

HIGHGATE INTERNATIONAL CHURCH

A Charitable Incorporated Organisation

Charity Registration Number: 1192094

Report and Financial Statements

for the year to 31 March 2023

HIGHGATE INTERNATIONAL CHURCH

Report and Financial Statements 2023 Contents

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Legal & Administrative Information For the year ended 31 March 2023

Charity Name	Highgate International Church														
Governing Document	Registered as a Charitable Incorporated Organisation (CIO) by the Charity Commission on 30 October 2020.														
Charity Registration No.	1192094														
Affiliations	Evangelical Alliance; Partnership (UK) Ltd (up to 31 December 2022)														
Principal Address	272 Archway Road, Highgate, London N6 5AU.														
Trustees	The Trustees who served during the year and who were still serving at the date of this report were: <table><tr><td>Patricia Chinyoka</td><td>(appointed: 30 October 2020)</td></tr><tr><td>Roger Herbert Compton</td><td>(reappointed: 5 January 2023)</td></tr><tr><td>Neil William Summerton</td><td>Chairman (reappointed: 5 January 2023)</td></tr><tr><td>Michael Hall</td><td>Treasurer (reappointed: 23 November 2023)</td></tr><tr><td>Stephen McQuoid</td><td>(appointed: 30 October 2020)</td></tr><tr><td>Paula Christine Millard</td><td>(reappointed: 23 November 2023)</td></tr><tr><td>Trevor Currie</td><td>(reappointed: 23 November 2023)</td></tr></table>	Patricia Chinyoka	(appointed: 30 October 2020)	Roger Herbert Compton	(reappointed: 5 January 2023)	Neil William Summerton	Chairman (reappointed: 5 January 2023)	Michael Hall	Treasurer (reappointed: 23 November 2023)	Stephen McQuoid	(appointed: 30 October 2020)	Paula Christine Millard	(reappointed: 23 November 2023)	Trevor Currie	(reappointed: 23 November 2023)
Patricia Chinyoka	(appointed: 30 October 2020)														
Roger Herbert Compton	(reappointed: 5 January 2023)														
Neil William Summerton	Chairman (reappointed: 5 January 2023)														
Michael Hall	Treasurer (reappointed: 23 November 2023)														
Stephen McQuoid	(appointed: 30 October 2020)														
Paula Christine Millard	(reappointed: 23 November 2023)														
Trevor Currie	(reappointed: 23 November 2023)														
Key Management Personnel	Those persons having responsibility for controlling, directing and planning the activities of the trust, and/or having significant responsibility for the day-to-day running of the Trust, are the Trustees, and Alistair Hornal (up to July 2023) and Mark Davies, as the elders of the church, and Izak van den Bergh (Pastor/Team Leader) and Peter Barker (Community Evangelist).														
Bankers	NatWest Bank Swiss Cottage (A) Branch 106 Finchley Road London NW3 5JN														
Independent Examiner	John Helm ACA Tandem Accounting Limited 17 Heathville Road London N19 3AL														

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Report of the Trustees For the year ended 31 March 2023

The Trustees submit their report and the financial statements of Highgate International Church (Charity registration number 1192094) [hereinafter 'the CIO'] for the year ended 31 March 2023. The financial statements have been prepared in the format prescribed by the Statement of Recommended Practice: Accounting and Reporting by Charities (SORP2019 (FRS102)).

The report and financial statements take account of the fact that the CIO was formed to take over the activities of the Cholmeley Evangelical Church (Second Century) Trust Fund ('the Trust'). Since 1 April 2022 the CIO has been fully responsible for the affairs of Highgate International Church, though Cholmeley Evangelical Church (Second Century) Trust remains in being in case any legacies were to be activated that had been expressed as being to that Trust, and because it remains for the time being the counter-party to the arrangements for holding 272 Archway Road N6 from Church Growth Trust which holds the freehold of that building.

The legal and administrative information set out in page 2 of this document forms part of this report.

