



**CHARITY COMMISSION**  
FOR ENGLAND AND WALES

# Mustard Seed Christian Ministries

Annual Report and Accounts  
For year ended 31<sup>st</sup> March 2022



Charity Number: 1048903

# Contents

# Page

Introduction	2
The Key Facts	3
Summary Legal and Administrative Details	4
Trustees' Report	5
Report of the Independent Examiner	11
Receipts and Payments Account	12
Statement of Assets and Liabilities	13
Notes and Accounting Policies	14



# Introduction

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It's clear that, for obvious reasons, 2021/22 has had its challenges, and, as I begin to draft this report, it seems that 22/23 will be no easier, and perhaps quite a lot worse.

There was a great deal of talk during last year about the possibility that, for small businesses, the most difficult time would be after lockdown finished, Government Grants finished, Business rates were reinstated and energy and other utility and supply costs began to rise. That has indeed proved to be the case. In the period since lockdown ended, an analysis of till reports indicates that footfall has been down, average transaction spend has fallen, and energy and supply costs are rising, with the consequence that we are having to look, reluctantly, at increasing our prices, whilst continuing to keep a tight hold on our costs. The only consolation is that all the local hospitality businesses are faced with the same issues, and needing to respond in similar ways. The national and indeed international picture echoes our local experience.

In the midst of that, we are keeping our heads above water, because of the reasonably healthy state of our reserves. But we are not consistently achieving our daily target, and, while we do have good reserves, we cannot sustain continuing losses indefinitely. So, we are looking carefully at areas where we might increase footfall, cut costs and maintain customer spend.

We value your continuing prayers and support. We remain committed to serving our community for as long as we can, and hope that the national and international factors which are beyond our control will begin to turn around. In the meantime, we remain grateful to God, to all our faithful customers and visitors upon whom we depend for their faithful support, and to all the Trustees, Staff and Volunteers, who have once again worked hard through the year to serve the Charity to the best of their ability.

God bless you in these continuing testing times.



David Lewis  
Chair, Mustard Seed Christian Ministries

9<sup>th</sup> December 2022

# The Key Facts

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It's been a challenging year!

- We re-opened post pandemic on Monday 17<sup>th</sup> May, meaning that for the first month and a half we had remained in lockdown mode.
- We managed to retain all our staff through the lockdown period, thanks to the Job Retention Scheme, for which we are grateful.
- We continue to maintain sufficient reserves for three months' core costs (i.e. Operating Expenditure.)
- We have repaid the last of our outstanding loans.
- We have replaced all the remaining single-glazed windows with double glazing. The signboards and new signage are still outstanding, much to our frustration.
- We have worked hard to market our Charity effectively, developing contacts with local churches and making better use of local and internet means of communication.
- During the year it became clear that, in line with national trends, footfall was down by around 10%, and spend per capita was also down. We have lost some regular customers, and others have been slow to return.
- For part of the year we made the decision to reduce opening hours to protect staff.
- Some volunteers have made the decision not to return, which has presented some challenges in staffing the shop adequately.
- In many ways, this year has been about assessing the impact of the Coronavirus pandemic, and determining the appropriate response. That will no doubt continue into 2022/3.
- So far, we have survived!



# Summary Legal and Administrative Details

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## 1 Status

Mustard Seed Christian Ministries was constituted by Trust Deed on 2 March 1995, and that Deed was subsequently amended by an Agreement dated 15<sup>th</sup> May 2014. Mustard Seed Christian Ministries is regarded as a charity and is registered with the Charity Commissioners under reference number 1048903.

## 2 Trustees

Members of the Board of Trustees during the year were as follows:

Mr M Brown

Mrs R Ray

Rev D Lewis

Mr K Sparks

Mrs J Davis

Chair

Treasurer

Secretary

## 3 Registered Office

1 All Saints Road

Sidmouth

Devon

EX10 8ER

## 4 Professional Advisors

Bankers:

HSBC

Fore Street

Sidmouth

Devon

EX10 8AA

Independent Examiner:

Robin Johnson FCCA

York Cottage

10 Sidlands

Sidmouth

EX10 8UE

## 5. Statement of Trustees' Responsibilities

Charity law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity for that period. In preparing those financial statements, the Trustees are required to:

- a) select suitable accounting policies and then apply them consistently;
- b) make judgements that are reasonable and prudent;
- c) state whether the policies adopted are in accordance with the appropriate Charity Commission guidelines for Receipts and Payments Accounts, subject to any material departures disclosed and explained in the financial statements; and
- d) prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue its operations.

