

**THE CHOLMELEY EVANGELICAL CHURCH  
(SECOND CENTURY) TRUST FUND**

**Charity Registration Number: 297746**

**Report and Financial Statements**

**31 March 2021**

# THE CHOLMELEY EVANGELICAL CHURCH (SECOND CENTURY) TRUST FUND

## Report and Financial Statements 2021

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# THE CHOLMELEY EVANGELICAL CHURCH (SECOND CENTURY) TRUST FUND

## Legal & Administrative Information For the year ended 31 March 2021

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<b>Charity Name</b>	The Cholmeley Evangelical Church (Second Century) Trust Fund.		
<b>Governing Document</b>	The Trust is an unincorporated trust, established by a Declaration of Trust on 27 May 1987.		
<b>Charity Registration No.</b>	297746		
<b>Affiliations</b>	Evangelical Alliance, Partnership (UK) Ltd		
<b>Principal Address</b>	272 Archway Road, Highgate, London N6 5AU.		
<b>Trustees</b>	<p>The Trustees who served during the year and who were still serving at the date of this report were:</p> <p>Patricia Chinyoka Roger Herbert Compton Neil William Summerton      Chairman Michael Hall      Treasurer Stephen McQuoid Paula Christine Millard Trevor Currie</p>		
<b>Key Management Personnel</b>	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 and Mark Davies, as the elders of the church, working with the Church Core Leadership Team.		
<b>Bankers</b>	NatWest Bank Swiss Cottage (A) Branch 106 Finchley Road London NW3 5JN		
<b>Independent Examiner</b>	John Helm ACA Simply Churches Limited 17 Heathville Road London N19 3AL		

# THE CHOLMELEY EVANGELICAL CHURCH (SECOND CENTURY) TRUST FUND

## Report of the Trustees For the year ended 31 March 2021

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The Trustees submit their report and the financial statements of the Cholmeley Evangelical Church (Second Century) Trust Fund ("the Trust") for the year ended 31 March 2021. The financial statements have been prepared in the format prescribed by the Statement of Recommended Practice: Accounting and Reporting by Charities (SORP2015 (FRS102)) and the Financial Reporting Standard 102. 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 and supersession by Highgate International Church [CIO]**

A Declaration of Trust on 27 May 1987.

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), and the Trust has been taking the steps necessary to transfer its responsibilities and assets to HIC. The purposes of the change is 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 also the Trustees of the CIO, have agreed that the Trust should remain in being in case there are legacies which have been made in the name of the Trust. The transfer of the properties held for the benefit of the Trust was not completed until October 2021, and the establishment of bank accounts for the CIO was not completed until June 2021. Only thereafter was it possible for the CIO to begin to take over the operations and activities which were formerly the responsibility of the Trust. Accordingly, the Trust will need to produce a report and statements of financial activities for 2021–22, alongside the first report and statements of financial activities of the CIO, which will be for the period 30 October 2020–31 March 2022.

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

#### **I.2 Trustees**

The Trustees meet approximately 5 times per annum (and additionally as necessary) either in person or by teleconference, and discuss a full agenda relating to the Trust's charitable activities, governance, risk management, buildings and finance.

The number of Trustees must not be less than four. New Trustees can be appointed by a resolution at a meeting where the majority of existing Trustees are present. (The trustees interpret this to include meetings by electronic means.) 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 Trust Deed
- a copy of the Constitution of HIC [CIO]
- direction to the Charity Commission's guidance, 'The Essential Trustee'
- 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 church 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.

# THE CHOLMELEY EVANGELICAL CHURCH (SECOND CENTURY) TRUST FUND

## Report of the Trustees For the year ended 31 March 2021

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### 1.3 Risk Management

The Trustees have considered the major risks to which the Trust 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 Trust's main activities. This document is reviewed regularly. Properties are all insured based on the rebuilding cost. The Trust 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 principal objects of the Trust are:

- to use and apply the income and capital of the Trust Fund for such of the charitable purposes as may further the objects of Cholmeley Evangelical Church.
- in the event of the total failure of the Trust, to pay and apply the capital and the income of the Trust Fund to or for such charitable purposes as the Trustees shall in their absolute discretion see fit.

