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**HIGHWAY CHURCH**

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**UNAUDITED**

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2020**

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## HIGHWAY CHURCH

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## HIGHWAY CHURCH

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### REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 DECEMBER 2020

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|                                  |  |
|----------------------------------|--|
| <b>Trustees</b>                  | Harvey Crook, Chair<br>Martin Norman, Trustee<br>Susan Norman, Trustee<br>Jacob Finney, Trustee (appointed 30 October 2019)<br>Philip Riggall, Trustee (appointed 4 December 2019) |
| <b>Charity registered number</b> | 1038185  |
| <b>Principal office</b>          | Church Road<br>Penryn<br>Cornwall<br>TR10 8DA  |
| <b>Accountants</b>               | IT & Accounting Solutions Limited<br>Certified Practising Accountants<br>28 Harrow Way<br>Maidstone<br>Kent<br>ME14 5TU  |
| <b>Bankers</b>                   | Barclays<br>6 Killigrew Street<br>Falmouth<br>TR11 3RD   |

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## HIGHWAY CHURCH

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### TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

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The Trustees present their annual report together with the financial statements of the Charity for the year 1 January 2020 to 31 December 2020.

#### **History**

Highway Church has been active in Penryn since 1989 and was formally established on 31 March 1994 under a Charitable Trust Deed. Since that time, Highway Church has run a variety of activities from many different facilities in Penryn, however during the year of 2013, the purchase of Highway Community Centre was completed, with finance raised through local fundraising and successful grant applications. The church is proud that the building is owned outright with no mortgage or debt to be serviced and that Highway has a permanent base which provides a resource for the community activities.

Highway Church is committed to supporting the whole community in Penryn, working with families, children, young people, students, the homeless, and those on low incomes to tackle the issues that they face. We run a foodbank, youth club, and social activities.

#### **Objectives and activities**

##### **● Policies and objectives**

The Charity's objectives continue to be the advancement of the Christian religion in Penryn and surrounding areas, by proclamation and example.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

##### **● Strategies for achieving objectives**

This is achieved through regular services of worship and other public events, the release of workers for action in the local community, involvement with other churches in the area and financial support of international ministries.

##### **● Grant-making policies**

The trustees do not have any specific policy to determine which individuals or institutions are to receive grants out of the assets of the charity, each case being decided on its merits, except that grants will only be considered where they are believed to contribute to the charity's principle object of advancing the Christian religion and caring for those in need.

##### **● Volunteers**

The charity is dependent upon the services of unpaid volunteers to achieve its objectives. Specifically, the Foodbank is manned entirely by a team of 22 volunteers, including the Manager, who coordinates all aspects of the Foodbank operation from warehousing, through administration and client facing operations dealing with often distressed clients who are hungry and in desperate need of support. The volunteers are from a broad spectrum of Cornish life - including a mix of church backgrounds and non-Christians working together for the good of the community. Many aspects of the day-to-day life in church is managed through the use of volunteers, from the children's and youth work, leading worship and the preaching team are mainly volunteers - totalling approximately 35 across many operational areas.

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## HIGHWAY CHURCH

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

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#### Objectives and activities (continued)

- **Main activities undertaken to further the Charity's purposes for the public benefit**

Our work is of benefit to the public and makes a difference to local people in many ways. The activities help people overcome isolation and depression. The foodbank helps to relieve poverty and in showing people that someone cares, it renews confidence and self-esteem. Our support through volunteering and training has also helped local people gain skills, and experience new opportunities.

#### Achievements and performance

- **Main achievements of the Charity**

Highway Community Centre has enabled numerous community action projects to be active in Penryn including Highway's Acorns Parent and Toddler group and community groups such as Dandy Daycare and a counselling service. The charity is committed to providing accessible space for further community use.

**Penryn and Falmouth Foodbank:** The Penryn and Falmouth Foodbank supplies three days' worth of food to individuals, couples or families who have been referred to the service through a third-party referral agency, such as the Job centre, local churches, health care professionals or other organisations.

In 2020, 2,196 (2019: 1,684) adults and children received food from the Foodbank, which is a 30% increase on the number of people in the previous year. This increase is attributed to the effect of the national COVID-19 pandemic. During 2020, two satellite Foodbanks were opened in Constantine and Stithians – both villages are within 10 miles of Penryn with the aim of giving better support to people isolated through the pandemic and subsequent lockdown restrictions. The team at the Penryn and Falmouth Foodbank changed the working practices and procedures to work within the government guidelines for social distancing.

Since opening in 2009, the services available through the Foodbank include signposting to help in other areas, such as debt and housing. This service covers all of the local area, with clients from Falmouth and Penryn and surrounding area, many of whom were in desperate need before being referred.

