

Harborough Community Church Trust

Report and Accounts
Year ended 31 October 2020

Stewardship 
Active generosity

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

HARBOROUGH COMMUNITY CHURCH TRUST
LEGAL AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 OCTOBER 2020

ADDRESS FOR CORRESPONDENCE	121 Bath Street Market Harborough Leicestershire LE16 9JL
GOVERNING DOCUMENT	Declaration of Trust dated 21 December 1984, amended 19 January 2017
CHARITY REGISTRATION NUMBER	516122
TRUSTEES RESPONSIBLE FOR MANAGING THE CHARITY	Mr J Briggs (Appointed April 2020) Mr R Dunning Mr C Stokes Mr P Walter Mr R Wilson
BANKERS	Lloyds Bank plc
INDEPENDENT EXAMINER	Jaimée Young Stewardship 1 Lamb's Passage LONDON EC1Y 8AB

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Harborough Community Church
Transforming lives

Harborough Community Church Trust
ANNUAL REPORT YEAR ENDED 31 OCTOBER 2020

The Trustees are pleased to present their report together with the Financial Statements for the year ended 31st October 2020.

CHARITABLE OBJECTIVES

The principal objective of the Church is to advance the Christian Faith. We are committed to being God's workers in Market Harborough and to be a prayerful and Christ-centred church striving to be "Christ in the community".

ORGANISATION

Meetings of the Trustees complied with the requirements for the proper control of HARBOROUGH COMMUNITY CHURCH TRUST (Reg. 516122). Completed statements of the Trust's affairs for the previous year were lodged with the Charity Commission and duly accepted. There were no changes in the Church Constitution.

New Trustees are appointed by the Elders of the church in accordance with the trust deed. Elders are appointed by the recommendation of the existing Elders subject to the approval of the church. New Elders are normally appointed as Trustees. Elders and Deacons, in their appropriate roles, met regularly for prayer seeking the Lord's guidance for any matters requiring attention. The Deacons have contributed greatly to the work of the church and have reduced the burden on the Elders. Lorna Murphy was Treasurer/Administrator during the year.

Following a time of reflection for the church they appointed Phil Walter as Pastor from 1st September 2019 as an interim measure with the object of finding a man to take on the role in the future as well as take the church forward leading up to then.

RISK STATEMENT

The Trustees continually review and update systems and policies regarding Health & Safety, Child Protection, Vulnerable Adults, Data Protection, GDPR and so on. These we see as vital in our day to day running of the church and take them very seriously.

FINANCIAL REVIEW

The Finance Team consisted of Lorna Murphy (Treasurer / Administrator), John Daley (Chair from April 19) and Glyn Iliffe.

Funds of the church are maintained in an interest bearing account in accordance with the Trust reserves policy, with the remainder in a working current account. Funds continue to be received and are supported by the membership.

As is permitted for charities having income of less than £250,000, these accounts, have been prepared on a receipts and payments basis.

Total receipts for the year were: £144,600 (2019 £150,200) Total payments for the year were: £127,700 (2019 £128,500) giving a surplus of £16,900 (2019 £21,700).

At the end of the year, the church had reserves of £90,700 of which £81,100 was unrestricted.

The church's practice is to give a minimum of 10% of its unrestricted income to support Missionary work both home and abroad.

Monthly support which includes prayer and financial giving continued this year for missionaries in Burkina Faso, Johannesburg, South Africa, and the Messengers charity working in South East Asia supporting the suffering church.

At home, support for the Bower House Counselling Service, The Cube youth work and Street Pastors in Market Harborough continued to be part of our mission interest.

We continue to be part of Churches Together in Harborough and have participated in various initiatives throughout the year. We are also Members of the Evangelical Alliance.

RESERVES POLICY

The church's policy is to maintain a prudent level of reserves, commensurate with its ongoing activities, maintenance costs and future commitments. The Trustees have agreed a minimum level of 3 months costs which at present amount to approximately £31,000. The unrestricted reserves at the year-end were £81,100 (2019: £73,600).