I. Structure, Governance & Management

I.1 The Governing Document

A CIO 'foundation' constitution approved by the Charity Commission on registering the CIO on 30 October 2020.

In 2020 the Trust successfully instigated the establishment of a Charitable Incorporated Organisation (CIO) to take over the operations and assets of the Trust. The CIO came into being on registration by the Charity Commission on 30 October 2020 under the name of Highgate International Church (HIC). In the course of 2021 steps were taken to transfer the responsibilities and assets of the Trust to the CIO. The purposes of the change have been to provide the charity with an up-to-date constitutional instrument, to give better protection to the charity and its Trustees, and to avoid costly property transfers when the identity of Trustees changes. The Trustees, who are the Trustees of both the CIO and the Trust, had agreed that the Trust should remain in being in case there are legacies which have been made in the name of the Trust, though, now that there are provisions in the Charities Act 2022 which would make the inconveniences of such dual operation unnecessary, the Trustees intend to close the Trust and take the other necessary steps once the provisions have been brought into force.

The properties at 143 and 145 Park Road N8 and 16 Despard Road N19 have been held by the CIO since October 2021 (though 145 Park Road was disposed of in December 2021), and a further residential property at 324 St John's Way, Holloway, was acquired for operational purposes in January 2023. Responsibility for operations passed to the CIO in mid-2022. The legal agreement with Church Growth Trust with respect to the occupation of 272 Archway Road N6 remains in the name of Cholmeley Evangelical Church (Second Century) Trust. It is the intention that this should be replaced by an agreement between Church Growth Trust and the CIO which is still in the process of being drafted. A short annual report for CEC(2C) Trust will be needed, therefore, but all income and expenditure in the financial year has been reflected in the CIO.

For the time being, the Trustees continue to meet as Trustees of both the CIO and the Trust, but care is being taken to be clear about capacity in which the Trustees are taking decisions, and separate minutes are being kept of the two bodies.

The church congregation (the main group through which the work of the CIO is done on the ground) is led by elders who, with others, comprise the Church Leadership Team. Appointments of new elders and other members of the Leadership Team are made on recommendation by the Leadership Team to the Trustees, after consultation with the congregation.

Meetings of Trustees are attended, in an advisory capacity, by Mark Davies, Alistair Horal (up to the meeting in August 2023), and Izak van den Bergh, while two Trustees (Patricia Chinyoka and Paula Millard) are also members of the Church Leadership Team.

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Report of the Trustees For the year ended 31 March 2023

1.2 Trustees

The Trustees meet four or five times a year (and additionally as necessary), normally online but from time to time in person, and discuss a full agenda relating to the charitable activities, governance, risk management, buildings and finance, and other matters for which they are responsible.

The number of Trustees must not be less than three. New Trustees can be appointed by a resolution supported by a majority of the Trustees present at a properly convened meeting of the Trustees or, in the case of appointment by written procedure (whether by paper or electronic), by resolution agreed by all of the charity trustees.

The induction process for any newly appointed Trustee comprises an initial meeting with the existing Trustees, to give the latter the opportunity to explain the background and evolution of the activities of the Trust and expected future developments. Those appointed normally have some prior familiarity with the activities of the Trust. Information provided to joining Trustees includes:

- copies of the most recent reports and financial statements;
- a copy of the constitution of the CIO;
- direction to the Charity Commission's guidance, 'The Essential Trustee'; and
- direction to relevant guidance from the Charity Commission on public benefit, particularly that relating to public benefit and the advancement of religion.

None of the Trustees receives remuneration.

The day-to-day leadership and running of the congregation is in the hands of the Church Leadership Team, comprising the elders and others responsible for the various ministries and activities, who are in turn supported by in particular a buildings team. The Church Core Leadership Team reports regularly to the Trustees through the elders who are in attendance at trust meetings.

1.2 Risk Management

The Trustees have considered the major risks to which the CIO is exposed and as far as is practical have established procedures, and taken action, to manage those risks. There is in being a formal assessment of risks arising in the use of the building at 272 Archway Road, the operational base of the CIO's main activities. This document is reviewed regularly. The CIO's properties are all insured based on estimated rebuilding costs. The CIO is also particularly conscious of its safeguarding responsibilities, and regularly reviews policy and practice on that subject.

