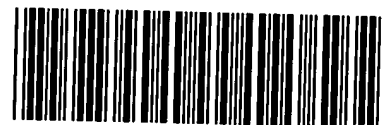


Staplehurst Free Church
Reports and Financial Statements
For the year ended 31 October 2022

Company number: 06725987
Charity number: 1127205

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COMPANIES HOUSE

REFERENCE AND ADMINISTRATION INFORMATION

Trustees

T Hawgood
R Howse
R Laming
Mrs K Minett
G. Smith

Address of the principal office of the charity

Staplehurst Free Church
Station Road
Staplehurst
Kent
TN12 0QQ

Independent Examiner

Mr L.C. Seal FCCA FAIA
Blain Pritchard
74 College Road
Maidstone
Kent
ME15 6SL

Treasurer

Mr Roger Bashford

Bankers

National Westminster Bank plc
Maidstone Branch
3 High Street
Maidstone
Kent
ME14 1XU

TRUSTEES REPORT

The trustees are pleased to present their report together with the financial statements for the year ended 31 October 2022. The financial statements comply with current statutory requirements, the Companies Act 2006 and the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP) effective from January 2015.

STRUCTURE, MANAGEMENT AND GOVERNANCE

The charity is a company limited by guarantee, with a Memorandum and Articles of Association as its governing document. It was incorporated on 16th October 2008. Previously Staplehurst Free Church, which began in the home of one of the founder members in 1969, was an unincorporated charity governed by a Trust Deed.

The Constitution of Staplehurst Free Church sets out the rules on how the organisation will operate on a day-to-day basis. This document sets out the purpose, statement of faith, vision, mission and goals. It also contains provisions regarding membership, the governance of the church through the leadership team (comprising elders and deacons) and their appointment and responsibilities, the option to appoint a remunerated pastor, the conduct of church meetings and reference to the role of trustees. In the event of a conflict between the constitution and the Memorandum and Articles of Association, then the Memorandum and Articles of Association have preference.

After the unexpected and unplanned departure of the previous pastor who had caused significant unrest amongst the membership, the Interim Leadership Team continued to successfully lead the Church. This team is made up of members with significant historic involvement in and experience of Church life. They also developed a plan formalising their roles for a further two years using the processes defined in the organisation's Constitution. The Leadership Team comprises:

- Terence Hawgood (Elder)
- Bob Howse (Deacon)
- Mary Howse
- Kate Henry
- Clive Jones (previous pastor)

The members of the Charity may by ordinary resolution appoint a person who is willing to act as a Trustee either to fill a vacancy or as an additional Trustee at a General Meeting in accordance with the Articles of Association.

As at the date of this report the following are the charity's trustees and directors for the purposes of the Companies Act: -

- Bob Howse
- Terence Hawgood
- Roy Laming
- Graham Smith
- Kathryn Minett

The Leadership Team and the Trustees constantly review the various policies of the church to ensure it uses best practice across all activities, supported by having appropriate policies in place including but not limited to the Equal Opportunities Policy and Ethos Statement, Safeguarding Policy for Children and Vulnerable Adults, Pastoral Care Policy, Acceptable Behaviour Policy, Mission Funding Policy, Health & Safety Policy including the Food Hygiene Policy, Premises Security Policy and the Fire Safety Policy. During this reporting period work continued on

enhancing governance arrangements including drafting amendments to the Constitution, the development of a Members and Volunteers Handbook, updating the Acceptable Behaviour Policy and the appointment of an independent moderator should difficulties arise between the pastor, trustees, and other leadership. Risk assessments were also compiled for activities as required by Government guidelines for Covid and are now being implemented for all activities on a routine basis.

CHARITABLE OBJECTIVES & ACTIVITIES

The objects and goals of Staplehurst Free Church are set out in the Memorandum of Association and expanded in the Constitution, these being a vision being for a Spirit-filled church released into corporate praise and worship and to be an effective witness to the community, to serve some of the many and diverse needs of the community of Staplehurst and to be involved in the wider mission of the church overseas. The mission statement is summed up in the key statement– “Enabling everyone to know Jesus and grow in a personal relationship with Him”. We strive to monitor the needs of the community matching them to our resources and identifying opportunities for offering God’s love to those in need.

PUBLIC BENEFIT

All Trustees give their time voluntarily and receive no benefit from the charity. The trustees have complied with the duty in section 17 of the Charities Act 2011 to have due regard to Public Benefit guidance published by the Charities Commission.