The Trust has been responsible for the activities of the church meeting at 272 Archway Road, and therefore itself directly furthers the objects of Cholmeley Evangelical Church (now known as Highgate International Church("the church"). The activities include the worship of God, the instruction and edification of Christians, the care and Christian instruction of young people and children, and the evangelisation of non-Christians, the relief of sickness and poverty, and the advancement the Christian faith and education generally in the United Kingdom and abroad (Trust Deed, clause 4).

Of the present Trustees, Patricia Chinyoka, Trevor Currie, 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 appropriate 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 continuous consideration, however, so as to be able to appoint more Trustees who are active members of the church. Three of the four 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.

### 2.2 Activities & Public Benefit

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

- Sunday meetings worship, fellowship, study of the Word, prayer, and fellowship lunches
- An 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
- Other fellowship activities

The properties comprise church buildings in North London (272 Archway Road, Highgate; and Park Road Hall, Crouch End), and two residential properties between Archway and Highgate And in Crouch End.

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 Trust 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 the separate congregation which uses Park Road Hall, Crouch End; 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, and through the support of Christian and community work in a range of different places across the world through the work of missionaries with whom the church is associated. The

# THE CHOLMELEY EVANGELICAL CHURCH (SECOND CENTURY) TRUST FUND

## Report of the Trustees For the year ended 31 March 2021

building at 272 Archway Road is also used for other Christian and/or community which the church wishes to facilitate, including Partnership (UK) Ltd (a registered charity) of which HIC is a member church, and GLO Europe with which Mark and Shirley Davies and Stephen McQuoid are associated and which places short-term mission teams with the church, and the North London Recorder Society

### 3. Achievements and Performance

In 2020-21, the church continued the café which is opened to the community one day a week (though that was interrupted to some extent by COVID-19 in the earlier part of the year): 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 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. The sessions were suspended for some 15 months from March 2020 in response to the pandemic. By both means, every opportunity is taken to advance the Christian faith as well as provide pastoral and practical support to users as necessary.

Between January 2015 and 15 October 2020, two qualified full-time Christian workers (a married couple—Mark and Shirley Davies) occupied the Trust's property at 143 Park Road, the better to enable them to minister in and assist with the work of the church, in addition to other Christian work in which they are engaged. Mark Davies gives a considerable proportion of his time to the church, though he also has through GLO Europe a national ministry in the group of churches with which the church is related. (Neither is employed by the Trust as they 'live by faith' in accordance with widespread practice in this group of churches, but there is agreement between the trust and the workers as to the nature and scale of their ministry in HIC while they occupied the Trust's property in order the better to be able jointly to carry out that ministry.) Mark and Shirley vacated this property on 15 October 2020, and shifted to a rented property funded by the Trust, in order to allow 143 Park Road to be occupied by David and Rachel Bell and their family—David Bell being Mark Davies' intended successor as Pastor/Minister and Mission Team Leader in the church. (Mark continued to contribute much to the strategic leadership and administration of the church, and, as things have turned out, continues to do so for the time being.) Up to July 2020, the Trust also remunerated a qualified itinerant full-time Christian worker (Alistair Hornal) to give time to the church as a consultant elder and Core Leadership Team member, and to provide teaching on a regular basis. At the proposal of the worker concerned, remuneration ceased thereafter, though the worker continues to act as a consultant elder. Between September 2020 and January 2021, the Trust also had a contract for services with, and provided accommodation for, a Christian worker in the role of Community Outreach Pastor. This appointment did not proceed however because the worker was unable to meet all the conditions of the appointment. (As from 1 November 2021, following advertisement, a further individual was appointed in the role of Community Evangelist, on the basis that, now, the CIO provides accommodation for better performance of duties in the Highgate area, but the worker otherwise 'lives by faith'.)

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 paragraph, but widely by volunteers from within the congregation and also by visiting teachers.

