

Larkfield Community Church

Trustees Report and Accounts

For Year Ended 31st December 2020

Registered Charity Number: 1120956

Larkfield Community Church

Headings:

Information

Trustees Report

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Statement of Financial Activities

LARKFIELD COMMUNITY CHURCH TRUSTEES REPORT
INFORMATION

STATUS: Constituted by a Deed of Trust and is a registered charity No: 1120956

TRUSTEES: Mark Hayton (Minister and Lead Elder)
Steve Johnson (Elder)
Roger Bedford (Elder)

REGISTERED ADDRESS: 55, The Ferns,
Larkfield,
Aylesford,
Kent,
ME20 6NE.

INDEPENDENT EXAMINER: Stewardship,
1, Lamb's Passage,
London,
EC1Y 8AB.

BANKERS: Barclays Bank

LARKFIELD COMMUNITY CHURCH
TRUSTEES REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

AIM

The primary aim of Larkfield Community Church is to provide a Church where every man, woman and child can understand the good news of Jesus Christ and grow in their service for the glory of God.

OBJECTIVES

The principle objects of the charity are:

1. The advancement of the Christian religion both in the UK and overseas.
2. The advancement, for the public benefit, of religious or other education.
3. The relief of the poor, sick, disabled, lonely or homeless.

The Church is a member of the Evangelical Alliance and has a longstanding relationship with "Assemblies of God (AoG) UK"; a Christian organisation that pursues similar objectives in the UK and overseas. The Church works with AoG in assisting other Churches and receives voluntary help itself where needed. During the year, 3 % of Church offerings have been given to help the objectives of AoG, which can best be done on a larger scale than Larkfield Community Church could do independently. The Church is also an active member of the local ecumenical group, Churches Together in Malling.

Directions relating to the Charity are made by the trustees who are also Church Elders. They meet at least bi-monthly to receive reports and financial statements detailing the opportunities and risks the Church faces, enabling them to plan or curtail activities accordingly. The Church Elders together with their wives, the Treasurer/Administrator and the Children and Youth Leaders form the Church Leadership Team responsible for governing the life and teaching of the Church. Day to day decisions on expenditure and activities are decided by the trustees. The powers of appointment or removal of trustees rests with the trustees. Trustees are selected from the Church Leadership Team, since this means the trustee body is whole-heartedly involved in seeing the mission of the Church worked out in practice.

The Church has an operational Safeguarding Policy approved by the Thirtyone:eight Safeguarding Organisation and is reviewed annually by the Church Safeguarding Lead.

The Lead Elder (Ministerial status with the AoG) is in receipt of a full work pension. He has agreed with the other trustees to serve the Church in a voluntary capacity and thus allow funds to be directed where needed.

For most of the reporting period the Church employed 4 people, a:

- Treasurer/Administrator on a PAYE basis for 10 hours per week,
- Caretaker/Cleaner for 8 hours per week (to clean and service the church building - The Dorcas Centre). From June 2020 this employee has been subject to the Government Furlough Scheme.
- Children's Leader for 10 hours per week (within the Church and in some local Primary Schools clubs, holiday activities, assemblies)

- Youth Leader for 20 hours per week (to provide youth work within the Church and in some local Primary and Secondary Schools clubs, holiday activities, assemblies, mentoring). During November 2020 the Youth Leader started full time work with another Christian organisation but continued her Youth Leader role voluntarily with the church albeit curtailed from meeting in person due to Covid 19 restrictions.

It is the work of every member of the Church, whether receiving some remuneration or not, that will make the difference in the Church achieving its aims. This is done through being 'salt and light' in their communities, amongst the people they interact with every day; by praying, by visiting the sick and others in need, being involved in training others, public teaching and worship, and also administration. The financial resources of the Church are given by the members and their private assets and equipment are regularly used in the work of the Church. Much of this work is done privately, without recognition, and the hours and value of that time cannot be quantified.

LARKFIELD COMMUNITY CHURCH
TRUSTEES REPORT FOR THE YEAR ENDED 31st DECEMBER 2020

ACHIEVEMENTS AND PERFORMANCE

Until the Covid restrictions commenced on 16th March, the Church continued to meet in Lunsford Primary School on the Brookfield School Site each Sunday morning for sung worship, prayer and bible teaching, including bespoke teaching groups called, 'J Tots, J Team and J Teens' for toddlers, juniors and teenagers, respectively. A crèche facility was also available. Some Church members also met mid-week in someone's home called, 'House Group' for further friendship, prayer and bible teaching.

During the first lockdown Sunday services immediately moved online initially by being pre-recorded and streamed over YouTube then held live via Zoom. A Zoom based mid-week bible teaching, prayer and fellowship group was also established, and a 7-week Relationship Course was attended by over a dozen couples. The move to church online caused some unforeseen expenditure of just over £500 for a streaming copyright licence and additional technical equipment.