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

# Trustees' Annual Report

*Period:* 1st April 2021 to 31<sup>st</sup> March 2022

*Charity name:* Mustard Seed Christian Ministries

*Charity registration number:* 1048903

## *Objectives and Activities:*

### The Purposes of the Charity

To advance the Christian religion by

- Selling Christian books and gifts
- Running a Social Enterprise café

### Our Main Activities

We run a Christian bookshop serving the residents of East Devon and visitors to it, selling books, cards and gifts

We provide Christian books to churches and other organisations

We continue to develop a Social Enterprise Café/Community Hub

### Public Benefit

We have consulted the Commission's guidance on public benefit and believe that we satisfy it by virtue of the fact that our bookshop and café are open to the public and that we market our services across East Devon. We seek to be inclusive of all regardless of ethnicity, age, gender, faith, sexual orientation, social background or situation, or ability, both in relation to our recruitment of staff and volunteers and in relation to our clientele.

## *Additional information*

### Social Investment

We run a café which increasingly fits the description of a Social Enterprise, and as such represents an investment in the local community as a whole and in specific sectors within it.

We support several volunteers with additional needs.

We work with other local organisations in supporting homeless and vulnerable people in the Sid Valley and beyond.

We offer a safe and secure place of rest and affordable refreshment for those who need it. We have regular customers who live alone and who come for company and informal help with problems. We try to have experienced listeners available.

We provide cooked meals and hot drinks to homeless people and others coping with poverty, through our Street Scene fund, from which, in 21/22 we provided cooked meals and hot drinks to the value of £1,771.

We see all the above as appropriate to our primary purpose of advancing the Christian religion, by living out our faith in the way we run the cafe as well as by promoting the message through the bookshop.

### Volunteers

Our three excellent staff are ably supported by a complement of volunteers, many of whom are extremely capable and serve the ethos of the bookshop and café very well. Some as noted above have a range of additional needs and are cared for and developed both by staff and other volunteers, as well

Other

as by a loyal customer base which increasingly recognises the value of what we are doing.

We offer a work placement each year to a hard-to-place student from the local secondary school, both for a full week and at other times when requested.

We have a staff handbook which contains a full complement of policies relating to their work. New volunteers are inducted by the Manager or Assistant Manager.

Locals and visitors, of whom there are many because of our town's reputation as a holiday destination, often comment on the 'lovely atmosphere' of the shop and, in the case of the visitors, express regret at the loss of similar provision in their own areas. We record these comments for evidential purposes.

### *Achievements and Performance*

Main Achievements

In 2021/22 we sold £17, 639 worth of Christian books, cards and gifts to residents, churches, other organisations and visitors to the town. We continued to serve the Sidmouth community and beyond amid tight financial constraints.

We are continuing to develop our role as a Social Enterprise café, supporting our volunteers and developing our support for homeless and vulnerable people within the community. We continue to work with other organisations in the community serving the same constituency.

The Staff Team continue to grow in effectiveness and in their ability to support the strong team of volunteers, some of whom have additional needs. The latter grow in confidence and skills, some progressing from kitchen work to contact with customers.

### *Additional information*

Achievements against objectives set

During 2021/22 we were successful in maintaining robust cash balances. During the year, we have succeeded in repaying the outstanding loan of £11,400 in full. We continue to designate £15,000 for planned renovations, from which we will be paying for new windows in 2022/23.

Fundraising

During 2021/22 our 'One In A Thousand' Appeal raised £5,776. We hope that this figure will continue to grow, to help, alongside other things, towards long-term sustainability.



# Financial Review

Closing Financial Position	In the year ended 31 March 2022 we had net incoming resources of £9,954, an 81% decrease on 2020/21 (surplus £51,352, principally explained by the end of generous Government support amounting to £41k for the extensive periods during which we had to remain closed, and the periods during which we were having to operate under COVID-19 restrictions.)
Property Valuation	Following advice from our Independent Examiner, we had the property professionally valued during 2021/22, in the sum of £187,500 (book value was £254,716).
Reserves Policy	The charity has a policy of reserving three months' Operating Expenditure in order to offset potential financial challenges arising. This has meant that so far we have been able to weather these uncertain times with some confidence surrounding our future. We remain committed to sustaining a reserves account as a matter of priority.
Amount of Reserves held	We carry £30,000 of cash Reserves designated for our Operating Expenditure, and another £15,000 for Renovations.
Reasons for holding zero reserves	N/A
Details of fund materially in deficit	N/A
Uncertainties Going Forward	The impact of the COVID 19 pandemic continues to challenge our future viability, like that of many other small businesses. As a result of our experience during the past twelve months, we remain confident that we will be able to continue trading with the support of our loyal supporters and customers, recognising that it will nonetheless pose significant challenges. We continuously review options in order to safeguard our future.

