

**GARSTON COMMUNITY CHURCH**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

# **GARSTON COMMUNITY CHURCH**

## **LEGAL AND ADMINISTRATIVE INFORMATION**

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<b>Trustees</b>	O. Rixon R.E. Garrod R.F. Smith N. Longman B.L. Young D.G. Hinton J. Hinton W.A.N. Brookes	(Appointed 15 September 2020)
<b>Charity number</b>	1003525	
<b>Registered office</b>	816 St Albans Road Garston Watford Herts WD25 9FL	
<b>Independent examiner</b>	HB Accountants Plumpton House Plumpton Road Hoddesdon Hertfordshire EN11 0LB	

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# **GARSTON COMMUNITY CHURCH**

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# **GARSTON COMMUNITY CHURCH**

## **TRUSTEES' REPORT**

### ***FOR THE YEAR ENDED 31 DECEMBER 2020***

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The trustees present their report and financial statements for the year ended 31 December 2020.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the trust deed, 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 (FRS 102)" (as amended for accounting periods commencing from 1 January 2016)

#### **Objectives and activities**

The Church's objects are the advancement of the Christian faith; the relief of persons who are in conditions of need, hardship or distress or who are aged or sick and; the advancement of education on the basis of Christian principles.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the Church should undertake.

#### **Achievements and performance**

The Trustees were pleased to see an increase in Church membership attendance with a good number of baptisms during the year from invitations through outreaches and website. Regular outreach in Garston, Watford and Meriden estate have contributed to the increase of families with young children attending service on Sundays. We continue to maintain a strong presence in the local community through the outreaches with other churches joining us. The full range of church activities were maintained, including weekly prayer and bible study, children's meetings on Sundays and during the school summer holidays.

New initiatives include Programme Exodus, training in gospel ministry, healing and evangelism and a club for seniors. The Garston Hope4India ministry continues to grow in church planting and training of pastors and the welfare of orphans and widows. The Hope4India website and social media platform are helping to increase donations and highlighting the work being done in India.

The Gift Aid contribution to our funds this year was higher than usual, due to a retrospective claim.

#### **Financial review**

Total income has fallen from £94,193 to £80,080 largely due to a large decrease in hall hire by £11,442 as a result of it being out of use as a result of the pandemic. Expenses have increased from £85,570 to £95,916 largely due to £7,560 being spent on masonry repair works to the main church roof and front elevation. As a result, overall there was a deficit of £15,836, whereas last year there was a surplus of £8,623. Net current assets have therefore fallen from £29,761 to £14,320, Tangible fixed assets are £1,240,263 versus £1,240,658 last year, of which £1,240,000 is the freehold land and buildings. Free reserves are now £9,601 versus £21,448 last year.

It is the policy of the Church that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to three month's expenditure. The trustees considers that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the Church's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has not been maintained throughout the year.

The trustees has assessed the major risks to which the Church is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

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

The Church was established under the trust deed dated 23 May 1991 and was registered on 19 July 1991.

The trustees who served during the year and up to the date of signature of the financial statements were:

R.A. Young (Deceased 25 May 2021)

O. Rixon

R.E. Garrod

R.F. Smith

N. Longman

B.L. Young

D.G. Hinton

# **GARSTON COMMUNITY CHURCH**

## **TRUSTEES' REPORT (CONTINUED)**

***FOR THE YEAR ENDED 31 DECEMBER 2020***

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J, Hinton

W.A.N. Brookes

(Appointed 15 September 2020)

The Trustees are appointed by the Church Elders, who spiritually lead the Church. They are chosen from the membership of the Church, who are of good standing in the Church, and are of suitable age and reputation. They are responsible for overseeing the Church with regard to the requirements of the Charity Commission.  
The trustees meet four times a year, one meeting being the annual general meeting.

The trustees' report was approved by the Board of Trustees.

**D.G. Hinton**

Trustee

Dated: 28 September 2021

# **GARSTON COMMUNITY CHURCH**

## **INDEPENDENT EXAMINER'S REPORT**

### **TO THE TRUSTEES OF GARSTON COMMUNITY CHURCH**

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I report to the trustees on my examination of the financial statements of Garston Community Church (the Church) for the year ended 31 December 2020.

#### **Responsibilities and basis of report**

As the trustees of the Church you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the Church's financial statements carried out under section 145 of the 2011 Act. 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**

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with 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) 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 now been withdrawn.