REVIEW OF ACTIVITIES

The Trustees have regard to the guidance on public benefit issued by the Charity Commission.

The Church has a membership of 125 with a Sunday congregation of around 180 each week.

Overview of 2020

The year can be divided very neatly into two halves November 2019 to March 2020 and then April - October 2020. The obvious reason for this has been the worldwide Covid-19 Pandemic. For the first half of the year the church was progressing well. New leadership structure helping us to focus more directly at areas of church life, a Jazz evening outreach sharing with another Harborough church in the area, encouraging a deeper love for each other and a sense of real purpose going forward. Over 40 groups were using our facilities during the week with a very wide range of community activity.



Covid-19 hit and church life changed dramatically! All activity within the building ceased including the coffee shop, Sunday services, Homegroups, use by outside bodies and children's work.

The Elders quickly put in place online recorded services each week. These were seen by many more than our normal congregation numbers as these were available to be seen by folk maybe searching for the meaning to life. Zoom prayer meetings, a daily encouragement sent by email and much more. Homegroups in the main continued using Zoom and many ways were thought of to keep the church together. Of course we were unaware in the beginning that this would be a long-term effort.

We have been greatly blessed by God during this time as we now have a large Hardship Fund freely given by the members and others to distribute as we see real need. Our giving generally has been maintained with some having to stop and others starting to give.



On Sunday 4th October 2020 we began services back at the church. This required a great deal of work in risk assessments, policies and procedures meaning we are as Covid safe as we can be. Homegroups are now back at the church where required. The youth group, which did manage to continue in a smaller way, is also back in the building.

The time however, has not been wasted by any means. We have started a Leaders Training Course with ten young men attending, with the hope we may start one for women also. A new website appealing to the community is ready to launch soon. Our search for a new pastor continues and Phil Walter has agreed another year as interim pastor of HCC.



An online Alpha course is being set up to be launched soon.

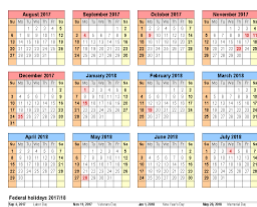
We have been very aware that we are not able to meet our community in the normal way and this allows us to meet them online

COVID Responsibilities

The last seven months of the year have brought with it a huge amount of often complex Government advice and guidelines, furlough procedures, (we furloughed our 2 Coffee Shop managers, three cleaners and Administrator) and much more. As Trustees we have endeavoured with the help of our finance manager to establish proper procedures to ensure the safety of all who enter the building. It has also been an opportunity to decorate and fix any ongoing issues in the building.

We have paid an outside agency to ensure that we are fully compliant with all pension regulations. As at the end of this financial year this was still ongoing but is now completed.

We are very conscious of the mental health of our members and have sought to support them pastorally and practically during this period.



The Next 12 months

We envisage a continuing limit on church-based activity at least for the first half of the year and will be planning accordingly. As Trustees we will keep a close eye on the charity's finances, as giving may decrease due to the effects of the pandemic on people's income.

We are determined to move the church forward during this time and are looking to develop ways of doing this within the restrictions at the time.

TRUSTEES RESPONSIBILITIES

Charity Law requires us as Trustees to prepare financial statements for each accounting year which record the receipts and payments for the charity for the year (Nov 1 – Oct 31).

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

We also have a responsibility to safeguard the assets of the charity and to take reasonable steps to prevent fraud or any other irregularities.

Approval

This report was approved by the Trustees and signed on their behalf by

Philip Walter

Date: 28 July 2021

INDEPENDENT EXAMINER'S REPORT
TO THE TRUSTEES OF
HARBOROUGH COMMUNITY CHURCH TRUST

I report to the trustees on my examination of the accounts of Harborough Community Church Trust ('the charity') for the year ended 31 October 2020 on pages 7 to 10 following.

