work	12,077	10,824
Internationals	5,317	2,397
Students	12,413	9,639
Pre-school	887	715
Network	1,668	1,952
Dalton Street project costs (excluding staff costs)	6,044	6,950
Grants payable - Missionary Support	128,493	155,429
Donations - specific appeals	23,834	
Christians Against Poverty	9,215	13,686
Conversational Classes	1,281	316
Fixed asset depreciation	<u>33,371</u>	<u>30,388</u>
	<u>678,512</u>	<u>635,346</u>

Included within direct costs of charitable activities above are grants payable of £128,493 (2022: £155,429) to Missionaries. This includes grants of £26,040 paid to 2 individuals and grants of £102,342 to 17 Mission Organisation (prior year: £28,040 was paid to 2 individuals and £137,467 to 19 Mission Organisations).

9. SUPPORT COSTS

	Staff costs £	Other costs £	Governance costs £	Totals £
The promotion of Christianity	<u>78,381</u>	<u>34,085</u>	<u>2,700</u>	<u>115,166</u>

Included within support costs are independent examination fees of £2,700 (2022 - £2,640)

10. TRUSTEES' REMUNERATION AND BENEFITS

The following remuneration was paid to trustees during the year:

Trustee	Role		2023 £	2022 £
D Gobbett	Lead Pastor	Salary	44,370	41,859
		Pension	1,401	1,322
J Reeves	Associate Pastor	Salary	36,123	34,078
		Pension	1,141	1,076
M Teutsch	Associate Pastor	Salary	39,473	37,239
		Pension	1,247	1,176
R Hughes	Internationals worker	Salary	29,818	28,131
		Pension	942	888

Payment is permitted by virtue of paragraph 6.3 of the constitution adopted 2 July 2017.

HIGHFIELDS CHURCH**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2023****10. TRUSTEES' REMUNERATION AND BENEFITS - continued****Trustees' expenses**

There were no trustees' expenses paid for the year ended 31 December 2023 or for the year ended 31 December 2022.

11. STAFF COSTS

	2023 £	2022 £
Wages and salaries	355,500	327,353
Social security costs	25,142	24,409
Other pension costs	<u>9,625</u>	<u>8,645</u>
	<u>390,267</u>	<u>360,407</u>

Total remuneration paid to trustees and key management personnel in the year was £200,667 (2022: £175,002).

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

2023 <u>14</u>	2022 <u>14</u>
-------------------	-------------------

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

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	548,867	136,498	685,365
Charitable activities			
The promotion of Christianity	29,676	-	29,676
Other trading activities	2,550	-	2,550
Investment income	442	-	442
Other income	<u>4,914</u>	<u>-</u>	<u>4,914</u>
Total	<u>586,449</u>	<u>136,498</u>	<u>722,947</u>
EXPENDITURE ON			
Charitable activities			
The promotion of Christianity	<u>593,520</u>	<u>123,335</u>	<u>716,855</u>
NET INCOME/(EXPENDITURE)	(7,071)	13,163	6,092
RECONCILIATION OF FUNDS			
Total funds brought forward	<u>1,058,285</u>	<u>50,418</u>	<u>1,108,703</u>
TOTAL FUNDS CARRIED FORWARD	<u>1,051,214</u>	<u>63,581</u>	<u>1,114,795</u>

HIGHFIELDS CHURCH

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2023

13. TANGIBLE FIXED ASSETS

	Freehold property £	Freehold land £	Fixtures and fittings £	Totals £
COST				
At 1 January 2023	1,031,227	80,000	66,937	1,178,164
Additions	-	-	16,568	16,568
At 31 December 2023	<u>1,031,227</u>	<u>80,000</u>	<u>83,505</u>	<u>1,194,732</u>
DEPRECIATION				
At 1 January 2023	392,661	-	53,004	445,665
Charge for year	<u>20,625</u>	<u>-</u>	<u>13,427</u>	<u>34,052</u>
At 31 December 2023	<u>413,286</u>	<u>-</u>	<u>66,431</u>	<u>479,717</u>
NET BOOK VALUE				
At 31 December 2023	<u>617,941</u>	<u>80,000</u>	<u>17,074</u>	<u>715,015</u>
At 31 December 2022	<u>638,566</u>	<u>80,000</u>	<u>13,933</u>	<u>732,499</u>

All assets are held for direct charitable purposes and there are no inalienable or historic assets.

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Gift aid debtor	30,518	9,462
Prepayments and accrued income	<u>21,228</u>	<u>12,452</u>
	<u>51,746</u>	<u>21,914</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Accruals and deferred income	<u>3,994</u>	<u>6,470</u>

16. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2023 £	2022 £
Within one year	<u>3,869</u>	<u>3,869</u>

Lease payments recognised as an expense in the year are £4,147 (2022: £4,052).

HIGHFIELDS CHURCH

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2023

17. MOVEMENT IN FUNDS

	At 1/1/23 £	Net movement in funds £	Transfers between funds £	At 31/12/23 £
Unrestricted funds				
General fund	51,671	146,978	(101,879)	96,770
Designated fund - Building fund	718,566	(20,625)	-	697,941
Designated fund - Operations reserve	115,000	-	-	115,000
Designated fund - Contingency fund	24,923	-	5,000	29,923
Designated fund - Training (Immanuel)	12,155	405	4,000	16,560
Designated fund - Missionary fund	13,241	(24,845)	29,004	17,400
Designated fund - Dai Hankey fund	-	(1,000)	1,000	-
Designated fund - Ministry Apprentices	71,511	(52,892)	17,000	35,619
Designated fund - Maintenance fund	44,147	(29,120)	39,000	54,027
Designated fund - Student friends of Highfields	-	-	1,875	1,875
Designated fund - UCCF	-	(5,000)	5,000	-
	<u>1,051,214</u>	<u>13,901</u>	<u>-</u>	<u>1,065,115</u>
Restricted funds				
Missionary fund	9,743	1,814	-	11,557
Dai Hankey fund	11,284	280	-	11,564
Student Friends of Highfields fund	3,036	329	-	3,365
Sharing our lives fund	34,876	(2,588)	-	32,288
Good Causes	3,310	644	-	3,954
UCCF Fund	969	281	-	1,250
Christians Against Poverty	363	(56)	-	307
Penarth Fund	-	16,786	-	16,786
	<u>63,581</u>	<u>17,490</u>	<u>-</u>	<u>81,071</u>
TOTAL FUNDS	<u>1,114,795</u>	<u>31,391</u>	<u>-</u>	<u>1,146,186</u>

HIGHFIELDS CHURCH

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2023

17. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	641,604	(494,626)	146,978
Designated fund - Building fund	-	(20,625)	(20,625)
Designated fund - Training (Immanuel)	11,250	(10,845)	405
Designated fund - Missionary fund	-	(24,845)	(24,845)
Designated fund - Dai Hankey fund	-	(1,000)	(1,000)
Designated fund - Ministry Apprentices	5,000	(57,892)	(52,892)
Designated fund - Maintenance fund	20	(29,140)	(29,120)
Designated fund - UCCF	-	(5,000)	(5,000)
	<u>657,874</u>	<u>(643,973)</u>	<u>13,901</u>
Restricted funds			
Missionary fund	80,211	(78,397)	1,814
Dai Hankey fund	24,480	(24,200)	280
Student Friends of Highfields fund	329	-	329
Sharing our lives fund	8,278	(10,866)	(2,588)
Good Causes	13,616	(12,972)	644
UCCF Fund	3,281	(3,000)	281
Christians Against Poverty	14,650	(14,706)	(56)
Penarth Fund	<u>22,350</u>	<u>(5,564)</u>	<u>16,786</u>
	<u>167,195</u>	<u>(149,705)</u>	<u>17,490</u>
TOTAL FUNDS	<u>825,069</u>	<u>(793,678)</u>	<u>31,391</u>

HIGHFIELDS CHURCH

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2023

17. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1/1/22 £	Net movement in funds £	Transfers between funds £	At 31/12/22 £
Unrestricted funds				
General fund	29,295	126,603	(104,227)	51,671
Designated fund - Building fund	739,191	(20,625)	-	718,566
Designated fund - Operations reserve	115,000	-	-	115,000
Designated fund - Contingency fund	30,000	(5,077)	-	24,923
Designated fund - Training (Immanuel)	22,730	(10,575)	-	12,155
Designated fund - Missionary fund	18,381	(36,740)	31,600	13,241
Designated fund - Dai Hankey fund	-	(2,400)	2,400	-
Designated fund - Ministry Apprentices	63,714	(54,630)	62,427	71,511
Designated fund - Maintenance fund	39,974	(3,627)	7,800	44,147
	<u>1,058,285</u>	<u>(7,071)</u>	<u>-</u>	<u>1,051,214</u>
Restricted funds				
Missionary fund	9,038	705	-	9,743
Dai Hankey fund	12,153	(869)	-	11,284
Student Friends of Highfields fund	2,966	70	-	3,036
Sharing our lives fund	26,261	8,615	-	34,876
Good Causes	-	3,310	-	3,310
UCCF Fund	-	969	-	969
Christians Against Poverty	-	363	-	363
	<u>50,418</u>	<u>13,163</u>	<u>-</u>	<u>63,581</u>
TOTAL FUNDS	<u>1,108,703</u>	<u>6,092</u>	<u>-</u>	<u>1,114,795</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	586,449	(459,846)	126,603
Designated fund - Building fund	-	(20,625)	(20,625)
Designated fund - Contingency fund	-	(5,077)	(5,077)
Designated fund - Training (Immanuel)	-	(10,575)	(10,575)
Designated fund - Missionary fund	-	(36,740)	(36,740)
Designated fund - Dai Hankey fund	-	(2,400)	(2,400)
Designated fund - Ministry Apprentices	-	(54,630)	(54,630)
Designated fund - Maintenance fund	-	(3,627)	(3,627)
	<u>586,449</u>	<u>(593,520)</u>	<u>(7,071)</u>
Restricted funds			
Missionary fund	87,194	(86,489)	705
Dai Hankey fund	23,931	(24,800)	(869)
Ministry apprentices fund	1,000	(1,000)	-
Student Friends of Highfields fund	70	-	70
Sharing our lives fund	10,490	(1,875)	8,615
Good Causes	3,684	(374)	3,310
UCCF Fund	8,469	(7,500)	969
Christians Against Poverty	1,660	(1,297)	363
	<u>136,498</u>	<u>(123,335)</u>	<u>13,163</u>
TOTAL FUNDS	<u>722,947</u>	<u>(716,855)</u>	<u>6,092</u>

HIGHFIELDS CHURCH

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2023

17. MOVEMENT IN FUNDS - continued

Designated funds

Designated funds are set up by resolution of the Finance Committee and are approved by the Elders of the church.

Building fund - this is the amount designated to match the net book value of the land and buildings.

Operations reserve - this fund is intended to meet 3 months of the total operating costs of the church, including staff salaries.

Contingency fund- this fund has been set up to deal with any unforeseen emergency costs that may arise.

Training (Immanuel) - gifts received in previous years set aside to be used for training.

Missionary fund - has been set up to deal with income which has been designated by the church for missionary work.

Ministry Apprentices - this fund has been created to set aside funds to support ministry apprentice costs.

Maintenance fund - this fund has been created to set aside funds for maintenance work to be carried out.

Dai Hankey fund - this fund has been created to provide additional funds to support Dai Hankey in his work.

UCCF fund - The fund was created to fund the Christian unions.

Student friends of Highfields fund - The fund was created to allow students who have attended Highfields, but since left Cardiff, to give to a fund created to support the student ministry at Highfields.

Restricted funds

The missionary fund - relates to offerings given under the gift aid scheme, designated for this particular fund. These offerings are paid over to the Missionary Committee in the month following their allocation, to be used as the committee sees fit.

Dai Hankey fund - Dai is a missionary, who has moved to Trevethin to set up a church plant, Redeemer Church and an anti-slavery charity, Red Community. This fund has been set up to help finance Dai in his work.

Student Friends to Highfields fund - the fund was created to allow students who have attended Highfields, but since left Cardiff, to give to a fund created to support the student ministry at Highfields.

Sharing our lives - This fund has been designed to help those currently experiencing financial hardship.

Good Causes - The fund was created for donations for charitable issues such as earthquake appeals and Ukraine.

UCCF Fund - The fund was created to fund the Christian unions.

Christians Against Poverty - The fund was created to help with poverty.

Penarth fund - Opening a new church in Penarth, this fund is to have separate income and expenditure

Transfers between funds

Transfers totalling £101,879 have been made from the general fund to a number of designated funds in the year as outlined below:

- A transfer of £29,004 to the designated missionary fund to be used towards missionary work costs.
- A transfer of £17,000 to the designated Ministry Apprentices fund to be used towards the costs associated with ministry apprentices.
- A transfer of £1,000 to the designated Dai Hankey fund to be set aside to help fund Dai in his work.
- A transfer of £39,000 has been made to the designated maintenance fund in respect of work carried out on maintaining and updating the premises.
- A transfer of £5,000 has been made to the designated contingency fund in respect to any unforeseen emergency costs that may arise.

HIGHFIELDS CHURCH

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2023

17. MOVEMENT IN FUNDS - continued

Transfers between funds - continued

- A transfer of £4,000 has been made to the designated Training (immanuel) fund to be set aside for training costs.
- A transfer of £1,875 has been made to the designated Student Friends of Highfields fund in respect of costs to support the student ministry at Highfields
- A transfer of £5,000 has been made to the designated UCCF fund in order to fund the Christian Union

18. EMPLOYEE BENEFIT OBLIGATIONS

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in independently administered funds. The pension cost charge represents contributions paid by the charity to the fund and amounted to £9,625 (2022: £8,645). There were no outstanding contributions at the year end.

19. RELATED PARTY DISCLOSURES

The total unconditional donations made to the charity by its trustees and close family members amounted to £62,521 (2022: £50,859).

Missionary grants totalling £13,800 (2022: £9,200) were made to an organisation, Pioneers UK, to support D Bhakia Raj, an international Families Worker. The payments were made since D Bhakia Raj was appointed as a Trustee of Highfields Church.

There were no other related party transactions or balances requiring disclosure for the year ended 31 December 2023 or for the year ended 31 December 2022.

HIGHFIELDS CHURCH

England & Wales - Charity number 1179013

Accounts



HIGHFIELDS CHURCH

Highfields Church · Monthermer Road · Cathays · Cardiff, CF24 4QW · United Kingdom

Watts Gregory LLP
Elfed House
Oak Tree Court
Cardiff Gate Business Park
Cardiff
CF23 8RS

Dear Sirs

The following representations are made on the basis of enquiries of management and staff with relevant knowledge and experience such as we consider necessary in connection with your independent examination of the charity's financial statements for the year ended 31 December 2022. These enquiries have included inspection of supporting documentation where appropriate and are sufficient to satisfy ourselves that we can make each of the following representations. All representations are made to the best of our knowledge and belief.

General

1. We acknowledge that the work performed by you is substantially less in scope than an audit performed in accordance with International Standards on Auditing (UK) and that you do not express an audit opinion.
2. We confirm that the charity was entitled to exemption under section 144 of the Charities Act 2011 the requirement to have its financial statements for the financial year ended 31 December 2022 audited.
3. We have fulfilled our responsibilities as trustees as set out in the terms of your engagement letter dated 15 May 2019, under the Charities Act 2011 for preparing financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), for being satisfied that they give a true and fair view and for making accurate representations to you.
4. All the transactions undertaken by the charity have been properly reflected and recorded in the accounting records.
5. All the accounting records have been made available to you for the purpose of your independent examination. We have provided you with unrestricted access to all appropriate persons within the charity, and with all other records and related information requested, including minutes of all management and trustee meetings and correspondence with The Charity Commission.
6. The financial statements are free of material misstatements, including omissions.

Assets and liabilities

7. The charity has satisfactory title to all assets and there are no liens or encumbrances on the charity's assets, except for those that are disclosed in the notes to the financial statements.
8. All actual liabilities, contingent liabilities and guarantees given to third parties have been recorded or disclosed as appropriate.
9. We have no plans or intentions that may materially alter the carrying value and, where relevant, the fair value measurements or classification of assets and liabilities reflected in the financial statements.

Accounting estimates
10. The methods, data and significant assumptions used by us in making accounting estimates, and their related disclosures, are appropriate to achieve recognition, measurement and disclosure that is reasonable in the context of the applicable financial reporting framework.

Legal claims
11. We have disclosed to you all claims in connection with litigation that have been, or are expected to be, received and such matters, as appropriate, have been properly accounted for and disclosed in the financial statements.

Laws and regulations

12. We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial statements.

Related parties

13. Related party relationships and transactions have been appropriately accounted for and disclosed in the financial statements. We have disclosed to you all relevant information concerning such relationships and transactions and are not aware of any other matters which require disclosure in order to comply with legislative and accounting standards requirements.

Subsequent events

14. All events subsequent to the date of the financial statements which require adjustment or disclosure have been properly accounted for and disclosed.

Going concern

15. We believe that the charity's financial statements should be prepared on a going concern basis on the grounds that current and future sources of funding or support will be more than adequate for the charity's needs. We have considered a period of twelve months from the date of approval of the financial statements. We believe that no further disclosures relating to the charity's ability to continue as a going concern need to be made in the financial statements.

Grants and donations

16. All grants, donations and other income, the receipt of which is subject to specific terms or conditions, have been notified to you. There have been no breaches of terms or conditions in the application of such income.

