

REGISTERED CHARITY NUMBER: 1038185

HIGHWAY CHURCH

**Report and Accounts
For the year ended 31 December 2015**

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Highway Church
Trustees Report for the year ended 31 December 2015

Reference and Administrative Details

Trustees

Harvey Crook	(Chair)
Gill Curgenvin	
Nicola Brewer	(Treasurer)
Martin Norman	
David Ward	
Anthony Francis	
Susan Norman	

Charity Number 1038185

Registered Address

Highway Community Centre
Church Road
Penryn
Cornwall
TR10 8DA

Independent Examiners

Hodgsons
Chartered Accountants and Business Advisors
48 Arwenack Street
Falmouth
Cornwall
TR11 3JH

Church Solicitors

Stephens & Scown LLP
Osprey House
Malpas Road
Truro
TR1 1UT

Bankers

Barclays Bank Plc
14 King Street
Truro
TR1 2RB

Insurers

Congregational & General
W. Brian Wilson & Son
3 Portland Grove
Heaton Moor
Stockport
Cheshire
SK4 4AA

Highway Church

Trustees Report for the year ended 31st December 2015

The Trustees have pleasure in presenting their report and financial statements of the charity for the year ended 31 December 2015. The financial statements have been prepared in accordance with accounting policies as set out on the following pages and comply with the charity's trust deed and the Charities Act 2011 and 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.

History

Highway Church has been active in Penryn since 1989 and was formally established on 21 March 1994 under a charitable trust deed. Highway Church has used many facilities in Penryn from which to run the varied activities Highway has been involved in over the years. 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 now has a permanent base to develop and provide a resource for community activities.

Highway Church is committed to supporting the whole community in Penryn. We work with families, children, young people, students, older people, drug users, the homeless, and ex-offenders to tackle the issues that they face. We run a foodbank, youth club, community events, sports, social activities and limited financial budgeting advice.

Structure, Governance and Management

The Charity is governed by a trust deed and is a charitable trust.

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. No additional trustees were appointed during 2015.

Organisational structure

The Trustees meet approximately 4 times per year, together with further ad-hoc 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 Pastor and to the various officers of the Church.

Half yearly management accounts are prepared and distributed to all Trustees and senior staff and are also freely available to church members. These are discussed and approved at the trustee's meetings.

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, Child Protection, Safeguarding Vulnerable Adults and financial controls.

Highway Church
Trustees Report for the year ended 31st December 2015

Objectives and Activities

Objectives

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

Activities

The building now known as Highway Community Centre, has been occupied by Highway Church since 2012 and was purchased outright in 2013. This facility has enabled numerous community action projects to be active in Penryn including Foodbank, and Acorns Toddler group. The charity is committed to providing accessible space for further community use.

Penryn and Falmouth Foodbank - during 2015, 1033 people were fed by 11,419kg of food supplied from the Foodbank. The most common causes of crisis are benefit changes, low incomes, bereavement, illness and victims of domestic violence. Our main partners are Cornwall Befriending Service who offer debt and benefit advice including loan shark awareness and Lizard Pathways who cover jobs and cv advice. Our main refers are Job Centre, CAB, Supported Housing Associations, Children's Centres, Local Doctor Surgeries and Addaction. This is an initiative supported by many local churches. The storage facilities in Highway Community Centre were running at maximum capacity and new facilities were desperately required.

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 is firmly established as one of the best Parent and Toddler groups in the area however, this has created pressure on the use of the building and the changeover from Acorns to Foodbank becoming an area of concern regarding the risk and management of personnel that were concurrently in the building.

Highway Church took occupancy of the adjacent building to Highway Community Centre and named it Highway House. This building has been set-up as the Foodbank centre, and also provides space for Helping Hands and Colour Riot. The building will be purchased through a delayed purchase plan with £35,000 being paid in May 2015 as an initial deposit, with a further £35,000 due in May 2016 and £280,000 (the remainder of the balance) due in May 2017. This space will minimise the safeguarding and child protection risks inherent in having children's groups and social support clientele in the same building.

Youth Café – our programme for young people aged between 11-18 years old launched in May 2015. Meeting regularly throughout the school year, the youth groups provide a safe and fun environment for the young people. Youth Café 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.

Highway Church Trustees Report for the year ended 31st December 2015

ColourRiot – In June 2015 the ColourRiot project, that centres on creative projects to suit the needs and wants of our local community, was established as a self-contained CIC.