In this financial year, emerging from the previous negative impacts of the Covid pandemic, our social, health and wellbeing activities have absolutely flourished and expanded alongside our well-established faith-based support programmes. The Church building is now in use every day of the week with sessions across most mornings, afternoons and evenings which benefit many frequent attendees and users of the Church and the wider community as follows

- Mondays – Debt Advice Centre, Men’s Walking Group, Signing Group, SFC Choir
- Tuesdays – Friends Together, Winter Warmer, Community Fridge, Home Groups (off site)
- Wednesdays – Prayer Meeting, Community Fridge, Home Groups (off site)
- Thursdays – FreeBees, Community Fridge, Mixed Badminton
- Fridays – Interest Group, Ladies Badminton, Worship Group Rehearsals
- Saturdays – Community Fridge, Leadership Meetings, Social Events
- Sundays – Church Services, Sharing Lunches and Social Events (occasional)

Key developments in the year have been as follows:

- In person attendance at Church services continued to increase. Online broadcasting, newly introduced because of previous lockdown restrictions, has also been maintained. This is very much appreciated by those unable to attend services due to health, work or other commitments.
- A new ‘Signing Group’ started, being held periodically on Monday afternoons. These sessions help people develop their sign language skills in an informal and encouraging setting.
- The Community Fridge was launched as part of the Shepherd’s Pantry portfolio, a food-insecurity community support programme started during the Covid pandemic. The main purpose of the Fridge is to reclaim food from retailers and suppliers that would otherwise go to waste, or is surplus to their requirements, and make this available to the general public at no cost. This is very helpful to people in financial hardship. This project has been very successful with high footfall across the four days the Fridge is open and with a newly formed team now comprising over 20 volunteers collecting food, undertaking stock control and welcoming and informally supporting visitors.

- With an energy crisis emerging towards the end of the financial year potentially causing financial hardship for many people, preparations for the setting up of a series the Winter Warm Rooms were well advanced. This is a collaborative venture, coordinated by the Parish Council, facilitating several community organisations including SFC to open up their premises to local people and providing warmth and refreshments if they are having financial difficulty in maintaining heat in their own homes.
- A themed church service and community lunch were organised to celebrate the Queen's Jubilee and these were well attended.
- A multi-day 'Walk Through the Bible' educational event was organised in September and very well attended and received.
- The FreeBees support sessions for new parents has become increasingly popular such that two groups now operate on Thursday mornings and afternoons and a waiting list is having to operate; places do get freed up as parents return to work so over time we are able to provide support to many who benefit from the help and encouragement given by the sessions hosts and other parents with shared experiences.
- Opportunities for Volunteering now extends to people outside the Church membership. As our projects and initiatives have expanded, we recognised limiting volunteering to our own membership was limiting impact. With the increased profile of our work across the community, we were also being regularly approached with people offering their time to get involved so this is now happening in several of our programmes of work.
- Plans for a training programme called the 'Emmaus Project' were well advanced by the end of the Financial Year with a new coordinated programme of community engagement events being the thrust of the work expected to take place over the next two year.
- Through grant funding and donations covering the cost of materials, extensive work was done on our community garden space to the rear of the Church including installation of new children's play area and new fencing.
- The first Member and Volunteer Handbook was created with the primary purpose of giving a better insight in to the history and life of the Church for new attendees.

One of the cornerstone activities of the Church is providing financial support for a variety of third-party charitable organisation and we are pleased to be able to report we have sustained this activity through the continuous generous donations of our members and regular attendees. These financial gifts are channelled through our Missionary Fund – for details see the Note 2 under the heading "Projects" in the Notes to the financial statements. Speaking opportunities were also provided to representatives of some of these organisations which stimulated additional donations. In addition, the Church once again supported and acted as a "dropping off point" for shoeboxes filled with toys as part of Samaritan Purse's Operation Christmas Child Appeal. Rent-free office space and funding support was also provided to Staplehurst's Debt Advice Centre.

FUTURE PLANS

The Church continues to be very active, sustainable and vibrant with a near-full-year of activities, events and services having taken place which were previously hindered by Covid pandemic restrictions. The focus for the coming year is building on many successes and delivering those projects for which planning has taken place. Plans include:

- Launching and delivery of the Emmaus Project.
- Launching and operating of the Winter Warm Rooms initiative.
- Continuing to service the mortgage and interest free loan debts, the latter of which is targeted to be paid off within three years.
- Continuing to maximise use of the church premises for our own activities and for the benefit of the wider community.
- Develop an Operations Handbook and review and enhance the Staff Handbook.
- Continuing to consider and develop succession plans for the current Leadership Team who may wish to retire from or reduce their responsibilities in the next year or two.