Yours faithfully

G. Cresswell

Signed on behalf of the Board of Trustees of Highfields Church

Date

25th June 2023

REGISTERED CHARITY NUMBER: 1179013

**REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022
FOR
HIGHFIELDS CHURCH**

Watts Gregory LLP
Chartered Accountants
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
County of Cardiff
CF23 8RS

HIGHFIELDS CHURCH
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FOR THE YEAR ENDED 31 DECEMBER 2022

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HIGHFIELDS CHURCH

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

The trustees present their report with the financial statements of the charity for the period ended 31 December 2022. 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

Charitable objects

The purposes of the church are:

- The advancement of the Christian faith in accordance with the Basis of Faith primarily but not exclusively within Cardiff and the surrounding neighbourhood; and
- Such other charitable purposes as shall, in the opinion of the charity trustees, put into practice the Christian faith in accordance with the Basis of Faith, including but not limited to: the prevention and relief of need, hardship and sickness; the advancement of education; and the provision of facilities in the interests of social welfare for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disability, financial hardship or social circumstances with the object of improving their conditions of life.

The charity's objective and principal activity continues to be the promotion of Christianity. The charity's objectives are met through the operation of a church and its associated activities such as Sunday Services, weekly clubs and activities for children of all ages as well as students, internationals and older members of the community.

Public benefit

The organisation's trustees can confirm that they have given due regard to public benefit guidance published by the Charity Commission. Significant activities that we undertook during the year that demonstrate public benefit are set out on the following pages.

Activities

We run a whole range of activities for all ages in Highfields Church. One of the most popular ways in which we serve the local community is through our pre-school groups, which run on Monday mornings (Tiddlywinks Parent & Toddler Group). Many parents & carers from the local community (most of whom are non-Highfields families), come along with their pre-schoolers and enjoy taking part in these activities, and making friends. Additionally, we run a Music Session for babies and their carers.

We continue to have excellent relationships with a number of local primary and secondary schools where we are regularly invited in to take assemblies and input into religious education lessons as part of the National Curriculum and also host local school's Christmas concerts. Many local children come along to our weekly clubs, with 150 or more attending the special holiday clubs taking place in the school holidays.

Highfields runs a significant ministry for internationals in Cardiff; we hold women's English Conversation Classes on Monday and Tuesday mornings and there is also a Women's Sewing Class held every Monday lunchtime.

Every two months an International Families event is held which includes international food and games for the children.

We also provide opportunities for internationals to find out more about the Christian faith through a weekly bible study, held on an evening.

On Sundays we run an International Café that is specifically aimed at international students, but all internationals are welcome. Every week there is food and an opportunity to find out more about the Christian faith. We have had a significant increase in foreign nationals from eastern Europe and Hong Kong Province too, which has bolstered numbers attending.

We have also started a monthly activity session for families with children with particular or special needs, and this is gaining traction and size, and we are considering how to best develop this service for the church and the community.

OBJECTIVES AND ACTIVITIES**Activities**

Every term we organise a trip to famous landmarks in the UK, and aim to take international on a Weekend Away.

We continue to reach out to students attending the local universities, and our student ministry continues to be busy, with a significant number of students attending the church. The number has increased in the last term of 2022, and the Monthermer Centre is now used as Dalton Street venue is too small.

The Dalton Street Centre is used by Highfields for ministries, such as work with students and international, and we have seen an increase in attendance at these ministry activities in 2022. We have also had some enquiries regarding the use of the premises from other faith based groups as well as local council run early years intervention activities such as Flying Start.

We also run a very popular weekly coffee morning on Thursdays, which is attended by people of all ages from the local community as well as members of the Highfields Church congregation.

Specific outreach activities, such as a Christianity Explored Course are offered for those who wish to find out more about the Christian faith and are run from Highfields Church. We regularly run events which are particularly aimed at non-Christians, where they can find out more.

In addition, we also work with other organisations to provide a variety of activities for the local community. This includes adult education art classes and dance classes, and use of the premises for elections.

Volunteers

The charity's different activities are run mainly by volunteers, many of whom are members of the church. Almost all the activities run at Highfields would not be possible without the input of volunteers on a weekly basis. This includes people running and helping with the clubs and activities for children of all ages, as well as the groups during the week for students, international, church members and some of the helpers at Dalton Street.

We also have volunteers who man the reception desk and help in the church office. There are well over 170 people who work by week help with these activities, giving up 2 or more hours of their time every week.

HIGHFIELDS CHURCH

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

ACHIEVEMENT AND PERFORMANCE

Charitable activities

During 2022 we have continued to make it a priority to welcome new people and integrate them into the life of the church and have continued our focus on encouraging people to join or small groups that meet regularly together for study, prayer and fellowship at various locations across the city. We have over 20 small groups that meet together weekly for this purpose, as well as our 20s ministry, where up to 60 people in their 20s meet together weekly in order to study God's word and encourage one another in their faith.

Throughout the year we run weekly clubs for children aged 4-18, these are open to the community as well as church families, and we continue to see regular attendance of over 200 children and young people. In addition, our summer holiday club attracts close to 200 children.

During term time we regularly see about 120 students attending the church on a Sunday, with about 60-70 of these regularly attending Bible Study groups during the week. There are a small number of them who meet up with other members of the church in the week, to study the Bible and pray together. This is a real encouragement to the students, as they face the challenges of university life. The students are also great at getting involved in serving in wider church ministries, such as Children's & Youth Work.

The Internationals team continues to have links with over 50 Internationals, many of whom come along to one or more of the weekly activities.

The popularity of our English Conversation Classes for women on Mondays and Tuesdays continues to grow, with at least 50 students in 5 different level groups taking place on both days. A crèche is also provided to enable the mothers to study with 25 pre-school children registered. This is in addition to the classes that take place for any members of the community on Thursday evenings.

The other community activities that take place at Highfields continue to see sustained and even increased interest. Art classes continue running on Wednesday mornings, and Friday mornings and afternoons throughout the terms, with 15-20 attending each session.

As ever, the building is regularly used for Children's Parties, and we hope to continue to welcome schools into our premises for special events such as carol concerts or end of year services. They find our premises to be the right size for these types of events and many of the families have links with the church through children attending the church or clubs and activities that take place here. We have also run Nativity trails and other Parent events in the school premises.

Strategies for Aims and Objectives.

We continue to seek to further the Aims of the organisation, by continuing the current practice of proclamation of the Gospel, at large gatherings on a Sunday, and building relationships with others through the variety of small groups that operate during the week. Further, initial contact with those not known to us is sought by enabling access to community groups such as 3 C's, and children related activities such as parent and toddler groups. Also opening the building for outside hire, such as Art classes, helps get us recognition within the community. We aim to continue to do this and will see the effectiveness with increased engagement from those, both within and without, who previously may not have been present. We have also grown the Christians Against Poverty (CAP) debt centre and employed a manager to oversee this activity 2 days per week and are supporting another person who volunteers for this activity.

In the longer term, we will assess our staff structure, which will be adapted to the needs of the church and the community we serve. This will be ongoing, seeking the furtherance of the church.

ACHIEVEMENT AND PERFORMANCE**Performance Achievement:**

We have continued to operate the clubs effectively in this year, and have increased the number accessing them, especially the Tiddlywinks parent and child club, which is continually over-subscribed. The Art classes for the local community are also very popular, and youth programs are also very active.

Membership has increased, but the financial picture has been incredibly variable this year with a reduction then an uptake in regular monthly giving, but it was only the one off gifts towards the end of the year that enabled us to return a small surplus. This was fortuitous, given the current financial climate generally.

The Trustees are reviewing the budget and the future trends in giving in spending to ensure we operate within our potential giving base over the year, and are not dependant on one-off gifts. We have been without 3 members of staff for periods in 2022, a full time Administrator since July, a Centre Manager who resigned due to illness in June, and a Youth Worker who left for other employment in May. This enabled the surplus, but we are aware that with a 3 day per week Administrator starting in April, and new Centre Manager starting Jan 2023, and Youth Worker starting Sep 2023, we need to be circumspect with the budget.

FINANCIAL REVIEW**Financial position**

Given the current challenging conditions, at home and throughout the world, we have been very encouraged that giving to Highfields has been maintained to meet the majority of the expenditure throughout the year. Despite changes in giving with leavers and arrivals, the monthly giving is strong, but not keeping up with the rising prices of commodities and fuels. We will have sufficient for 2023 but 2024 may yet be challenging.

The Statement of Financial Activities shows total incoming resources for the year of £722,947 compared to £688,678 for last year. Total resources expended for the year were £716,855. This spend is very consistent overall to the comparative financial year.

Given the ongoing challenging financial climate, we have been very encouraged that giving to Highfields has been maintained to meet the majority of the increased expenditure over to last year. We had a significant increase of 2021, and have been heartened that the incoming funds have been sufficient to meet the needs. The principal risks associated with the coming year would be the inability for members to give effectively to cover costs, and there may be a shortfall, if there are givers who stop giving for some reason, and we are currently using a fund for Ministry Apprentices and Ministry Trainees, which will deplete the fund without increased giving by the end of the contracts that they are on. We are hopeful that giving will increase though to cover this for the future MA position, when we make the need known. We have every confidence as this has been the experience of the previous year, and there have been no substantial changes in the membership that would indicate otherwise.

Reserves policy

At 31 December 2022 the charity's total funds amounted to £1,114,795 of which £63,581 is tied up within restricted funds. This leaves unrestricted funds of £1,051,214. As outlined in the accounts, the trustees have designated £999,543 for specific purposes, therefore after excluding fixtures and fittings, the charity has free reserves of £37,738.

Although encouraged by the giving in 2022, the trustees are aware of the challenges of the coming year again with increased staff costs related to increased salaries and pension costs.

The trustees consider the financial position to be satisfactory.

FUTURE DEVELOPMENTS

We have completed the process of reviewing our vision for the church and this was rolled out in June 2018. This has set the strategic direction for the church for the next five years, both building on our strengths and maximising our opportunities to meet our charitable objectives. Our Aims and Objectives have not changed, but the way we concentrate on certain aspects of the new vision will adapt the way the implement our services within the church setting. We will endeavour to get all groups within the church to embrace the vision and operate accordingly.

HIGHFIELDS CHURCH

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

FUTURE DEVELOPMENTS

We aim to continue to further the church objects, by continuing to proclaim the message of the gospel in large Sunday gatherings, while also maintaining the smaller groups within the church family, for the maintenance of friendships and relationships, and continuing community involvement, ensuring the continuing of Highfields Church. We will endeavour to continue to use our resources in this purpose, ensuring we maintain a healthy accounting structure, to enable us to effectively manage the resources available.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The full name of the charity is Highfields Church and is known as Highfields. We are a CIO, Incorporated in June 2018.. The Current Constitution was ratified on 2 July 2017.

Method of election of Elders/Trustees

Instruction shall be given to Church Members concerning the biblical qualifications of an Elder. In addition potential Elders, apart from those referred to in 4.2.2 (Pastors, Associate Pastors, and Assistant Pastors), should normally have been members of the church for at least 2 years. All Church Members shall be invited to submit, by hand or post, their nomination of Member(s) of the Church for the office of Elder, having been given at least two weeks notification to do so. The Elders will consider all nominations received to ensure the nominees are members and suitable for office. The existing Elders will then seek confirmation from the nominees of their willingness to stand before submitting the names of those deemed suitable and willing to stand to the Church to vote upon by postal ballot. Members will be given 3 weeks to return ballot papers.

To be chosen as an Elder, each nominee must receive at least two-thirds of the positive votes of the Church Members voting. Those persons duly confirmed by the Church through voting, will be invited to accept the office. Those persons duly chosen as Elders shall be recognised at an Ordination Service. Elders shall also be appointed as Managing Trustees.

Elders, apart from Staff Elders, shall be elected for a period of 7 years, or as long as they continue as members of the church, or until they resign, or until they are removed from office, whichever is the earlier. An election or re-election of Elders shall be held at least every seven years. On expiry of the term of office, Elders shall be eligible for re-election.

The duly elected Elders are the Managing Trustees as laid down in the Constitution. The Elders are responsible for the spiritual oversight of the Church, the Church discipline, the administration of the Charity and its funds in accordance with the constitution. They shall determine the structure, purpose, and direction of the church. All Elders must be members of the Church and be in agreement with the Basis of Faith.

Induction and training of new trustees

Trustees of Highfields are always those who have been members of the church for a significant period of time, and hence are generally familiar with its activities. They have copies of the previous annual reports and constitution. They are made familiar with the responsibilities of trustees when they take up their post. The regular input from different ministry leaders to the Elders' meetings provides the trustees with the ability to keep up to date with the charity's activities on an ongoing basis.

Organisational structure

As of 31 December 2022 there are 13 Trustees (Elders), these include five staff elders, Lead Pastor, Dave Gobbett, Associate Pastor Jon Reeves, Associate Pastor Michael Teutsch, International worker Rowland Hughes and International Families worker (Pioneers) David Bhakia Raj. Trustees (Elders) typically meet every two weeks to manage the affairs of the church. 1 Elder, Darren Waters resigned from the Trustees Position in September 2022.

The Elders may delegate the running of certain administrative and practical affairs of the Church and ministries, as they see fit, to Deacons, Associate workers, and Ministry Leaders. Deacons are responsible, as directed by the Elders, for the administration and practical matters of the church. They maintain and administer the church in terms of buildings, equipment, procedures and format. Ministry Leaders are primarily involved in word, pastoral and prayer-based ministries as directed by the Elders. Associate Workers are those appointed by the Elders to carry out specific roles as determined by the Elders. All Deacons, Associate Workers and Ministry Leaders must be members of the church and be in agreement with the Basis of Faith.

Requests by the Elders for the Deacons to undertake specific duties will be recorded in the minutes of the Elders meetings and requests provided to the Deacons. The Deacons shall record details and minutes of any meetings and copy these to the Elders.

Members of staff who head up particular areas of ministry are named amongst this group. Deacons and Ministry Leaders make day to day decisions about their areas of ministry but will liaise with one or more Elders about important matters.

Organisational structure

Certain areas of responsibility are delegated to committees, such as Finance and Mission. Both committees are chaired by an Elder and report to the Elders on a regular basis about important decisions.

Related parties

No matters to note under this heading. Declaration forms are provided.

Risk management

The Church's finances are subject to external examination. The trustees comply with Charity Commission advice and directives in the running of the Church. The trustees are satisfied that major risks are being assessed and systems put in place for their mitigation. Financially, the Church continues to be well supported by members and remains able to meet all commitments. In general, given the current economic climate and increasing public concern over the stability of the banking system, we want to keep below the maximum insured levels of £85k per bank. We have a three month Operational Reserve which has been reviewed at the end of 2022, taking into account salary increases and staffing levels and general operating costs and has been held at £115,000. We believe this reserve, combined with regular reviews of the financial systems, will provide sufficient resources in the event of adverse conditions.

HIGHLANDS Church is committed to protecting any vulnerable people we come into contact with. As part of this we have a Safeguarding Policy which requires all paid and voluntary workers who have responsibility for children or vulnerable adults to apply for an Enhanced Disclosure of any record held by the Disclosure and Barring Service (DBS). In 2022 we have again reviewed and updated our Safeguarding Policy to take into account changes in legislation and best practice. We also comply with the Code of Practice set out by the voluntary body 3:18, in matters of confidentiality and safe keeping of records.

We comply with the Disability Discrimination Act and make every effort to be inclusive to anyone, whatever their disability. Access to our premises at ground level is straightforward and we have a lift to ensure that wheelchair users can get onto the 1st floor without any difficulty. We have a loop system in the chapel to help those who are hard of hearing to be able to fully involved in the services and meetings taking place there. We also give training and guidelines to those involved in speaking, producing presentations or notice sheets or manning the PA or lighting to make them aware of those with visual or hearing impairments.

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.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

1179013

Principal address

Monthermer Road

CARDIFF

County of Cardiff

CF23 4QW

HIGHFIELDS CHURCH

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

Trustees

G Cresswell	Chair	Appointed 02/07/2018
A Rees	Chair of Finance	Appointed 02/07/2018
E J M Wiltshire		Appointed 02/07/2018
D Waters		Appointed 02/07/2018, Resigned 31/08/2022
Rev D Gobbett (Staff trustee)		Appointed 02/07/2018
Rev J Reeves (Staff trustee)		Appointed 02/07/2018
Rev M Teutsch (Staff trustee)		Appointed 02/07/2018
J Phillips		Appointed 01/09/2019
Dr R Hughes (Staff trustee)		Appointed 01/09/2019
D Evans		Appointed 01/09/2019
D Bhakla Raj		Appointed 11/04/2022
J Popham		Appointed 11/04/2022
J N Graham		Appointed 11/04/2022
Dr A Williams		Appointed 11/04/2022

Senior Staff

Lead Pastor	Rev D Gobbett
Associate Pastor	Rev J Reeves
Associate Pastor	Rev M Teutsch

Independent Examiner

Watts Gregory LLP
Chartered Accountants
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
County of Cardiff
CF23 8RS

Bankers

Lloyds TSB
1 Queen Street
Cardiff
CF10 2AS

HIGHFIELDS CHURCH

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 DECEMBER 2022

REFERENCE AND ADMINISTRATIVE DETAILS

Bankers

Virgin Money
1/3 Windsor Place
CARDIFF
CF10 3BX

Monmouthshire Building Society

Monmouthshire House

John Frost Square

NEWPORT

NP20 1PX

Shawbrook Bank

3rd floor, 8 Bishopsgate,

Cornhill,

LONDON

EC2N 3AR

Charity Bank

Fosse House

182 High Street

TONBRIDGE

TN9 1BE

Tridos Bank

Deanery Road

BRISTOL

BS1 5AS

Solicitors

John Phillips

1 Bishops Place

Whitchurch

CARDIFF

CF14 1LQ

Approved by order of the Board of Trustees on and signed on its behalf by:

G. Cresswell

G Cresswell - Chair

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF HIGHFIELDS CHURCH

Independent examiner's report to the trustees of Highfields Church

I report to the charity trustees on my examination of the accounts of Highfields Church (the Trust) for the year ended 31 December 2022.