2. Objectives, Activities & Strategies

2.1 Objective

The object of the CIO is: to advance Christian faith and education generally (including by the worship of God, the instruction and edification of Christians, the care and Christian instruction of young people and children, the evangelisation of non-Christians, and the relief of sickness and poverty) in the United Kingdom and abroad for the public benefit in accordance with the statement of beliefs (in the Schedule to the constitution) in north London and in such other parts of the United Kingdom or the world as the charity trustees may from time to time think fit.

Of the present Trustees, Patricia Chinyoka and Paula Millard are active members of the church. The Trustees consider that the present balance between Trustees who are members of the church and those who are not is tolerable in the circumstances, bearing in mind the ability of present church members to take on the responsibility of trusteeship. The Trustees keep the point under consideration, however, so as to be able to appoint more Trustees who are active members of the church. Four of the five external Trustees are former members of the church and continue to take an active interest in its affairs. The chairman and other Trustees are in regular contact with the other Key Management Personnel named on page 2 of this report.

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Report of the Trustees For the year ended 31 March 2023

2.2 Activities & Public Benefit

The main activities of the CIO are responsibility for the activities of the congregation, and to hold and maintain the functional properties which the congregation uses to further its objects. At present, the activities of the congregation (and the principal means by which the CIO gives public benefit) include:

- Sunday meetings worship, fellowship, study of the Word, prayer, and fellowship lunches;
- A community café, once a week;
- An international outreach café on weekdays, currently once a week;
- Parent & toddler activities, currently two sessions per week;
- Life Group and Prayer meetings;
- Door to door evangelism; and
- Other fellowship activities.

The properties comprise church buildings in North London (272 Archway Road, Highgate), and three residential properties between Archway and Highgate and in Crouch End within easy reach of 272 Archway Road. Two of the residential properties are occupied by those who minister in the church on a house for ministry basis. The other is currently let on the commercial market until needed for ministry purposes.

The Trustees have regard to the Charity Commission's guidance on public benefit. The Commission's revised guidance of 2020 on public benefit has been circulated to the Trustees. The CIO has provided public benefit through the activities of the church; by facilitating the activities of a separate congregation which uses the 272 Archway Road building, and through financial support to Christian missionaries in France and Rwanda, and a retired missionary couple now in the USA. The church is involved in developing the life, witness and Christian work of all who fellowship with it and who are in contact with it through its activities, including its work with children, families, young people and the elderly. The building at 272 Archway Road is also used for other Christian and/or community activities which the church wishes to facilitate, including the North London Recorder Society, and GLO Europe which places short-term mission teams with the church.

3. Achievements and Performance

The period since 2015 has been one in which the Trustees and church leaders have been seeking to provide new foundations on which the work of the church (which had become very small) could be redeveloped. The input of Mark and Shirley Davies, Paula Millard, Trevor Currie, and Alistair Hornal has been crucial to that. The task was complicated by the COVID-19 pandemic in 2020-21. There have been important changes in the past two years which the Trustees believe will enable a growing congregation to benefit from the groundwork done since 2015.

As from 1 November 2021, following advertisement, Peter Barker was appointed in the role of Community Evangelist, on the basis that the CIO provides accommodation for better performance of duties in the Highgate area, but the worker otherwise 'lives by faith'. He and his family have occupied 143 Park Road, on a 'house for ministry' basis since January 2022. Because of visa and other difficulties David Bell and his wife resigned in the autumn of 2021. As from 1 September 2022, Izak van den Bergh took the role of Pastor/Team Leader in succession to Mark Davies, again on a 'house for ministry' basis, supported by his wife, Karla. 324 St John's Way, Archway was acquired in January 2023 for this purpose, using the proceeds of the transfer of 145 Park Road to the Ichthus Christian Fellowship at the end of 2021. Mark and Shirley Davies moved away from London in the second week of September 2022, so that the CIO no longer provides funding for accommodation for them. Mark continues to be involved in the leadership and work of the congregation as an elder on an unremunerated basis, visiting Highgate regularly during the period of report, and the Trustees are grateful for this continuing contribution on his part. From the summer of 2023, Mark Davies has been less regularly involved but continues as a consultant elder making a strategic input to the work of the church. The CIO continues to meet Mark's travel expenses for visiting Highgate.