Hub of Help – a collaborative working project between the Foodbank and ColourRiot, was established during 2015 to provide a safe environment for people at their time of need to connect with people who can listen and advise and signpost those in need to places of extended support.

Love Penryn – this ministry has brought practical assistance to the community of Penryn mainly through street cleaning, picking up litter, and being available to support the town council, where required.

Numerous social events have been run including fireworks, film nights, bike rides, beach visits, Christmas parties, and trips, in excess of 300 people every year, including many without transport who suffer from isolation and poverty.

In 2015 the charity received grants from various grant-making organisations including Penryn Friday Market; Lions Club; Ships & Castles; Falmouth Probus Club; Duchy of Cornwall; All for one; Western Power; HCAT and Firefighters.

The charity is dependent upon the services of unpaid volunteers to achieve its objectives.

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, drug use, depression and obesity. 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, experience new opportunities and find employment.

Plans for Future Periods

The charity's future plans revolve around continuing to show Christian love by serving our local community and helping especially those in financial crisis, disadvantaged people, including single parent families and young people. The charity is committed to continued support and enhancement of existing services, creating closer links between the community and the charity through the Foodbank and provide volunteer opportunities for people who are unable, but willing, to work. Specific objectives for 2016 include the pursuit of funding to secure the purchase of Highway House, the expansion of the mentoring programme to include not just ladies, but both male and female youth

Highway Church continues to develop the ways we serve the local community.

Grant Making and 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.

Similarly, 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.

Highway Church
Trustees Report for the year ended 31st December 2015

Trustees Responsibilities

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


The law applicable to charities in England and Wales requires the charity trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity's financial activities during the year and of its financial position at the end of the year. In preparing the financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures that must be disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will remain in operation.

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, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the charity and taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Charity's financial statements comply with the current statutory requirements, the Charity's governing documents, and the SORP FRS102.

Approved by the Board of Trustees on 30th October 2016 and signed on their behalf by:



H. Crook - Trustee

**Highway Church
Independent Examiner's Report to the Trustees
For The Year Ended 31 December 2015**

I report on the accounts of the charity for the year ended 31 December 2015 which are set out on pages 7 to 14.

Respective responsibilities of trustees and examiner

The trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

Having satisfied myself that the Charity is not subject to audit and is eligible for an independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the General Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

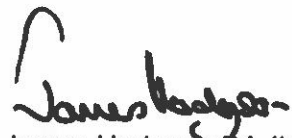
Basis of independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commission. 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 the seeking of explanations for you as trustees concerning such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and, consequently, no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- which gives me reasonable cause to believe that, in any material respect, the requirements
 - a) to keep accounting records in accordance with section 130 of the 2011 Act;
 - b) to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act have not been met; or
- to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



James Hodgson BA (Hons) FCA
Hodgsons
Chartered Accountants
48 Arwenack Street
Falmouth
Cornwall
TR11 3JH

Date: 31 October 2016

Highway Church
Statement of Financial Activities
For the year ending 31 December 2015

	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds 2015 £	Total Funds 2014 £
Incoming resources					
Voluntary income					
Tithes and offerings		39,000	-	39,000	38,135
Specific gifts		2,469	-	2,469	15,710
Income tax recovered		11,454	-	11,454	13,077
Grants & Donations		-	30,378	30,378	135,800
Investment income – bank interest		2	-	2	-
Activities for generating funds					
Rent contributions		7,143	-	7,143	5,650
Service Charge		1,260	-	1,260	-
Incoming resources from charitable activities					
Toddler Group income		12,566	-	12,566	11,014
Youth Group income		890	-	890	814
Foodbank grants & donations		-	15,953	15,972	13,290
Contributions to other church activities		2,940	-	2,921	2,330
Total incoming resources		77,724	46,331	124,055	235,820
Resources expended					
Costs of generating funds					
Fundraising		-	350	350	425
Charitable activities:					
Expenditure in furtherance of the charity's objects	2	60,400	15,420	75,820	75,758
Support costs	2	12,161	360	12,521	8,760
Governance costs					
Accountancy fees		660	-	660	-
Total resources expended		73,221	16,130	89,351	84,943
Net incoming resources before transfers		4,503	30,201	34,704	150,877
Gross transfers between funds	6	34,863	(34,863)	-	-
Net movement in funds		39,366	(4,662)	34,704	150,877
Total funds brought forward		927,850	14,532	942,382	791,505
Total funds carried forward	12	967,216	9,870	977,086	942,382