Responsibilities and basis of report

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

I report in respect of my examination of the charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

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

1. accounting records were not kept in accordance with section 130 of the 2011 Act; or
2. the accounts do not accord with the accounting records.

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

Jaimée Young

Stewardship
1 Lamb's Passage
LONDON
EC1Y 8AB

Date: 13 August 2021

HARBOROUGH COMMUNITY CHURCH TRUST
RECEIPTS AND PAYMENTS ACCOUNT
FOR THE YEAR ENDED 31 OCTOBER 2020

	Notes	<u>Unrestricted Funds</u>		Restricted Funds	Total 2020	Total 2019
		General Funds	Designated Funds			
		£	£	£	£	£
<i>Income receipts</i>						
Donations		92,669	-	9,637	102,306	94,459
Gift aid receipts		16,804	-	-	16,804	16,353
Government grants		10,112	-	-	10,112	-
Coffee shop		10,631	-	-	10,631	22,505
Use of halls		4,330	-	-	4,330	12,033
Charitable activities		240	-	-	240	4,590
Interest received		167	-	-	167	159
Other		10	-	-	10	75
<i>Total receipts</i>		<u>134,963</u>	<u>-</u>	<u>9,637</u>	<u>144,600</u>	<u>150,174</u>
<i>Payments</i>						
Payments in relation to charitable activities undertaken directly	2	118,055	-	-	118,055	109,528
Grants paid in relation to charitable activities undertaken by others	3	9,400	-	274	9,674	18,948
<i>Total payments</i>		<u>127,455</u>	<u>-</u>	<u>274</u>	<u>127,729</u>	<u>128,476</u>
Net of receipts / (payments) before transfers		7,507	-	9,364	16,871	21,698
Transfers between funds	5	-	-	-	-	-
<i>Net movement in funds</i>		<u>7,507</u>	<u>-</u>	<u>9,364</u>	<u>16,871</u>	<u>21,698</u>
Cash funds as at last year end		73,630	-	157	73,787	52,089
<i>Cash funds at this year end</i>	A	<u>81,138</u>	<u>-</u>	<u>9,520</u>	<u>90,658</u>	<u>73,787</u>

The notes on pages 9-10 form part of these accounts.

HARBOROUGH COMMUNITY CHURCH TRUST
STATEMENT OF ASSETS AND LIABILITIES
FOR THE YEAR ENDED 31 OCTOBER 2020

	<u>Unrestricted Funds</u>		Restricted funds	Total 2020	Total 2019
	General funds	Designated funds			
	£	£	£	£	£
A Cash funds					
Cash at bank with immediate access	54,418	-	9,520	63,938	47,019
Notice deposits	26,720	-	-	26,720	26,598
Petty cash	-	-	-	-	170
	<u>81,138</u>	<u>-</u>	<u>9,520</u>	<u>90,658</u>	<u>73,787</u>
B Other monetary assets					
Gift aid due to charity	10,703	-	-	10,703	8,572
HMRC JRS grant (Sept)	832	-	-	832	-
	<u>11,535</u>	<u>-</u>	<u>-</u>	<u>11,535</u>	<u>8,572</u>
C Liabilities					
Falling due within one year:					
Fee for Independent Examination	1,320	-	-	1,320	1,140
	<u>1,320</u>	<u>-</u>	<u>-</u>	<u>1,320</u>	<u>1,140</u>
D Assets retained for charity's own use				Insurance value 2020	Insurance value 2019
				£	£
Church building				2,721,600	2,592,000
Contents and equipment				82,000	80,000
				<u>2,803,600</u>	<u>2,672,000</u>

The trustees have used insurance values as the trustees are unable to reliably estimate current values; insurance values may differ materially from current values.

The accounts were approved by the trustees and signed on their behalf

by Philip Walter date 28 July 2021

The notes on pages 9-10 form part of these accounts.

