



**CHARITY COMMISSION**  
FOR ENGLAND AND WALES

# Mustard Seed Christian Ministries

Annual Report and Accounts for  
year ended 31<sup>st</sup> March 2025

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# Introduction

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We started 2024/25 in a stronger place than the same time a year previously. Staffing levels were stable and changes made the previous year had been embedded. We had small successes such as hosting a cabaret act by a local Christian singer to mark Sidmouth's International Jazz and Blues festival and we continue to receive gratitude from our many lovely and loyal customers, as well as Gateway, the local homelessness charity, with whom we are proud to partner.

We made some progress towards improving our charity structure by applying to establish a new Charitable Incorporated Organisation to replace the existing Trust. It is hoped that this should make the role of trustee more appealing for new recruits with their individual liability limited, and also ensure that we can be more agile in the way we deal with the ownership of our premises.

Sadly, soon after the start of 2024/25, our key volunteer responsible for the majority of our accounting activities, passed away fairly suddenly. His contribution to the financial management of the charity was invaluable and with his passing, this workload had to be rapidly redistributed among existing trustees, staff and, thankfully, some wonderful new volunteers who stepped forward to assist. This process took several months to operate efficiently and was fairly time-consuming.

We managed to recruit one new trustee. However, the search for more, specifically a replacement Chair and Treasurer, was unfruitful, despite various appeals. Volunteer staffing levels in the café were also challenging. We were unable to recruit enough volunteers to fulfil existing vacancies, let alone new ones created by volunteers retiring. This created pressure upon the existing team, which, combined with several incidences of staff illness, has impacted our consistency of service. Despite generous donations from many of our supporters and the establishment of small but solid second-hand Christian book sales, we are increasingly reliant upon our café for the majority of our income.

The financial burdens, particularly of VAT, Business Rates (due to more than double in 2025/26), and general inflation have meant that balancing the books remained a knife edge act. We started the year hoping to achieve closer to break even than in previous year, but only because of the considerable effort, time and goodwill from existing trustees and unpaid volunteers. This operational workload was one of the reasons the trustee board has struggled to attract more to its number, as well as being the primary reason for our current Chair and Treasurer seeking to retire. Our relatively small size meant we were sadly unable to pay anyone professional to perform some of these functions to relieve trustees of them.

Given these mounting pressures, trustees made the difficult decision to cease trading at the end of March 2025, making all our staff redundant. A general community announcement was made in November 2024, with a public meeting held which was attended by around 50 community members. Trustees are open to alternative uses of the premises, with those most aligned with our charitable objects given priority. Our reserves mean we can remain closed for trading but with possible alternative outreach using the premises for several months while we discern the best way forward.

We feel privileged to have seen God use the Mustard Seed for so many years to bless our local community and beyond. We don't necessarily believe the decision to cease trading means the work of the charity is done. As Jesus cautioned about trying to pour new wine into old wine skins, we are hopeful and prayerful that this decision will open a new way for us to respond to what God may want to do next.

*Ruth Ray*

*Chair, Mustard Seed Christian Ministries*

*April 2025*

# The Key Facts

- The departure of our accountant meant the reallocation of many of the banking and accounting processes. To avoid the risk of relying too much upon just one individual in the future, at least two individuals were subsequently trained to conduct any one of the accounting processes we rely on.
- We were delighted that through the hard work of our whole team of staff, volunteers and trustees, generosity of our donors and demand from our customers, we started the year with stronger financial projections than in previous years. Were it not for the shop's closure and its associated impact on trading, redundancy costs and stock write down, we may have been close to ending the year cost-neutral. However, our financial performance was highly sensitive to significant one-off costs. Rising wages and business rates were likely to have created further pressures in 2025/26 which would have continued to eat away at our financial reserves.
- Staffing remained stable for the year with the staff team working well together and with our volunteers. The decision to cease trading was not undertaken lightly by trustees and came after several years of trying to maintain operations at some personal cost to individuals involved. Closure of the shop was announced to staff at the end of October with donors, volunteers, churches and customers all being informed within a short time period after then. A general meeting to discuss the decision was held in November and while it was well attended, sadly no individuals came forward who would be suitable for taking on some of the key trustee roles needed or with an alternative viable offering which would have prevented closure. We were, therefore, grateful to have been able to provide our staff with plenty of notice of redundancy to help optimise their ability to find alternative work.
- Our stock of second-hand Christian books continued to meet a small but steady demand. Our stock of new books has been steadily reducing with each sale made with the decision having been taken during the previous financial year to limit any further purchases of new books apart from those we can order in on sale or return for select events such as Keswick in Devon, the Christian conference held in March in the town. We directed anyone looking to purchase new Christian books to [bookshop.org](http://bookshop.org) from which has provided us with an annual commission payment. As we approached the time of the shop's closure, we were able to donate several second-hand Christian books and bibles to a church trip going out to equip Christians in Uganda.
- We began the groundwork to shift the Charity's structure to a Charitable Incorporated Organisation. The CIO itself neared official registration towards the end of 2024/25 with future work now required to transition across the assets of the trust. We hope this should help future-proof the charity, offering it greater agility and attractiveness to potential trustees.
- We continue to be grateful for our partnership with Gateway, enabling our premises to be used to support homeless clients or those facing homelessness with advice, advocacy and practical assistance. In the short term, while future plans for the premises are still being explored, it is proposed that Gateway continue in their use of the premises to meet with their clients.