The Trustees hope that the operation has now assembled a stable leadership for the next few years. It is encouraging that in the past year the numbers involved in the worshipping community that is HIC have increased significantly and there are signs of steady growth, albeit from a modest base.

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Report of the Trustees For the year ended 31 March 2023

Consistent with the approach of churches of this type, the ministry of the church is carried on not only by those mentioned in the previous paragraphs, but widely by volunteers from within the congregation and also by visiting teachers.

In 2022-23, in addition to worship, teaching, and fellowship activities, the church continued the community café which is opened to the community one day a week: it offers a friendly place to chat, pray and study the Bible. All kinds of people use this facility, including many who did not know of the existence of or benefit from the church previously. The separate international café is continuing to develop. The parent and toddler sessions on two mornings each week continue to provide direct benefit to the many families concerned and many contacts with the community around Archway Road. By these means, every opportunity is taken to advance the Christian faith as well as provide pastoral and practical support to users as necessary. In addition, the Community Evangelist continues to undertake door to door evangelism in the Archway Road area and makes contact with both those without faith and Christians who are not at present actively engaged in church life. The other activities of the church have benefitted from these contacts.

Additionally, the CIO (and the Trust prior to the CIO) has continued to use its functional properties to facilitate the religious and social work of local Christian congregations and para-church bodies, all being uses which the church wishes to assist. The properties and their uses include:

Property	Property type	Ownership	Current usage
272 Archway Road, London N6	Church building	Church Growth Trust Limited: the Cholmeley Evangelical Church (Second Century) Trust is beneficiary of 5/6ths of net proceeds on a future disposal in recognition of the investment by the Trust in rebuilding in the period 1986–90.	The main operational site of the activities of the Trust by way of Highgate International Church. Used from time to time by other para-church bodies, particularly for training purposes, and by other local community groups at below commercial rent. A separate Portuguese-speaking congregation also uses the building for their meetings by agreement with the Trust.
143 Park Road, London N8	Residential property	Freehold	Operational property occupied at nil rent by a qualified full-time Christian worker who ministers in the church.
16 Despard Road, London N19	Residential property	Freehold	Currently let commercially.
324 St John's Way, London N19	Residential property	Long Leasehold	Operational property occupied at nil rent by a qualified full-time Christian worker who ministers in the church.

The CIO has rolled over most of the capital receipt from the transfer of 145 Park Road to a similar charitable activity into acquisition of a residential property within easy reach of 272 Archway Road, for use by Christian workers assisting the work there. The CIO completed the purchase of 324 St John's Way, Archway, N19 on 4 January 2023 at a price of £495,000.

4. Financial Review

The CIO's main sources of funding are the freewill offerings of church members and property lettings income, the latter contributing much the larger element of its funding.

4.1 Financial Activity and Financial Position

The Statement of Financial Activities and Balance Sheet can be found on pages 10 and 11 respectively. The Trust's reserves decreased by £8,702 during the year (2022: decreased by £65,375). The balance sheet shows total net assets of £4,174,239 (2022: £4,182,941).

4.2 Reserves Policy

The Trustees believe that in the grace of God the financial needs of the CIO will be provided as they arise, a belief that has been demonstrated in practice over many years. In principle, the Trustees believe that monies received by the CIO should

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Report of the Trustees For the year ended 31 March 2023

be used in furtherance of the CIO's objects as soon as is practical and is consistent with the orderly and responsible stewardship of the funds and assets and the work of the CIO.