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 member of the Association of Chartered Certified Accountants, 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.

Julla Mortimer FCCA
Watts Gregory LLP
Chartered Accountants
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
County of Cardiff
CF23 8RS

Date:

HIGHFIELDS CHURCH

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2022

	2022	2021
INCOME AND ENDOWMENTS FROM		
Donations and legacies	685,365	677,655
Charitable activities		
The promotion of Christianity	29,676	6,848
Other trading activities	2,550	3,660
Investment income	442	515
Other income	4,914	-
Total	722,947	688,678
EXPENDITURE ON		
Charitable activities		
The promotion of Christianity	123,335	716,855
NET INCOME/(EXPENDITURE)	13,163	(25,376)
RECONCILIATION OF FUNDS		
Total funds brought forward	50,418	1,134,079
TOTAL FUNDS CARRIED FORWARD	63,581	1,108,703

Notes

Unrestricted funds

Restricted funds

Total funds

Total funds

The notes form part of these financial statements

HIGHFIELDS CHURCH

BALANCE SHEET 31 DECEMBER 2022

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
FIXED ASSETS					
Tangible assets	13	732,499	-	732,499	759,335
CURRENT ASSETS					
Debtors	14	21,806	108	21,914	42,225
Cash at bank		<u>303,159</u>	<u>63,693</u>	<u>366,852</u>	<u>327,808</u>
		324,965	63,801	388,766	370,033
CREDITORS					
Amounts falling due within one year	15	(6,250)	(220)	(6,470)	(20,665)
NET CURRENT ASSETS		<u>318,715</u>	<u>63,581</u>	<u>382,296</u>	<u>349,368</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,051,214</u>	<u>63,581</u>	<u>1,114,795</u>	<u>1,108,703</u>
NET ASSETS		<u>1,051,214</u>	<u>63,581</u>	<u>1,114,795</u>	<u>1,108,703</u>
FUNDS	17				
Unrestricted funds				1,051,214	1,058,285
Restricted funds				<u>63,581</u>	<u>50,418</u>
TOTAL FUNDS				<u>1,114,795</u>	<u>1,108,703</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 25th June 2023 and were signed on its behalf by:

G. Cresswell
G Cresswell - Chair

A Rees
A Rees – Chair of Finance

The notes form part of these financial statements

HIGHFIELDS CHURCH

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2022

	2022	2021
Notes	£	£
Cash flows from operating activities	42,774	(11,619)
Cash generated from operations	1	
Net cash provided by/(used in) operating activities	42,774	(11,619)
Cash flows from investing activities	442	515
Interest received		
Purchase of tangible fixed assets	(4,172)	(10,246)
Net cash used in investing activities	(3,730)	(9,731)
Change in cash and cash equivalents in the reporting period	39,044	(21,350)
Cash and cash equivalents at the beginning of the reporting period	327,808	349,158
Cash and cash equivalents at the end of the reporting period	366,852	327,808

The notes form part of these financial statements

HIGHFIELDS CHURCH

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2022

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022 £	2021 £
Net Income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	6,092	(25,376)
Adjustments for:		
Depreciation charges	31,008	30,251
Interest received	(442)	(515)
Decrease/(increase) in debtors	20,311	(25,347)
(Decrease)/Increase in creditors	(14,195)	9,368
Net cash provided by/(used in) operations	<u>42,774</u>	<u>(11,619)</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/1/22 £	Cash flow £	At 31/12/22 £
Net cash			
Cash at bank	<u>327,808</u>	<u>39,044</u>	<u>366,852</u>
	<u>327,808</u>	<u>39,044</u>	<u>366,852</u>
Total	<u>327,808</u>	<u>39,044</u>	<u>366,852</u>

The notes form part of these financial statements

1. STATUTORY INFORMATION

Highfields Church is a registered charity, registered in England and Wales under charity number 1179013. The governing document of Highfields Church is its Constitution and it is a Charitable Incorporated Organisation (CIO). The principal address is Monthermer Road, Cardiff, CF24 4QW. The nature of the charity's operations and principal activities is disclosed within the Report of the Trustees.

The financial statements are presented in Sterling (£), the charity's functional currency, and rounded to the nearest pound. The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

2. 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 statements have been prepared under the historical cost convention.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent to provide a 'true and fair' view. This departure has involved following the 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 issued in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

There have been no material departures from Financial Reporting Standard 102.

Going concern

No material uncertainties exist relating to events or conditions that may cast significant doubt upon the entity's ability to continue as a going concern.

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.

This includes capital grants.

Donations and legacies income includes donations, gifts and grants that provide core funding or are of a general nature are recognised where there is entitlement, probability of receipt and the amount can be measured with sufficient reliability. Such income is only deferred when the donor specifies it must be used in future accounting periods or the donor has imposed conditions which must be met before the charity has unconditional entitlement.

Income from charitable activities includes income received under contract or where entitlement to grant funding is subject to specific performance conditions. This income is recognised where there is entitlement, when the receipt is probable and the amount can be measured reliably. Income is deferred when the amounts received are in advance of the performance of the service or event to which they relate.

Income from other trading activities is recognised as the related services are provided and there is entitlement, probability of receipt and the amount can be measured with sufficient reliability. Income is deferred when the amounts received are in advance of the delivery of the service or event to which it relates.

Investment income is recognised on a receivables basis.

It is not the policy of the charity to show income net of expenditure.

HIGHFIELDS CHURCH

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2022

2. ACCOUNTING POLICIES - continued

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.

Charitable expenditure comprises 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 costs of an indirect nature to support them.

Support costs are those costs that, whilst necessary to deliver an activity, do not themselves produce or constitute the output of the charitable activity. This includes "Governance costs" which are those costs associated with meeting the constitutional and statutory requirements of the charity and include the accountancy fees and costs linked to the strategic management of the charity as well as a proportion of salaries based on an approximation of time spent in this area.

Expenditure includes VAT as the charity is not VAT registered.

Allocation and apportionment of costs

All costs are allocated between the expenditure categories on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly; others are apportioned on an appropriate basis.

Tangible fixed assets

Fixed assets are initially recorded at cost. Fixed assets costing over £500 are capitalised.

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Fixtures and fittings	- 4 to 8 years straight line
Freehold land	- not depreciated
Freehold property	- 50 years straight line

Taxation

As a registered charity the organisation is exempt from income and corporation tax to the extent that its income and gains are applicable to charitable purposes only. Value Added Tax is not recoverable by the organisation and is therefore included in the relevant costs in the Statement of Financial Activities.

Fund accounting

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

Designated funds are created for specific purposes 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.

Operating leases

Rentals applicable to operating leases where substantially all the benefits and risks of ownership remain with the lessor are charged to the statement of financial activities on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension are charged to the Statement of Financial Activities in the period to which they relate.

2. ACCOUNTING POLICIES - continued**Capital grants**

Capital grants are accounted for in accordance with FRS 102 SORP. The board of trustees consider that in order to comply with the SORP, grants of a capital nature given for specific purposes and fully utilised in the furtherance of the charity's objectives should be credited to the building fund after the sums have been properly expended on the restricted purpose. The related assets are shown in the balance sheet at cost or valuation.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value. Debtors with no stated interest rate and receivable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure. Prepayments are valued at the amount prepaid net of any trade discounts due.

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

3. DONATIONS AND LEGACIES

Grants
Donations/offerings

	2022	2021
£	685,365	£
-	685,365	3,531
		674,124
		677,655

Grants received, included in the above, are as follows:

Coronavirus Job Retention Scheme

	2022	2021
£	-	£
		3,531

4. OTHER TRADING ACTIVITIES

Use of premises

	2022	2021
£	2,550	£
		3,660

5. INVESTMENT INCOME

Bank interest receivable

	2022	2021
£	442	£
		515

HIGHFIELDS CHURCH

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2022

6. INCOME FROM CHARITABLE ACTIVITIES

	2022	2021
	£	£
Youth and children's work	5,790	1,370
Pre-school	1,554	75
Bookstall	1,239	108
Dalton Street project	-	234
Internationals	740	129
Network courses	3,215	1,025
Students	5,878	1,497
Connection	1,068	-
Christians Against Poverty	10,192	2,410
	<u>29,676</u>	<u>6,848</u>

All income is from the single charitable activity of 'The Promotion of Christianity'.

7. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 8)	Support costs (see note 9)	Totals
	£	£	£
The promotion of Christianity	<u>635,346</u>	<u>81,509</u>	<u>716,855</u>

8. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2022	2021
	£	£
Staff costs	304,580	293,045
Staff training and expenses	10,403	6,153
Administration costs	36,842	31,226
Premises expenses	30,469	32,254
Bookstall expenses	976	-
Other Miscellaneous costs	12,531	19,289
Pulpit	2,010	1,750
Pastoral	950	1,664
Evangelism	4,289	4,299
Youth and children's work	10,824	7,399
Internationals	2,397	432
Students	9,639	4,514
Pre-school	715	590
Network	1,952	735
Dalton Street project costs (excluding staff costs)	6,950	3,618
Grants payable - Missionary Support	155,429	163,687
Christians Against Poverty	13,686	4,800
Conversational Classes	316	28
Fixed asset depreciation	30,388	29,646
	<u>635,346</u>	<u>605,129</u>

Included within direct costs of charitable activities above are grants payable of £155,429 (2021: £163,687) to Missionaries. This includes grants of £28,040 paid to 2 individuals and grants of £127,389 paid to 17 Mission Organisations (Prior year £26,220 to 2 individuals and £137,467 to 19 Mission Organisations).

9.	SUPPORT COSTS	Staff costs	Other costs	Governance costs	Totals
	The promotion of Christianity	55,827	23,042	2,640	81,509
		£	£	£	£
		2022	2021	2021	2021

Included within support costs are independent examination fees of £2,640 (2021 - £2,640)

10. TRUSTEES' REMUNERATION AND BENEFITS

The following remuneration was paid to trustees during the year:

Trustee	Role	2022	2021
D Gobbett	Lead Pastor	41,859	40,639
	Salary		
	Pension	1,322	1,283
J Reeves	Associate Pastor	34,078	33,086
	Salary		
	Pension	1,076	1,045
M Teutsch	Associate Pastor	37,239	36,154
	Salary		
	Pension	1,176	1,142
R Hughes	Internationals worker	28,131	27,311
	Salary		
	Pension	888	862

Payment is permitted by virtue of paragraph 6.3 of the constitution adopted 2 July 2017.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2022 or for the year ended 31 December 2021.

11. STAFF COSTS

Wages and salaries	2022	2021
£		
327,353	327,727	327,727
24,409	23,849	23,849
8,645	9,232	9,232
360,407	360,808	360,808

Total remuneration paid to trustees and key management personnel in the year was £175,003 (2021: £185,674).

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

2022	2021
14	13

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

HIGHFIELDS CHURCH

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	541,005	136,650	677,655
Charitable activities			
The promotion of Christianity	6,848	-	6,848
Other trading activities	3,660	-	3,660
Investment income	515	-	515
Total	<u>552,028</u>	<u>136,650</u>	<u>688,678</u>
EXPENDITURE ON			
Charitable activities			
The promotion of Christianity	<u>585,623</u>	<u>128,431</u>	<u>714,054</u>
NET INCOME/(EXPENDITURE)	(33,595)	8,219	(25,376)
RECONCILIATION OF FUNDS			
Total funds brought forward	<u>1,091,880</u>	<u>42,199</u>	<u>1,134,079</u>
TOTAL FUNDS CARRIED FORWARD	<u>1,058,285</u>	<u>50,418</u>	<u>1,108,703</u>

13. TANGIBLE FIXED ASSETS

	Freehold property £	Freehold land £	Fixtures and fittings £	Totals £
COST				
At 1 January 2022	1,031,227	80,000	62,765	1,173,992
Additions	-	-	4,172	4,172
At 31 December 2022	<u>1,031,227</u>	<u>80,000</u>	<u>66,937</u>	<u>1,178,164</u>
DEPRECIATION				
At 1 January 2022	372,036	-	42,621	414,657
Charge for year	<u>20,625</u>	-	<u>10,383</u>	<u>31,008</u>
At 31 December 2022	<u>392,661</u>	-	<u>53,004</u>	<u>445,665</u>
NET BOOK VALUE				
At 31 December 2022	<u>638,566</u>	<u>80,000</u>	<u>13,933</u>	<u>732,499</u>
At 31 December 2021	<u>659,191</u>	<u>80,000</u>	<u>20,144</u>	<u>759,335</u>

All assets are held for direct charitable purposes and there are no inalienable or historic assets.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022[illegible]

HIGHFIELDS CHURCH

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2022

17. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	586,449	(459,846)	126,603
Designated fund - Building fund	-	(20,625)	(20,625)
Designated fund - Contingency fund	-	(5,077)	(5,077)
Designated fund - Training (Immanuel)	-	(10,575)	(10,575)
Designated fund - Missionary fund	-	(36,740)	(36,740)
Designated fund - Dai Hankey fund	-	(2,400)	(2,400)
Designated fund - Ministry Apprentices	-	(54,630)	(54,630)
Designated fund - Maintenance fund	-	(3,627)	(3,627)
	586,449	(593,520)	(7,071)
Restricted funds			
Missionary fund	87,194	(86,489)	705
Dai Hankey fund	23,931	(24,800)	(869)
Ministry apprentices fund	1,000	(1,000)	-
Student Friends of Highfields fund	70	-	70
Sharing our lives fund	10,490	(1,875)	8,615
Good Causes	3,684	(374)	3,310
UCCF Fund	8,469	(7,500)	969
Christians Against Poverty	1,660	(1,297)	363
	136,498	(123,335)	13,163
TOTAL FUNDS	722,947	(716,855)	6,092

17. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1/1/21	Net movement in funds	Transfers between funds	At 31/12/21
Unrestricted funds				
General fund	26,855	88,449	(86,009)	29,295
Designated fund - Building fund	759,816	(20,625)	-	739,191
Designated fund - Operations reserve	115,000	-	-	115,000
Designated fund - Legacy fund	33,154	(33,154)	-	-
Designated fund - Missionary fund	16,938	(40,321)	41,764	18,381
Designated fund - Contingency fund	30,000	-	-	30,000
Designated fund - Training (Immanuel)	25,000	(2,270)	-	22,730
Designated fund - Dal Hankey fund	-	(2,245)	2,245	-
Designated fund - Ministry Apprentices	45,117	(11,403)	30,000	63,714
Designated fund - Maintenance fund	40,000	(12,026)	12,000	39,974
Restricted funds	1,091,880	(33,595)	-	1,058,285
Missionary fund	2,587	6,451	-	9,038
Dal Hankey fund	8,745	3,408	-	12,153
Homeless fund	405	(405)	-	-
Student Friends of Highfields fund	1,956	1,010	-	2,966
Sharing our lives fund	28,506	(2,245)	-	26,261
Unrestricted funds	42,199	8,219	-	50,418
TOTAL FUNDS	1,134,079	(25,376)	-	1,108,703

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

	Incoming resources	Resources expended	Movement in funds
Unrestricted funds			
General fund	550,453	(462,004)	88,449
Designated fund - Building fund	-	(20,625)	(20,625)
Designated fund - Legacy fund	-	(33,154)	(33,154)
Designated fund - Missionary fund	-	(40,321)	(40,321)
Designated fund - Training (Immanuel)	-	(2,270)	(2,270)
Designated fund - Dal Hankey fund	-	(2,245)	(2,245)
Designated fund - Ministry Apprentices	1,575	(12,978)	(11,403)
Designated fund - Maintenance fund	-	(12,026)	(12,026)
Restricted funds	552,028	(585,623)	(33,595)
Missionary fund	104,387	(97,936)	6,451
Dal Hankey fund	26,363	(22,955)	3,408
Homeless fund	-	(405)	(405)
Student Friends of Highfields fund	1,010	-	1,010
Sharing our lives fund	4,890	(7,135)	(2,245)
TOTAL FUNDS	688,678	(714,054)	(25,376)

HIGHFIELDS CHURCH

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2022

17. MOVEMENT IN FUNDS - continued

Designated funds

Designated funds are set up by resolution of the Finance Committee and are approved by the Elders of the church.

Building fund - this is the amount designated to match the net book value of the land and buildings.

Operations reserve - this fund is intended to meet 3 months of the total operating costs of the church, including staff salaries.

Contingency fund - this fund has been set up to deal with any unforeseen emergency costs that may arise.

Training (Immanuel) - gifts received in previous years set aside to be used for training.

Missionary fund - has been set up to deal with income which has been designated by the church for missionary work.

Ministry Apprentices - this fund has been created to set aside funds to support ministry apprentice costs.

Maintenance fund - this fund has been created to set aside funds for maintenance work to be carried out.

Dai Hankey fund - this fund has been created to provide additional funds to support Dai Hankey in his work.

Comparative year only

Legacy fund - this fund was set aside by the Trustees to ensure it was used for a specific use or project in the future.

Restricted funds

The missionary fund - relates to offerings given under the gift aid scheme, designated for this particular fund. These offerings are paid over to the Missionary Committee in the month following their allocation, to be used as the committee sees fit.

Dai Hankey fund - Dai is a missionary, who has moved to Trevethin to set up a church plant, Redeemer Church and an anti-slavery charity, Red Community. This fund has been set up to help finance Dai in his work.

Student Friends to Highfields fund - the fund was created to allow students who have attended Highfields, but since left Cardiff, to give to a fund created to support the student ministry at Highfields.

