



**CHARITY COMMISSION
FOR ENGLAND AND WALES**

Mustard Seed Christian Ministries

Annual Report and Accounts
For year ended 31st March 2023



Charity Number: 1048903

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Introduction

We were expecting 2022/3, the year after lockdown ended, to be quite difficult. It was in some ways, although not always in the ways nor to the extent we expected!

Financially we did reasonably well, although still ending up with a net loss of £12,167 after allowing for some extraordinary expenditure on the building of £6,740. While not disastrous, we obviously could not sustain that level of loss for a sustained period, so are beginning to explore ways of addressing the situation. During the year a root and branch review of the Charity and its operations was carried out, which furnished us with a range of ideas about how to improve our performance financially and in other ways, and we are working on the gradual implementation of those over time.

One of the issues which has been difficult throughout lockdown and beyond has been that of making progress with desirable improvements in the fabric and appearance of the building. We finally managed to have new double glazing installed at the beginning of the year, after a long wait, and then there was a lengthy delay before a carpenter could undertake the next stage of the improvements. The works were finalised in the first quarter of 2023-24. It seems we were not alone in having difficulties getting work done.

However, by far the biggest issue during 2022 was the impending retirement and replacement of our splendid Manager of eight years' standing, Sally Wilshaw. Only since her departure have we really appreciated how much the job had grown with her and her with the job. Her ability to carry out so many tasks has been highlighted by the difficulty we've had since her departure in keeping on top of everything. Our current staff team are doing all they can, but we continue to discover areas Sally had quietly covered which need attention. There remain challenges to matching the skills of the current team to the required tasks, which are being addressed..

As always, we are grateful for your continuing prayers and support, and as ever to God, our faithful customers and visitors, and to all the Trustees, Staff and Volunteers, who remain our greatest asset.

God bless you,

Ruth Ray
Chair, Mustard Seed Christian Ministries

November 2023

The Key Facts

It's been another challenging year!

- Our Manager retired after eight years of devoted service. We are working hard to replace her, and finding it challenging to do so.
- We have almost completed our current range of improvements to the fabric and appearance of the building.
- We have continued to work hard to market our Charity effectively, working hard at building connections with local churches and making better use of local and digital means of communication.
- We continue to maintain sufficient reserves for three months' core costs (i.e. Operating Expenditure.)
- We have continued to find the management of the bookshop challenging in the face of aggressive competition from internet-based competitors, but know that we are more fortunate than many others who have been unable to continue trading.
- Our Staff and Volunteers have remained positive, cheerful and welcoming despite all the challenges.

Summary Legal and Administrative Details

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 15th 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 2022 to 31st March 2023

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 promote and sell 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 three local residents with part-time employment.

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 have an ongoing informal partnership with one local charity, Gateway and we are looking to develop this association in 2023-24.

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, (via Gateway) from which, in 22/23 we provided cooked meals and hot drinks to the value of £3,664.

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	<p>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 as by a loyal customer base which increasingly recognises the value of what we are doing.</p> <p>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.</p> <p>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.</p>
Other	<p>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.</p>

Achievements and Performance

Main Achievements	<p>In 2022/23 we sold £20,009 (2021/22 £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.</p> <p>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.</p> <p>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.</p>
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Additional information

Achievements against objectives set	<p>During 2022/23 we were successful in maintaining robust cash balances. We have been able to replace the windows and are about to re-decorate the exterior and install new signage.</p>
Fundraising	<p>During 2022/23 our 'One In A Thousand' Appeal raised £5,459 (2021/22 £5,713) but we are working to grow this figure in the near term, to help, alongside other things, towards long-term sustainability.</p>

Financial Review

Closing Financial Position	In the year ended 31 March 2023 we had net incoming resources of £12,167 compared with £9,954 for 2021/22. It should be noted however that in 2021/22 Government Grants totalling £16,077 were received.
Property Valuation	£187,500 as per professional valuation carried out March 2022
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.
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, exacerbated by the more recent cost of living crisis owing to increasing costs and inflation, continues to give us significant challenges, like 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. 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 is 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 and cost of living crises.

Structure, Governance and Management

Description of charity's trusts	The Trust was constituted as an Unincorporated Association by Trust Deed on 2 nd March 1995 and is regarded as a Charity. The Deed was amended by an Agreement dated 15 th 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. 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. We also have links 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 2022/23 we have been able to resume face-to-face Trustees' Meetings.

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		April to November 2022	
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	April to November 2022
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	251-251 High Street, EXETER Devon EX4 3PZ
Independent Examiner	Robin Johnson	10 Sidlands, Sidmouth, Devon EX10 8UE

Name of senior staff member

Sally Wilshaw (Manager) April to December 2022.