To support families and single members during the first Covid lockdown period the trustees agreed to fund 'survival boxes' that were put together by the church leadership team containing various small gifts and bible verses. This was very gratefully received by members and their families and a big morale booster. £1794 was spent in total on this project

The Church continued to lease a double classroom sized timber building from Kent County Council called, 'The Dorcas Centre' located on the School site for use during the week. This building was once derelict but in 1999 was completely restored by the Church. Mid-week Church activities prior to the Covid restrictions included:

- A popular mid-week breakfast club called 'Brekkie Time' - free bacon roll/toast and drink; this is a 'drop in' club for parents and children who attend the on-site Schools.
- A mid-week Morning prayer and bible teaching group.
- A Food Bank (see below).
- An after-school club called, 'JAM' (Jesus and me) for the children of Brookfield Junior School.
- 2 Youth Groups on a Friday for school years 5 to 8 and 9 to 11.

Prior to the Covid restrictions, the Dorcas Centre was made available for use free of charge to the 3 Schools on the site and other community groups such as a Child Minders weekly coffee morning, a weekly elderly 'craft and chat' group, the Girl Guides, and Larkfield Community Group (no connection with the church) for their elderly buddy scheme training and a support group for families with children with special needs.

The Church partnered with and gave some funding and/or volunteers to:

- Christmas Connect – a combined Churches Christmas Carol Service online programme, hosted by Christian comedian Mark Ritchie. This attracted 4000+ viewings.
- Churches and Schools Together (CAST) – several church members volunteer with this charity that provide lunch clubs, student mentoring schemes and prayer/reflection spaces in local Secondary Schools.
- The Family Trust – Several Church members work/volunteer for this Charity in providing lunch time / after school Christian clubs and assemblies in Primary Schools.
- The Church sponsors a newspaper publication called, 'New Life' (50 copies per month) containing uplifting stories for inmates of HMP Elmley.
- 'Let's do Lunch', a lunch club for senior citizens. At least 7 Church members regularly volunteer with this work alongside people from other Churches and the community.
- Food Bank – since February 2015 the Church have partnered with the Medway Food Bank (Trussell Trust) scheme providing a volunteer Centre Manager and volunteers to pack and distribute emergency food on a voucher scheme basis to those in financial crisis. During March/April 2020, the Medway Foodbank ceased supporting the Larkfield Church foodbank due to the colossal demand for its services in Medway. This enabled the Larkfield Church Foodbank to forge its own connections with local supermarkets, other churches and community groups to continue this vital provision during the pandemic. Initially there were a lot of independent groups that sprung up to help supply food to people shielding or in isolation or experiencing financial difficulties, so the foodbank was not as busy as first thought. However, from August to December 2020, 111 parcels were delivered which is approximately equivalent to 2220 meals.

The Trustees have complied with the duty under the Charities Acts to have due regard to the public benefit guidance published by the Charity Commission.

PLANS FOR THE NEW YEAR

The key strategies for the Church remain the same, however in September 2019 the trustees became aware of a proposed new housing scheme on land called 40 Acres, East Malling by the developers Wates Ltd that incorporated a new community building. The trustees reached out to Wates and discussions with them and the Parish Council about the feasibility of the community building becoming the Church's new base, have been very positive. The outline planning proposal was approved following appeal on 22nd March 2021. Verbal agreement has been reached that the community building will belong to and be managed by the church. This is an exciting development and will result in the church being able to upscale its community provision. A date has not yet been set for the development to start, but discussions with Wates about the design of the community building are about to get underway.

FINANCIAL REVIEW

Finances required to fund activities are raised through regular giving and one-off donations from Church members, supplemented by the refund of income tax from HM Revenue and Customs through the Gift Aid Scheme.

Total receipts for the year were **£39,173** (2019: £37,931) with expenditure amounting to **£43,701** (2019: £82,202) resulting in a deficit of **£4,528** (2019: £44,271). In February 2020, foreseeing a difficult year the trustees agreed to transfer **£10,000** from Discretionary Fund held at the Kingdom Bank to the General Fund, which has proved beneficial.

Unrestricted Funds carried forward at the year-end amounted to **£80,671** (2019: £85,199) of which **£9,593** (2019: £5,029) is in the General Fund.

The Trustees have set a policy of retaining **£5,000** reserves in the current account, sufficient for the foreseeable needs of the Church.

GRANT MAKING POLICY

Gifts to external organisations and individuals are considered by the trustees on the basis of need and fulfilment of the charitable objectives. There are no upper or lower limits of support. They are generally reactive to requests after careful consideration.