Sharing our lives - This fund has been designed to help those currently experiencing financial hardship.

Homeless fund - The fund was created to help with homelessness.

Good Causes - This fund was created for giving towards specific causes.

UCCF Fund - funding for Universities and Colleges Christian Fellowship (UCCF).

Christians Against Poverty - funding specifically for Christians Against Poverty, a registered Charity.

Transfers between funds

Transfers totalling £104,227 have been made from the general fund to a number of designated funds in the year as outlined below:

- A transfer of £31,600 to the designated missionary fund to be used towards missionary work costs.
- A transfer of £62,427 to the designated Ministry Apprentices fund to be used towards the costs associated with ministry apprentices.
- A transfer of £2,400 to the designated Dai Hankey fund to be set aside to help fund Dai in his work.
- A transfer of £7,800 has been made to the designated maintenance fund in respect of work to be carried out post Covid-19.

18. EMPLOYEE BENEFIT OBLIGATIONS

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in independently administered funds. The pension cost charge represents contributions paid by the charity to the fund and amounted to £8,645 (2021: £9,232). There were no outstanding contributions at the year end.

19. RELATED PARTY DISCLOSURES

The total unconditional donations made to the charity by its trustees and close family members amounted to £50,859 (2021: £31,074).

Missionary grants totalling £9,200 were made to an organisation, Pioneers UK, to support D Bhakia Raj, an international Families Worker. The payments were made since D Bhakia Raj was appointed as a Trustee of Highfields Church.

There were no other related party transactions or balances requiring disclosure for the year ended 31 December 2022 or for the year ended 31 December 2021.

HIGHFIELDS CHURCH**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2022**

	2022 £	2021 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Grants	-	3,531
Donations/offerings	<u>685,365</u>	<u>674,124</u>
	685,365	677,655
Other trading activities		
Use of premises	2,550	3,660
Investment Income		
Bank interest receivable	442	515
Charitable activities		
Youth and Children's work	5,790	1,370
Pre-school	1,554	75
Bookstall	1,239	108
Dalton Street project	-	234
Internationals	740	129
Network courses	3,215	1,025
Students	5,878	1,497
Connection	1,068	-
Christians Against Poverty	<u>10,192</u>	<u>2,410</u>
	29,676	6,848
Other Income		
Other income	<u>4,914</u>	<u>-</u>
Total Incoming resources	722,947	688,678
EXPENDITURE		
Charitable activities		
Wages	304,580	293,045
Staff training and expenses	10,403	6,153
Administration costs	36,842	31,226
Premises expenses	30,469	32,254
Bookstall expenses	976	-
Other Miscellaneous costs	12,531	19,289
Pulpit	2,010	1,750
Pastoral	950	1,664
Evangelism	4,289	4,299
Youth and children's work	10,824	7,399
Internationals	2,397	432
Students	9,639	4,514
Pre-school	715	590
Network	1,952	735
Carried forward	<u>428,577</u>	<u>403,350</u>

This page does not form part of the statutory financial statements

HIGHFIELDS CHURCH

DETAILED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2022

	2022	2021
Charitable activities		
Brought forward	428,577	403,350
Dalton Street project costs (excluding staff costs)	6,950	3,618
Grants payable - Missionary Support	155,429	163,687
Conversational classes	316	28
Christians Against Poverty	13,686	4,800
Fixed asset depreciation	30,388	29,646
	<u>635,346</u>	<u>605,129</u>
Support costs		
Staff costs		
Wages	55,827	67,763
Other costs		
Administration costs	4,094	3,470
Premises expenses	622	658
Buildings and equipment expenses	5,605	15,616
Cleaning and catering	10,945	17,489
Staff training and expenses	1,156	684
Fixtures and fittings	620	605
	<u>23,042</u>	<u>38,522</u>
Governance costs		
Independent examination fee	2,640	2,640
Total resources expended	<u>716,855</u>	<u>714,054</u>
Net income/(expenditure)	<u>6,092</u>	<u>(25,376)</u>

This page does not form part of the statutory financial statements

HIGHFIELDS CHURCH

England & Wales - Charity number 1179013

Accounts

**REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021
FOR
HIGHFIELDS CHURCH**

Watts Gregory LLP
Chartered Accountants
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
County of Cardiff
CF23 8RS

HIGHFIELDS CHURCH

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FOR THE YEAR ENDED 31 DECEMBER 2021**

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HIGHFIELDS CHURCH

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

The trustees present their report with the financial statements of the charity for the period 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

Charitable objects

The purposes of the church are:

- The advancement of the Christian faith in accordance with the Basis of Faith primarily but not exclusively within Cardiff and the surrounding neighbourhood; and
- Such other charitable purposes as shall, in the opinion of the charity trustees, put into practice the Christian faith in accordance with the Basis of Faith, including but not limited to: the prevention and relief of need, hardship and sickness; the advancement of education; and the provision of facilities in the interests of social welfare for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age infirmity or disability, financial hardship or social circumstances with the object of improving their conditions of life.

The charity's objective and principal activity continues to be the promotion of Christianity. The charity's objectives are met through the operation of a church and its associated activities such as Sunday Services, weekly clubs and activities for children of all ages as well as students, internationals and older members of the community.

Public benefit

The organisation's trustees can confirm that they have given due regard to public benefit guidance published by the Charity Commission. Significant activities that we undertook during the year that demonstrate public benefit are set out on the following pages.

Activities

We run a whole range of activities for all ages in Highfields Church. One of the most popular ways in which we serve the local community is through our pre-school groups, which run on Thursday mornings (Tiddlywinks Parent & Toddler Group). Many parents & carers from the local community (most of whom are non-Highfields families), come along with their pre-schoolers and enjoy taking part in these activities, and making friends. Many groups are now running normally after the COVID shutdown.

We continue to have excellent relationships with a number of local primary and secondary schools where we are regularly invited into take assemblies and input into religious education lessons as part of the National Curriculum and also host local school's Christmas concerts. Many local children come along to our weekly clubs, with 150 or more attending the special holiday clubs taking place in the school holidays.

Highfields runs a significant ministry for Internationals in Cardiff; we hold women's English Conversation Classes on Monday and Tuesday mornings and there is also a Women's Sewing Class held every Monday lunchtime.

Every two months an International Families event is held which includes international food and games for the children, which will restart after COVID shutdown.

We also provide opportunities for Internationals to find out more about the Christian faith through a weekly bible study, held on an evening.

On Fridays we run an International Café that is specifically aimed at International Students, but all internationals are welcome. Every week there's a theme e.g. East Asian Night which will include a presentation, games and traditional food. These have been run via Zoom for a long while but are now starting again in person.

Every term we organise a trip to famous landmarks in the UK, and twice a year we take internationals on a Weekend Away, however this did not happen due to COVID regulations.

We continue to reach out to students attending the local universities, and our student ministry continues to be busy, with a significant number of students attending the church.

HIGHFIELDS CHURCH

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

OBJECTIVES AND ACTIVITIES

Activities

The lunch club at the Dalton Street Community Centre - a joint initiative with Cardiff Council - stopped with COVID and has not yet restarted although we aim to encourage the previous clients to attend the 3 C's meeting on a Thursday. In addition, the Dalton Street Centre is used by Highfields for other ministries, such as work with students and internationals on a weekly basis, and we have seen an increase in attendance at these ministry activities in 2021.

We also run a very popular weekly coffee morning on Thursdays, which is attended by people of all ages from the local community as well as members of the Highfields Church congregation.

Specific outreach activities, such as a Christianity Explored Course for those who wish to find out more about the Christian faith are run from Highfields Church, hopefully restarting after Covid, although one was run on Zoom and we regularly hold events or services particularly aimed at non-Christians, where they can find out more.

In addition, we also work with other organisations to provide a variety of activities for the local community. This includes adult education art classes and dance classes, and use of the premises for elections.

Volunteers

The charity's different activities are run mainly by volunteers, many of whom are members of the church. Almost all the activities run at Highfields would not be possible without the input of volunteers on a weekly basis. This includes people running and helping with the clubs and activities for children of all ages, as well as the groups during the week for students, internationals, church members and some of the helpers at Dalton Street.

We also have volunteers who man the reception desk and help in the church office. There are well over 150 people who week by week help with these activities, giving up 2 or more hours of their time every week.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

During 2021 we have continued to make it a priority to welcome new people and integrate them into the life of the church and have continued our focus on encouraging people to join of small groups that meets regularly together for study, prayer and fellowship at various locations across the city. We have over 20 small groups that meet together weekly for this purpose, as well as our 20s ministry, where up to 60 people in their 20s meet together weekly in order to study God's word and encourage one another in their faith. These groups largely met via Zoom for much of the year, and we increased in number, due to a number of churches not reopening for a long while.

Throughout the year we run weekly clubs for children aged 4-18, these are open to the community as well as church families, and we continue to see regular attendance of over 200 children and young people. In addition, our summer holiday club attracts close to 200 children.

During term time we regularly see about 120 students attending the church on a Sunday, with about 60-70 of these regularly attending Bible Study groups during the week. There are a small number of them who meet up with other members of the church in the week, to study the Bible and pray together. This is a real encouragement to the students, as they face the challenges of university life. The students are also great at getting involved in serving in wider church ministries, such as Children's & Youth Work.

The Internationals team continues to have links with over 50 Internationals, many of whom come along to one or more of the weekly activities.

The popularity of our English Conversation Classes for women on Mondays and Tuesdays continues to grow, with at least 50 students in 5 different level groups taking place on both days. A crèche is also provided to enable the mothers to study with 25 pre-school children registered. This is in addition to the classes that take place for any members of the community on Thursday evenings.

The other community activities that take place at Highfields continue to see sustained and even increased interest. Art classes continue running on Wednesday mornings, and Friday mornings and afternoons throughout the terms, with 15-20 attending each session.

HIGHFIELDS CHURCH

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

ACHIEVEMENT AND PERFORMANCE

Charitable activities

As ever, the building is regularly used for Children's Parties, and we hope to continue to welcome schools into our premises for special events such as carol concerts or end of year services, post COVID. They find our premises to be the right size for these types of events and many of the families have links with the church through children attending the church or clubs and activities that take place here. We have also run Nativity trails and other Parent events in the school premises, when inside use was not possible.

Strategies for Aims and Objectives.

We continue to seek to further the Aims of the organisation, by continuing the current practice of proclamation of the Gospel, at large gatherings on a Sunday, and building relationships with others through the variety of small groups that operate during the week. Further, initial contact with those not known to us is sought by enabling access to community groups such as 3 C's, and children related activities such as parent and toddler groups. Also opening the building for outside hire, such as Art classes, helps get us recognition within the community. We aim to continue to do this and will see the effectiveness with increased engagement from those, both within and without, who previously may not have been present. We have also become a Christians Against Poverty (CAP) debt centre and employed a manager to oversee this activity 2 days per week. Unfortunately, the person resigned towards the end of the summer, and we sought to appoint another.

In the longer term, we will assess our staff structure, which will be adapted to the needs of the church and the community we serve. This will be ongoing, seeking the furtherance of the church.

Performance Achievement.

We have continued to operate the clubs effectively in this year, and have increased the number accessing them, especially the Tiddlywinks parent and child club, which is continually oversubscribed. The Art classes for the local community are also very popular, and youth programs are also very active.

Membership has increased, and the financial picture has been incredibly strong this year with a 10% uplift overall in income. This has proved to be fortuitous, despite the current financial climate generally.

FINANCIAL REVIEW

Financial position

Given the current challenging conditions, at home and throughout the world, we have been very encouraged that giving to Highfields continues to meet the majority of the expenditure throughout the year.

The Statement of Financial Activities shows total incoming resources for the year of £688,678 compared to £712,312 for last year. Total resources expended for the year were £714,054. This spend is 7.6% higher than 2020, due to an increase of approximately £38,000 spent on maintenance and equipment plus increased staffing costs.

Given the ongoing challenging financial climate, we have been very encouraged that giving to Highfields has been able to meet the majority of the increased expenditure over to last year. We had a significant increase in 2020 and have been heartened that the incoming funds have been sufficient to meet the needs. The principal risks associated with the coming year would be the inability for members to give effectively to cover costs, and there may be a shortfall, if there are givers who stop giving for some reason, and we are currently using the Legacy fund for Ministry Apprentices and Ministry Trainees, which will deplete the fund without increased giving. We are hopeful that giving will increase though to cover this when we make the need known. We have every confidence as this has been the experience of the previous year, and there have been no substantial changes in the membership that would indicate otherwise.

Reserves policy

At 31 December 2021 the charity's total funds amounted to £1,108,703, of which £50,418 is tied up within restricted funds. This leaves unrestricted funds of £1,058,285. As outlined in the accounts, the trustees have designated £1,028,990 (including the building fund) for specific purposes, therefore after excluding fixtures and fittings, the charity has free reserves of £9,151.

Although encouraged by the giving in 2021, the trustees are aware of the challenges of the coming year again with increased staff costs related to increased salaries and pension costs.

The trustees consider the financial position to be satisfactory.

HIGHFIELDS CHURCH

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

FUTURE DEVELOPMENTS

We have completed the process of reviewing our vision for the church and this was rolled out in June 2018. This has set the strategic direction for the church for the next five years, both building on our strengths and maximising our opportunities to meet our charitable objectives. Our Aims and Objectives have not changed, but the way we concentrate on certain aspects of the new vision will adapt the way we implement our services within the church setting. We will endeavour to get all groups within the church to embrace the vision and operate accordingly.

We aim to continue to further the church objects, by continuing to proclaim the message of the gospel in large Sunday gatherings, while also maintaining the smaller groups within the church family, for the maintenance of friendships and relationships, and continuing community involvement, ensuring the continuing of Highfields Church. We will endeavour to continue to use our resources in this purpose, ensuring we maintain a healthy accounting structure, to enable us to effectively manage the resources available.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The full name of the charity is Highfields Church and is known as Highfields. We are a CIO, incorporated in June 2018. The current Constitution was ratified on 2 July 2017

Method of election of Elders/Trustees

Instruction shall be given to Church Members concerning the biblical qualifications of an Elder. In addition, potential Elders, apart from those referred to in 4.2.2 (Pastors, Associate Pastors, and Assistant Pastors), should normally have been members of the church for at least 2 years. All Church Members shall be invited to submit, by hand or post, their nomination of Member(s) of the Church for the office of Elder, having been given at least two weeks notification to do so. The Elders will consider all nominations received to ensure the nominees are members and suitable for office. The existing Elders will then seek confirmation from the nominees of their willingness to stand before submitting the names of those deemed suitable and willing to stand to the Church to vote upon by postal ballot. Members will be given 3 weeks to return ballot papers.

To be chosen as an Elder, each nominee must receive at least two-thirds of the positive votes of the Church Members voting. Those persons duly confirmed by the Church through voting, will be invited to accept the office. Those persons duly chosen as Elders shall be recognised at an Ordination Service. Elders shall also be appointed as Managing Trustees.

Elders, apart from Staff Elders, shall be elected for a period of 7 years, or as long as they continue as members of the church, or until they resign, or until they are removed from office, whichever is the earlier. An election or re-election of Elders shall be held at least every seven years. On expiry of the term of office, Elders shall be eligible for re-election.

The duly elected Elders are the Managing Trustees as laid down in the Constitution. The Elders are responsible for the spiritual oversight of the Church, the Church discipline, the administration of the Charity and its funds in accordance with the constitution. They shall determine the structure, purpose, and direction of the church. All Elders must be members of the Church and be in agreement with the Basis of Faith.

Induction and training of new trustees

Trustees of Highfields are always those who have been members of the church for a significant period of time, and hence are generally familiar with its activities. They have copies of the previous annual reports and constitution. They are made familiar with the responsibilities of trustees when they take up their post. The regular input from different ministry leaders to the Elders' meetings provides the trustees with the ability to keep up to date with the charity's activities on an ongoing basis.

Organisational structure

As of 31 December 2021, there are ten Elders, these include four Staff Elders, Lead Pastor, Dave Gobbett, Associate Pastor Jon Reeves, Associate Pastor Michael Teutsch, and Internationals Worker Rowland Hughes. Elders typically meet every two weeks to manage the affairs of the church.

HIGHFIELDS CHURCH

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational structure

The Elders may delegate the running of certain administrative and practical affairs of the church and ministries, as they see fit, to Deacons, Associate Workers, and Ministry Leaders. Deacons are responsible, as directed by the Elders, for the administration and practical matters of the church. They maintain and administer the church in terms of buildings, equipment, procedures and format. Ministry Leaders are primarily involved in word, pastoral and prayer-based ministries as directed by the Elders. Associate Workers are those appointed by the Elders to carry out specific roles as determined by the Elders. All Deacons, Associate Workers and Ministry Leaders must be members of the church and be in agreement with the Basis of Faith.

Requests by the Elders for the Deacons to undertake specific duties will be recorded in the minutes of the Elders meetings and requests provided to the Deacons. The Deacons shall record details and minutes of any meetings and copy these to the Elders.

Members of staff who head up particular areas of ministry are named amongst this group. Deacons and Ministry Leaders make day to day decisions about their areas of ministry, but will liaise with one or more Elders about important matters.

Certain areas of responsibility are delegated to committees, such as Finance and Mission. Both committees are chaired by an Elder and report to the Elders on a regular basis about important decisions.

Related parties

No matters to note under this heading. Declaration forms are provided.

Risk management

The church's finances are subject to external examination. The trustees comply with Charity Commission advice and directives in the running of the church. The trustees are satisfied that major risks are being assessed and systems put in place for their mitigation. Financially, the church continues to be well supported by members and remains able to meet all commitments.