Additionally, the Trust 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.

# THE CHOLMELEY EVANGELICAL CHURCH (SECOND CENTURY) TRUST FUND

## Report of the Trustees

For the year ended 31 March 2021

Property	Property type	Ownership	Current usage
143 Park Road, London N8	Residential property	Freehold	Operational property occupied at nil rent by qualified full-time Christian workers who minister in the church.
145 Park Road, London N8 (Park Road Hall)	Church building	Freehold	Used by a separate congregation at below market rent and for other activities as appropriate, in furtherance of the general objects of Cholmeley Evangelical Church
16 Despard Road, London N19	Residential property	Freehold	Currently let commercially.

The Trust has been in discussion for a considerable time with the Ichthus Trust which is responsible for the congregation which uses 145 Park Road about whether the Trust will transfer that building to Ichthus Trust on appropriate terms. The two Trusts agreed the basic terms of the transfer in January 2021. Transfer has been delayed by the COVID-19 lockdowns, but was completed on 13 December 2021.. The CIO/Trust expects to roll over the capital receipt into acquisition of a residential property in the area of 272 Archway Road, for use by Christian workers assisting the work there.

### 4. Effects of and response to the COVID-19 pandemic

As required by H. M. Government, the Trust's buildings at 272 Archway Road and 145 Park Road were closed as places of worship between 23 March 2020 and 4 July 2020. Community activities in the buildings, such as the parent and toddler sessions at 272 Archway Road were also prevented between those dates. Between the dates mentioned the worship and weekly bible study and fellowship activities of the church at 272 Archway Road were switched in an effective manner to interactive electronic meeting via the Zoom platform. The building remained in permitted use for minor office purposes, and also to provide weekly support to a number of long-term homeless persons to whom the church gives help. Resumption of use as a place of worship and for community activities was dependent among other things on risk assessment as prescribed in government guidance. A small number of members of HIC began to meet early in July 2020 at 272 Archway Road as part of a 'blended' meeting which allowed others to join the meeting online. The Portuguese-speaking congregation which is also accommodated in the building resumed meetings on a limited basis in September 2020. These modes of meeting continued through the lockdowns of November 2020 and January–April 2021 and beyond, but inevitably there was a sense of restriction and anxiety about in-person meetings among elderly and shielding members of the congregation. The important parent and toddler sessions were able to resume in 24 June 2021 because of the difficulties of operating safely in present circumstances. There is little doubt that both places of worship and community facilities have been hampered by the pandemic in the scale of public benefit that religious charities can render, and church and community activities are only very slowly beginning to get back to levels seen before the pandemic

The financial effects on the pandemic on the Trust were limited, partly because congregational giving did not account for the major proportion of the Trust's income. Congregational giving held up well during the pandemic period.

## 5. Financial Review

The Trust'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

### 5.1 Financial Activity and Financial Position

The Statement of Financial Activities and Balance Sheet can be found on pages 9 and 10 respectively. The Trust's reserves increased by £1,363 during the year (2020: increased by £2,346). The balance sheet shows total net assets of £4,248,316 (2020: £4,246,953).

# THE CHOLMELEY EVANGELICAL CHURCH (SECOND CENTURY) TRUST FUND

## Report of the Trustees

For the year ended 31 March 2021

### 5.2 Reserves Policy

The Trustees believe that in the grace of God the financial needs of the Trust 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 Trust should be used in furtherance of the Trust'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 Trust.

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 31<sup>st</sup> March 2021 the Trust had free reserves of £99,584 (2020: £97,878) as follows:

	2021 £	2020 £
<b>Total reserves</b>	<b>4,248,316</b>	<b>4,246,953</b>
Less: restricted funds	(1,644)	(1,463)
Less: fixed assets used for the continuing work of the Trust	(4,147,088)	(4,147,612)
<b>Free reserves</b>	<b>99,584</b>	<b>97,878</b>
<b>Free reserves requirement:</b>		
6 month's budgeted routine expenditure and expected maintenance provision	30,000	30,000
Anticipated upkeep expenditure on buildings and purchase of furniture	20,000	20,000
	<b>50,000</b>	<b>50,000</b>

The Trustees believe that in present times the free reserves available of nearly £100,000 on 31 March 2021 were not at an unreasonable level.