HARBOROUGH COMMUNITY CHURCH TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 OCTOBER 2020

1 Accounting policies

The accounts have been prepared on a receipts and payments basis and comprise a statement that shows the charity's receipts and payments, a statement that summarises the charity's assets and liabilities and related notes. The accountancy profession have determined that only accounts prepared in accordance with applicable accounting standards present a 'true and fair' view and, as these receipts and payments accounts have not (and cannot) be prepared in accordance with accounting standards, these accounts do not present (and are not intended to present) a 'true and fair' view of the charity's financial activities and state of affairs.

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity. Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. Restricted funds are donations which are to be used in accordance with specific restrictions imposed by donors; they include donations received from appeals for specific activities or projects.

	<u>Unrestricted Funds</u>		Restricted	Total	Total
	General	Designated	Funds	2020	2019
	funds	funds			
	£	£	£	£	£
2 Payments in relation to charitable activities undertaken directly					
Salaries (excluding coffee shop and cleaning)	59,082	-	-	59,082	30,582
Coffee Shop Expenditure (including salaries)	20,594	-	-	20,594	24,494
Repairs & maintenance (including salaries)	13,241	-	-	13,241	12,651
Utilities	10,990	-	-	10,990	11,728
Church activities	5,491	-	-	5,491	19,129
Insurance	2,105	-	-	2,105	2,041
Catering	224	-	-	224	391
Website expense	1,020	-	-	1,020	1,988
Children & youth work	496	-	-	496	404
Bank charges	366	-	-	366	467
Administration, office expenses and subscriptions	3,172	-	-	3,172	4,218
Governance costs	1,274	-	-	1,274	1,399
Other costs	-	-	-	-	34
	<u>118,055</u>	<u>-</u>	<u>-</u>	<u>118,055</u>	<u>109,528</u>

3 Grants and gifts paid to others

Grants for institutions:

Malawi Borehole Donation	-	-	-	-	2,378
The Messengers	1,200	-	-	1,200	-
The Cube	1,200	-	-	1,200	-
Harborough Christian Counselling Service	-	-	-	-	1,600
Other organisations under £1,000	1,000	-	-	1,000	400

Grants for individuals:

Missionary Support	6,000	-	-	6,000	14,570
Hardship / relief of poverty	-	-	274	274	-
	<u>9,400</u>	<u>-</u>	<u>274</u>	<u>9,674</u>	<u>18,948</u>

HARBOROUGH COMMUNITY CHURCH TRUST
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 OCTOBER 2020

4 Transactions with related parties

Phil Walter, a trustee, served as a church leader and was paid £30,708 [2019: £4,885] for serving in that capacity, not for serving as a trustee.
Lidia Dunning, spouse of trustee Ross Dunning, served in the coffee shop and was paid £7,436 [2019: £7,410] for serving in that capacity.
The above payments are permitted by the charity's governing document.

5 Movement of funds

	Balance at 31Oct2019	Receipts	Payments	Transfers	Balance at 31Oct2020
	£	£	£	£	£
General funds	73,630	134,963	(127,455)	-	81,138
	<u>73,630</u>	<u>134,963</u>	<u>(127,455)</u>	<u>-</u>	<u>81,138</u>
Restricted funds					
Malawi Borehole	-	539	-	-	539
Malawi - other	-	75	-	-	75
Hardship Fund	-	8,974	(274)	-	8,700
Mission Funds (missionary support)	157	50	-	-	207
	<u>157</u>	<u>9,637</u>	<u>(274)</u>	<u>-</u>	<u>9,520</u>
Total funds	<u>73,787</u>	<u>144,600</u>	<u>(127,729)</u>	<u>-</u>	<u>90,658</u>

The Malawi Borehole fund relates to funds donated for this specific purpose.

The Malawi other Fund relates to funds donated for the work in Malawi.

The Hardship Fund relates to donations given specifically to help people in need.

The Mission Fund is for donations given for missionaries supported by the church.