In general, given the current economic climate and increasing public concern over the stability of the banking system, we want to keep below the maximum insured levels of £85k per bank. We have a three month Operational Reserve which has been reviewed at the end of 2021, taking into account salary increases and staffing levels and general operating costs and has been held at £115,000. We believe this reserve, combined with regular reviews of the financial systems, will provide sufficient resources in the event of adverse conditions.

Highfields Church is committed to protecting any vulnerable people we come into contact with. As part of this we have a Safeguarding Policy which requires all paid and voluntary workers who have responsibility for children or vulnerable adults to apply for an Enhanced Disclosure of any record held by the Disclosure and Barring Service (DBS). In 2021 we have again reviewed and updated our Safeguarding Policy to take into account changes in legislation and best practice. We also comply with the Code of Practice set out by the voluntary body 31:8, in matters of confidentiality and safe keeping of records.

We comply with the Disability Discrimination Act and make every effort to be inclusive to anyone, whatever their disability. Access to our premises at ground level is straightforward and we have a lift to ensure that wheelchair users can get onto the 1st floor without any difficulty. We have a loop system in the chapel to help those who are hard of hearing to be able to be fully involved in the services and meetings taking place there. We also give training and guidelines to those involved in speaking, producing presentations or notice sheets or manning the PA or lighting to make them aware of those with visual or hearing impairments.

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.

HIGHFIELDS CHURCH

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

1179013

Principal address

Monthermer Road
CARDIFF
CF23 4QW

Trustees

G Cresswell	Chair	Appointed 02.07.18
A Rees	Chair of Finance	Appointed 02.07.18
E J M Wiltshire		Appointed 02.07.18
D Waters		Appointed 02.07.18
Rev D Gobbett (Staff trustee)		Appointed 02.07.18
Rev J Reeves (Staff trustee)		Appointed 02.07.18
Rev M Teutsch (Staff trustee)		Appointed 02.07.18
J Phillips		Appointed 01.09.19
Dr R Hughes (Staff trustee)		Appointed 01.09.19
D Evans		Appointed 01.09.19

Senior Staff

Lead Minister	Rev D Gobbett
Associate Minister	Rev J Reeves
Associate Minister	Rev Michael Teutsch

Independent Examiner

Watts Gregory LLP
Chartered Accountants
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
County of Cardiff
CF23 8RS

HIGHFIELDS CHURCH

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2021**

REFERENCE AND ADMINISTRATIVE DETAILS

Bankers

Lloyds TSB
1 Queen Street
Cardiff
CF10 2AS

Bankers

Virgin Money
1/3 Windsor Place
CARDIFF
CF10 3BX

Monmouthshire Building Society
Monmouthshire House
John Frost Square
NEWPORT
NP20 1PX

Shawbrook Bank
3rd floor, 8 Bishopsgate,
Cornhill.
LONDON
EC2N 3AR

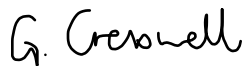
Charity Bank
Fosse House
182 High Street
TONBRIDGE
TN9 1BE

Tridos Bank
Deanery Road
BRISTOL
BS1 5AS

Solicitors

John Phillips
1 Bishops Place
Whitchurch
CARDIFF
CF14 1LQ

Approved by order of the Board of Trustees on 7/8/22..... and signed on its behalf by:



.....
G Cresswell - Chair

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF HIGHFIELDS CHURCH

Independent examiner's report to the trustees of Highfields Church

I report to the charity trustees on my examination of the accounts of Highfields 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 ACCA 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.

Julia Mortimer FCCA
Watts Gregory LLP
Chartered Accountants
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
County of Cardiff
CF23 8RS

Date:

HIGHFIELDS CHURCH

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	541,005	136,650	677,655	696,874
Charitable activities	6				
The promotion of Christianity		6,848	-	6,848	7,880
Other trading activities	4	3,660	-	3,660	5,563
Investment income	5	<u>515</u>	<u>-</u>	<u>515</u>	<u>1,995</u>
Total		552,028	136,650	688,678	712,312
EXPENDITURE ON					
Charitable activities	7				
The promotion of Christianity		585,623	128,431	714,054	663,902
		<u>585,623</u>	<u>128,431</u>	<u>714,054</u>	<u>663,902</u>
NET INCOME/(EXPENDITURE)		(33,595)	8,219	(25,376)	48,410
RECONCILIATION OF FUNDS					
Total funds brought forward		1,091,880	42,199	1,134,079	1,085,669
		<u>1,091,880</u>	<u>42,199</u>	<u>1,134,079</u>	<u>1,085,669</u>
TOTAL FUNDS CARRIED FORWARD		<u>1,058,285</u>	<u>50,418</u>	<u>1,108,703</u>	<u>1,134,079</u>

The notes form part of these financial statements

HIGHFIELDS CHURCH

BALANCE SHEET 31 DECEMBER 2021

	Notes	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
FIXED ASSETS					
Tangible assets	13	759,335	-	759,335	779,340
CURRENT ASSETS					
Debtors	14	39,145	3,080	42,225	16,878
Cash at bank		<u>265,206</u>	<u>62,602</u>	<u>327,808</u>	<u>349,158</u>
		304,351	65,682	370,033	366,036
CREDITORS					
Amounts falling due within one year	15	<u>(5,401)</u>	<u>(15,264)</u>	<u>(20,665)</u>	<u>(11,297)</u>
NET CURRENT ASSETS		<u>298,950</u>	<u>50,418</u>	<u>349,368</u>	<u>354,739</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,058,285</u>	<u>50,418</u>	<u>1,108,703</u>	<u>1,134,079</u>
NET ASSETS		<u>1,058,285</u>	<u>50,418</u>	<u>1,108,703</u>	<u>1,134,079</u>
FUNDS	17				
Unrestricted funds				1,058,285	1,091,880
Restricted funds				<u>50,418</u>	<u>42,199</u>
TOTAL FUNDS				<u>1,108,703</u>	<u>1,134,079</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 7/8/22 and were signed on its behalf by:

G. Cresswell

.....
G Cresswell - Chair

A Rees

.....
A Rees – Chair of Finance

The notes form part of these financial statements

HIGHFIELDS CHURCH**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Notes	2021 £	2020 £
Cash flows from operating activities			
Cash generated from operations	1	<u>(11,619)</u>	<u>84,853</u>
Net cash (used in)/provided by operating activities		<u>(11,619)</u>	<u>84,853</u>
Cash flows from investing activities			
Interest received		515	1,995
Purchase of tangible fixed assets		<u>(10,246)</u>	<u>(22,723)</u>
Net cash used in investing activities		<u>(9,731)</u>	<u>(20,728)</u>
Change in cash and cash equivalents in the reporting period		(21,350)	64,125
Cash and cash equivalents at the beginning of the reporting period		<u>349,158</u>	<u>285,033</u>
Cash and cash equivalents at the end of the reporting period		<u><u>327,808</u></u>	<u><u>349,158</u></u>

The notes form part of these financial statements

HIGHFIELDS CHURCH

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2021

1. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021 £	2020 £
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(25,376)	48,410
Adjustments for:		
Depreciation charges	30,251	27,690
Interest received	(515)	(1,995)
(Increase)/decrease in debtors	(25,347)	10,935
Increase/(decrease) in creditors	<u>9,368</u>	<u>(187)</u>
Net cash (used in)/provided by operations	<u>(11,619)</u>	<u>84,853</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/1/21 £	Cash flow £	At 31/12/21 £
Net cash			
Cash at bank	<u>349,158</u>	<u>(21,350)</u>	<u>327,808</u>
Total	<u>349,158</u>	<u>(21,350)</u>	<u>327,808</u>

The notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

1. STATUTORY INFORMATION

Highfields Church is a registered charity, registered in England and Wales under charity number 1179013. The governing document of Highfields Church is its Constitution and it is a Charitable Incorporated Organisation (CIO). The principal address is Monthermer Road, Cardiff, CF24 4QW. The nature of the charity's operations and principal activities is disclosed within the Report of the Trustees.

The financial statements are presented in Sterling (£), the charity's functional currency, and rounded to the nearest pound.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

2. 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.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent to provide a 'true and fair' view. This departure has involved following the 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 issued in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

There have been no material departures from Financial Reporting Standard 102.

Going concern

No material uncertainties exist relating to events or conditions that may cast significant doubt upon the entity's ability to continue as a going concern.

The trustees are satisfied that despite the Coronavirus pandemic, it is appropriate for the charity's financial statements to be prepared on a going concern basis. The trustees have taken steps to minimise the effect on the charity and will continue to do so. In the circumstances they have concluded that no adjustments or additional disclosures are required to the financial statements at this time.

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.

This includes capital grants.

Donations and legacies income includes donations, gifts and grants that provide core funding or are of a general nature are recognised where there is entitlement, probability of receipt and the amount can be measured with sufficient reliability. Such income is only deferred when the donor specifies it must be used in future accounting periods or the donor has imposed conditions which must be met before the charity has unconditional entitlement.

Income from charitable activities includes income received under contract or where entitlement to grant funding is subject to specific performance conditions. This income is recognised where there is entitlement, when the receipt is probable, and the amount can be measured reliably. Income is deferred when the amounts received are in advance of the performance of the service or event to which they relate.

Income from other trading activities is recognised as the related services are provided and there is entitlement, probability of receipt and the amount can be measured with sufficient reliability. Income is deferred when the amounts received are in advance of the delivery of the service or event to which it relates.

Investment income is recognised on a receivables basis.

2. ACCOUNTING POLICIES - continued

Income

It is not the policy of the charity to show income net of expenditure.

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.

Charitable expenditure comprises 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 costs of an indirect nature to support them.

Support costs are those costs that, whilst necessary to deliver an activity, do not themselves produce or constitute the output of the charitable activity. This includes "Governance costs" which are those costs associated with meeting the constitutional and statutory requirements of the charity and include the accountancy fees and costs linked to the strategic management of the charity as well as a proportion of salaries based on an approximation of time spent in this area.

Expenditure includes VAT as the charity is not VAT registered.

Allocation and apportionment of costs

All costs are allocated between the expenditure categories on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly; others are apportioned on an appropriate basis.

Tangible fixed assets

Fixed assets are initially recorded at cost. Fixed assets costing over £500 are capitalised.

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Fixtures and fittings	- 4 to 8 years straight line
Freehold land	- not depreciated
Freehold property	- 50 years straight line

Taxation

As a registered charity the organisation is exempt from income and corporation tax to the extent that its income and gains are applicable to charitable purposes only. Value Added Tax is not recoverable by the organisation and is therefore included in the relevant costs in the Statement of Financial Activities.

Fund accounting

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

Designated funds are created for specific purposes 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.

Operating leases

Rentals applicable to operating leases where substantially all the benefits and risks of ownership remain with the lessor are charged to the statement of financial activities on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension are charged to the Statement of Financial Activities in the period to which they relate.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

2. ACCOUNTING POLICIES - continued

Capital grants

Capital grants are accounted for in accordance with FRS 102 SORP. The board of trustees consider that in order to comply with the SORP, grants of a capital nature given for specific purposes and fully utilised in the furtherance of the charity's objectives should be credited to the building fund after the sums have been properly expended on the restricted purpose. The related assets are shown in the balance sheet at cost or valuation.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Debtors with no stated interest rate and receivable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure. Prepayments are valued at the amount prepaid net of any trade discounts due.

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

3. DONATIONS AND LEGACIES

	2021	2020
	£	£
Grants	3,531	4,623
Donations/offerings	<u>674,124</u>	<u>692,251</u>
	<u>677,655</u>	<u>696,874</u>

Grants received, included in the above, are as follows:

	2021	2020
	£	£
Coronavirus Job Retention Scheme	<u>3,531</u>	<u>4,623</u>

4. OTHER TRADING ACTIVITIES

	2021	2020
	£	£
Use of premises	<u>3,660</u>	<u>5,563</u>

5. INVESTMENT INCOME

	2021	2020
	£	£
Bank interest receivable	<u>515</u>	<u>1,995</u>

HIGHFIELDS CHURCH

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2021

6. INCOME FROM CHARITABLE ACTIVITIES

	2021 £	2020 £
Youth and children's work	1,370	1,053
Pre-school	75	590
Bookstall	108	59
Dalton Street project	234	1,736
Internationals	129	-
Network courses	1,025	675
Students	1,497	1,227
Conversational classes	-	600
Christians Against Poverty	2,410	1,940
	<u>6,848</u>	<u>7,880</u>

All income is from the single charitable activity of 'The Promotion of Christianity'.

7. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 8) £	Support costs (see note 9) £	Totals £
The promotion of Christianity	<u>605,129</u>	<u>108,925</u>	<u>714,054</u>

8. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2021 £	2020 £
Staff costs	293,045	283,119
Staff training and expenses	6,153	5,835
Administration costs	31,226	31,126
Premises expenses	32,254	15,492
Bookstall expenses	-	20
Other Miscellaneous costs - (worthwhile causes)	19,289	10,026
Pulpit	1,750	1,172
Pastoral	1,664	538
Evangelism	4,299	5,658
Youth and children's work	7,399	4,599
Internationals	432	1,280
Students	4,514	1,886
Pre-school	590	529
Network	735	73
Dalton Street project costs (excluding staff costs)	3,618	7,588
Grants payable - Missionary Support	163,687	176,758
Christians Against Poverty	4,800	3,909
Fixed asset depreciation	29,646	27,136
	<u>605,129</u>	<u>576,744</u>

Included within direct costs of charitable activities above are grants payable of £163,687 (2020: £176,758) to Missionaries. This includes grants of £36,595 paid to 3 individuals and grants of £127,092 paid to 18 Mission Organisations.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

9. SUPPORT COSTS

	Staff costs £	Other costs £	Governance costs £	Totals £
The promotion of Christianity	<u>67,763</u>	<u>38,522</u>	<u>2,640</u>	<u>108,925</u>

Included within support costs are independent examination fees of £2,640 (2020 - £2,640)

10. TRUSTEES' REMUNERATION AND BENEFITS

The following remuneration was paid to trustees during the year:

Trustee	Role		2021 £	2020 £
D Gobbett	Lead Minister	Salary	40,639	39,455
		Pension	1,283	1,246
J Reeves	Associate Minister	Salary	33,086	32,122
		Pension	1,045	1,015
M Teutsch	Associate Minister	Salary	36,154	35,101
		Pension	1,142	1,108
R Hughes	Internationals	Salary	27,311	26,515
		Pension	862	837

Payment is permitted by virtue of paragraph 6.3 of the constitution adopted 2 July 2017.

Trustees' expenses

During the year £1,380 was paid to 3 trustees (2020 - £1,345 was paid to 3 trustees) in respect of travel expenses and book allowances.

11. STAFF COSTS

	2021 £	2020 £
Wages and salaries	327,727	311,696
Social security costs	23,849	22,483
Other pension costs	<u>9,232</u>	<u>8,502</u>
	<u>360,808</u>	<u>342,681</u>

Total remuneration paid to trustees and key management personnel in the year was £185,674 (2020: £180,437).

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

2021	2020
<u>13</u>	<u>12</u>

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

HIGHFIELDS CHURCH

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	535,939	160,935	696,874
Charitable activities			
The promotion of Christianity	7,880	-	7,880
Other trading activities	5,563	-	5,563
Investment income	<u>1,995</u>	<u>-</u>	<u>1,995</u>
Total	551,377	160,935	712,312
EXPENDITURE ON			
Charitable activities			
The promotion of Christianity	<u>528,547</u>	<u>135,355</u>	<u>663,902</u>
NET INCOME	22,830	25,580	48,410
Transfers between funds	<u>(1,800)</u>	<u>1,800</u>	<u>-</u>
Net movement in funds	21,030	27,380	48,410
RECONCILIATION OF FUNDS			
Total funds brought forward	<u>1,070,850</u>	<u>14,819</u>	<u>1,085,669</u>
TOTAL FUNDS CARRIED FORWARD	<u><u>1,091,880</u></u>	<u><u>42,199</u></u>	<u><u>1,134,079</u></u>

13. TANGIBLE FIXED ASSETS

	Freehold property £	Freehold land £	Fixtures and fittings £	Totals £
COST				
At 1 January 2021	1,031,227	80,000	52,519	1,163,746
Additions	<u>-</u>	<u>-</u>	<u>10,246</u>	<u>10,246</u>
At 31 December 2021	<u>1,031,227</u>	<u>80,000</u>	<u>62,765</u>	<u>1,173,992</u>
DEPRECIATION				
At 1 January 2021	351,411	-	32,995	384,406
Charge for year	<u>20,625</u>	<u>-</u>	<u>9,626</u>	<u>30,251</u>
At 31 December 2021	<u>372,036</u>	<u>-</u>	<u>42,621</u>	<u>414,657</u>
NET BOOK VALUE				
At 31 December 2021	<u><u>659,191</u></u>	<u><u>80,000</u></u>	<u><u>20,144</u></u>	<u><u>759,335</u></u>
At 31 December 2020	<u><u>679,816</u></u>	<u><u>80,000</u></u>	<u><u>19,524</u></u>	<u><u>779,340</u></u>

All assets are held for direct charitable purposes and there are no inalienable or historic assets.

HIGHFIELDS CHURCH

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2021

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Gift aid debtor	28,477	9,226
Prepayments and accrued income	<u>13,748</u>	<u>7,652</u>
	<u>42,225</u>	<u>16,878</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Accruals and deferred income	<u>20,665</u>	<u>11,297</u>

16. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2021	2020
	£	£
Within one year	3,450	4,600
Between one and five years	<u>-</u>	<u>3,833</u>
	<u>3,450</u>	<u>8,433</u>

Lease payments recognised as an expense in the year are £4,600 (2020: £4,600).