# 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 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. Mustard Seed Christian Ministries operates from its premises under the name of 'The Mustard Seed Café and Christian Bookshop'.

## 2 Trustees

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

Mrs Ruth Ray	Chair
Mr Kieth Sparks	Treasurer
Mrs Joanna Davis	Secretary (retired)
Mr Gareth Stephens	
Mrs Jayne Norton	
Mrs Hannah Boyd	Secretary (newly appointed as existing trustee)
Rev Victoria Chester	(newly appointed)

*A note of appointments and resignations can be found on page 10.*

## 3 Registered Office

1 All Saints Road, Sidmouth, Devon, EX10 8ER

## 4 Professional Advisors

Bankers:	Independent Examiner:	Solicitors acting for CIO:
HSBC	Stephen Maycock BA FCA	Anthony Collins LLP
250-251 High St	16 Windsor Mead	134 Edmund St
Exeter	Sidford	Birmingham
Devon	Sidmouth	B3 2ES
EX4 3PZ	EX10 9SJ	

## 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:

- select suitable accounting policies and then apply them consistently;
- make judgements that are reasonable and prudent;
- 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
- 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 2024 to 31<sup>st</sup> March 2025

*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 community café

### Our Main Activities

We ran 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, schools and other organisations.

Our café aimed to provide locals and visitors alike with a hospitable welcome, a listening ear and relevant support and signposting as desired as an outworking of our Christian ethos and values.

### 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. While our shop has since closed for trading and some of the charities activities have reduced, we will continue to be active in delivering upon our charitable objects and hope to identify additional and alternative ways in which to continue this work over the coming year.

## *Additional information*

### Community development, supporting those in need and preventing poverty

We ran a café which seeks to build and support community within Sidmouth and beyond.

- We offered a safe and secure place of rest and affordable refreshment for those who need it. We had regular customers who live alone who come for company and informal help with problems. We tried to have experienced listeners available.
- We supported five local residents with part-time employment, one of whom is a Ukrainian refugee.
- We supported several volunteers with additional needs.
- We worked with other local organisations in supporting homeless and vulnerable people in the Sid Valley and beyond. We have an ongoing

	<p>informal partnership with one local charity, Gateway, which uses our premises as a base several times a week to be available to meet with and support anyone who may need their services. Gateway paid by monthly invoice for any food or drink consumed by them or their clients but their use of the Mustard Seed is not dependent upon a minimum spend, with both charities operating symbiotically to support one another in our collective aim to support those in need.</p> <ul style="list-style-type: none"> <li>We provided our premises as a venue to support other organisations aligned with our values and one-off fundraising events run by like-minded individuals such as 'The Big Brew' coffee morning raising funds and awareness for fair trade in the developing world.</li> </ul> <p>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 ran the cafe as well as by promoting the message through the bookshop.</p>
Volunteers	<p>Our five excellent staff were supported by a team of volunteers who served the ethos of the bookshop and café very well. Some, as noted above, have a range of additional needs and were 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 offered 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 one of her able assistants.</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.</p>

## Achievements and Performance

Main Achievements	<p>Our primary achievement during the year 2024/25 was to keep the doors open! Mounting challenges such as financial pressures, staff illness, declining numbers of volunteers and difficulty recruiting new trustees presented challenges just to maintain our presence.</p> <p>A further achievement was to take the sad but necessary decision to cease trading and to seek alternative ways in which to build upon the activity and legacy of the past 30 or so years of the charity's life. We were grateful to have been able to provide plenty of notice and support to our staff to help enable them to find alternative employment within the valley.</p>
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## Additional information

Achievements against objectives set	<p>Expenses were reduced from £73,947 in 2023/2024 to £66,420 in 2024/25. However, net income also reduced, in part as a result of winding up trading towards the end of the financial year. Our cash balances took a further hit from 2023/24 when they were £58,079 to stand at £54,242 at the end of</p>
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## Fundraising

2024/2025, although this marks a smaller reduction than the previous year (£3,837 reduction in 2024/2025 versus £9,093 in 2023/2024).