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

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

- 1 accounting records were not kept in respect of the Church as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

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

HB Accountants

Plumpton House  
Plumpton Road  
Hoddesdon  
Hertfordshire  
EN11 0LB

Dated: 6 October 2021

# GARSTON COMMUNITY CHURCH

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

*FOR THE YEAR ENDED 31 DECEMBER 2020*

		Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £
	Notes						
<b><u>Income from:</u></b>							
Donations and legacies	3	43,604	15,331	58,935	48,223	19,290	67,513
Charitable activities	4	21,145	-	21,145	26,680	-	26,680
<b>Total income</b>		<u>64,749</u>	<u>15,331</u>	<u>80,080</u>	<u>74,903</u>	<u>19,290</u>	<u>94,193</u>
<b><u>Expenditure on:</u></b>							
Charitable activities	5	76,991	18,925	95,916	66,301	19,269	85,570
<b>Net (expenditure)/income for the year/ Net movement in funds</b>		<u>(12,242)</u>	<u>(3,594)</u>	<u>(15,836)</u>	<u>8,602</u>	<u>21</u>	<u>8,623</u>
Fund balances at 1 January 2020		<u>1,262,106</u>	<u>8,313</u>	<u>1,270,419</u>	<u>1,253,504</u>	<u>8,292</u>	<u>1,261,796</u>
<b>Fund balances at 31 December 2020</b>		<u><u>1,249,864</u></u>	<u><u>4,719</u></u>	<u><u>1,254,583</u></u>	<u><u>1,262,106</u></u>	<u><u>8,313</u></u>	<u><u>1,270,419</u></u>

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

All income and expenditure derive from continuing activities.

# GARSTON COMMUNITY CHURCH

## BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
<b>Fixed assets</b>					
Tangible assets	10		1,240,263		1,240,658
<b>Current assets</b>					
Debtors	11	9,258		2,442	
Cash at bank and in hand		8,340		30,878	
		<u>17,598</u>		<u>33,320</u>	
<b>Creditors: amounts falling due within one year</b>	12	<u>(3,278)</u>		<u>(3,559)</u>	
Net current assets			14,320		29,761
<b>Total assets less current liabilities</b>			<u>1,254,583</u>		<u>1,270,419</u>
<b>Income funds</b>					
Restricted funds	13		4,719		8,313
Unrestricted funds			1,249,864		1,262,106
			<u>1,254,583</u>		<u>1,270,419</u>

The financial statements were approved by the Trustees on 28 September 2021

D.G. Hinton  
Trustee



# **GARSTON COMMUNITY CHURCH**

## **NOTES TO THE FINANCIAL STATEMENTS**

### ***FOR THE YEAR ENDED 31 DECEMBER 2020***

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#### **1 Accounting policies**

##### **Charity information**

Garston Community Church is a Trust.

##### **1.1 Accounting convention**

The accounts have been prepared in accordance with the Church's trust deed, 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 (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The Church is a Public Benefit Entity as defined by FRS 102.

The Church has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the Church. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention, modified to include the revaluation of freehold properties. The principal accounting policies adopted are set out below.

##### **1.2 Going concern**

At the time of approving the financial statements, the trustees have a reasonable expectation that the Church has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

##### **1.3 Charitable funds**

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the Church.

##### **1.4 Incoming resources**

Income is recognised when the Church is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the Church has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

##### **1.5 Resources expended**

Expenditure is accounted for on an accruals basis.

##### **1.6 Tangible fixed assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Computer equipment	25% straight line
Freehold land is not depreciated.	

# GARSTON COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 1 Accounting policies (continued)

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

##### 1.7 Impairment of fixed assets

At each reporting end date, the Church reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

##### 1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

##### 1.9 Financial instruments

The Church has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Church's balance sheet when the Church becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### *Basic financial assets*

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### *Basic financial liabilities*

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

##### *Derecognition of financial liabilities*

Financial liabilities are derecognised when the Church's contractual obligations expire or are discharged or cancelled.

# GARSTON COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 1 Accounting policies (continued)

#### 1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Church is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

### 2 Critical accounting estimates and judgements

In the application of the Church's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

### 3 Donations and legacies

	Unrestricted funds	Restricted funds	Total 2020	Total 2019
	£	£	£	£
Donations and gifts	37,641	13,048	50,689	54,409
Gift Aid recovered	5,963	2,283	8,246	13,104
	<u>43,604</u>	<u>15,331</u>	<u>58,935</u>	<u>67,513</u>

### 4 Charitable activities

	2020 £	2019 £
Hall hire	13,597	25,039
Other income	166	457
Photocopier income	7,382	1,184
	<u>21,145</u>	<u>26,680</u>