**Highway Church
Balance Sheet at 31 December 2015**

	Notes	Unrestricted Funds £	Restricted Funds £	Total Fund 2015 £	Total Fund 2014 £
Fixed Assets					
Tangible assets	7	1,282,479	576	1,283,055	910,539
Current Assets					
Debtor	8	6,284	-	6,284	17,477
Cash at bank and in hand		9,484	9,304	18,788	21,296
		<u>15,768</u>	<u>9,304</u>	<u>25,072</u>	<u>38,773</u>
Creditors: Amounts falling due within one year					
Sundry creditors	9	51,031	10	51,041	6,930
Creditors: Amounts falling due after one year					
Sundry creditors	10	280,000	-	280,000	-
		<u>(315,263)</u>	<u>9,294</u>	<u>(305,969)</u>	<u>31,843</u>
Net Assets	12	<u>967,216</u>	<u>9,870</u>	<u>977,086</u>	<u>942,382</u>
Funds					
Unrestricted funds				967,216	927,850
Restricted income fund				9,870	14,532
				<u>977,086</u>	<u>942,382</u>

Approved by the Board of Trustees on 30 October 2016 and signed on its behalf by:



D L Ward - Trustee

Highway Church
Notes to the accounts for the year ending 31 December 2015

1. Accounting Policies

Basis of accounting

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The accounts (financial statements) have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The accounts (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 give a 'true and fair' view. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The trust constitutes a public benefit entity as defined by FRS 102.

The trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern.

Incoming resources

Recognition of incoming resources – these are included in the Statement of Financial Activities (SoFA) when the charity becomes entitled to the resources or when the trustees are virtually certain they will receive the resources and when the monetary value can be measured with sufficient reliability.

Incoming resources with related expenditure – where incoming resources have related expenditure the incoming resources and related expenditure are reported gross in the SoFA.

Grants and donations – grants and donations are only included in the SoFA when the charity has unconditional entitlement to the resources. Where grants are received for specific projects and the trustees are of the opinion that part of the grant relates to expenditure in future periods then an appropriate proportion of the grant is carried forward to future periods and shown in the balance sheet as deferred income.

Gifts in kind – 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.

Investment income – this is included in the accounts when receivable

Highway Church
Notes to the accounts for the year ending 31 December 2015

Expenditure and liabilities

Resources Expended - All expenditure is accounted for on an accrual basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with the use of the resources.

Liability recognition – liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to pay out resources.

Grants with performance conditions – where the charity gives a grant with conditions for its payment being a specific level of service or output to be provided, such grants are only recognised in the SoFA once the recipient of the grant has provided the specified service or output.

Grants payable without performance conditions – these are only recognised in the accounts when a commitment has been made and there are no conditions to be met relating to the grant which remain in the control of the charity.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life. It is the charity's policy to only capitalise assets that have a cost over £500.

Freehold property	-	Nil
Equipment	-	25% of written down value
Motor vehicles	-	25% of written down value

Freehold land is not depreciated and freehold buildings are maintained to a sufficiently high standard so that the estimated residual value is at least equal to cost.

Fund Accounting

General funds are unrestricted funds which are available for use at the discretion of the Council of Management in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

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 cost 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 note 11 to the financial statements. Investment income is allocated to the appropriate fund.

2. Analysis of resources expended

Charitable activities:	Unrestricted	Restricted	Total	Total
	2015	2015	2015	2014
Activities in furtherance of the charity's objects	£	£	£	£
Speakers and ministry support	5,477	-	5,477	7,580
Wages and salaries	17,318	11,527	28,845	28,166
Conferences	873	-	873	100
Rents and water rates	498	1,680	2,178	1,733
Children's & Youth Ministry	1,278	-	1,278	2,353
Toddler expenses	10,642	-	10,642	9,884
Books	82	-	82	54
Travel	-	-	-	245

Highway Church
Notes to the accounts for the year ending 31 December 2015

Analysis of resources expended (continued)

Vehicle costs	1,998	-	1,998	2,635
Repairs and maintenance	2528	259	2,787	1,742
Miscellaneous	1,256	665	1,921	1,544
Depreciation - equipment	3,129	193	3,322	4,352
Depreciation – motor vehicle	160	-	160	212
Insurance	1,755	-	1,755	1,417
Expenses on church activities	1,908	-	1,908	3,273
Telephone, lighting and heating	5,291	366	5,657	4,810
Stationery & printing	1,706	730	2,436	1,863
Cleaning	1,648	-	1,648	547
Overseas Missions	2,853	-	2,853	3,248
	<u>60,400</u>	<u>15,420</u>	<u>75,820</u>	<u>75,758</u>