### 5.3 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—though going forward the matter will be the responsibility of the CIO which is in the process of succeeding the Trust (of which the Trustees of the Trust are trustees)

### 5.4 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.

### 5.5 Value of input by volunteers

The charitable work of the Trust 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 Trust 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.



# THE CHOLMELEY EVANGELICAL CHURCH (SECOND CENTURY) TRUST FUND

## Report of the Trustees For the year ended 31 March 2021

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### 6. Plans for Future Periods

The Trustees, elders and the church Core Leadership Team and the church have been implementing plans for increased use of the assets at 272 Archway Road for training purposes; facilitating this Christian work in itself fulfils the objects of Cholmeley Evangelical Church; it should also have important positive benefits for the life and work of the church itself.

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 Trust's (and now the successor CIO's) resources to fulfil the objects of the Trust. In the autumn of 2020, the Trust appointed a Mission Team Leader designate and a Community Outreach Pastor to assist with carrying forward and growing the work of the church. Neither appointment has proved in the event to be long-term. But a Community Evangelist has now been recruited, and the trustees will be seeking to make a further appointment to the post of Mission Team Leader as they believe that both roles are essential to re-growth of the church and its mission.

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

### 7. 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;
- 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.

### 8. Approval

The report of the Trustees was approved by the Trustees on 14 January 2022 and signed on its behalf by:

**Michael Hall**  
Trustee

# THE CHOLMELEY EVANGELICAL CHURCH (SECOND CENTURY) TRUST FUND

## Report of the Independent Examiner to the Trustees of The Cholmeley Evangelical Church (Second Century) Trust Fund

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I report on the financial statements of The Cholmeley Evangelical Church (Second Century) Trust Fund for the year ended 31 March 2021, set out on pages 10 to 17.

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**  
**14 January 2022**

# THE CHOLMELEY EVANGELICAL CHURCH (SECOND CENTURY) TRUST FUND

## Statement of Financial Activities For the year ended 31 March 2021

	Note	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total 2021 £	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total 2020 £
<b>Income from:</b>	2						
Donations and legacies		10,446	3,951	14,397	7,192	4,001	11,193
Charitable activities		-	-	-	3,944	-	3,944
Other trading activities		47,664	-	47,664	55,082	-	55,082
<b>Total Income</b>		<b>58,110</b>	<b>3,951</b>	<b>62,061</b>	<b>66,218</b>	<b>4,001</b>	<b>70,219</b>
<b>Expenditure on:</b>							
Raising funds	3	9,922	-	9,922	24,489	-	24,489
Charitable activities	4	47,006	3,770	50,776	39,882	3,502	43,384
<b>Total Expenditure</b>		<b>56,928</b>	<b>3,770</b>	<b>60,698</b>	<b>64,371</b>	<b>3,502</b>	<b>67,873</b>
Net gains/(losses) on investments		-	-	-	-	-	-
<b>Net income/(expenditure)</b>		<b>1,182</b>	<b>181</b>	<b>1,363</b>	<b>1,847</b>	<b>499</b>	<b>2,346</b>
Transfers between funds		-	-	-	-	-	-
Other recognised gains/(losses)		-	-	-	-	-	-
<b>Net movement in funds</b>		<b>1,182</b>	<b>181</b>	<b>1,363</b>	<b>1,847</b>	<b>499</b>	<b>2,346</b>
<b>Total funds brought forward</b>		<b>4,245,490</b>	<b>1,463</b>	<b>4,246,953</b>	<b>4,243,643</b>	<b>964</b>	<b>4,244,607</b>
<b>Total funds carried forward</b>		<b>4,246,672</b>	<b>1,644</b>	<b>4,248,316</b>	<b>4,245,490</b>	<b>1,463</b>	<b>4,246,953</b>