RISK MANAGEMENT

All major insurable risks are subject to Public and Employer's Liability Insurance. Contractual risks are reviewed before being entered into to assess that they could not significantly impact upon the Churches ability to fulfil its objectives. An annual review of areas of risk is undertaken by the trustees in conjunction with volunteers responsible for the area of activity.

EFFECTS OF COVID-19

Government Covid-19 restrictions since March 2020 have had a significant impact on activities but no impact on income. Services in the School Hall and activities in The Dorcas Centre have had to close or be move online wherever possible. Members continue to be generous and overall income is up 4% from 2019 compared with the same period last year. The trustees have been able to take advantage of the Furlough Scheme to keep the Caretaker employed. The Treasurer and Youth/Children's workers have been able to fulfil their contracted work from home/online. The church has greatly upscaled their foodbank activity to meet the increased demand in this service. The Trustees were also able to hold the 2020 AGM (and 2021) virtually via Zoom. In November 2020 the Youth Worker found alternative full-time employment and returned to continuing in her youth role voluntarily. This represented a significant financial saving to offset some the financial impact of the pandemic on the Charity.

STATEMENT OF TRUSTEES RESPONSIBILITIES

Charity law requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Charity and of the profit and loss of the Charity for that period. In preparing these accounts, the Trustees are required to:-

- Select suitable accounting policies and then apply them consistently.
- Make adjustments and estimates that are reasonable and prudent.

- Prepare the accounts on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The trustees are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and to enable them to ensure that the accounts comply with the Charities Acts. 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. The trustees confirm that the accounts comply with current statutory requirements and those of the Charity's Trust Deed.

Approved by the Board of Trustees on: 11 October 2021
and signed on its behalf by:

Mark Hayton MA

Living life, loving God and serving our community.

**Independent Examiner's Report
To the Trustees of
Larkfield Community Church**

I report to the trustees on my examination of the accounts of Larkfield Community Church (the charity) for the year ended 31 December 2020 on pages 9 to 12 following.

Responsibilities and basis of report

As the charity trustees 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 charity'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 charity 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.

Lisa Darby ACA

12 October 2021

For and on behalf of:
Stewardship
1 Lamb's Passage
London
EC1Y 8AB

LARKFIELD COMMUNITY CHURCH

**STATEMENT OF ACCOUNTS
FOR THE PERIOD 1ST JANUARY 2020 to
31ST DECEMBER 2020**

PREPARED ON THE RECEIPTS AND PAYMENTS BASIS

Prepared by C.L.Dobson
Treasurer for Accounting Year

**RECEIPTS AND PAYMENTS ACCOUNT
FOR THE PERIOD 1ST JANUARY 2020 to 31ST DECEMBER 2020**

	<i>Notes</i>	Unrestricted General Fund 2020 £	Designated Funds 2020 £	Total Funds 2020 £	Unrestricted General Fund 2019 £	Designated Funds 2019 £	Total Funds 2019
Receipts							
<i>Voluntary Receipts</i>							
Offerings and Donations		3,993.00	-	3,993.00	5,608.12	-	5,608.12
Gift Aid Donations		25,384.77	-	25,384.77	21,835.51	-	21,835.51
Tax Refunds under Gift Aid		5,938.98	-	5,938.98	7,891.70	-	7,891.70
Total Voluntary Receipts		35,316.75	-	35,316.75	35,335.33		35,335.33
Other Receipts							
Interest received		-	152.76	152.76	-	650.00	650.00
Foodbank Donations			903.01	903.01	-	-	-
Furlough Grants		1,645.88		1,645.88			
Other		1,155.33	-	1,155.33	1,946.00	-	1,946.00
Total Receipts		38,117.96	1,055.77	39,173.73	37,281.33	650.00	37,931.33
Payments							
Payments in furtherance of Church's objectives							
Direct Costs	2	41,872.22	147.21	42,019.43	51,549.34	-	51,549.34
Grants to Individuals		-	-	-	1,883.69	-	1,883.69
Grants to Institutions	3	1,682.00	-	1,682.00	2,287.35	26,482.00	28,769.35
Total Payments		43,554.22	147.21	43,701.43	55,720.38	26,482.00	82,202.38
Net Receipts / (Payments) before Transfers		(5,436.26)	908.56	(4,527.70)	(18,439.05)	(25,832.00)	(44,271.05)
Balance at 31 December 2019		5,029.10	80,169.85	85,198.95	10,538.15	118,931.85	129,470.00
Net Movement in Funds 2020		(5,436.26)	908.56	(4,527.70)	(18,439.05)	(25,832.00)	(44,271.05)
Transfers in Funds		10,000.00	(10,000.00)	-	12,930.00	(12,930.00)	
Balance at 31 December 2020	6	£ 9,592.84	£ 71,078.41	£ 80,671.25	£ 5,029.10	£ 80,169.85	£ 85,198.95