During 2024/25 our total donations and legacies fell to £6,549 from £11,590 in 2024/23. Our decision to cease trading was communicated to donors in October 2024 which may explain some – although not all – of this reduction. A lack of volunteers and/or trustees meant that efforts to increase our fundraising activities in 2024/25 stalled so we were largely reliant upon past efforts securing regular giving for our fundraising income.



# Financial Review

Receipts and Payments Accounting	<p>The Trust operates on a Receipts and Payments basis but accounts with a full balance sheet covering stocks, debtors and creditors along with fixed assets at valuation, but without accruals and prepayments and the application of depreciation. It does so on a consistent basis with recent years.</p> <p>Assets are renewed and replaced, when needed, in order to support the operation of the Cafe and Bookshop. These payments are shown on page 14 in General Expenses-renewals and maintenance.</p>
Financial Outcome for the Year	<p>At 31 March 2025 we had net outgoing resources of £11,134 compared with net outgoing resources of £10,065 for 2023/24. Cash balances fell £3,837 to £54,242 (2023/24 £58,079).</p>
Fixed Asset Values	<p>The property is valued at £187,500 as per a professional valuation carried out in March 2022. There were no additions to fixed assets during the year (2023/24 £nil). The value of other fixed assets was reviewed during the year resulting in a write down of £6,278. It is considered that their book value of £3,000 represents their value in the event of sale.</p>
Reserves Policy	<p>The charity has a policy of reserving three months' Operating Expenditure in order to offset potential financial challenges arising. This designated reserve has been retained pending the outcome of the current business review. Reserve levels are reviewed by the Trustees regularly as and when a change in circumstances dictates. We remain committed to sustaining a reserves account as a matter of priority.</p>
Amount of Reserves held	<p>Total funds at 31 March 2025 of £241,292 were down £17,748 on the previous year (2023/24 £259,040). These funds were backed by fixed assets of £190,500 and net current assets of £50,792.</p>
Details of fund materially in deficit	<p>There are no funds in deficit.</p>
Uncertainties and Risks Going Forward	<p>Uncertainty remains on the future operation of the charity.</p> <p>We anticipate a legal bill of up to £3,000 next financial year towards the cost of transitioning our charitable structure to that of a CIO, which we will cover from reserves. This should then help us to recruit the number of trustees that we need as this remains an ongoing challenge.</p> <p>We are no longer subject to staffing risks but remain vulnerable to maintaining adequate numbers of trustees.</p>

## Additional information

Principal sources of funds	<p>Our major source of income has been our café. Most additional income came from the sale of books and gifts plus donations. We ran an appeal for people to partner with us by regular donation of small sums of money but this has been winding down in response to the closure of the café and bookshop.</p>
Investment policy and objectives	<p>Surplus funds are held on bank deposit in order to be readily available when needed.</p>

# 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. During the year it was managed by five paid part-time staff.
Related Parties	We have informal links with the churches of the Sid Valley, and work closely with Gateway, the local organisation supporting the homeless.
Other	<a href="http://www.mustard-seed.org.uk">www.mustard-seed.org.uk</a> 'The Mustard Seed Sidmouth' on facebook Email: mustard.seed@hotmail.co.uk

## *Reference and Administrative details*

Charity name	Mustard Seed Christian Ministries
Other name the charity uses	The Mustard Seed Café and Christian Bookshop
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)
Hannah Boyd	Secretary (new)	Appointed May 2024	
Joanna Davis	Secretary (retired)	Retired May 2024	
Ruth Ray	Chair		
Jayne Norton			
Kieth Sparks	Treasurer		
Gareth Stephens			
Victoria Chester		Appointed Sep 2024	

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

Name	Dates acted if not for whole year
Joanna Davis	Retired May 2024
Ruth Ray	
Kieth Sparks	

## *Funds held as custodian trustees on behalf of others*

There are no funds.

## *Additional information*

### Names and addresses of advisers

Type of adviser	Name	Address
Bank	HSBC	251-251 High Street, EXETER Devon EX4 3PZ
Independent Examiner	Stephen Maycock	16 Windsor Mead, Sidford, Sidmouth, EX109SJ

### Name of senior staff member



Name	Dates acted if not for whole year
Michelle Bree	(redundant from 31/3/2025)
Chris Halls	(redundant from 31/3/2025)

# 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)	Ruth Ray	Kieth Sparks
Position	Chairperson	Treasurer
Date	18/12/2025	18/12/2025