# THE CHOLMELEY EVANGELICAL CHURCH (SECOND CENTURY) TRUST FUND

## Balance Sheet As at 31 March 2021

	Note	Unrestricted 2021 £	Restricted 2021 £	Total 2021 £	Total 2020 £
<b>Fixed Assets</b>					
Tangible Assets	5	4,147,088	-	4,147,088	4,147,612
<b>Current Assets</b>					
Debtors	6	10,839	-	10,839	10,482
Cash At Bank And In Hand		91,523	1,644	93,167	93,429
		102,362	1,644	104,006	103,911
<b>Creditors - Amounts Falling Due Within One Year</b>	7	2,778	-	2,778	4,570
<b>Net Current Assets</b>		99,584	1,644	101,228	99,341
<b>Net Assets</b>		<b>4,246,672</b>	<b>1,644</b>	<b>4,248,316</b>	<b>4,246,953</b>
Represented by:					
<b>Unrestricted Income Funds</b>		4,246,672	-	4,246,672	4,245,490
<b>Restricted Income Funds</b>	8	-	1,644	1,644	1,463
		<b>4,246,672</b>	<b>1,644</b>	<b>4,248,316</b>	<b>4,246,953</b>

The financial statements were approved by the Trustees on 14 January 2022 and signed on its behalf by:

**Michael Hall**  
Trustee

# THE CHOLMELEY EVANGELICAL CHURCH (SECOND CENTURY) TRUST FUND

## Notes to the Financial Statements For the year ended 31 March 2021

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### **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 (FRS 102)) and Financial Reporting Standard 102 (FRS 102). The financial statements are drawn up on the historical cost basis of accounting.

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.

# THE CHOLMELEY EVANGELICAL CHURCH (SECOND CENTURY) TRUST FUND

## Notes to the Financial Statements For the year ended 31 March 2021

### 1. 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 2021 £	Restricted Funds 2021 £	Total 2021 £	Total 2020 £
Donations & legacies				
Offerings and donations	8,714	3,398	12,112	9,211
Income tax reclaimed	1,732	553	2,285	1,982
	<hr/> 10,446	<hr/> 3,951	<hr/> 14,397	<hr/> 11,193
Charitable activities				
Tots & Toddlers	-	-	-	3,944
Other trading activities				
Lettings income	47,664	-	47,664	54,777
Other	-	-	-	305
	<hr/> 47,664	<hr/> 0	<hr/> 47,664	<hr/> 55,082
	<hr/> <b>58,110</b>	<hr/> <b>3,951</b>	<hr/> <b>62,061</b>	<hr/> <b>70,219</b>

# THE CHOLMELEY EVANGELICAL CHURCH (SECOND CENTURY) TRUST FUND

## Notes to the Financial Statements For the year ended 31 March 2021

### 3. Expenditure – Raising Funds

	Unrestricted 2021 £	Restricted 2021 £	Total 2021 £	Total 2020 £
Let properties:				
Agents management fees	4,524	-	4,524	4,524
Maintenance	3,270	-	3,270	17,031
Insurance	1,291	-	1,291	1,609
Utilities	837	-	837	1,325
	<b>9,922</b>	<b>-</b>	<b>9,922</b>	<b>24,489</b>