In the view of this, the Trustees have adopted a policy of maintaining free reserves (being those funds not represented in fixed assets, nor restricted for particular purposes nor earmarked for specific projects) to provide for the anticipated costs of maintaining the properties in a good and safe condition. These costs are difficult to anticipate but regular reviews are undertaken to ensure that any works needed are identified and completed. At 31st March 2023 the Trust had free reserves of £110,404 (2022: £615,259) as follows:

	2023 £	2022 £
Total reserves	4,174,239	4,182,941
Less: restricted funds	(1,383)	(835)
Less: fixed assets used for the continuing work of the Trust	(4,062,452)	(3,566,847)
Free reserves	110,404	615,259
Free reserves requirement:		
6 month's budgeted routine expenditure and expected maintenance provision	40,000	30,000
Anticipated upkeep expenditure on buildings and purchase of furniture	40,000	20,000
Anticipated purchase cost of new residential accommodation	-	500,000
	80,000	550,000

4.3 Property Maintenance Policy

It is the Trust's policy to maintain and improve its buildings to a good standard. The cost of repairs and maintenance is included under premises costs within resources expended on charitable activities in the Statement of Financial Activities. The Trustees review the properties on a regular basis, retaining professional advisors as necessary to maintain the properties. The Trustees will retain reserves which are sufficient to ensure that they can continue to maintain the properties in a good, safe condition.

4.4 Grant Making Policy

The Trust has from time to time in consultation with the church made grants to support mission both in the UK and abroad.

4.5 Value of input by volunteers

The charitable work of the CIO and the church for which it is responsible depends to a very large extent on the work of volunteers—and it should be noted too that the group of churches of which the church forms a part has a long tradition in which Christian ministry in the home churches is an unpaid, non-professionalised activity. At least four of the trustees devote considerable time each month to the work of the CIO and church, and the church is highly dependent on the work of a range of other volunteers, including those who serve as elders of the church and in the church Core Leadership Team. It would be of questionable accuracy (and could be potentially divisive between volunteers) to seek to put a monetary value on this work.

5. Plans for Future Periods

The overall aim is that the work of the church can flourish and grow. We intend to look to God's leading as to how to make best use of the CIO's resources to fulfil the objects of the CIO. As explained above, the church now has in place a Pastor/Team Leader and a Community Evangelist to assist with carrying forward and growing the work of the church. The Trustees believe that both roles are essential to re-growth of the church and its mission.

The CIO is continuing to review the needs of the properties to maintain them in a safe condition.

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Report of the Trustees For the year ended 31 March 2023

6. Responsibilities of Trustees for the Financial Statements

The Trustees are responsible for preparing the report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice. Charity law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of its financial activities for that period.

In preparing those financial statements, the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the activities of the charity will continue.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with the Charities Act 2011. Trustees 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.

7. Approval

The report of the Trustees was approved by the Trustees on xxxx December 2023 and signed on its behalf by:

Michael Hall
Trustee

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Report of the Independent Examiner to the Trustees of Highgate International Church

I report on the financial statements of Highgate International Church for the year ended 31 March 2023, set out on pages 10 to 16.

This report is made solely to the Trustees in accordance with section 145 of the Charities Act 2011 (the Act). My independent examination has been undertaken so that I might state to the Trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by the law, I do not accept responsibility to anyone other than the Trust and the Trustees for my independent examination, for this report, or the opinions I have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND EXAMINER

The Trustees consider that an audit is not required for this year under section 144(2) of the Act and that an independent examination is needed.

It is my responsibility to:

- Examine the accounts (under section 145 of the Act);
- To follow the procedures laid down in the General Direction given by the Charity Commission (under section 145(5)(b) of the Act); and
- To state whether particular matters have come to my attention.

BASIS OF INDEPENDENT EXAMINER'S STATEMENT

My examination was carried out in accordance with General Directions given by the Charity Commissioners. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeking explanations from the Trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the accounts.

INDEPENDENT EXAMINER'S STATEMENT

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the church 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.