**Acts 435:** In January 2017, Highway Church started working with Acts435 (Charity 1131305), who's mandate is to put people who can give financial assistance, in touch with people who are in need. Highway acts as the physical, face-to-face advocate, qualifying each claim to enable donations and giving through an online forum.

During 2020, Highway paused this work, concentrating on maintaining other higher priority projects whilst the pandemic stopped face to face meetings.

**Acorns Parent and Toddler Group:** the thrice weekly group providing a fun environment for children pre-school age and below, whilst giving the opportunity for parents and carers to be supported. Acorns has a loyal group of young mums who enjoy the social aspect as well the opportunity to allow their children to interact with similar aged children. Once the pandemic hit and lockdown enforced, it was decided to pause Acorns Parent and Toddler group, to reduce the risk to cross infection between user groups and allow Dandy Daycare to continue to rent the building and provide essential childcare services for Healthcare professionals.

**Youth Café:** our programme for young people aged between 11-18 years has been running for many years and aims to provide a safe and fun environment for the teenagers of Penryn. Youth Cafe allows positive input into the lives of young people, who have questions about the direction of their lives and how they will achieve their dreams and aspirations. Youth Cafe aims to give them the skills necessary for moving forward positively and successfully.

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## HIGHWAY CHURCH

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

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#### **Achievements and performance (continued)**

During 2020, our temporary youth worker decided to move away from Cornwall and a member of the Team stepped into fill his shoes. During the pandemic, youth meetings were held online. It was important that the youth of Penryn and surrounding areas maintained relationships with each other during the extended period of lockdown.

#### **Financial review**

##### **• Going concern**

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

##### **• Reserves policy**

The trustees do not have a policy of holding surplus assets in the form of long-term investments, nor do they have any policies relating to a specific level of income reserves to be held, preferring instead to be in a position where they can respond in a responsible manner to any need as it arises.

At 31 December 2020 the charity had available reserves of £864 (2019: available reserves of negative £6,289).

Available reserves are defined as the value of unrestricted funds less fixed assets and funds already set aside within unrestricted funds.

##### **• Financial position**

The financial statements are prepared for the charity as a single entity.

As shown on the Statement of Financial Activities, the charity's income exceeded expenditure by £18,839 (2019: Expenditure exceeded income by £23,456). The charity's reserves are shown on the Statement of Financial Position and show total reserves of £1,067,587 (2019: £1,048,748) of which £186,949 are restricted funds (2019: £154,096).

##### **• Principal funding**

The principle funding source of the charity is giving tithes and offerings.

During the year ended 31 December 2020 giving contributed £74,644 (2019 : £43,373) to the charity's incoming resources which equates to 81.7% (2019: 61.1%) of the total incoming resources.

Given the economic climate and the demographic of Penryn, this level of voluntary giving is both generous and encouraging. The trustees are very grateful for the continued support of our work by these funders.

#### **Structure, governance and management**

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## HIGHWAY CHURCH

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

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#### Structure, governance and management (continued)

##### ● Constitution

Highway Church is a registered charity, number 1038185, and is constituted under a Trust deed which is the governing document. The unincorporated charity was registered in England with the Charity Commission on 31 May 1994.

##### ● Methods of appointment or election of Trustees

The management of the Charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Trust deed.

The power of appointment of new Trustees lies with the existing Trustees. New trustees are appointed with a view to the board of trustees providing the complimentary mix of skills necessary to perform the trustee's function and alignment to the charity's core functions and ethos.

Two new trustee was appointed during 2019 to strengthen and broaden the experience of the team.

##### ● Organisational structure and decision-making policies

The Trustees meet informally regularly through the year, together with further more formal meetings as and when required. All key decisions relating to the running of the charity finances are made by the Charity's trustees. Day to day operational decisions relating to the running of the church are delegated to the Senior Pastors, Harvey Crook and Jo Crook and to the various officers of the Church.

Management financial reports are distributed to all Trustees and are discussed at the trustee's meetings.

##### ● Policies adopted for the induction and training of Trustees

The new trustees will be given a copy of the Trust Deed and supplementary deed, along with Policies and procedures followed by the charity. Further guidance would be given. Any new Trustee will work alongside the existing Trustees, taking part in trustee meetings and sharing opinions within the Trustee team. There are clear operating boundaries for the Trustees and decision making and therefore at no point would the new Trustee be left to make any major decisions on their own. Trustee training will also be considered depending on age, and experience.

##### ● Related party relationships

Mrs Joanna Crook has been employed by the charity since 1 November 2018. Mrs Joanna Crook is a related party by virtue of her marriage to Mr Harvey Crook, a trustee of the charity.

##### ● Risk management

The Trustees have conducted a review of the major risks to which the charity is exposed, and appropriate systems have been established to mitigate these risks, as far as is reasonably practicable. These include policies relating to Health and Safety, Equal Opportunities, Safeguarding Vulnerable Adults, and financial controls.