17. MOVEMENT IN FUNDS

	At 1/1/21	Net movement in funds	Transfers between funds	At 31/12/21
	£	£	£	£
Unrestricted funds				
General fund	26,855	88,449	(86,009)	29,295
Designated fund - Building fund	759,816	(20,625)	-	739,191
Designated fund - Operations reserve	115,000	-	-	115,000
Designated fund - Legacy fund	33,154	(33,154)	-	-
Designated fund - Missionary fund	16,938	(40,321)	41,764	18,381
Designated fund - Contingency fund	30,000	-	-	30,000
Designated fund - Training (Immanuel)	25,000	(2,270)	-	22,730
Designated fund - Dai Hankey fund	-	(2,245)	2,245	-
Designated fund - Ministry Apprentices	45,117	(11,403)	30,000	63,714
Designated fund - Maintenance fund	<u>40,000</u>	<u>(12,026)</u>	<u>12,000</u>	<u>39,974</u>
	1,091,880	(33,595)	-	1,058,285
Restricted funds				
Missionary fund	2,587	6,451	-	9,038
Dai Hankey fund	8,745	3,408	-	12,153
Homeless fund	405	(405)	-	-
Student Friends of Highfields fund	1,956	1,010	-	2,966
Sharing our lives fund	<u>28,506</u>	<u>(2,245)</u>	<u>-</u>	<u>26,261</u>
	<u>42,199</u>	<u>8,219</u>	<u>-</u>	<u>50,418</u>
TOTAL FUNDS	<u>1,134,079</u>	<u>(25,376)</u>	<u>-</u>	<u>1,108,703</u>

HIGHFIELDS CHURCH

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2021

17. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	550,453	(462,004)	88,449
Designated fund - Building fund	-	(20,625)	(20,625)
Designated fund - Legacy fund	-	(33,154)	(33,154)
Designated fund - Missionary fund	-	(40,321)	(40,321)
Designated fund - Training (Immanuel)	-	(2,270)	(2,270)
Designated fund - Dai Hankey fund	-	(2,245)	(2,245)
Designated fund - Ministry Apprentices	1,575	(12,978)	(11,403)
Designated fund - Maintenance fund	-	(12,026)	(12,026)
	552,028	(585,623)	(33,595)
Restricted funds			
Missionary fund	104,387	(97,936)	6,451
Dai Hankey fund	26,363	(22,955)	3,408
Homeless fund	-	(405)	(405)
Student Friends of Highfields fund	1,010	-	1,010
Sharing our lives fund	4,890	(7,135)	(2,245)
	136,650	(128,431)	8,219
TOTAL FUNDS	688,678	(714,054)	(25,376)

Comparatives for movement in funds

	At 1/1/20 £	Net movement in funds £	Transfers between funds £	At 31/12/20 £
Unrestricted funds				
General fund	9,118	103,018	(85,281)	26,855
Designated fund - Building fund	778,691	(20,625)	1,750	759,816
Designated fund - Operations reserve	110,000	-	5,000	115,000
Designated fund - Legacy fund	69,884	(36,730)	-	33,154
Designated fund - Missionary fund	18,040	(47,833)	46,731	16,938
Designated fund - Contingency fund	30,000	-	-	30,000
Designated fund - Training (Immanuel)	25,000	-	-	25,000
Designated fund - Ministry Apprentices	30,117	-	15,000	45,117
Designated fund - Maintenance fund	-	25,000	15,000	40,000
	1,070,850	22,830	(1,800)	1,091,880
Restricted funds				
Missionary fund	915	1,672	-	2,587
Dai Hankey fund	11,129	(4,184)	1,800	8,745
Dalit fund	430	(430)	-	-
Homeless fund	905	(500)	-	405
Student Friends of Highfields fund	1,440	516	-	1,956
Sharing our lives fund	-	28,506	-	28,506
	14,819	25,580	1,800	42,199
TOTAL FUNDS	1,085,669	48,410	-	1,134,079

HIGHFIELDS CHURCH**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021****17. 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	525,981	(422,963)	103,018
Designated fund - Building fund	-	(20,625)	(20,625)
Designated fund - Legacy fund	396	(37,126)	(36,730)
Designated fund - Missionary fund	-	(47,833)	(47,833)
Designated fund - Maintenance fund	<u>25,000</u>	<u>-</u>	<u>25,000</u>
	551,377	(528,547)	22,830
Restricted funds			
Missionary fund	105,397	(103,725)	1,672
Dai Hankey fund	21,016	(25,200)	(4,184)
Dalit fund	-	(430)	(430)
Homeless fund	-	(500)	(500)
Student Friends of Highfields fund	816	(300)	516
Sharing our lives fund	<u>33,706</u>	<u>(5,200)</u>	<u>28,506</u>
	<u>160,935</u>	<u>(135,355)</u>	<u>25,580</u>
TOTAL FUNDS	<u><u>712,312</u></u>	<u><u>(663,902)</u></u>	<u><u>48,410</u></u>

Designated funds

Designated funds are set up by resolution of the Finance Committee and are approved by the Elders of the church.

Building fund - this is the amount designated to match the net book value of the land and buildings.

Operations reserve - this fund is intended to meet 3 months of the total operating costs of the church, including staff salaries.

Legacy fund - this fund has been set aside by the Trustees to ensure it is used for a specific use or project in the near future.

Contingency fund- this fund has been set up to deal with any unforeseen emergency costs that may arise.

Training (Immanuel) - gifts received in previous years set aside to be used for training.

Missionary fund - has been set up to deal with income which has been designated by the church for missionary work.

Ministry Apprentices - this fund has been created to set aside funds to support ministry apprentice costs.

Maintenance fund - this fund has been created to set aside funds for maintenance work to be carried out.

Dai Hankey fund - this fund has been created to provide additional funds to support Dai Hankey in his work.

Restricted funds

The missionary fund - relates to offerings given under the gift aid scheme, designated for this particular fund. These offerings are paid over to the Missionary Committee in the month following their allocation, to be used as the committee sees fit.

Dai Hankey fund - Dai is a missionary, who has moved to Trevethin to set up a church plant, Redeemer Church and an anti-slavery charity, Red Community. This fund has been set up to help finance Dai in his work.

Student Friends to Highfields fund - the fund was created to allow students who have attended Highfields, but since left Cardiff, to give to a fund created to support the student ministry at Highfields.

Sharing our lives - This fund has been designed to help those currently experiencing financial hardship.

17. MOVEMENT IN FUNDS - continued

Homeless fund - The fund was created to help with homelessness.

Transfers between funds

Transfers totalling £86,009 have been made from the general fund to a number of designated and restricted funds in the year as outlined below:

- A transfer of £41,764 to the designated missionary fund to be used towards missionary work costs.
- A transfer of £30,000 to the designated Ministry Apprentices fund to be used towards the costs associated with ministry apprentices.
- A transfer of £2,245 to the designated Dai Hankey fund to be set aside to help fund Dai in his work.
- A transfer of £12,000 has been made to the maintenance fund in respect of work to be carried out post Covid-19.

18. EMPLOYEE BENEFIT OBLIGATIONS

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in independently administered funds. The pension cost charge represents contributions paid by the charity to the fund and amounted to £9,232 (2020: £8,502). There were no outstanding contributions at the year end.

19. RELATED PARTY DISCLOSURES

The total unconditional donations made to the charity by its trustees and close family members amounted to £31,074 (2020: £31,074).

There were no other related party transactions requiring disclosure for the year ended 31 December 2021 or for the year ended 31 December 2020.

HIGHFIELDS CHURCH**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2021**

	2021 £	2020 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Grants	3,531	4,623
Donations/offerings	<u>674,124</u>	<u>692,251</u>
	677,655	696,874
Other trading activities		
Use of premises	3,660	5,563
Investment income		
Bank interest receivable	515	1,995
Charitable activities		
Youth and Children's work	1,370	1,053
Pre-school	75	590
Bookstall	108	59
Dalton Street project	234	1,736
Internationals	129	-
Network courses	1,025	675
Students	1,497	1,227
Conversational classes	-	600
Christians Against Poverty	<u>2,410</u>	<u>1,940</u>
	<u>6,848</u>	<u>7,880</u>
Total incoming resources	688,678	712,312
EXPENDITURE		
Charitable activities		
Wages	293,045	283,119
Staff training and expenses	6,153	5,835
Administration costs	31,226	31,126
Premises expenses	32,254	15,492
Bookstall expenses	-	20
Other Miscellaneous costs - (worthwhile causes)	19,289	10,026
Pulpit	1,750	1,172
Pastoral	1,664	538
Evangelism	4,299	5,658
Youth and children's work	7,399	4,599
Internationals	432	1,280
Students	4,514	1,886
Pre-school	590	529
Network	735	73
Dalton Street project costs (excluding staff costs)	3,618	7,588
Grants payable - Missionary Support	163,687	176,758
Conversational classes	28	-
Christians Against Poverty	4,800	3,909
Fixed asset depreciation	<u>29,646</u>	<u>27,136</u>
	<u>605,129</u>	<u>576,744</u>

This page does not form part of the statutory financial statements

HIGHFIELDS CHURCH

DETAILED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2021

	2021 £	2020 £
Support costs		
Staff costs		
Wages	67,763	59,562
Other costs		
Administration costs	3,470	3,458
Premises expenses	658	316
Buildings and equipment expenses	15,616	16,690
Cleaning and catering	17,489	3,290
Staff training and expenses	684	648
Fixtures and fittings	<u>605</u>	<u>554</u>
	38,522	24,956
Governance costs		
Independent examination fee	<u>2,640</u>	<u>2,640</u>
Total resources expended	<u>714,054</u>	<u>663,902</u>
Net (expenditure)/income	<u><u>(25,376)</u></u>	<u><u>48,410</u></u>

This page does not form part of the statutory financial statements

HIGHFIELDS CHURCH

England & Wales - Charity number 1179013

Accounts

REGISTERED CHARITY NUMBER: 1179013

**REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS FOR THE
YEAR ENDED 31 DECEMBER 2020
FOR
HIGHFIELDS CHURCH**

Watts Gregory LLP
Chartered Accountants
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
County of Cardiff
CF23 8RS

HIGHFIELDS CHURCH

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FOR THE YEAR ENDED 31 DECEMBER 2020**

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HIGHFIELDS CHURCH

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

The trustees present their report with the financial statements of the charity for the period ended 31 December 2020. 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

Charitable objects

The purposes of the church are:

- The advancement of the Christian faith in accordance with the Basis of Faith primarily but not exclusively within Cardiff and the surrounding neighbourhood; and
- Such other charitable purposes as shall, in the opinion of the charity trustees, put into practice the Christian faith in accordance with the Basis of Faith, including but not limited to: the prevention and relief of need, hardship and sickness; the advancement of education; and the provision of facilities in the interests of social welfare for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age infirmity or disability, financial hardship or social circumstances with the object of improving their conditions of life.

The charity's objective and principal activity continues to be the promotion of Christianity. The charity's objectives are met through the operation of a church and its associated activities such as Sunday services, weekly clubs and activities for children of all ages as well as students, internationals and older members of the community.

Public benefit

The organisation's trustees can confirm that they have given due regard to public benefit guidance published by the Charity Commission. Significant activities that we undertook during the year that demonstrate public benefit are set out on the following pages.

Activities

We run a whole range of activities for all ages in Highfields Church. One of the most popular ways in which we serve the local community is through our pre-school groups, which run on Monday morning (Toddler Music) and both Thursday mornings and afternoons (Tiddlywinks Parent & Toddler Group). Many parents & carers from the local community (most of whom are non-Highfields families), come along with their pre-schoolers and enjoy taking part in these activities, and making friends. Due to the widespread epidemic from March 2020, we have maintained a high level off-premises service, including walks, treasure hunts, Park meet-ups, and numerous on-line activities, depending on the Welsh Government rules about congregating in numbers.

We continue to have excellent relationships with a number of local primary and secondary schools where we are regularly invited in to take assemblies and input into religious education lessons as part of the National Curriculum and also host local school's Christmas concerts. Many local children come along to our weekly clubs, with 150 or more attending the special holiday clubs taking place in the school holidays. Since the epidemic, many activities, especially those involving on premises involvement moved onto on-line engagement only. This has been a difficult time for continuity of many of the gatherings we provide, however we have seen good, high quantity continuation in engagement, and in some areas, growth.

Highfields runs a significant ministry for Internationals in Cardiff, we hold women's English Conversation Classes on Monday and Tuesday mornings and another class on Thursday evenings for both men and women. This in part, continued online, but much reduced in numbers. There is also a Women's Sewing Class held every Monday lunchtime, however this disbanded temporarily as an official meeting, but informal communication continued, with many of the previous attendees, and some new ones, collaborating on masks, for prevention of spread of the virus, eye masks for those in emergency hospital settings to enable sleeping in the warehouse type situation, and other tasks.

Every two months an International Families event is held which includes international food and games for the children. This ceased with informal communication occurring only.

We also provide opportunities for Internationals to find out more about the Christian faith through a Christianity Explored Course, as well as a Discipleship Course for those who are Christians and would like to study the Bible in more depth., both are held on Monday evenings. However, since the epidemic, many international students returned home, and this gathering temporarily disbanded. However, it has now resumed on Zoom, but at a different time suitable for those now living in the Asian continent.

HIGHFIELDS CHURCH

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

OBJECTIVES AND ACTIVITIES

Activities - continued

On Fridays we run an International Café that is specifically aimed at International Students, but all internationals are welcome. Every week there's a theme e.g. East Asian Night' which will include a presentation, games and traditional food. Similarly, this disbanded, only to resume at a different time suitable for those Asian students who wished to continue to engage via Zoom.

All Weekends away were cancelled in 2020.

We continue to reach out to students attending the local universities, and our student ministry continues to be busy, with a significant number of students attending the church. Much became conducted over Zoom, and this has continued right through, with the former groupings maintain their communication over Zoom.

The lunch club at the Dalton Street Community Centre - a joint initiative with Cardiff Council - continues to be cancelled, due to the potential vulnerability of the attendees. We hope to continue when appropriate.

Specific outreach activities, such as a Christianity Explored Course for those who wish to find out more about the Christian faith are run from Highfields Church, via Zoom, and we regularly hold events or services particularly aimed at non-Christians, where they can find out more.

In addition, we also work with other organisations to provide a variety of activities for the local community, however all of these are now temporarily cancelled due to Welsh Government regulation. This includes adult education art classes and dance classes, bi-monthly blood donations and use of the premises for elections.

Volunteers

The charity's different activities are run mainly by volunteers, many of whom are members of the church. Almost all the activities run at Highfields would not be possible without the input of volunteers on a weekly basis. This includes people running and helping with the clubs and activities for children of all ages, as well as the groups during the week for students, internationals, church members and some of the helpers at Dalton Street.

We also have volunteers who man the reception desk and help in the church office. There are well over 150 people who week by week help with these activities, giving up 2 or more hours of their time every week.

ACHIEVEMENT AND PERFORMANCE

During 2020 we have continued to make it a priority to welcome new people and integrate them into the life of the church and have continued our focus on encouraging people to join of small groups that meets regularly together for study, prayer and fellowship at various locations across the city. We have over 20 small groups that meet together weekly for this purpose, as well as our 20s ministry, where up to 60 people in their 20s meet together weekly in order to study God's word and encourage one another in their faith. All of these groups moved online in March and continue to do so. Despite the current circumstances, we have increased the number attending.

During the year, via Zoom, we have run a number of courses for people interested in Christianity and have done one-to-one courses as a means of helping those with questions about faith.

During 2020 the number of parents and toddlers attending the various different midweek activities run for them at Highfields has continued to be high. The pre-school ministries have contact with around 100 local families who attend online one of our Pre-School Groups Activities (Toddler Music / Tiddlywinks).

Throughout the year we run weekly clubs for children aged 4-18, these are open to the community as well as church families, and we continue to see regular contact with over 200 children and young people. Our summer holiday club that normally attracts close to 200 children was cancelled but we ran online for 1 hour per day on YouTube at the time it would have run in person.

During term time we regularly see about 120 students attending the church on a Sunday, with about 60-70 of these regularly attending Bible Study groups during the week. There are a small number of them who meet up with other members of the church in the week, to study the Bible and pray together. This is a real encouragement to the students, as they face the challenges of university life. As usual we have also seen a number of students attending the Christianity Explored course too. The students are also great at getting involved in serving in wider church ministries, such as Children's & Youth Work.

HIGHFIELDS CHURCH

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

ACHIEVEMENT AND PERFORMANCE

The Internationals team continues to have links with over 40 Internationals, many of whom Zoom into one or more of the weekly activities.

The popularity of our English Conversation Classes for women on Mondays and Tuesdays continues to grow, with at least 50 students in 5 different level groups taking place on both days. A crèche is also provided to enable the mothers to study with 25 pre-school children registered. This is in addition to the classes that take place for any members of the community on Thursday evenings. However, this was cancelled, and remains closed.

At Dalton Street, the lunch club was cancelled, but the building has been used by a Bookshop on a temporary basis while refurbishment and contract details for their usual location was carried out.

Strategies for aims and objectives.

We continue to seek to further the Aims of the organisation, by continuing the current practice of proclamation of the Gospel, at gatherings on a Sunday, and building relationships with others through the variety of small groups that operate during the week. Further, initial contact with those not known to us is sought by enabling access to community groups such as parent and toddler groups. Also opening the building for outside hire, such as Art classes, helps get us recognition within the community, and will continue when possible. We aim to continue to do this and will see the effectiveness with increased engagement from those, both within and without, who previously may not have been present. In the longer term, we will assess our staff structure, which will be adapted to the needs of the church and the community we serve. This will be ongoing, seeking the furtherance of the church.