STATEMENT OF ASSETS AND LIABILITIES
AS AT 31st DECEMBER 2020

	Insurance Value 2020 £	Insurance Value 2019 £
1. FIXED ASSETS		
The values of the assets owned or leased are:		
Leasehold Building	118,022.00	113,592.00
Moveable Contents	27,399.00	27,317.00
Total	<u>£145,421.00</u>	<u>£140,909.00</u>

The property and contents are part of the charity's general funds

	2020 £	2019 £
2. BANK AND CASH BALANCES		
Held at Bank	10,348.64	5,029.09
Funds On Deposit	50,650.00	50,650.00
Deposit Account	19,672.61	29,519.85
	<u>£80,671.25</u>	<u>£85,198.94</u>

The analysis of the bank and cash balances between funds is shown on the face of the receipts and payments account.

3. OTHER ASSETS AND LIABILITIES

Assets

Gift Aid recovery not yet received	3,347.87	2,770.92
	<u>£ 3,347.87</u>	<u>£ 2,770.92</u>

Liabilities

Independent Examination Fee	630.00	540.00
	<u>£630.00</u>	<u>£540.00</u>

The accounts were approved by the trustees and signed on their behalf by:

Mark Hayton (Trustee)

Date: 11 October 2021

NOTES TO THE ACCOUNTS
FOR THE PERIOD 1st JANUARY 2020 TO 31st DECEMBER 2020

1. Accounting Policies

The accounts have been prepared on the receipts and payments basis with a statement of assets and liabilities.

2. Direct Costs

	2020	2020	2019	2019
	£	£	£	£
Property Rent/Lease	2,674.50		3,850.44	
Gas/Electricity	1,447.39		1,109.72	
Insurance / Licences	1,475.56		1,463.56	
Subscriptions	1,432.45		4,728.40	
Mission and Ministry	3,657.23		5,685.69	
Conference and Courses	665.00		1,985.89	
Church Activities	-		184.00	
Equipment / Furnishing	648.96		166.17	
Administration	7,449.27		8,034.84	
Youth Work	10,963.47		12,594.17	
Childrens work	6,221.73		5,418.64	
Maintenance (Dorcas)	5,236.66		6,327.82	
Foodbank (Designated Fund)	147.21		-	
Other Costs	-		-	
		£42,019.43		£51,549.34

3. Grants Paid

Individuals	-	1,883.69
Institutions	1,682.00	28,769.35
Total	£43,701.43	£82,202.38

4. Employees

During 2020, The Church employed four part time members of staff.

- Youth pastor
- Children's Pastor
- Treasurer/Administrator
- Caretaker (Due to Covid, furlough was claimed for in June, July, August and December 2020. Then in 2021, full furlough was claimed until June, with flexible Furlough being claimed from July to date)

5. Payments to Trustees

Laura Arnold, who is related to the trustee Mark Hayton, was employed by the church during the year as the Youth Pastor until her resignation in November 2020. During the year she received reimbursement for expenses incurred during the course of her duties as in previous years. As she is a connected person, Mark Hayton was not involved in her recruitment in 2019 and the Charity Commission was notified as required.

6. Movement of Funds

	Balance at 31 Dec 2019 £	Receipts £	Payments £	Transfers £	Balance at 31 Dec 2020 £
General funds	5,029.10	38,117.96	(43,554.22)	10,000.00	9,592.84
Designated funds					
Vision Fund	80,169.85	153	-	(10,000.00)	70,322.61
Foodbank Fund	-	903	(147.21)	-	755.80
	<u>85,198.95</u>	<u>1,055.77</u>	<u>(147.21)</u>	<u>(10,000.00)</u>	<u>71,078.41</u>
Total funds	<u>85,198.95</u>	<u>39,173.73</u>	<u>(43,701.43)</u>	<u>-</u>	<u>80,671.25</u>

In February 2020, foreseeing a difficult year the trustees agreed to transfer £10,000 from Designated funds held at the Kingdom Bank into the General Fund, which has proved beneficial.

During 2020, with Covid restrictions preventing people leaving homes and trying to restrict contact between households, some chose to make donations to the foodbank via BAC transfer instead of dropping off food physically. It was agreed this money should be kept for the purpose of the foodbank as was the intention of the donation when it was made. Therefore, the sums of money donated for foodbank are labelled designated so we are aware of a budget for the foodbank should it be needed. Meanwhile, we had deliveries of donations from Morrisons, Leybourne Church and other similar donations which has meant these funds have not been required so far.