The Trustees are satisfied that systems are in place or arrangements are in hand to manage the risks that have been identified. In particular, insurance is in place and the finance of the church, and its ministries are kept under review.

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## HIGHWAY CHURCH

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

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#### Structure, governance and management (continued)

Appropriate DBS checks, supported by regularly reviewed policies, are made for all those work with children or youth within the church.

In addition to these risks, the trustees have identified the loss of income through the letting of our building would be of financial detriment to our organisation, so we will actively seek to increase the letting of portions of our campus to alleviate this risk.

#### Funds held as custodian

At 31 December 2020 and throughout the reporting period the following Trustees, including two now former Trustees, were listed as nominees in holding the title to freehold property belonging to the charity:

HJ Crook  
Mrs N G Brewer (former Trustee - resigned 28 February 2019)  
A J Francis (former Trustee - resigned 14 July 2019)

#### Statement of Trustees' responsibilities

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

The law applicable to charities in England & Wales 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 incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the members of the board of Trustees on 9 February 2024 and signed on their behalf by:

**Harvey Crook**

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## HIGHWAY CHURCH

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### INDEPENDENT EXAMINER'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

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#### Independent examiner's report to the Trustees of Highway Church ('the Charity')

We report to the charity Trustees on our examination of the accounts of the Charity for the year ended 31 December 2020.

#### 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').

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

#### Independent examiner's statement

Your attention is drawn to the fact that the Charity has prepared the accounts in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

We understand that this has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

We have completed our examination. We confirm that no matters have come to our attention in connection with the examination giving us cause to believe that in any material respect:

1. accounting records were not kept in respect of the Charity as required by section 130 of the 2011 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.

We 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.

This report is made solely to the Charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our work has been undertaken so that we might state to the Charity's Trustees those matters we are required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity and the Charity's Trustees as a body, for our work or for this report.

Signed:

Marcel Jung

Dated: 9 February 2024

ICPA (Fellow), FFA/FIPA, FAIA

**IT & Accounting Solutions Limited**  
Certified Practising Accountants

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**HIGHWAY CHURCH**

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**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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|                                    | Note | Restricted<br>funds<br>2020<br>£ | Unrestricted<br>funds<br>2020<br>£ | Total<br>funds<br>2020<br>£ | Total<br>funds<br>2019<br>£ |
|------------------------------------|------|----------------------------------|------------------------------------|-----------------------------|-----------------------------|
| <b>Income from:</b>                |      |                                  |                                    |                             |                             |
| Donations and legacies             | 3    | 39,468                           | 35,176                             | 74,644                      | 43,373                      |
| Charitable activities              | 4    | -                                | 1,233                              | 1,233                       | 8,137                       |
| Investments                        | 5    | -                                | 15,534                             | 15,534                      | 19,527                      |
| <b>Total income</b>                |      | <b>39,468</b>                    | <b>51,943</b>                      | <b>91,411</b>               | <b>71,037</b>               |
| <b>Expenditure on:</b>             |      |                                  |                                    |                             |                             |
| Charitable activities              | 7    | 6,700                            | 65,932                             | 72,632                      | 94,493                      |
| <b>Total expenditure</b>           |      | <b>6,700</b>                     | <b>65,932</b>                      | <b>72,632</b>               | <b>94,493</b>               |
| <b>Net income/(expenditure)</b>    |      | <b>32,768</b>                    | <b>(13,989)</b>                    | <b>18,779</b>               | <b>(23,456)</b>             |
| Transfers between funds            | 17   | 85                               | (25)                               | 60                          | -                           |
| <b>Net movement in funds</b>       |      | <b>32,853</b>                    | <b>(14,014)</b>                    | <b>18,839</b>               | <b>(23,456)</b>             |
| <b>Reconciliation of funds:</b>    |      |                                  |                                    |                             |                             |
| Total funds brought forward        |      | 154,096                          | 894,652                            | 1,048,748                   | 1,072,204                   |
| Net movement in funds              |      | 32,853                           | (14,014)                           | 18,839                      | (23,456)                    |
| <b>Total funds carried forward</b> |      | <b>186,949</b>                   | <b>880,638</b>                     | <b>1,067,587</b>            | <b>1,048,748</b>            |

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 10 to 24 form part of these financial statements.