FINANCIAL REVIEW

Cash at hand in the bank account at 31st October 2022 was £22,997. An amount within this of £10,000 is ringfenced as reserves which covers 6 months of fixed expenditure which the trustees consider to be adequate. The remainder is available for projects and activities as needed.

The Building Project

All income to the building fund was prioritised towards the monthly mortgage payments and repayment of interest free loans resulting from the complete redevelopment of the Church site culminating with the opening of the new building in December 2012. The target is to repay all interest free loans by the end of October 2024 and an action plan is in hand to achieve this. (See Notes 3 and 4 of the Notes to the financial statements).

Trustees' responsibilities

Company 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 at the year end and of its income and expenditure during the year. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed
- subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the
- charity will continue in business.

The trustees are required to keep proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the managing trustees and signed on their behalf by


.....
R Laming

Date.....
21/05/23.

Independent Examiner's Report to the Trustees of Staplehurst Free Church

I report on the financial statements of Staplehurst Free Church for the year ended 31 October 2022, which are set out on pages 8 to 13.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's financial statements as carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(b) of the 2011 Act.

This report, including my statement, has been prepared for and only for the charity's trustees as a body. My work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body for my examination work, for this report, or for the statements I have made.

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the financial statements present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, which is complete, no matters have come to my attention which give me reasonable cause to believe that in any material respect:

- accounting records were not kept in respect of Staplehurst Free Church in accordance with section 386 of the 2006 Act; or
- the financial statements do not accord with those records; or
- the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the financial statements give a 'true and fair' view which is not a matter considered as part of an independent examination; or
- the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

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

Signed:



Mr L. C. Seal FCCA FAIA
Blain Pritchard, Chartered Certified Accountants
74 College Road, Maidstone, Kent ME15 6SL

Date: 14/6/2023

Staplehurst Free Church

Statement of financial activities

for the year ended 31 October
2022

	Note	General Fund £	Missionary Fund £	Building Fund £	Total 2022 £	Total 2021 £
Income	1.2					
Donations		41,863	887	25,205	67,955	64,481
Sundry income		16,403	241	200	16,844	10,485
Bank interest		0	0	33	33	3
Inland Revenue		12,971	0	0	12,971	13,289
Total income		71,237	1,128	25,438	97,803	88,258
Expenditure						
Events		462	0	0	462	0
Projects	2	0	11,171	0	11,171	13,529
Sundry expenses		35,446	138	0	35,584	18,100
Professional and legal fees		5,651	0	5,575	11,226	12,082
Salaries and wages	5	10,096	0	0	10,096	9,679
Inland Revenue	5	76	0	0	76	89
Depreciation	1.3	0	0	25,208	25,208	25,208
Total expenditure		51,731	11,309	30,783	93,823	78,687
Net income/(expenditure) before transfers		19,506	-10,181	-5,345	3,980	9,571
Transfers between funds		-21,377	9,625	11,752	0	0
Net income/(expenditure) after transfers		-1,871	-556	6,407	3,980	9,571
Balance brought forward at 1 November		31,341	680	839,046	871,067	861,496
Balance carried forward at 31 October		29,470	124	845,453	875,047	871,067

Staplehurst Free Church

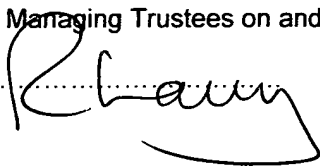
Balance sheet at 31 October 2022

	Note	General Fund £	Missionary Fund £	Building Fund £	Total 2022 £	Total 2021 £
Fixed assets						
Building cost		-	-	1,260,400	1,260,400	1,260,400
Depreciation for the year				-25,208	-25,208	-25,208
Accumulated depreciation				-227,611	-227,611	-202,402
Net building value				1,007,581	1,007,581	1,032,790
Current assets						
Cash at bank and in hand		22,873	124	0	22,997	26,117
Debtors						
Gift Aid recoverable		7,749	-	-	7,749	7,329
Liabilities: amounts falling due within one year						
Accruals		1,152	-	-	1,152	1,160
Holiday pay accruals		0			0	266
Loans	3	-	-	53,333	53,333	80,000
Mortgage	4	-	-	4,948	4,948	4,948
Net current assets/(liabilities)		29,470	124	-58,281	-28,687	-52,928
Long-term Liabilities						
Mortgage				-103,847	-103,847	-108,795
Net assets		29,470	124	845,453	875,047	871,067
Funds:						
General Fund		29,470			29,470	31,341
Missionary Fund			124		124	679
Youth Fund						0
Building Fund				845,453	845,453	839,047
House party Fund						0
Total funds		29,470	124	845,453	875,047	871,067