Performance achievement.

Through Zoom, and YouTube, we have continued to operate the clubs effectively in this year and have increased the number accessing them.

Despite the COVID situation, Membership has increased, and the financial picture has been incredibly strong this year with an 8% uplift overall in income. This has proved to be fortuitous, despite the current financial climate generally. Remaining and new members have continued to support the work effectively.

FINANCIAL REVIEW

Financial position

Given the ongoing challenging financial climate, we have been very encouraged that giving to Highfields has increased to meet the majority of the increased expenditure over to last year. We had a significant increase of 2020 over the expected budget, given the difficulties of COVID 19, and have been heartened that the incoming funds have been sufficient to meet the needs. We have started a Debt Counselling service in partnership with a national debt counselling agency, and a volunteer enables this to run effectively. We even started a new fund to help those within the church fellowship with financial difficulties due to the Pandemic, and this has grown, while the anticipated requests for help were less than actually were received.

Similarly, the projected depletion of income due to the potential loss of circa £5,000 per month that was received from the basket offering, has not been realised, as it became obvious that many that traditionally gave using that method, moved to standing order, and actually improved our overall income, as there was no reduction as usually happened in the Summer months, due to this type of contributor being away on holidays. Two large gifts received during the year, were immediately used, (where donation requirements allowed) in the acquisition of more effective cameras, IT infrastructure equipment and licences for online web based storage and programs, (bringing us up to date and giving less risk of electronic attack and interference), laptops for staff to replace desktops to enable home-working, transmission to Web equipment, and a rewiring of the sound and vision system to enable operators to socially distance. Zoom licences were also purchased to enable longer meetings, with meetings occurring simultaneously in some cases. Within building Wi-Fi was upgraded, again to reduce risk of attack, but enable effective transmission to web. The building having less use, also allowed staff offices to be moved and relocated, to enable more effective staff operation, and facilitate the web-based activities. There have also been various costs associated with the effective cleaning and disinfecting of the building, including a professional cleaning firm, various new hand gels and cleaning equipment being purchased, and many risk assessments implemented to make the building safe.

The principal risks associated with the coming year would be the inability for members to give effectively to cover costs, and there may be a shortfall, if there are givers who stop giving for some reason, and we are currently using the Legacy fund for Ministry Apprentices and Ministry Trainees, which will deplete the fund without increased giving. We are hopeful that giving will increase though to cover this when we make the need known. We have every confidence as this has been the experience of the previous year, and there have been no substantial changes in the membership that would indicate otherwise. We anticipate moving back to in person meetings during the week, when regulations allow although currently, a limited number is allowed to attend in person on a Sunday.

HIGHFIELDS CHURCH

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

FINANCIAL POSITION

The Statement of Financial Activities shows total income for the year of £712,312 compared to £699,159 for the previous year. Expenditure for the year was £663,902 compared to £692,411 for the previous year resulting in a reported surplus for 2020 of £48,410.

Reserves policy

The church's reserve policy is primarily made up of two designated funds, the Operations Reserve Fund which covers three months operating costs and a Contingency Fund, which is to deal with any unforeseen emergency costs that may arise. The level of these funds were reviewed at the end of 2020. Taking into account current expenditure, the trustees deemed it appropriate to increase the Operations Reserve Fund by an additional £5,000 taking the total to £115,000 and retain the Contingency Fund at £30,000.

At 31 December 2020 the charity's total funds amounted to £1,134,079, of which £42,199 is tied up within restricted funds. This leaves unrestricted funds of £1,091,880. As outlined in Note 17 of the accounts, the trustees have designated £305,209 (excluding the building fund) for specific purposes, therefore after excluding fixed assets, the charity has free reserves of £7,331.

Although encouraged by the giving in 2020 the trustees are aware of the challenges of the coming year again with increased costs related to increased salaries and pension costs.

The trustees consider the financial position to be satisfactory.

FUTURE DEVELOPMENTS

We have completed the process of reviewing our vision for the church and this was rolled out in June 2018. This has set the strategic direction for the church for the next five years, both building on our strengths and maximising the opportunities to meet our charitable objectives. Our Aims and Objectives have not changed, but the way we concentrate on certain aspects of the new vision will adapt the way we implement our services within the church setting. We will endeavour to get all groups within the church to embrace the vision and operate accordingly.

We aim to continue to further the church objects, by continuing to proclaim the message of the gospel in large (larger than present restrictions allow) Sunday gatherings, while also maintaining the smaller groups within the church family, for the maintenance of friendships and relationships, and continuing community involvement, ensuring the continuing of Highfields Church. We will endeavour to continue to use our resources in this purpose, ensuring we maintain a healthy accounting structure, to enable us to effectively manage the resources available.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The governing document of Highfields Church is its Constitution, dated 2 July 2017. We are a CIO, incorporated in June 2018, but have an old CUA charity, closing on 31 December 2018.

The full name of the charity is Highfields Church and is known as Highfields.

Method of election of Elders/Trustees

Instruction shall be given to Church Members concerning the biblical qualifications of an Elder. In addition, potential Elders, apart from those referred to in 4.2.2 (Pastors, Associate Pastors, and Assistant Pastors), should normally have been members of the church for at least 2 years. All Church Members shall be invited to submit, by hand or post, their nomination of Member(s) of the Church for the office of Elder, having been given at least two weeks notification to do so. The Elders will consider all nominations received to ensure the nominees are members and suitable for office. The existing Elders will then seek confirmation from the nominees of their willingness to stand before submitting the names of those deemed suitable and willing to stand to the Church to vote upon by postal ballot. Members will be given 3 weeks to return ballot papers.

To be chosen as an Elder, each nominee must receive at least two-thirds of the positive votes of the Church Members voting. Those persons duly confirmed by the Church through voting, will be invited to accept the office. Those persons duly chosen as Elders shall be recognised at an Ordination Service. Elders shall also be appointed as Managing Trustees.

Elders, apart from Staff Elders, shall be elected for a period of 7 years, or as long as they continue as members of the church, or until they resign, or until they are removed from office, whichever is the earlier. An election or re-election of Elders shall be held at least every seven years. On expiry of the term of office, Elders shall be eligible for re-election.

HIGHFIELDS CHURCH

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

STRUCTURE, GOVERNANCE AND MANAGEMENT

Method of election of Elders/Trustees

The duly elected Elders are the Managing Trustees as laid down in the Constitution. The Elders are responsible for the spiritual oversight of the Church, the Church discipline, the administration of the Charity and its funds in accordance with the constitution. They shall determine the structure, purpose, and direction of the church. All Elders must be members of the Church and be in agreement with the Basis of Faith.

Induction and training of new trustees

Trustees of Highfields are always those who have been members of the church for a significant period of time, and hence are generally familiar with its activities. They have copies of the previous annual reports and constitution. They are made familiar with the responsibilities of trustees when they take up their post. The regular input from different ministry leaders to the Elders' meetings provides the trustees with the ability to keep up to date with the charity's activities on an ongoing basis.

Organisational structure

As of 31 December 2020, there are Ten Elders, these include four staff elders, Lead Pastor, Dave Gobbett, Associate Pastor Jon Reeves, Associate Pastor Michael Teutsch, and Internationals worker Rowland Hughes. Elders typically meet every two weeks to manage the affairs of the church.

The Elders may delegate the running of certain administrative and practical affairs of the Church and ministries, as they see fit, to Deacons, Associate workers, and Ministry Leaders. Deacons are responsible, as directed by the Elders, for the administration and practical matters of the church. They maintain and administer the church in terms of buildings, equipment, procedures and format. Ministry Leaders are primarily involved in word, pastoral and prayer-based ministries as directed by the Elders. Associate Workers are those appointed by the Elders to carry out specific roles as determined by the Elders. All Deacons, Associate Workers and Ministry Leaders must be members of the church and be in agreement with the Basis of Faith.

Requests by the Elders for the Deacons to undertake specific duties will be recorded in the minutes of the Elders meetings and requests provided to the Deacons. The Deacons shall record details and minutes of any meetings and copy these to the Elders.

Members of staff who head up particular areas of ministry are named amongst this group. Deacons and Ministry Leaders make day to day decisions about their areas of ministry but will liaise with one or more Elders about important matters.

Certain areas of responsibility are delegated to committees, such as Finance, Safeguarding and Mission. Both committees are chaired by an Elder and report to the Elders on a regular basis about important decisions.

Related parties

No matters to note under this heading.

Key management remuneration

Remuneration of all staff, including key management personnel is set by the Trustee Board. An important pay principle is that our salaries and benefits are proportionate to the complexity of roles and responsibilities and in line with the local market rates.

Risk management

The Church's finances are subject to external audit. The trustees comply with Charity Commission advice and directives in the running of the Church. The trustees are satisfied that major risks are being assessed and systems put in place for their mitigation. Financially, the Church continues to be well supported by members and remains able to meet all commitments.

In general, given the current economic climate and increasing public concern over the stability of the banking system, we want to keep below the maximum insured levels of £85k per bank. We have a three month Operational Reserve which has been reviewed at the end of 2020, taking into account salary increases and staffing levels and general operating costs and has been increased to £115,000. We believe this reserve, combined with regular reviews of the financial systems, will provide sufficient resources in the event of adverse conditions.

HIGHFIELDS CHURCH

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

STRUCTURE, GOVERNANCE AND MANAGEMENT

Risk management

Highfields Church is committed to protecting any vulnerable people we come into contact with. As part of this we have a Safeguarding Policy which requires all paid and voluntary workers who have responsibility for children or vulnerable adults to apply for an Enhanced Disclosure of any record held by the Disclosure and Barring Service (DBS). In 2019 we reviewed and updated our Safeguarding Policy to take into account changes in legislation and best practice. We also comply with the Code of Practice set out by the voluntary body 31:8, (formerly CCPAS) in matters of confidentiality and safe keeping of records.

We comply with the Disability Discrimination Act and make every effort to be inclusive to anyone, whatever their disability. Access to our premises at ground level is straightforward and we have a lift to ensure that wheelchair users can get onto the 1st floor without any difficulty. We have a loop system in the chapel to help those who are hard of hearing to be able to be fully involved in the services and meetings taking place there. We also give training and guidelines to those involved in speaking, producing presentations or notice sheets or manning the PA or lighting to make them aware of those with visual or hearing impairments.

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.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

1179013

Principal address

Monthermer Road
CARDIFF
CF23 4QW

Trustees

G Cresswell	Chair	Appointed 02.07.18
A Rees	Chair of Finance	Appointed 02.07.18
E J M Wiltshire		Appointed 02.07.18
D Waters		Appointed 02.07.18
Rev D Gobbett (Staff trustee)		Appointed 02.07.18
Rev J Reeves (Staff trustee)		Appointed 02.07.18
Rev M Teutsch (Staff trustee)		Appointed 02.07.18
J Phillips		Appointed 01.09.19
Dr R Hughes (Staff trustee)		Appointed 01.09.19
D Evans		Appointed 01.09.19

Senior Staff

Lead Minister	Rev D Gobbett
Assistant Minister	Rev J Reeves
Associate Minister	Rev Michael Teutsch

Independent examiner

Watts Gregory LLP
Chartered Accountants
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
County of Cardiff
CF23 8RS

HIGHFIELDS CHURCH

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2020**

REFERENCE AND ADMINISTRATIVE DETAILS

Bankers

Lloyds TSB
1 Queen Street
Cardiff
CF10 2AS

Virgin Money
1/3 Windsor Place
CARDIFF
CF10 3BX

Monmouthshire Building Society
Monmouthshire House
John Frost Square
NEWPORT
NP20 1PX

Shawbrook Bank
3rd floor, 8 Bishopsgate,
Cornhill.
LONDON
EC2N 3AR

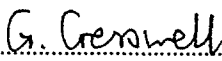
Charity Bank
Fosse House
182 High Street
TONBRIDGE
TN9 1BE

Tridos Bank
Deanery Road
BRISTOL
BS1 5AS

Solicitors

John Phillips
1 Bishops Place
Whitchurch
CARDIFF
CF14 1LQ

Approved by order of the Board of Trustees on 30/04/2021..... and signed on its behalf by:


.....
G Cresswell - Chair

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF HIGHFIELDS CHURCH

Independent examiner's report to the trustees of Highfields Church

I report to the charity trustees on my examination of the accounts of the Highfields Church (the Trust) for the year ended 31 December 2020.

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 ACCA 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.

Julia Mortimer FCCA
Watts Gregory LLP
Chartered Accountants
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
County of Cardiff
CF23 8RS

7 May 2021

HIGHFIELDS CHURCH

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	Unrestricted funds £	Restricted funds £	2020 Total funds £	2019 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	535,939	160,935	696,874	647,160
Charitable activities	6				
The promotion of Christianity		7,880	-	7,880	36,728
Other trading activities	4	5,563	-	5,563	12,715
Investment income	5	<u>1,995</u>	<u>-</u>	<u>1,995</u>	<u>2,556</u>
Total		551,377	160,935	712,312	699,159
EXPENDITURE ON					
Charitable activities	7				
The promotion of Christianity		<u>528,547</u>	<u>135,355</u>	<u>663,902</u>	<u>692,411</u>
NET INCOME		22,830	25,580	48,410	6,748
Transfers between funds	17	<u>(1,800)</u>	<u>1,800</u>	<u>-</u>	<u>-</u>
Net movement in funds		21,030	27,380	48,410	6,748
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>1,070,850</u>	<u>14,819</u>	<u>1,085,669</u>	<u>1,078,921</u>
TOTAL FUNDS CARRIED FORWARD		<u>1,091,880</u>	<u>42,199</u>	<u>1,134,079</u>	<u>1,085,669</u>

The notes form part of these financial statements

HIGHFIELDS CHURCH

BALANCE SHEET AT 31 DECEMBER 2020

	Notes	Unrestricted funds £	Restricted funds £	2020 Total funds £	2019 Total funds £
FIXED ASSETS					
Tangible assets	13	779,340	-	779,340	784,307
CURRENT ASSETS					
Debtors	14	16,878	-	16,878	27,813
Cash at bank		<u>306,959</u>	<u>42,199</u>	<u>349,158</u>	<u>285,033</u>
		323,837	42,199	366,036	312,846
CREDITORS					
Amounts falling due within one year	15	(11,297)	-	(11,297)	(11,484)
NET CURRENT ASSETS		<u>312,540</u>	<u>42,199</u>	<u>354,739</u>	<u>301,362</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,091,880</u>	<u>42,199</u>	<u>1,134,079</u>	<u>1,085,669</u>
NET ASSETS		<u>1,091,880</u>	<u>42,199</u>	<u>1,134,079</u>	<u>1,085,669</u>
FUNDS	17				
Unrestricted funds				1,091,880	1,070,850
Restricted funds				<u>42,199</u>	<u>14,819</u>
TOTAL FUNDS				<u>1,134,079</u>	<u>1,085,669</u>

The financial statements were approved and authorised for issue by the Board of Trustees on 30/4/21 and were signed on its behalf by:

G. Cresswell
G Cresswell - Chair

A Rees
A Rees - Chair of Finance

The notes form part of these financial statements

HIGHFIELDS CHURCH

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Notes	2020 £	2019 £
Cash flows from operating activities:			
Cash generated from operations	1	<u>84,853</u>	<u>(21,980)</u>
Net cash provided by (used in) operating activities		<u>84,853</u>	<u>(21,980)</u>
Cash flows from investing activities:			
Interest received		1,995	2,556
Purchase of tangible fixed assets		<u>(22,723)</u>	<u>(4,390)</u>
Net cash provided by (used in) investing activities		<u>(20,728)</u>	<u>(1,834)</u>
Change in cash and cash equivalents in the reporting period		64,125	(23,814)
Cash and cash equivalents at the beginning of the reporting period		<u>285,033</u>	<u>308,847</u>
Cash and cash equivalents at the end of the reporting period		<u><u>349,158</u></u>	<u><u>285,033</u></u>

The notes form part of these financial statements

HIGHFIELDS CHURCH

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2020

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2020 £	2019 £
Net income for the reporting period (as per the statement of financial activities)	48,410	6,748
Adjustments for:		
Depreciation charges	27,690	22,295
Interest received	(1,995)	(2,556)
Decrease in stocks	-	550
Decrease/(increase) in debtors	10,935	(4,488)
Decrease in creditors	(187)	(44,529)
Net cash provided by (used in) operating activities	<u>84,853</u>	<u>(21,980)</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/1/20 £	Cash flow £	At 31/12/20 £
Net cash			
Cash at bank	285,033	64,125	349,158
Total	<u>285,033</u>	<u>64,125</u>	<u>349,158</u>

HIGHFIELDS CHURCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

1. STATUTORY INFORMATION

Highfields Church is a registered charity, registered in England and Wales under charity number 1179013. The governing document of Highfields Church is its Constitution and it is a Charitable Incorporated Organisation (CIO). The principal address is Monthermer Road, Cardiff, CF24 4QW. The nature of the charity's operations and principal activities is disclosed within the Report of the Trustees.

The financial statements are presented in Sterling (£), the charity's functional currency, and rounded to the nearest pound.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

2. 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.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent to provide a 'true and fair' view. This departure has involved following the 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 issued in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

There have been no material departures from Financial Reporting Standard 102.

Going concern

No material uncertainties exist relating to events or conditions that may cast significant doubt upon the entity's ability to continue as a going concern.

The trustees are satisfied that despite the Coronavirus pandemic, it is appropriate for the charity's financial statements to be prepared on a going concern basis. The pandemic has resulted in a number of uncertainties arising and the trustees have taken steps to minimise the effect on the charity and will continue to do so. In the circumstances they have concluded that no adjustments or additional disclosures are required to the financial statements at this time.