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HIGHWAY CHURCH

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**BALANCE SHEET  
AS AT 31 DECEMBER 2020**

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|   | Note | 2020<br>£               | 2019<br>£               |
|---|------|-------------------------|-------------------------|
| <b>Fixed assets</b>                                     |      |                         |                         |
| Tangible assets   | 12   | 1,066,232               | 1,088,600               |
|   |      | <u>1,066,232</u>        | <u>1,088,600</u>        |
| <b>Current assets</b>                                   |      |                         |                         |
| Debtors   | 13   | 1,830                   | 4,225                   |
| Cash at bank and in hand                                |      | 62,064                  | 26,320                  |
|   |      | <u>63,894</u>           | <u>30,545</u>           |
| Creditors: amounts falling due within one year          | 14   | (19,228)                | (21,917)                |
| <b>Net current assets</b>                               |      | <u>44,666</u>           | <u>8,628</u>            |
| <b>Total assets less current liabilities</b>            |      | <u>1,110,898</u>        | <u>1,097,228</u>        |
| Creditors: amounts falling due after more than one year | 15   | (43,311)                | (48,480)                |
| <b>Net assets excluding pension asset</b>               |      | <u>1,067,587</u>        | <u>1,048,748</u>        |
| <b>Total net assets</b>                                 |      | <u><u>1,067,587</u></u> | <u><u>1,048,748</u></u> |
| <b>Charity funds</b>                                    |      |                         |                         |
| Restricted funds  | 17   | 186,949                 | 154,096                 |
| Unrestricted funds                                      | 17   | 880,638                 | 894,652                 |
| <b>Total funds</b>                                      |      | <u><u>1,067,587</u></u> | <u><u>1,048,748</u></u> |

The financial statements were approved and authorised for issue by the Trustees on 09 February 2024 and signed on their behalf by:

**Harvey Crook**

The notes on pages 10 to 24 form part of these financial statements.

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## HIGHWAY CHURCH

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

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#### 1. General information

Highway Church is a charitable trust registered in England with the Charity Commission on 31 May 1994 as charity number 1038185. The principle office is Highway Community Centre, Church Road, Penryn, Cornwall, TR10 8DA.

#### 2. Accounting policies

##### 2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Highway Church meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

##### 2.2 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold.

The charity receives gifts of food for the foodbank which is an inter-church project providing food to those in need. The trustees consider that it is not possible to provide a reasonable estimate of the total value and therefore nothing has been included in the accounts. However, the food is weighed and further details are provided in the trustees report.

Volunteer help - the value of any voluntary help received is not included in the accounts but is described in the trustees annual report.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

##### 2.3 Expenditure

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## HIGHWAY CHURCH

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

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#### **2. Accounting policies (continued)**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

#### **2.4 Government grants**

Government grants relating to tangible fixed assets are treated as deferred income and released to the Statement of financial activities over the expected useful lives of the assets concerned. Other grants are credited to the Statement of financial activities as the related expenditure is incurred.

#### **2.5 Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

#### **2.6 Taxation**

The charity is exempt from tax to the extent that such income or gains are applied exclusively to charitable purposes.

#### **2.7 Tangible fixed assets and depreciation**

Tangible fixed assets costing £250 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

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## HIGHWAY CHURCH

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

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#### 2. Accounting policies (continued)

##### 2.7 Tangible fixed assets and depreciation (continued)

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

|                          |   |  |
|--------------------------|---|--|
| Freehold property        | - | 2% straight Line - buildings only          |
| Improvements to Property | - | 10% straight line                          |
| Motor vehicles           | - | 25% reducing balance                       |
| Office equipment         | - | 25% reducing balance and 20% straight line |

##### 2.8 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

##### 2.9 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

##### 2.10 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

##### 2.11 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

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## HIGHWAY CHURCH

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

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#### 2. Accounting policies (continued)

##### 2.12 Fund accounting

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 and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

#### 3. Income from donations and legacies

|                                     | <b>Restricted<br/>funds<br/>2020<br/>£</b> | <b>Unrestricted<br/>funds<br/>2020<br/>£</b> | <b>Total<br/>funds<br/>2020<br/>£</b> |
|-------------------------------------|--|--|---------------------------------------|
| <b>Government grants</b>            |  |  |                                       |
| Gift Aid                            | -  | 6,509  | <b>6,509</b>                          |
| Furlough grant                      | -  | 5,598  | <b>5,598</b>                          |
| <b>Subtotal detailed disclosure</b> | -  | 12,107                                       | <b>12,107</b>                         |
| Donations                           | 39,468                                     | 23,069                                       | <b>62,537</b>                         |
| <b>Subtotal</b>                     | 39,468                                     | 23,069                                       | <b>62,537</b>                         |
|                                     | 39,468                                     | 35,176                                       | <b>74,644</b>                         |
|                                     |  |  |                                       |
|                                     | <i>Restricted<br/>funds<br/>2019<br/>£</i> | <i>Unrestricted<br/>funds<br/>2019<br/>£</i> | <i>Total<br/>funds<br/>2019<br/>£</i> |
| <b>Government grants</b>            |  |  |                                       |
| Gift Aid                            | -  | 712  | 712                                   |