## Additional information

Principal sources of funds	Our major source of income is our café. Most of our additional income has from donations. We run an Appeal ('One In A Thousand') for people to partner with us by regular donation of small sums of money.
Investment policy and objectives	N/A
Principal Risks facing the charity	Like all small Charities we face the challenges of rising costs, VAT liability, Business Rates and internet shopping. We are working hard to minimise costs and maximise income. The major risks facing us are a reduction in large donations and the financial consequences of the COVID 19 crisis.



# Structure, Governance and Management

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Description of charity's trusts	The Trust was constituted as an Unincorporated Association by Trust Deed on 2 <sup>nd</sup> March 1995 and is regarded as a Charity. The Deed was amended by an Agreement dated 15 <sup>th</sup> May 2014.
Trustee Selection	New Trustees are appointed by invitation of the existing Trustees. Officers are elected by the Trustees. The Trustees are all volunteers and do not receive any remuneration, payments or benefits.

## *Additional information*

Induction and Training of Trustees	We refer new Trustees to the Charity Commission documentation for new Trustees, and discuss with them the issues arising from these. We try where possible to incorporate reviews of topics covered by the documentation in Trustees' meetings.
Organisational structure	The Charity is overseen by a small group of Trustees from local churches, and managed by three paid Staff, a manager, an assistant manager and a baker. All three are part-time.
Related Parties	We have informal links with the churches of the Sid Valley, and work closely with Gateway, the local organisation supporting the homeless, with the Sid Valley Food Bank and with Sid Valley HELP, a local networking organisation working particularly to support the lonely and isolated.
Other	During 2021/22 the early Trustees Meetings were conducted on Zoom.

## *Reference and Administrative details*

Charity name	Mustard Seed Christian Ministries
Other name the charity uses	N/A
Registered charity number	1048903
Charity's principal address	1 All Saints Road Sidmouth Devon EX10 8ER

# Names of the Trustees who manage the Charity

Trustee name	Office (if any)	Dates acted if not for whole year	Name of person (or body) entitled to appoint trustee (if any)
Mr Michael Brown			
Mrs Jo Davis	Secretary		
Mrs Ruth Ray			
Revd David Lewis	Chair		
Mr K Sparks	Treasurer		

## *Names of trustees for the time being holding title to property belonging to the charity*

Name	Dates acted if not for whole year
Michael Brown	
Jo Davis	
David Lewis	
Ruth Ray	
Kieth Sparks	

*Funds held as custodian trustees on behalf of others* N/A

## *Additional information*

### Names and addresses of advisers

Type of adviser	Name	Address
Bank	HSBC	Fore Street, Sidmouth, Devon EX10 8AA
Independent Examiner	Robin Johnson	10 Sidlands, Sidmouth, Devon EX10 8UE

### Name of senior staff member

Sally Wilshaw (Manager)

### Exemptions from disclosure

Reason for non-disclosure of key personnel details


Intra-staff confidentiality

# Declarations

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The trustees declare that they have approved the trustees' report above.

Signed on behalf of the charity's trustees

Signature(s)		
Full name(s)	David Antony Lewis	Kieth Sparks
Position	Chairperson	Treasurer
Date	17th December 2022	



# Report of the Independent Examiner

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I report to the Trustees on my examination of the accounts of Mustard Seed Christian Ministries for the year ended 31 March 2022, which are set out on pages 12 to 15.

## *Responsibilities as Trustees of the Charity and Basis of Report*

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

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

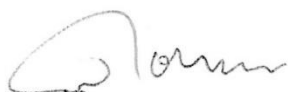
## *Independent Examiner's Statement*

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

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records.

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

Signed:



Date:

17 December 2022

Name: **Robin Johnson**

**FCCA**

Address: **York Cottage  
10 Sidlands  
Sidmouth  
Devon EX10 8UE**

# Receipts & Payments Account

Year ended 31 March 2022	Notes	2022			2021
		Unrestricted funds	Restricted funds	Total funds	Total funds
		£	£	£	£
<b>Incoming Resources</b>					
Donations		7,989	2,005	9,994	18,454
Legacies		105	-	105	5,000
Book shop sales & Commission		8,908	-	8,908	4,835
Sales of cards and gifts		8,731	-	8,731	4,539
Sales of refreshments		31,447	1,475	32,922	10,265
Government Grants		16,077	-	16,077	40,951
Total Incoming Resources		73,257	3,480	76,737	84,044
<b>Direct Charitable Expenditure</b>					
Cost of sales	4	20,261	1,006	21,267	8,442
Expenses	5	43,425	2,156	45,581	24,264
Interest received		(65)	-	(65)	(14)
Total resources expended		63,621	3,162	66,783	32,692
Net incoming resources		9,636	318	9,954	51,352
Transfers between funds		-	-	-	-
Total funds at 31 March 2021		334,990	3,544	338,534	287,182
Total funds at 31 March 2021		344,626	3,862	348,488	338,534