# GARSTON COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 5 Charitable activities

	2020 £	2019 £
Staff costs	31,615	30,051
Depreciation and impairment	395	527
Utilities	5,752	6,513
Repairs and maintenance	13,285	9,850
Insurance	1,914	1,895
Office supplies	2,081	1,256
Children and youth	175	582
Telephone and IT	1,841	1,045
Subscriptions and licences	373	1,036
Hospitality and outreach	2,289	442
Photocopier charges	4,889	6,208
Conferences	560	175
Travel	505	1,098
Legal and professional fees	1,787	-
Other expenses	1,480	712
	<u>68,941</u>	<u>61,390</u>
Grant funding of activities (see note 6)	24,335	22,320
Share of governance costs (see note 7)	2,640	1,860
	<u>95,916</u>	<u>85,570</u>
<b>Analysis by fund</b>		
Unrestricted funds	76,991	66,301
Restricted funds	18,925	19,269
	<u>95,916</u>	<u>85,570</u>

### 6 Grants payable

	2020 £	2019 £
Grants to institutions:		
Partners In Harvest	1,120	480
Watford Schools Trust	180	-
	<u>1,300</u>	<u>480</u>
Grants to individuals	23,035	21,840
	<u>24,335</u>	<u>22,320</u>

# GARSTON COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 7 Support costs

	Support costs	Governance costs	2020	Support costs	Governance costs	2019
	£	£	£	£	£	£
Accountancy	-	2,640	2,640	-	1,860	1,860
	<u>-</u>	<u>2,640</u>	<u>2,640</u>	<u>-</u>	<u>1,860</u>	<u>1,860</u>
	<u>-</u>	<u>2,640</u>	<u>2,640</u>	<u>-</u>	<u>1,860</u>	<u>1,860</u>
Analysed between Charitable activities	-	2,640	2,640	-	1,860	1,860
	<u>-</u>	<u>2,640</u>	<u>2,640</u>	<u>-</u>	<u>1,860</u>	<u>1,860</u>

### 8 Trustees

The following trustees received salaries in the year:

R.A. Young £7,533 (2019: £8,040)

B.L. Young £1,667 (2019: £2000)

D.G. Hinton £1,667 (2019: Nil)

### 9 Employees

#### Number of employees

The average monthly number of employees during the year was:

	2020 Number	2019 Number
Pastor	1	1
Administration and Accounts	3	2
Cleaner	1	1
	<u>5</u>	<u>4</u>

#### Employment costs

	2020 £	2019 £
Wages and salaries	31,258	28,995
Other pension costs	357	1,056
	<u>31,615</u>	<u>30,051</u>

There were no employees whose annual remuneration was £60,000 or more.

# GARSTON COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 10 Tangible fixed assets

	Freehold land and buildings £	Computer equipment £	Total £
<b>Cost</b>			
At 1 January 2020	1,240,000	1,580	1,241,580
At 31 December 2020	1,240,000	1,580	1,241,580
<b>Depreciation and impairment</b>			
At 1 January 2020	-	922	922
Depreciation charged in the year	-	395	395
At 31 December 2020	-	1,317	1,317
<b>Carrying amount</b>			
At 31 December 2020	1,240,000	263	1,240,263
At 31 December 2019	1,240,000	658	1,240,658

### 11 Debtors

	2020 £	2019 £
<b>Amounts falling due within one year:</b>		
Trade debtors	1,012	75
Other debtors	8,246	2,367
	9,258	2,442

### 12 Creditors: amounts falling due within one year

	2020 £	2019 £
Other taxation and social security	169	116
Trade creditors	908	1,583
Other creditors	101	-
Accruals and deferred income	2,100	1,860
	3,278	3,559

# GARSTON COMMUNITY CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

#### 13 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			Movement in funds			
	Balance at 1 January 2019	Incoming resources	Resources expended	Balance at 1 January 2020	Incoming resources	Resources expended	Balance at 31 December 2020
	£	£	£	£	£	£	£
Hope 4 India	1,787	16,251	(13,773)	4,265	13,751	(15,323)	2,693
Bethel Sozo	2,681	1,370	(2,060)	1,991	100	(2,091)	-
Tariro	1,079	195	(1,189)	85	150	-	235
M. Herrera:							
Peru	2,245	169	(442)	-	930	(930)	-
Outreach	500	1,305	(1,805)	1,972	400	(581)	1,791
	<u>8,292</u>	<u>19,290</u>	<u>(19,269)</u>	<u>8,313</u>	<u>15,331</u>	<u>(18,925)</u>	<u>4,719</u>

#### 14 Analysis of net assets between funds

	Unrestricted £	Restricted £	Total £
Fund balances at 31 December 2020 are represented by:			
Tangible assets	1,240,263	-	1,240,263
Current assets/(liabilities)	9,601	4,719	14,320
	<u>1,249,864</u>	<u>4,719</u>	<u>1,254,583</u>

#### 15 Related party transactions

There were no disclosable related party transactions during the year (2019 - none).