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**HIGHWAY CHURCH**

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

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**3. Income from donations and legacies (continued)**

|                                     | <i>Restricted<br/>funds<br/>2019<br/>£</i> | <i>Unrestricted<br/>funds<br/>2019<br/>£</i> | <i>Total<br/>funds<br/>2019<br/>£</i> |
|-------------------------------------|--|--|---------------------------------------|
| <b>Subtotal detailed disclosure</b> | -  | 712  | 712                                   |
| Donations                           | 8,211                                      | 32,795                                       | 41,006                                |
| Grants                              | 1,655                                      | -  | 1,655                                 |
| <b>Subtotal</b>                     | 9,866                                      | 32,795                                       | 42,661                                |
|                                     | 9,866                                      | 33,507                                       | 43,373                                |

**4. Income from charitable activities**

|               | <b>Unrestricted<br/>funds<br/>2020<br/>£</b> | <b>Total<br/>funds<br/>2020<br/>£</b> |
|---------------|--|---------------------------------------|
| Toddler Group | 1,199  | <b>1,199</b>                          |
| Youth Group   | 34   | <b>34</b>                             |
| Church        | -  | -                                     |
|               | 1,233  | <b>1,233</b>                          |

|               | <i>Restricted<br/>funds<br/>2019<br/>£</i> | <i>Unrestricted<br/>funds<br/>2019<br/>£</i> | <i>Total<br/>funds<br/>2019<br/>£</i> |
|---------------|--|--|---------------------------------------|
| Toddler Group | -  | 6,020  | 6,020                                 |
| Youth Group   | -  | 448  | 448                                   |
| Church        | 20   | 1,649  | 1,669                                 |
|               | 20   | 8,117  | 8,137                                 |

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**HIGHWAY CHURCH**

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

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**5. Investment income**

|                             | <b>Unrestricted<br/>funds<br/>2020<br/>£</b> | <b>Total<br/>funds<br/>2020<br/>£</b> |
|-----------------------------|--|---------------------------------------|
| Rental contributions        | 15,533                                       | <b>15,533</b>                         |
| Investment income           | 1  | <b>1</b>                              |
|                             | 15,534                                       | <b>15,534</b>                         |
|                             | 15,534                                       | <b>15,534</b>                         |
|                             | <i>Unrestricted<br/>funds<br/>2019<br/>£</i> | <i>Total<br/>funds<br/>2019<br/>£</i> |
| Rental contributions        | 19,524                                       | 19,524                                |
| Investment income - trading | 3  | 3                                     |
|                             | 19,527                                       | 19,527                                |
|                             | 19,527                                       | 19,527                                |

**6. Analysis of grants**

|                  | <b>Grants to<br/>Institutions<br/>2020<br/>£</b> | <b>Grants to<br/>Individuals<br/>2020<br/>£</b> | <b>Total<br/>funds<br/>2020<br/>£</b> |
|------------------|--|---|---------------------------------------|
| Grants, Acts 435 | -  | 240   | <b>240</b>                            |
|                  | -  | 240   | <b>240</b>                            |
|                  | -  | 240   | <b>240</b>                            |
|                  | <i>Grants to<br/>Institutions<br/>2019<br/>£</i> | <i>Grants to<br/>Individuals<br/>2019<br/>£</i> | <i>Total<br/>funds<br/>2019<br/>£</i> |
| Grants, Foodbank | 700  | 150   | 850                                   |
| Grants, Acts 435 | -  | 480   | 480                                   |
|                  | 700  | 630   | 1,330                                 |
|                  | 700  | 630   | 1,330                                 |

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**HIGHWAY CHURCH**

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

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**6. Analysis of grants (continued)**

Financial support is provided directly to individuals to assist with travel costs, electrical appliances, help with household bills and to help purchase school uniforms.

**7. Analysis of expenditure on charitable activities**

**Summary by fund type**

|                 | <b>Restricted<br/>funds<br/>2020<br/>£</b> | <b>Unrestricted<br/>funds<br/>2020<br/>£</b> | <b>Total<br/>2020<br/>£</b> |
|-----------------|--|--|-----------------------------|
| Toddler - Acorn | -  | 22,820                                       | <b>22,820</b>               |
| Youth Group     | -  | 190  | <b>190</b>                  |
| Foodbank        | 5,156                                      | -  | <b>5,156</b>                |
| Colourriot      | 54   | -  | <b>54</b>                   |
| Church          | 1,490                                      | 40,098                                       | <b>41,588</b>               |
| Building        | -  | 2,584  | <b>2,584</b>                |
| Acts 435        | -  | 240  | <b>240</b>                  |
|                 | <hr/>                                      | <hr/>  | <hr/>                       |
|                 | <b>6,700</b>                               | <b>65,932</b>                                | <b>72,632</b>               |
|                 | <hr/> <hr/>                                | <hr/> <hr/>                                  | <hr/> <hr/>                 |