# 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 2024, which are set out on pages 14 to 17.

## *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: 16<sup>th</sup> November 2025

Name: Stephen Maycock  
BA FCA

Address: 16 Windsor Mead, Sidford, Sidmouth, EX109SJ

# Receipts & Payments Account

Year ended 31 March 2025	Notes	2025			2024
		Unrestricted funds	Restricted funds	Total funds	Total funds
		£	£	£	£
<b>Incoming Resources</b>					
Donations		6,049		6,049	11,451
Gift Aid repayments	4				2,066
Legacies		500		500	139
Book shop sales & Commission		7,894		7,894	9,693
Sales of cards and gifts		7,783		7,783	9,135
Sales of refreshments		61,519		61,519	59,126
Interest received		978		978	930
Total Incoming Resources		84,723		84,723	92,540
<b>Direct Charitable Expenditure</b>					
Cost of sales	5	29,437		29,437	28,658
Expenses	6	66,420		66,420	73,947
Total Resources Expended		95,857		95,857	102,605
<b>Net (Outgoing) /Incoming resources</b>		(11,134)		(11,134)	(10,065)
Adjust for non-cash movements:					
Reduction/(increase) in stock value		4,997		4,997	4,638
Reduction/(increase) in debtors		(36)		(36)	427
(Reduction)/increase in creditors		2,336		2,336	(4,093)
Opening cash resources at 1 April		58,079		58,079	67,172
Closing cash resources at 31 March	3	54,242		54,242	58,079


	Notes	Unrestricted funds	2025 Restricted funds	Total funds	2024 Total funds
<b>Reconciliation of Funds</b>					
Opening Funds at 1 April		259,040		259,040	269,105
Net outgoing resources		(11,134)		(11,134)	(10,065)
Transfers between funds		(6,278)		(6,278)	-
Closing funds at 31 March		241,628		241,628	259,040


# Statement of Assets and Liabilities

Year ended 31 March 2025

	Notes	2025			2024
		Unrestricted funds	Restricted funds	Total funds	Total funds
		£	£	£	£
<b>Fixed assets</b>					
Freehold property (at valuation 2022)		187,500		187,500	187,500
Fixtures and fittings (WDV)		3,000		3,000	9,133
Computer equipment (WDV)		-		-	145
		190,500		190,500	196,778
<b>Current assets</b>					
Stocks		1,830		1,830	6,827
Debtors		36		36	-
Bank and cash balances	3	54,242		54,242	58,079
		56,108		56,108	64,906
<b>Less: Current liabilities</b>					
Creditors		4,980		4,980	2,644
<b>Net current assets</b>		51,128		51,128	62,262
<b>Net assets</b>		<b>241,628</b>		<b>241,628</b>	<b>259,040</b>
Designated Funds:					
- Renovations & Equipment		3,482		3,482	2,921
- Three months' Operating Expenditure		25,000		25,000	25,000
General Purposes Fund		213,146		213,146	231,119
<b>Total Funds</b>		<b>241,628</b>		<b>241,628</b>	<b>259,040</b>

Signed on behalf of the Trustees:

Chairperson 

Treasurer 

Date: 18/12/2025

# Notes and Accounting Policies

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Year ended 31 March 2025

## 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 Funds consists of funds which the Charity may use for its charitable purposes. Designated Funds have been created for management purposes. These are unrestricted.

c) **Expenditure**

All expenses are accounted for on a receipts and payments basis with the exception of staff costs and VAT payable which are recorded as incurred.

## 2. Trustees' remuneration and expenses

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

## 3. Bank and cash balances

	2025 £	2024 £
EPOS Till Account	814	1,569
Current account	2,207	5,311
Deposit account	47,439	47,678
Building account	3,482	2,921
Petty cash account	300	600
	<b>54,242</b>	<b>58,079</b>

## 4. Gift Aid

Gift Aid is claimed on gifts in accordance with HMRC guidance. No claim was submitted for gift aid due during the year.



# Notes and Accounting Policies (continued)

Year ended 31 March 2025

	2025			2024
	Unrestricted funds	Restricted funds	Total funds	Total funds
	£	£	£	£
<b>5. Cost of Sales</b>				
Book shop purchases	10,844		10,844	11,912
Catering purchases	17,971		17,971	16,129
Credit/Debit card charges	622		622	617
	<b>29,437</b>		<b>29,437</b>	<b>28,658</b>
<b>6. General expenses</b>				
Staff Costs	52,487		52,487	48,114
Rates	1,643		1,643	1,998
Utilities	5,425		5,425	6,204
Premises - renewals & maintenance	713		713	9,611
Equipment - renewals & maintenance	99		99	217
Cleaning & hygiene costs	211		211	995
Disposal of waste	1,181		1,181	1,116
Telephone & internet charges	643		643	603
IT & Till Costs	803		803	812
Advertising	-		-	21
Stationery	179		179	181
General insurances	1,656		1,656	1,223
Legal & Professional Fees	1,135		1,135	300
Bank charges	245		245	238
Sundry	-		-	324
	<b>66,420</b>		<b>66,420</b>	<b>71,957</b>
Purchase of new cooker	-		-	1,990
	<b>66,420</b>		<b>66,420</b>	<b>73,947</b>