### 4. Expenditure – Charitable Activities

	Unrestricted 2021 £	Restricted 2021 £	Total 2021 £	Total 2020 £
Church life & outreach				
Gross salaries	4,324	-	4,324	2,183
Employer pension contributions	213	-	213	40
Non salaried workers	2,405	-	2,405	1,566
Accommodation	8,280	-	8,280	-
Meetings & services	1,573	-	1,573	2,173
Café	2,376	-	2,376	1,945
Tots & toddlers	659	-	659	2,005
Other	702	-	702	777
Gifts & grants	1,650	3,770	5,420	5,505
Provision for bad debt	-	-	-	(3,041)
	<b>22,182</b>	<b>3,770</b>	<b>25,952</b>	<b>13,153</b>
Office costs				
Postage & stationery	50	-	50	195
Telephone & internet	1,605	-	1,605	1,287
Insurance	124	-	124	250
Computer consumables	192	-	192	336
Payroll processing	575	-	575	380
Professional fees	-	-	-	80
Other	831	-	831	684
	<b>3,377</b>	<b>-</b>	<b>3,377</b>	<b>3,212</b>
Church building & facilities				
Utilities	9,150	-	9,150	9,416
Insurance	2,549	-	2,549	2,054
Maintenance, cleaning & equipment	7,754	-	7,754	9,156
Ground rent	270	-	270	211
Depreciation	524	-	524	5,002
	<b>20,247</b>	<b>-</b>	<b>20,247</b>	<b>25,839</b>
Governance costs				
Independent examination	1,200	-	1,200	1,080
	<b>47,006</b>	<b>3,770</b>	<b>50,776</b>	<b>43,284</b>

# THE CHOLMELEY EVANGELICAL CHURCH (SECOND CENTURY) TRUST FUND

## Notes to the Financial Statements For the year ended 31 March 2021

### 4. Expenditure – Charitable Activities (continued)

There were 2 (2020: nil) employees.

None of the Trustees received any remuneration or were reimbursed any expenses in the year (2020: £nil).

### 5. Tangible Fixed Assets

	Freehold land & buildings £	Leasehold land & buildings £	Fixtures, fittings & equipment £	Total £
<b>Cost</b>				
At 1 April 2020	2,630,000	11,516,042	20,017	4,166,059
Additions	-	-	-	-
Disposals	-	-	-	-
At 31 March 2021	<u>2,630,000</u>	<u>11,516,042</u>	<u>20,017</u>	<u>4,166,059</u>
<b>Depreciation</b>				
At 1 April 2020	-	-	18,447	18,447
Charge For Year	-	-	524	524
Disposals	-	-	-	-
At 31 March 2021	<u>0</u>	<u>0</u>	<u>18,971</u>	<u>18,971</u>
<b>Net Book Value</b>				
At 31 March 2021	<u>2,630,000</u>	<u>11,516,042</u>	<u>1,046</u>	<u>4,147,088</u>
At 31 March 2020	<u>2,630,000</u>	<u>11,516,042</u>	<u>1,570</u>	<u>4,147,612</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
145 Park Road, London N8	Church building	580,000	Professional valuation undertaken by Julian Lewis & Co dated 13 November 2014 (£250 per square foot)
16 Despard Road, London N19	Residential property	1,100,000	Local sold and current for sale valuations as comparators



# THE CHOLMELEY EVANGELICAL CHURCH (SECOND CENTURY) TRUST FUND

## Notes to the Financial Statements For the year ended 31 March 2021

### 6. Debtors

	2021 £	2020 £
Gift Aid receivable	1,496	1,284
Prepayments	2,738	2,770
Other debtors	6,605	6,428
	<u>10,839</u>	<u>10,482</u>

### 7. Creditors - Amounts Falling Due Within One Year

	2021 £	2020 £
Accruals	2,778	4,570
Provision for bad debt	-	-
	<u>2,778</u>	<u>4,570</u>

### 8. Restricted Funds

	At 1 April 2020 £	Income £	Expenditure £	Transfers £	Gains/ (losses) £	At 31 March 2021 £
Mission	<u>1,463</u>	<u>3,951</u>	<u>3,770</u>	<u>-</u>	<u>-</u>	<u>1,644</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 Horal, a Key Management Person, received £605 (2020: £1,566) in his role as consultant elder and chairman of the church Leadership Team.

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 meets the rental cost.. 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 encourages and serves some 150 member churches similar to HIC. The church is a member of Partnership and pays an annual subscription of £100.

# THE CHOLMELEY EVANGELICAL CHURCH (SECOND CENTURY) TRUST FUND

## Notes to the Financial Statements For the year ended 31 March 2021

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### **9. Related Party Transactions (continued)**

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