|                 | <i>Restricted<br/>funds<br/>2019<br/>£</i> | <i>Unrestricted<br/>funds<br/>2019<br/>£</i> | <i>Total<br/>2019<br/>£</i> |
|-----------------|--|--|-----------------------------|
| Toddler - Acorn | -  | 2,261  | 2,261                       |
| Youth Group     | -  | 1,128  | 1,128                       |
| Foodbank        | 9,996                                      | -  | 9,996                       |
| Colourriot      | 53   | -  | 53                          |
| Church          | 7,473                                      | 73,102                                       | 80,575                      |
| Acts 435        | -  | 480  | 480                         |
|                 | <hr/>                                      | <hr/>  | <hr/>                       |
|                 | <b>17,522</b>                              | <b>76,971</b>                                | <b>94,493</b>               |
|                 | <hr/> <hr/>                                | <hr/> <hr/>                                  | <hr/> <hr/>                 |

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**HIGHWAY CHURCH**

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

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**8. Analysis of expenditure by activities**

|                 | <b>Activities<br/>undertaken<br/>directly<br/>2020<br/>£</b> | <b>Grant<br/>funding of<br/>activities<br/>2020<br/>£</b> | <b>Support<br/>costs<br/>2020<br/>£</b> | <b>Total<br/>funds<br/>2020<br/>£</b> |
|-----------------|--|---|---|---------------------------------------|
| Toddler - Acorn | 452  | -   | 22,368                                  | <b>22,820</b>                         |
| Youth Group     | -  | -   | 190                                     | <b>190</b>                            |
| Foodbank        | 3,255  | -   | 1,901                                   | <b>5,156</b>                          |
| Colourriot      | -  | -   | 54                                      | <b>54</b>                             |
| Church          | 29,298   | -   | 12,290                                  | <b>41,588</b>                         |
| Building        | -  | -   | 2,584                                   | <b>2,584</b>                          |
| Acts 435        | -  | 240   | -                                       | <b>240</b>                            |
|                 | <u>33,005</u>  | <u>240</u>  | <u>39,387</u>                           | <u><b>72,632</b></u>                  |

|                 | <i>Activities<br/>undertaken<br/>directly<br/>2019<br/>£</i> | <i>Grant<br/>funding of<br/>activities<br/>2019<br/>£</i> | <i>Support<br/>costs<br/>2019<br/>£</i> | <i>Total<br/>funds<br/>2019<br/>£</i> |
|-----------------|--|---|---|---------------------------------------|
| Toddler - Acorn | 2,260  | -   | -                                       | 2,260                                 |
| Youth Group     | 1,128  | -   | -                                       | 1,128                                 |
| Foodbank        | 8,680  | 850   | 466                                     | 9,996                                 |
| Colourriot      | -  | -   | 53                                      | 53                                    |
| Church          | 73,506   | -   | 7,070                                   | 80,576                                |
| Acts 435        | -  | 480   | -                                       | 480                                   |
|                 | <u>85,574</u>  | <u>1,330</u>  | <u>7,589</u>                            | <u><b>94,493</b></u>                  |

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## HIGHWAY CHURCH

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

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#### 9. Independent examiner's remuneration

|   | 2020<br>£    | 2019<br>£    |
|---|--------------|--------------|
| Fees payable to the Charity's independent examiner for the independent examination of the Charity's annual accounts | 600          | 600          |
| Fees payable to the Charity's independent examiner in respect of:<br>Accounting services                            | <u>1,800</u> | <u>1,800</u> |

#### 10. Staff costs

|                    | 2020<br>£     | 2019<br>£     |
|--------------------|---------------|---------------|
| Wages and salaries | 21,956        | 31,139        |
|                    | <u>21,956</u> | <u>31,139</u> |

The average number of persons employed by the Charity during the year was as follows:

|               | 2020<br>No. | 2019<br>No. |
|---------------|-------------|-------------|
| Pastoral      | 1           | 1           |
| Support staff | 4           | 5           |
|               | <u>5</u>    | <u>6</u>    |

No employee received remuneration amounting to more than £60,000 in either year.

#### 11. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2019 - £NIL).

During the year ended 31 December 2020, no Trustee expenses have been incurred (2019 - £NIL).