HIGHFIELDS CHURCH

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 DECEMBER 2020

2. ACCOUNTING POLICIES - continued

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.

This includes capital grants.

Donations and legacies income includes donations, gifts and grants that provide core funding or are of a general nature are recognised where there is entitlement, probability of receipt and the amount can be measured with sufficient reliability. Such income is only deferred when the donor specifies it must be used in future accounting periods or the donor has imposed conditions which must be met before the charity has unconditional entitlement.

Income from charitable activities includes income received under contract or where entitlement to grant funding is subject to specific performance conditions. This income is recognised where there is entitlement, when the receipt is probable and the amount can be measured reliably. Income is deferred when the amounts received are in advance of the performance of the service or event to which they relate.

Income from other trading activities is recognised as the related services are provided and there is entitlement, probability of receipt and the amount can be measured with sufficient reliability. Income is deferred when the amounts received are in advance of the delivery of the service or event to which it relates.

Investment income is recognised on a receivables basis.

It is not the policy of the charity to show income net of expenditure.

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.

Charitable expenditure comprises 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 costs of an indirect nature to support them.

Support costs are those costs that, whilst necessary to deliver an activity, do not themselves produce or constitute the output of the charitable activity. This includes "Governance costs" which are those costs associated with meeting the constitutional and statutory requirements of the charity and include the accountancy fees and costs linked to the strategic management of the charity as well as a proportion of salaries based on an approximation of time spent in this area.

Expenditure includes VAT as the charity is not VAT registered.

Allocation and apportionment of costs

All costs are allocated between the expenditure categories on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly; others are apportioned on an appropriate basis.

Tangible fixed assets

Fixed assets are initially recorded at cost. Fixed assets costing over £500 are capitalised.

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Fixtures and fittings	- 4 to 8 years straight line
Freehold land	- not depreciated
Freehold property	- 50 years straight line

HIGHFIELDS CHURCH

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 DECEMBER 2020

2. ACCOUNTING POLICIES - continued

Taxation

As a registered charity the organisation is exempt from income and corporation tax to the extent that its income and gains are applicable to charitable purposes only. Value Added Tax is not recoverable by the organisation and is therefore included in the relevant costs in the Statement of Financial Activities.

Fund accounting

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

Designated funds are created for specific purposes 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.

Operating leases

Rentals applicable to operating leases where substantially all the benefits and risks of ownership remain with the lessor are charged to the statement of financial activities on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension are charged to the Statement of Financial Activities in the period to which they relate.

Capital grants

Capital grants are accounted for in accordance with FRS 102 SORP. The board of trustees consider that in order to comply with the SORP, grants of a capital nature given for specific purposes and fully utilised in the furtherance of the charity's objectives should be credited to the building fund after the sums have been properly expended on the restricted purpose. The related assets are shown in the balance sheet at cost or valuation.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Debtors with no stated interest rate and receivable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure. Prepayments are valued at the amount prepaid net of any trade discounts due.

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

3. DONATIONS AND LEGACIES

	2020	2019
	£	£
Legacies	-	20,675
Grants	4,623	-
Donations/offerings	<u>692,251</u>	<u>626,485</u>
	<u>696,874</u>	<u>647,160</u>

Grants received, included in the above, are as follows:

	2020	2019
	£	£
Coronavirus Job Retention Scheme	<u>4,623</u>	<u>-</u>

HIGHFIELDS CHURCH

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 DECEMBER 2020

4. OTHER TRADING ACTIVITIES

	2020	2019
	£	£
Use of premises	<u>5,563</u>	<u>12,715</u>

5. INVESTMENT INCOME

	2020	2019
	£	£
Bank interest receivable	<u>1,995</u>	<u>2,556</u>

6. INCOME FROM CHARITABLE ACTIVITIES

	2020	2019
	£	£
Youth and children's work	1,053	8,161
Pre-school	590	2,193
Bookstall	59	756
Dalton Street project	1,736	12,574
Internationals	-	673
Network courses	675	915
Students	1,227	6,595
Conversational classes	600	2,075
Church weekend away	-	2,786
Christians Against Poverty	<u>1,940</u>	<u>-</u>
	<u>7,880</u>	<u>36,728</u>

All income is from the single charitable activity of 'The Promotion of Christianity'.

7. CHARITABLE ACTIVITIES COSTS

	Direct costs (See note 8)	Support costs (See note 9)	Totals
	£	£	£
The promotion of Christianity	<u>576,744</u>	<u>87,158</u>	<u>663,902</u>

HIGHFIELDS CHURCH

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 DECEMBER 2020

8. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2020	2019
	£	£
Staff costs	283,119	283,287
Staff costs - Dalton Street project	-	5,770
Staff costs - redundancy payments	-	4,754
Staff training and expenses	5,835	9,526
Administration costs	31,126	37,399
Premises expenses	15,492	28,658
Bookstall expenses	20	1,063
Other Miscellaneous costs - (worthwhile causes)	10,026	1,791
Pulpit	1,172	1,885
Pastoral	538	789
Evangelism	5,658	2,607
Youth and children's work	4,599	11,188
Internationals	1,280	1,363
Students	1,886	7,241
Pre-school	529	1,092
Network	73	374
Dalton Street project costs (excluding staff costs)	7,588	16,073
Grants payable - Missionary Support	176,758	177,671
Weekend away	-	3,321
Christians Against Poverty	3,909	-
Fixed asset depreciation	27,136	21,849
	<u>576,744</u>	<u>617,701</u>

Included within direct costs of charitable activities above are grants payable of £176,758 (2019: £177,671) to Missionaries. This includes grants of £53,337 paid to 4 individuals and grants of £123,421 paid to 14 Mission Organisations.

9. SUPPORT COSTS

	Staff costs	Other costs	Governance costs	Totals
	£	£	£	£
The promotion of Christianity	<u>59,562</u>	<u>24,956</u>	<u>2,640</u>	<u>87,158</u>

Included within support costs are independent examination fees of £2,640 (2019 - £2,640)

10. TRUSTEES' REMUNERATION AND BENEFITS

The following remuneration was paid to trustees during the year:

Trustee	Role		2020	2019
			£	£
D Gobbett	Lead Minister	Salary and pension	40,701	39,624
J Reeves	Assistant Minister	Salary and pension	33,137	32,260
M Teutsch	Associate Minister	Salary and pension	36,209	35,171
R Hughes	Internationals	Salary and pension	27,070	9,082

Payment is permitted by virtue of paragraph 6.3 of the constitution adopted 2 July 2017.

Trustees' expenses

During the year £6,676 was paid to 4 trustees (2019 - £3,402 was paid to 3 trustees) in respect of travel, materials and conference expenses.

HIGHFIELDS CHURCH

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2020

11. STAFF COSTS

	2020 £	2019 £
Wages and salaries	297,053	306,044
Social security costs	22,483	22,836
Other pension costs	<u>23,144</u>	<u>19,980</u>
	<u>342,681</u>	<u>348,860</u>

Total remuneration paid to trustees and key management personnel in the year was £150,632 (2019: £145,776).

Included within staff costs above is an amount of £nil (2019: £4,754) in respect of redundancy payments.

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

2020 <u>12</u>	2019 <u>13</u>
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No employees received emoluments in excess of £60,000.

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES – 31 DECEMBER 2019

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	511,196	135,964	647,160
Charitable activities			
The promotion of Christianity	36,728	-	36,728
Other trading activities	12,715	-	12,715
Investment income	<u>2,556</u>	<u>-</u>	<u>2,556</u>
Total	563,195	135,964	699,159
EXPENDITURE ON			
Charitable activities			
The promotion of Christianity	<u>556,116</u>	<u>136,295</u>	<u>692,411</u>
Total	556,116	136,295	692,411
NET INCOME	7,079	(331)	6,748
Transfers between funds	<u>(1,788)</u>	<u>1,788</u>	<u>-</u>
Net movement in funds	5,291	1,457	6,748
RECONCILIATION OF FUNDS			
Total funds brought forward	1,065,559	13,362	1,078,921
TOTAL FUNDS CARRIED FORWARD	<u>1,070,850</u>	<u>14,819</u>	<u>1,085,669</u>

HIGHFIELDS CHURCH

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 DECEMBER 2020

13. TANGIBLE FIXED ASSETS

	Freehold property £	Freehold land £	Fixtures and fittings £	Totals £
COST				
At 1 January 2020	1,031,227	80,000	125,010	1,236,237
Additions	-	-	22,723	22,723
Disposals	-	-	(95,214)	(95,214)
At 31 December 2020	<u>1,031,227</u>	<u>80,000</u>	<u>52,519</u>	<u>1,163,746</u>
DEPRECIATION				
At 1 January 2020	330,786	-	121,144	451,930
Charge for year	20,625	-	7,065	27,690
Eliminated on disposal	-	-	(95,214)	(95,214)
At 31 December 2020	<u>351,411</u>	<u>-</u>	<u>32,995</u>	<u>384,406</u>
NET BOOK VALUE				
At 31 December 2020	<u>679,816</u>	<u>80,000</u>	<u>19,524</u>	<u>779,340</u>
At 31 December 2019	<u>700,441</u>	<u>80,000</u>	<u>3,866</u>	<u>784,307</u>

All assets are held for direct charitable purposes and there are no inalienable or historic assets.

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Gift aid debtor	9,226	16,657
Prepayments and accrued income	<u>7,652</u>	<u>11,156</u>
	<u>16,878</u>	<u>27,813</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Accruals and deferred income	<u>11,297</u>	<u>11,484</u>

16. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2020 £	2019 £
Within one year	4,600	4,600
Between one and five years	<u>3,833</u>	<u>8,433</u>
	<u>8,433</u>	<u>13,033</u>

Lease payments recognised as an expense in the year are £4,600 (2019: £4,600).

HIGHFIELDS CHURCH

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 DECEMBER 2020

17. MOVEMENT IN FUNDS

	At 1/1/20 £	Net movement in funds £	Transfers between funds £	At 31/12/20 £
Unrestricted funds				
General fund	9,118	103,018	(85,281)	26,855
Designated fund - Building fund	778,691	(20,625)	1,750	759,816
Designated fund - Operations reserve	110,000	-	5,000	115,000
Designated fund - Legacy fund	69,884	(36,730)	-	33,154
Designated fund - Missionary fund	18,040	(47,833)	46,731	16,938
Designated fund - Contingency fund	30,000	-	-	30,000
Designated fund - Training (Immanuel)	25,000	-	-	25,000
Designated fund - Ministry Apprentices	30,117	-	15,000	45,117
Designated fund - Maintenance fund	-	25,000	15,000	40,000
	<u>1,070,850</u>	<u>22,830</u>	<u>(1,800)</u>	<u>1,091,880</u>
Restricted funds				
Missionary fund	915	1,672	-	2,587
Dai Hankey fund	11,129	(4,184)	1,800	8,745
Dalit fund	430	(430)	-	-
Homeless fund	905	(500)	-	405
Student Friends of Highfields fund	1,440	516	-	1,956
Sharing our lives fund	-	28,506	-	28,506
	<u>14,819</u>	<u>25,580</u>	<u>1,800</u>	<u>42,199</u>
TOTAL FUNDS	<u>1,085,669</u>	<u>48,410</u>	<u>-</u>	<u>1,134,079</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	525,981	(422,963)	103,018
Designated fund - Legacy fund	396	(37,126)	(36,730)
Designated fund - Maintenance fund	25,000	-	25,000
Designated fund - Building fund	-	(20,625)	(20,625)
Designated fund - Missionary fund	-	(47,833)	(47,833)
	<u>551,377</u>	<u>(528,547)</u>	<u>22,830</u>
Restricted funds			
Missionary fund	105,397	(103,725)	1,672
Dai Hankey fund	21,016	(25,200)	(4,184)
Student Friends of Highfields fund	816	(300)	516
Sharing our lives fund	33,706	(5,200)	28,506
Dalit fund	-	(430)	(430)
Homeless fund	-	(500)	(500)
	<u>160,935</u>	<u>(135,355)</u>	<u>25,580</u>
TOTAL FUNDS	<u>712,312</u>	<u>(663,902)</u>	<u>48,410</u>

HIGHFIELDS CHURCH

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2020

17. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1/1/19 £	Net movement in funds £	Transfers between funds £	At 31/12/19 £
Unrestricted Funds				
General fund	4,825	116,660	(112,367)	9,118
Designated fund - Building fund	799,316	(20,625)	-	778,691
Designated fund - Operations reserve	110,000	-	-	110,000
Designated fund - Legacy fund	88,130	(18,246)	-	69,884
Designated fund - Dalton Street project	-	(13,277)	13,277	-
Designated fund - Contingency fund	8,895	(2,200)	23,305	30,000
Designated fund - Training (Immanuel)	16,240	(3,723)	12,483	25,000
Designated fund - Missionary fund	38,153	(51,420)	31,307	18,040
Designated fund - Ministry Apprentices	-	(90)	30,207	30,117
	1,065,559	7,079	(1,788)	1,070,850
Restricted Funds				
Missionary fund	-	915	-	915
Dai Hankey fund	11,210	(1,881)	1,800	11,129
Dalit fund	430	-	-	430
Misc mission fund	12	-	(12)	-
Ministry apprentices fund	555	(555)	-	-
Homeless fund	905	-	-	905
Redeemer fund	250	(250)	-	-
Student Friends of Highfields fund	-	1,440	-	1,440
	13,362	(331)	1,788	14,819
TOTAL FUNDS	<u>1,078,921</u>	<u>6,748</u>	<u>-</u>	<u>1,085,669</u>

HIGHFIELDS CHURCH

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 DECEMBER 2020

17. 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	541,232	(424,572)	116,660
Designated fund - Legacy fund	21,963	(40,209)	(18,246)
Designated fund - Dalton Street project	-	(13,277)	(13,277)
Designated fund - Building fund	-	(20,625)	(20,625)
Designated fund - Contingency fund	-	(2,200)	(2,200)
Designated fund - Training (Immanuel)	-	(3,723)	(3,723)
Designated fund - Missionary fund	-	(51,420)	(51,420)
Designated fund - Ministry Apprentices	-	(90)	(90)
	563,195	(556,116)	7,079
Restricted funds			
Missionary fund	110,935	(110,020)	915
Dai Hankey fund	22,389	(24,270)	(1,881)
Dalton Street project	1,200	(1,200)	-
Ministry apprentices fund	-	(555)	(555)
Redeemer fund	-	(250)	(250)
Student Friends of Highfields fund	1,440	-	1,440
	135,964	(136,295)	(331)
TOTAL FUNDS	<u>699,159</u>	<u>(692,411)</u>	<u>6,748</u>

HIGHFIELDS CHURCH

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 DECEMBER 2020

17. MOVEMENT IN FUNDS - continued

Designated funds

Designated funds are set up by resolution of the Finance Committee and are approved by the Elders of the church.

Building fund - this is the amount designated to match the net book value of the land and buildings.

Operations reserve - this fund is intended to meet 3 months of the total operating costs of the church, including staff salaries.

Legacy fund - this fund has been set aside by the trustees to ensure it is used for a specific use or project in the near future.

Dalton Street project - this fund relates to the lunch project at Dalton Street.

Contingency fund- this fund has been set up to deal with any unforeseen emergency costs that may arise.

Training (Immanuel) - gifts received in previous years set aside to be used for training.

Missionary fund - has been set up to deal with income which has been designated by the church for missionary work.

Ministry Apprentices - this fund has been created to set aside funds to support ministry apprentice costs.

Maintenance fund - this fund has been created to set aside funds for maintenance work to be carried out.

Restricted funds

The missionary fund - relates to offerings given under the gift aid scheme, designated for this particular fund. These offerings are paid over to the Missionary Committee in the month following their allocation, to be used as the committee sees fit.

Dai Hankey fund - Dai is a missionary, who has moved to Trevethin to set up a church plant, Redeemer Church and an anti-slavery charity, Red Community. This fund has been set up to help finance Dai in his work.

Dalit fund - Two Sunday School groups (the Trailblazers and the KGB) are sponsoring 3 children from the Dalit caste in India over the course of a year.

Ministry Apprentices fund - This fund has been set up to set aside a donation for Ministry Apprentices expenses.

Student Friends to Highfields fund - the fund was created to allow students who have attended Highfields, but since left Cardiff, to give to a fund created to support the student ministry at Highfields.

Sharing our lives - This fund has been designed to help those currently experiencing financial hardship.

Transfers between funds

Transfers totalling £85,281 have been made from the general fund to a number of designated and restricted funds in the year as outlined below:

- A transfer of £5,000 to the designated operational reserve to top the fund balance up to £115,000.
- A transfer of £1,750 into the Building fund to top the fund balance up to £759,816.
- A transfer of £46,731 to the designated missionary fund to be used towards missionary work costs.
- A transfer of £15,000 to the designated Ministry Apprentices fund to be used towards the costs associated with ministry apprentices.
- A transfer of £1,800 to the restricted Dai Hankey fund to be set aside to help fund Dai in his work.
- A transfer of £15,000 has been made to the maintenance fund in respect of work to be carried out post Covid-19.

18. PENSION COMMITMENTS

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in independently administered funds. The pension cost charge represents contributions paid by the charity to the fund and amounted to £23,144 (2019: £19,980). There were no outstanding contributions at the year end.

19. RELATED PARTY DISCLOSURES

The total unconditional donations made to the charity by its trustees and close family members amounted to £31,074 (2019: £27,596).

There were no related party transactions requiring disclosure for the year ended 31 December 2020 or for the year ended 31 December 2019.