Charitable activities:	Unrestricted 2015	Restricted 2015	Total 2015	Total 2014
Support costs				
Wages and salaries	10,800	-	10,800	7,280
Photocopier	756	-	756	756
Child protection & licenses	387	-	387	472
Networking & subscriptions	218	360	578	252
	<u>12,161</u>	<u>360</u>	<u>12,521</u>	<u>8,760</u>
 Total resources expended	 72,561	 16,130	 88,691	 84,943
 Net income	 6,216	 29,148	 35,364	 150,877

3. Independent Examiners' fees

Independent examiners remuneration for the year amounted to £660 (2014: £Nil).

4. Trustees Remuneration and Expenses

The following employee is also a Trustee of the charity. During the period he was paid the following amount for his work as the pastor of the church.

	Gross Wages	Employers National Insurance	Pension Costs
Mr D L Ward	16,333	-	-

The remuneration was sanctioned by the Board of Trustees and has been authorised by The Charity Commission.

During the accounting period 4 trustees were paid £2,224 (2014:£4,271) to cover expenses on behalf of the charity which related to travel, courses, sundries and repairs.

Highway Church
Notes to the accounts for the year ending 31 December 2015

5. Staff Costs

	2015 Total	2014 Total
Gross wages	23,312	28,166
Employers National Insurance	-	-
Pension costs	-	-
Expenses	-	-
	<u>23,312</u>	<u>28,166</u>

On average there was one full time employee and six part time employees. No employee earned over £60,000 during the year.

6. Movement between funds

During the year £34,863 of funds were transferred from the restricted building fund to the unrestricted fund. This is due to the restriction on the fund being to purchase an asset, but the asset is not unrestricted in its use.

7. Fixed Assets used by the Charity

	Freehold Property £	Equipment £	Motor Vehicles £	Total £
Cost				
Restated as at 1 st January 2015	896,838	55,939	11,328	964,105
Additions	373,273	2,725	-	375,998
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 st December 2015	1,270,111	58,664	11,328	1,340,103
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Depreciation				
At 1 st January 2015	-	42,876	10,690	53,566
Charge for the year	-	3,323	160	3,482
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 st December 2015	-	46,198	10,850	57,048
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Net book value				
At 31 st December 2015	<u>1,270,111</u>	<u>12,466</u>	<u>478</u>	<u>1,283,055</u>
Restated as at 1 st January 2015	<u>896,838</u>	<u>13,063</u>	<u>638</u>	<u>910,539</u>

8. Debtors: amounts falling due within one year

	2015 £	2014 £
Trade debtors	-	400
Other debtors	6,284	17,077
	<u> </u>	<u> </u>
	6,284	17,477
	<u> </u>	<u> </u>

Highway Church
Notes to the accounts for the year ending 31 December 2015

9. Creditors: amounts falling due within one year

	2015	2014
	£	£
Trade creditors	3,669	1,281
Taxation & social security	372	-
Other creditors	-	5,649
Loans	12,000	-
Further instalment re: Highway House	35,000	-
	-----	-----
	51,041	6,930
	-----	-----

10. Creditors: amounts falling due after one year

	2015	2014
	£	£
Balance due on Highway House	280,000	-
	-----	-----
	280,000	-
	-----	-----

11. Restricted income fund

Foodbank

The charity has a restricted income fund which is entitled Penryn & 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 donations relating to the freehold property in the year and planned alterations and renovations to this building.

Highway Church
Notes to the accounts for the year ending 31 December 2015

12. Analysis of net assets between funds

	At 31 December 2014 £	Incoming Resources £	Resources Expended £	Transfer Between Funds £	At 31 December 2015 £
Unrestricted funds					
General fund	927,850	77,724	(73,221)	34,863	967,216
	-----	-----	-----	-----	-----
	927,850	77,724	(73,221)	34,863	967,216
Restricted funds					
Foodbank	7,633	15,953	(15,780)	-	7,806
Building fund	6,899	30,378	(350)	(34,863)	2,064
	-----	-----	-----	-----	-----
	14,532	46,331	(16,130)	(34,863)	9,870
	-----	-----	-----	-----	-----
Total Funds	942,382	124,055	(89,351)	-	977,086
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13. Transactions with related parties

During the year the charity made purchases of £14,122 from AJ + EL Francis Buildings, a business under the control of Anthony Francis, a trustee of the charity.

14. First year adoption

No changes have arisen as a result of the transition to FRS 102.