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**HIGHWAY CHURCH**

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

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**12. Tangible fixed assets**

|                            | Freehold<br>property<br>£ | Motor<br>vehicles<br>£ | Office<br>equipment<br>£ | Total<br>£       |
|----------------------------|---------------------------|------------------------|--------------------------|------------------|
| <b>Cost or valuation</b>   |                           |                        |                          |                  |
| At 1 January 2020          | 1,198,030                 | 29,000                 | 58,408                   | 1,285,438        |
| At 31 December 2020        | 1,198,030                 | 29,000                 | 58,408                   | 1,285,438        |
| <b>Depreciation</b>        |                           |                        |                          |                  |
| At 1 January 2020          | 122,475                   | 19,825                 | 54,538                   | 196,838          |
| Charge for the year        | 19,107                    | 2,293                  | 968                      | 22,368           |
| At 31 December 2020        | 141,582                   | 22,118                 | 55,506                   | 219,206          |
| <b>Net book value</b>      |                           |                        |                          |                  |
| At 31 December 2020        | 1,056,448                 | 6,882                  | 2,902                    | 1,066,232        |
| <i>At 31 December 2019</i> | <i>1,075,555</i>          | <i>9,175</i>           | <i>3,870</i>             | <i>1,088,600</i> |

**13. Debtors**

|                                | 2020<br>£ | 2019<br>£ |
|--------------------------------|-----------|-----------|
| <b>Due within one year</b>     |           |           |
| Trade debtors                  | 850       | 3,567     |
| Other debtors                  | -         | 238       |
| Prepayments and accrued income | 980       | 420       |
|                                | 1,830     | 4,225     |

**14. Creditors: Amounts falling due within one year**

|                                    | 2020<br>£ | 2019<br>£ |
|------------------------------------|-----------|-----------|
| Bank overdrafts                    | -         | 859       |
| Other loans                        | 5,168     | 12,946    |
| Trade creditors                    | -         | 2,778     |
| Other taxation and social security | 148       | -         |

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**HIGHWAY CHURCH**

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

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**14. Creditors: Amounts falling due within one year (continued)**

|                              | <b>2020</b>   | <b>2019</b>   |
|------------------------------|---------------|---------------|
|                              | £             | £             |
| Other creditors              | 9,112         | 2,514         |
| Accruals and deferred income | 4,800         | 2,820         |
|                              | <u>19,228</u> | <u>21,917</u> |

**15. Creditors: Amounts falling due after more than one year**

|             | <b>2020</b>   | <b>2019</b>   |
|-------------|---------------|---------------|
|             | £             | £             |
| Other loans | <u>43,311</u> | <u>48,480</u> |

Other loans is for the purchase of Highway House.

Included within the above are amounts falling due as follows:

|                                   | <b>2020</b>   | <b>2019</b>   |
|-----------------------------------|---------------|---------------|
|                                   | £             | £             |
| <b>Between one and two years</b>  |               |               |
| Other loans                       | <u>5,401</u>  | <u>5,168</u>  |
| <b>Between two and five years</b> |               |               |
| Other loans                       | <u>11,542</u> | <u>16,943</u> |
| <b>Over five years</b>            |               |               |
| Other loans                       | <u>26,368</u> | <u>26,368</u> |

The aggregate amount of liabilities payable or repayable wholly or in part more than five years after the reporting date is:

|                                     | <b>2020</b>   | <b>2019</b>   |
|-------------------------------------|---------------|---------------|
|                                     | £             | £             |
| Payable or repayable by instalments | <u>26,368</u> | <u>26,368</u> |
|                                     | <u>26,368</u> | <u>26,368</u> |

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HIGHWAY CHURCH

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

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16. Financial instruments

|  | 2020<br>£            | 2019<br>£     |
|--|----------------------|---------------|
| <b>Financial assets</b>  |                      |               |
| Financial assets measured at fair value through income and expenditure | <b><u>62,063</u></b> | <u>26,320</u> |

Financial assets measured at fair value through income and expenditure comprise cash balances.

HIGHWAY CHURCH

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

17. Statement of funds

Statement of funds - current year

|                                 | Balance at 1<br>January<br>2020<br>£ | Income<br>£   | Expenditure<br>£ | Transfers<br>in/out<br>£ | Balance at<br>31<br>December<br>2020<br>£ |
|---------------------------------|--------------------------------------|---------------|------------------|--------------------------|---|
| <b>Unrestricted funds</b>       |                                      |               |                  |                          |   |
| <b>Designated funds</b>         |                                      |               |                  |                          |   |
| Youth - community               | 533                                  | 34            | (190)            | (33)                     | 344                                       |
| Building                        | 11,086                               | 830           | (2,584)          | (1,036)                  | 8,296                                     |
|                                 | <u>11,619</u>                        | <u>864</u>    | <u>(2,774)</u>   | <u>(1,069)</u>           | <u>8,640</u>                              |
| <b>General funds</b>            |                                      |               |                  |                          |   |
| General Funds - all funds       | 883,033                              | -             | -                | -                        | 883,033                                   |
| Toddler - Acorn                 | -                                    | 1,199         | (238)            | -                        | 961                                       |
| Church                          | -                                    | 49,880        | (43,813)         | 8                        | 6,075                                     |
| Building                        | -                                    | -             | (19,107)         | 1,036                    | (18,071)                                  |
|                                 | <u>883,033</u>                       | <u>51,079</u> | <u>(63,158)</u>  | <u>1,044</u>             | <u>871,998</u>                            |
| <b>Total Unrestricted funds</b> | <u>894,652</u>                       | <u>51,943</u> | <u>(65,932)</u>  | <u>(25)</u>              | <u>880,638</u>                            |
| <b>Restricted funds</b>         |                                      |               |                  |                          |   |
| Foodbank                        | 3,187                                | 39,078        | (5,156)          | 60                       | 37,169                                    |
| Colourriot                      | 1,246                                | -             | (54)             | -                        | 1,192                                     |
| Building                        | 148,128                              | -             | -                | -                        | 148,128                                   |
| Acts435                         | 120                                  | 340           | -                | -                        | 460                                       |
| Asda grant 2019                 | 1,415                                | 50            | (1,490)          | 25                       | -   |
|                                 | <u>154,096</u>                       | <u>39,468</u> | <u>(6,700)</u>   | <u>85</u>                | <u>186,949</u>                            |