# Statement of Assets and Liabilities

Year ended 31 March 2021

	Notes	2022			2021
		Unrestricted funds	Restricted funds	Total funds	Total funds
		£	£	£	£
<b>Fixed assets</b>					
Freehold property (at valuation)		187,500	-	187,500	161,887
Property extension (at cost)		-	-	-	92,829
Fixtures and fittings (WDV)		9,133	-	9,133	9133
Computer equipment (WDV)		145	-	145	145
		<u>196,778</u>	<u>-</u>	<u>196,778</u>	<u>263,994</u>
<b>Current assets</b>					
Stocks		10,646	-	10,646	16,155
VAT		-	-	-	1,202
Bank and cash balances	3	73,127	3,862	76,989	69,021
		<u>83,773</u>	<u>3,862</u>	<u>87,635</u>	<u>86,378</u>
<b>Less: Current liabilities</b>					
Creditors		3,141	-	3,141	438
Interest free loans		-	-	-	11,400
		<u>3,141</u>	<u>-</u>	<u>3,141</u>	<u>11,838</u>
<b>Net current assets</b>		<u>80,632</u>	<u>3,862</u>	<u>84,494</u>	<u>74,540</u>
<b>Net assets</b>		<u>277,410</u>	<u>3,862</u>	<u>281,272</u>	<u>338,534</u>
Restricted Fund (Street Scene)		-	3,862	3,862	3,544
Designated Funds (Renovations)		15,000	-	15,000	15,000
(3 month's Operating Expenditure)		30,000	-	30,000	30,000
General Purposes Fund		232,410	-	232,410	289,990
<b>Total Funds</b>		<u>277,410</u>	<u>3,862</u>	<u>281,272</u>	<u>338,534</u>

Signed on behalf of the Trustees:

*David Lewis*

Chairperson

*Keith Sparks*

Treasurer

Date: 14<sup>th</sup> December 2021

# Notes and Accounting Policies

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Year ended 31 March 2021

## 1. Accounting policies

The financial statements have been prepared in accordance with the Charity Commission guidance for Receipts and Payments Accounts.

a) **Income**

All income is recognised on a received basis.

b) **Fund accounting**

The Charity's Unrestricted Fund consists of funds which the Charity may use for its charitable purposes.

A Designated Fund has been created relating to Renovations.

c) **Expenditure**

All expenses are accounted for on a receipts and payments basis.

## 2. Trustees' remuneration and expenses

No remuneration or expenses was paid by the Charity to any of the Trustees for their services during the year.

## 3. Bank and cash balances

	2022	2021
	£	£
Epos Till Account	1,079	-
Current account	5,680	10,746
Deposit account	57,857	47,438
Building account	8,511	7,172
Street Scene Account (Restricted)	3,862	3,544
Petty cash account	-	121
	<b>76,989</b>	<b>69,021</b>



# Notes and Accounting Policies (continued)

Year ended 31 March 2021

	2022			2021
	Unrestricted funds	Restricted funds	Total funds	Total funds
	£	£	£	£
<b>4. Cost of Sales</b>				
Book shop purchases	12,581	-	12,581	5,390
Postage on sales orders	180	-	180	124
Catering purchases	7,088	1,006	8,094	2,425
Credit/Debit card charges	412	-	412	503
	<b>20,261</b>	<b>1,006</b>	<b>21,267</b>	<b>8,442</b>
<b>5. General expenses</b>				
Staff Costs	30,773	1,528	32,301	15,070
Rates	1,850	92	1,942	-
Utilities	2,211	110	2,321	3,440
Premises - renewals & maintenance	2,168	108	2,276	1,415
Equipment - renewals & maintenance	2,190	109	2,299	88
Cleaning & hygiene costs	579	29	608	432
Disposal of waste	601	30	631	561
Telephone & internet charges	413	20	433	417
IT & Till Costs	755	37	792	654
Advertising	167	8	175	440
Stationery	90	4	94	75
General insurances	821	41	862	1,210
Legal & Professional Fees	238	12	250	-
Bank charges	306	15	321	383
Sundry	263	13	276	79
	<b>43,425</b>	<b>2,156</b>	<b>45,581</b>	<b>24,264</b>