John Helm ACA
December 2023

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Statement of Financial Activities For the year ended 31 March 2023

	Note	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total 2023 £	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total 2022 £
Income from:	2						
Donations and legacies		18,764	773	19,537	12,806	2,544	15,350
Charitable activities		3,897	-	3,897	1,853	-	1,853
Other trading activities		47,897	681	48,578	58,413	-	58,413
Total Income		70,558	1,454	72,012	73,072	2,544	75,616
Expenditure on:							
Raising funds	3	22,042	-	22,042	15,114	-	15,114
Charitable activities	4	57,766	906	58,672	67,524	3,353	70,877
Total Expenditure		79,808	906	80,714	82,638	3,353	85,991
Net gains/(losses) on investments		-	-	-	-	-	-
Net (expenditure)/income		(9,250)	548	(8,702)	(9,566)	(809)	(10,375)
Transfers between funds		-	-	-	-	-	-
Other recognised gains/(losses)		-	-	-	(55,000)	-	(55,000)
Net movement in funds		(9,250)	548	(8,702)	(64,566)	(809)	(65,375)
Total funds brought forward		4,182,106	835	4,182,941	4,246,672	1,644	4,248,316
Total funds carried forward		4,172,856	1,383	4,174,239	4,182,106	835	4,182,941

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Balance Sheet As at 31 March 2023

	Note	Unrestricted 2023 £	Restricted 2023 £	Total 2023 £	Total 2022 £
Fixed Assets					
Tangible Assets	5	4,062,452	-	4,062,452	3,566,847
Current Assets					
Debtors	6	8,855	-	8,855	7,467
Cash At Bank And In Hand		102,989	1,383	104,372	614,229
		111,844	1,383	113,227	621,696
Creditors - Amounts Falling Due Within One Year	7	1,440	-	1,440	5,602
Net Current Assets		110,404	1,383	111,787	616,094
Net Assets		4,172,856	1,383	4,174,239	4,182,941
Represented by:					
Unrestricted Income Funds		4,172,856	-	4,172,856	4,182,106
Restricted Income Funds	8	-	1,383	1,383	835
		4,172,856	1,383	4,174,239	4,182,941

The financial statements were approved by the Trustees on 31 December 2023 and signed on its behalf by:

Michael Hall
Trustee

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Notes to the Financial Statements For the year ended 31 March 2023

I. Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Basis of accounting

The financial statements have been prepared under the Charities Act 2011 and in accordance with the Charities Statement of Recommended Practice (Charities SORP 2019 (FRS 102)). The financial statements are drawn up on the historical cost basis of accounting.

Under the merger accounting provisions of SORP2019, these financial statements include the results of both the CIO and Cholmeley Evangelical Church (Second Century) Trust Fund ('the Trust'), which was formerly responsible for the work of Highgate International Church, so as to give a true and fair presentation of the matters for which the CIO and the Trust have jointly been responsible.

The Trust meets the definition of a public benefit entity under FRS 102.

Going Concern

There are no material uncertainties about the Trust's ability to continue as a going concern and accordingly the accounts have been drawn up on a going concern basis.

Income recognition

Voluntary income and donations (including legacies) are accounted for once the Charity has entitlement to the income, it is probable the income will be received and the amount of income receivable can be reliably measured. Income from the recovery of tax on gift aided donations is accounted for in the period to which the relevant donation is received.

The income from trading activities includes rental income from the letting of church premises and freehold land and buildings which is accounted for when earned. It is shown gross, with the associated costs included in fundraising costs.

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

Expenditure recognition

Expenditure is accrued as soon as a liability is considered probable, and the amount of obligation can be measured reliably. Longer term liabilities are discounted to present value. The Trust is not registered for VAT and accordingly expenditure includes VAT where appropriate.

Charitable expenditure includes those costs in fulfilling the Trust's principal objects, as outlined in the Report of the Trustees. These include grants payable and governance costs:

- Grants payable are payments made to third parties in furtherance of the Trust's objects. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award. The notification gives the recipient a reasonable expectation that they will receive the grant. Grants awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled condition attaching to that grant is outside of the control of the Trust.
- Governance costs comprise all costs involving the public accountability of the Trust and its compliance with regulation and good practice. These costs include costs related to the independent examination and legal fees.