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**HIGHWAY CHURCH**

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

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**17. Statement of funds (continued)**

**Foodbank**

The charity has a restricted income fund which is entitled Penryn and Falmouth Foodbank. The fund aims to provide food to those in urgent need in the locality and it is an inter-church project which is managed by Highway Church. Grants and donations received have been given on the basis that they may only be applied to this particular fund.

**Building fund**

The charity has a restricted income fund for grants and donations relating to the purchase of the freehold property, planned alterations and renovations to building.

|                       |                  |               |                 |             |                  |
|-----------------------|------------------|---------------|-----------------|-------------|------------------|
| <b>Total of funds</b> | <b>1,048,748</b> | <b>91,411</b> | <b>(72,632)</b> | <b>60</b>   | <b>1,067,587</b> |
|                       | <hr/> <hr/>      | <hr/> <hr/>   | <hr/> <hr/>     | <hr/> <hr/> | <hr/> <hr/>      |

**18. Summary of funds**

**Summary of funds - current year**

|                  | Balance at 1<br>January<br>2020<br>£ | Income<br>£   | Expenditure<br>£ | Transfers<br>in/out<br>£ | Balance at<br>31<br>December<br>2020<br>£ |
|------------------|--------------------------------------|---------------|------------------|--------------------------|---|
| Designated funds | 11,619                               | 864           | (2,774)          | (1,069)                  | 8,640                                     |
| General funds    | 883,033                              | 51,079        | (63,158)         | 1,044                    | 871,998                                   |
| Restricted funds | 154,096                              | 39,468        | (6,700)          | 85                       | 186,949                                   |
|                  | <hr/> <hr/>                          | <hr/> <hr/>   | <hr/> <hr/>      | <hr/> <hr/>              | <hr/> <hr/>                               |
|                  | <b>1,048,748</b>                     | <b>91,411</b> | <b>(72,632)</b>  | <b>60</b>                | <b>1,067,587</b>                          |

**19. Analysis of net assets between funds**

**Analysis of net assets between funds - current period**

|                                     | Restricted<br>funds<br>2020<br>£ | Unrestricted<br>funds<br>2020<br>£ | Total<br>funds<br>2020<br>£ |
|-------------------------------------|----------------------------------|------------------------------------|-----------------------------|
| Tangible fixed assets               | 186,459                          | 879,774                            | 1,066,233                   |
| Current assets                      | 48,969                           | 14,924                             | 63,893                      |
| Creditors due within one year       | (5,168)                          | (14,060)                           | (19,228)                    |
| Creditors due in more than one year | (43,311)                         | -                                  | (43,311)                    |
|                                     | <hr/> <hr/>                      | <hr/> <hr/>                        | <hr/> <hr/>                 |
| <b>Total</b>                        | <b>186,949</b>                   | <b>880,638</b>                     | <b>1,067,587</b>            |

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## HIGHWAY CHURCH

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

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#### 20. Related party transactions

|          | 2020<br>£           | 2019<br>£           |
|----------|---------------------|---------------------|
| Salaries | 9,996               | 9,840               |
|          | <u>9,996</u>        | <u>9,840</u>        |
|          | <u><u>9,996</u></u> | <u><u>9,840</u></u> |

During the year £9,996 (2019: £9,840) of gross salaries were paid in relation to Mrs Jo Crook's employment with the charity. Mrs Jo Crook is a related party by virtue of her marriage to Mr Harvey Crook, a trustee of the charity. At 31 December the charity owed Mrs Jo Crook £9,112 (2019: £2,514) representing unpaid salaries.

#### **Donations from Trustees**

During the year, a total of £4,015 (2019: £6,276) was donated without conditions by Trustees, their spouses, or companies and charities related to the Trustees or key management personnel.