Exemptions from disclosure

Reason for non-disclosure of key personnel details

Intra-staff confidentiality

Declarations

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

Signed on behalf of the charity's trustees

Signature(s)

R Ray

Kieth Sparks

Full name(s)

Ruth Ray

Kieth Sparks

Position

Chairperson

Treasurer

Date

6th December 2023



Report of the Independent Examiner

I report to the Trustees on my examination of the accounts of Mustard Seed Christian Ministries for the year ended 31 March 2023, 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:

6 December 2023

Name: **Robin Johnson**

FCCA

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

Receipts & Payments Account

Year ended 31 March 2023	Notes	2023			2022
		Unrestricted funds	Restricted funds	Total funds	Total funds
		£	£	£	£
Incoming Resources					
Donations		8,279	1,350	9,629	9,994
Legacies		-	-	-	105
Book shop sales & Commission		9,070	-	9,070	8,908
Sales of cards and gifts		10,939	-	10,939	8,731
Sales of refreshments		47,739	3,664	51,403	32,922
Government Grants		-	-	-	16,077
Total Incoming Resources		76,027	5,014	81,041	76,737
Direct Charitable Expenditure					
Cost of sales	4	25,319	1,120	26,439	21,267
Expenses	5	61,187	5,869	67,056	45,581
Interest received		(287)	-	(287)	(65)
Total resources expended		86,219	6,989	93,208	66,783
Net (outgoing) /incoming resources		(10,192)	(1,975)	(12,167)	9,954
Transfers between funds		-	-	-	-
Total funds at 31 March 2022		277,410	3,862	281,272	338,534
Total funds at 31 March 2023		267,218	1,887	269,105	348,488

Statement of Assets and Liabilities

Year ended 31 March 2023

	Notes	2023			2022
		Unrestricted funds	Restricted funds	Total funds	Total funds
		£	£	£	£
Fixed assets					
Freehold property (at valuation 2022)		187,500	-	187,500	187,500
Fixtures and fittings (WDV)		9,133	-	9,133	9,133
Computer equipment (WDV)		145	-	145	145
		<u>196,778</u>	<u>-</u>	<u>196,778</u>	<u>196,778</u>
Current assets					
Stocks		11,465	-	11,465	10,646
Debtors		427	-	427	-
Bank and cash balances	3	65,285	1,887	67,172	76,989
		<u>77,177</u>	<u>1,887</u>	<u>79,064</u>	<u>87,635</u>
Less: Current liabilities					
Creditors		6,737	-	6,737	3,141
		<u>6,737</u>	<u>-</u>	<u>6,737</u>	<u>3,141</u>
Net current assets		<u>70,440</u>	<u>1,887</u>	<u>72,327</u>	<u>84,494</u>
Net assets		<u>267,218</u>	<u>1,887</u>	<u>269,105</u>	<u>281,272</u>
Restricted Fund (Street Scene)		-	1,887	1,887	3,862
Designated Funds					
(Renovations & Equipment)		3,164	-	3,164	15,000
(3 months' Operating Expenditure)		30,000	-	30,000	30,000
General Purposes Fund		234,054	-	234,054	232,410
Total Funds		<u>267,218</u>	<u>1,887</u>	<u>269,105</u>	<u>281,272</u>

Signed on behalf of the Trustees:

Chairperson

R. Ray

Treasurer

Keth Spake

Date:

6th Dec 23

Notes and Accounting Policies

Year ended 31 March 2023

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

	2023 £	2022 £
EPOS Till Account	866	1,079
Current account	2,759	5,680
Deposit account	58,338	57,857
Building account	2,822	8,511
Street Scene Account (Restricted)	1,887	3,862
Petty cash account	500	-
	67,172	76,989

Notes and Accounting Policies (continued)

Year ended 31 March 2023

	2023			2022
	Unrestricted funds	Restricted funds	Total funds	Total funds
	£	£	£	£
4. Cost of Sales				
Book shop purchases	10,035	-	10,035	12,581
Postage on sales orders	120	-	120	180
Catering purchases	14,600	1,120	15,720	8,094
Credit/Debit card charges	564	-	564	412
	25,319	1,120	26,439	21,267
5. General expenses				
Staff Costs	41,110	3,943	45,053	32,301
Rates	3,472	333	3,805	1,942
Utilities	3,771	362	4,133	2,321
Premises - renewals & maintenance	7,037	675	7,712	2,276
Equipment - renewals & maintenance	641	62	703	2,299
Cleaning & hygiene costs	983	94	1,077	608
Disposal of waste	829	79	908	631
Telephone & internet charges	444	43	487	433
IT & Till Costs	694	67	761	792
Advertising	-	-	-	175
Stationery	278	27	305	94
General insurances	1,472	141	1,613	862
Legal & Professional Fees	-	-	-	250
Bank charges	217	21	238	321
Sundry	239	22	261	276
	61,187	5,839	67,056	45,581