Tangible Fixed Assets

Tangible fixed assets are accounted for as follows:

- Freehold and leasehold land and property is included at fair value. Depreciation is not provided on freehold property as the estimated residual value is considered to be the same or higher than the carrying value of the property in the accounts.
- The cost of office equipment and motor vehicles, less any expected residual value, is depreciated on a straight line basis over the effective useful life of the asset, which has been estimated as four years.

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Notes to the Financial Statements For the year ended 31 March 2023

I. Accounting Policies (continued)

Debtors

Debtors are included at the settlement amount due. Prepayments are valued at the amount prepaid.

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation arising 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 recognised at their settlement amount.

Fund accounting

The funds held by the charity are either:

- Unrestricted general funds - these are funds which can be used in accordance with the charitable objects at the discretion of the Trustees.
- Restricted funds - these are funds that 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.

2. Income

	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total 2023 £	Total 2022 £
Donations & legacies				
Offerings and donations	15,996	730	16,726	13,021
Income tax reclaimed	2,768	43	2,811	2,329
	18,764	773	19,537	15,350
Charitable activities				
Tots & Toddlers	3,857	-	3,857	1,853
Cafe	40	-	40	-
	3,897	0	3,897	1,853
Other trading activities				
Lettings income	46,088	-	46,088	51,660
Other	1,809	681	2,490	6,753
	47,897	681	48,578	58,413
	70,558	1,454	72,012	75,616

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Notes to the Financial Statements For the year ended 31 March 2023

3. Expenditure – Raising Funds

	Unrestricted 2023 £	Restricted 2023 £	Total 2023 £	Total 2022 £
Let properties:				
Agent's management fees	4,523	-	4,523	4,990
Maintenance	11,529	-	11,529	7,965
Insurance	1,391	-	1,391	1,629
Utilities	-	-	-	530
Professional fees	3,960	-	3,960	-
Other	639	-	639	-
	22,042	0	22,042	15,114

4. Expenditure – Charitable Activities

	Unrestricted 2023 £	Restricted 2023 £	Total 2023 £	Total 2022 £
Church life & outreach				
Gross salaries	3,119	-	3,119	3,913
Employer pension contributions	141	-	141	237
Non salaried workers	1,015	-	1,015	200
Accommodation	6,654	-	6,654	21,060
Meetings & services	2,836	-	2,836	2,207
Café	5,282	-	5,282	2,328
Tots & toddlers	1,138	-	1,138	841
Gifts & grants	819	906	1,725	4,103
Provision for bad debt	-	-	-	5,334
Other	1,998	-	1,998	718
	23,002	906	23,908	40,941
Office costs				
Postage & stationery	26	-	26	67
Telephone & internet	1,236	-	1,236	1,732
Insurance	260	-	260	148
Computer consumables	-	-	-	54
Payroll processing	619	-	619	661
Professional fees	3,223	-	3,223	-
Other	2,136	-	2,136	1,592
	7,500	0	7,500	4,254
Church building & facilities				
Council tax	2,242	-	2,242	412
Utilities	11,149	-	11,149	7,088
Insurance	2,255	-	2,255	1,961
Maintenance, cleaning & equipment	9,283	-	9,283	4,848
Ground rent	300	-	300	275
Depreciation	595	-	595	593
	25,824	0	25,824	15,177
Governance costs				
Independent examination	1,440	-	1,440	2,400
CIO set up costs	-	-	-	8,105
	57,766	906	58,672	70,877

HIGHGATE INTERNATIONAL CHURCH

Notes to the Financial Statements For the year ended 31 March 2023

4. Expenditure – Charitable Activities (continued)

There were 2 (2022: 2) employees.

None of the Trustees received any remuneration or were reimbursed any expenses in the year (2022: £nil).