The Trustees consider that the charity is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("The Act") and members have not required the charity to obtain an audit for the year in question in accordance with section 476 of the Act. The Trustees acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the charity as at 31 October 2022 and of its surplus for the year then ended in accordance with the requirements of section 396 of the Act and which otherwise comply with the requirements of the Companies Act 2006 relating to the financial statements so far as applicable to the charity.

Approved by the Managing Trustees on and signed on their behalf by

.....
Roy Laming



Date

23/05/23

Staplehurst Free Church

Notes to the financial statements for the year ended 31 October 2022

1 Accounting policies

1.1 Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards and the Companies Act 2006. In preparing the financial statements the trust follows best practice as laid down in the Statement of Recommended Practice "Accounting and Reporting by Charities", issued by the Charity Commission effective from January 2015.

1.2 Income

Donations and interest received are accounted for in the year in which the trust is entitled to receive them.

1.3 Expenditure

All expenditure is accounted for on an accruals basis and, in accordance with the requirement of the SORP, and has been classified under headings that aggregate all costs related to that category.

In accordance with the requirements of the Statement of Recommended Practice "Accounting and Reporting by Charities" all expenditure has been classified under standard headings – [the charity has taken advantage of concessions provided by SORP and prepared headings to suit the charity as opposed to by activity categories which would apply to larger charities subjected to an audit].

Depreciation on the building is depreciated on a straight-line basis over 50 years.

1.4 Funds

The general fund is available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

Designated funds are unrestricted funds earmarked by the Trustees for particular purposes. Details of designated funds are as follows:

- Missionary fund – used for the support of missionaries overseas and in the UK and charities/mission organisations as approved by the Leadership Team.
- Youth fund – previous used to subsidise youth activities. Given that there are no teenager-specific activities at present it was decided that this fund should be closed and the small residue transferred into the general fund to support other activities.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor. Details of restricted funds are as follows:

- Building fund – specifically for the repayment of the loans taken out to complete the construction of the church building.

2 Projects

	Total 2022 £	Total 2021 £
Barnabus Fund	200	100
Community Centre for Debt Advice - Staplehurst	300	300
Compassion UK	100	0
Emmanuel Press UK	0	500
Falconer Trust	609	1,300
Family Trust	1,300	1,200
Gideons/Good News for Everyone	0	500
Hope Lebedyn	250	0
Maidstone Street Pastors	0	200
Open Doors	632	1,182
Orphahids UK	1,850	1,195
Project Ecuador	0	500
Release International	0	1,000
Samaritan's Purse	500	200
SASRA	200	0
Share Jesus International	500	0
Smethurst Ministries	2,400	1,100
Tearfund	1,130	1,180
Torch Trust	600	600
Walk Through the Bible	138	0
Others	<u>600</u>	<u>2,250</u>
	<u>11,309</u>	<u>13,307</u>

3 Loans

Loans totalling £311,000 have been made by Church members since March 2012. Over the past year £26,667 has been repaid using funds from the building fund. The balance of £53,333 has been requested by the lender to be repaid within 2 years and an action plan is in hand to fulfil this.

4 Mortgage

A loan of £150,000 was completed on 3 April 2012 from the Childs Charitable Trust at the rate of 5.5% (variable) repayable over 25 years payable by monthly instalments of capital and interest of £876.89 the first payment having been made on 1 June 2012. The loan is secured on the land and building at Station Road, Staplehurst.

5 Analysis of staff costs, trustee remuneration and expenses

	2022 £	2021 £
Salaries and wages	10,095.74	9,679.49
Social security costs	75.90	87.72
Pension costs	856.64	822.74

No employees had employee benefits in excess of £60,000 (2021: £nil). The administrator role continued to be filled on a part time basis throughout the whole year.

The charity trustees were not paid or received any other benefits in the year for undertaking this voluntary role (2021: £nil). Any expenses incurred were reimbursed in the same way as with other church members. No charity trustee received payment for professional or other services supplied to the charity (2021: £nil).

6. Related Party Transactions

There have been no related party transactions in the year (2021: £nil).