5. Tangible Fixed Assets

	Freehold land & buildings £	Leasehold land & buildings £	Fixtures, fittings & equipment £	Total £
Cost				
At 1 April 2022	2,050,000	1,516,042	20,369	3,586,411
Additions	-	496,200	-	496,200
Disposals	-	-	-	-
At 31 March 2023	<u>2,050,000</u>	<u>2,012,242</u>	<u>20,369</u>	<u>4,082,611</u>
Depreciation				
At 1 April 2022	-	-	19,564	19,564
Charge For Year	-	-	595	595
Disposals	-	-	-	-
At 31 March 2023	<u>0</u>	<u>0</u>	<u>20,159</u>	<u>20,159</u>
Net Book Value				
At 31 March 2023	<u>2,050,000</u>	<u>2,012,242</u>	<u>210</u>	<u>4,062,452</u>
At 31 March 2022	<u>2,050,000</u>	<u>1,516,042</u>	<u>805</u>	<u>3,566,847</u>

Property Valuations

Property	Property type	Valuation	Valuation Basis
272 Archway Road, London N6	Church building	1,516,042	£250 per square foot. Valuation represents the Trust's share
143 Park Road, London N8	Residential property	950,000	Local sold and current for sale valuations as comparators
16 Despard Road, London N19	Residential property	1,100,000	Local sold and current for sale valuations as comparators
324 St John's Way, London N19	Residential property	496,200	Local sold and current for sale valuations as comparators

6. Debtors

	2023 £	2022 £
Gift Aid receivable	4,847	2,330
Prepayments	1,873	2,516
Other debtors	2,135	2,621
	<u>8,855</u>	<u>7,467</u>

HIGHGATE INTERNATIONAL CHURCH

Notes to the Financial Statements For the year ended 31 March 2023

7. Creditors - Amounts Falling Due Within One Year

	2023 £	2022 £
Accruals	1,440	2,460
Deferred Income	-	3142
	<u>1,440</u>	<u>5,602</u>

8. Restricted Funds

8a. Current year

	At 1 April 2022 £	Income £	Expenditure £	Transfers £	Gains/ (losses) £	At 31 March 2023 £
Mission	<u>835</u>	<u>1,454</u>	<u>(906)</u>	<u>-</u>	<u>-</u>	<u>1,383</u>

8b. Prior year

	At 1 April 2021 £	Income £	Expenditure £	Transfers £	Gains/ (losses) £	At 31 March 2022 £
Mission	<u>1,644</u>	<u>2,544</u>	<u>(3,353)</u>	<u>-</u>	<u>-</u>	<u>835</u>

Mission Fund – funds received specifically for supporting the church's various mission partners.

9. Related Party Transactions

Certain of the Trustees incur costs on behalf of the Trust which are reimbursed on presentation of invoices.

Mr Alistair Hornal, a Key Management Person, received £1,015 (2021: £200) in his role as consultant elder and chairman of the church Leadership Team. After July 2021, Mr Hornal continued as an elder of the congregation, but waived all payments with respect to the role.

Mr Mark Davies, a Key Management Person, lived in accommodation owned by the Trust rent free until 15 October 2020. Thereafter, so as to allow the Mission Team Leader (designate) and his family to occupy 143 Park Road, they occupied rented property, and the charity met the rental cost until their departure from the property in September 2022. As explained in the second paragraph in section 3 of the trustee report, he and his wife provide teaching and pastoral services to the church.

Mr Neil Summerton, a Trustee, and Mr Mark Davies are also trustees of Partnership (UK) Ltd which until 31 December 2022 encouraged and served some 150 member churches similar to HIC. The church was a member of Partnership and paid an annual subscription of £100.

In so far as trustees give to support the work of the Trust, they do so at least in part anonymously out of respect for biblical principles relating to Christian giving (e.g., Matthew 6: 1–8); the aggregate amount of donations by trustees is therefore not known, and, even if it were known to those keeping the church's accounts, it would not be appropriate to publish it.