

Staplehurst Free Church
Reports and Financial Statements
For the year ended 31 October 2023

Company number: 06725987
Charity number: 1127205

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

Mrs Carol Skov

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 2023. 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.

The Leadership Team takes principal responsibility for the day to day running of the church and overseeing its numerous volunteer led activities. This team is made up of members with significant historic involvement in and experience of Church life and comprises:

- Terence Hawgood (Senior Elder)
- Clive Jones (Elder)
- Mary Howse (Assistant Leader)
- Kate Henry (Assistant Leader)
- Bob Howse (Deacon)

Succession planning for the Leadership Team has been a priority for the year. Several of those currently acting have been doing so for many years and wish to transition out of leadership but in a managed way that does not leave the church leader-less. Since significant difficulties were previously experienced after recruiting someone completely unknown to the Church, a strategy was adopted to openly approach a cohort of people who have some previous knowledge or involvement in Church life. Since our financial situation would likely only enable any new church leader to be appointed on a part-time basis, this approach also provided scope for those with different skills and other sources of income to express interest; there would be flexibility to scope a role rather than it be prescribed and potentially exclude good candidates. Various expressions of interest were received and after a selection and consultation process, Peter Brook, a long-standing Christian who had joined the Church within the last year, was nominated to the membership to be the new remunerated church leader. His formal appointment is planned for early in the next financial year.

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. Trustees are also reappointed, if desired, on a rotational basis in the order in which they were appointed as also defined in the Articles. 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 ensure the various policies of the church are reviewed annually to ensure it uses best practice across all activities. Policies in place include but are 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. A new a Members and Volunteers Handbook was also completed this year.

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.

Our social, health and wellbeing activities have continued to flourish and expand alongside our well-established faith-based programmes. The Church building continues to be in use every day of the week, with sessions on most mornings, afternoons and evenings, which benefit church members, regular attendees and the wider community as follows:

- Mondays – Debt Advice Centre, Men’s Walking Group, SFC Choir
- Tuesdays – Friends Together, Warm Spaces, 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:

- The pilot ‘Emmaus Project’ was started in partnership with Share Jesus International. This new initiative aims to improve and increase community engagement levels using sequenced outreach events. It has been very motivational and metrics have shown increased attendance at many of the Church activities. This more structured thinking in the way events are planned and organised is now being embedded into the Church events programme.
- With increased financial hardship being experienced by many people nationally, partly as a result of the energy crisis, we have seen a significant increase in usage of our Community Fridge Project which provides food at no cost. Fortunately this demand has been mirrored by generous finance and food donations by local people and businesses. We have also had a growing volunteer team, many of whom collect food from local supermarkets that

would otherwise go to waste or else are attendants of the Fridge and guide and support those coming in to use the service.

- Themed events including the Coronation of the new King and a multi-day 'Walk Through the Bible' educational event was organised and very well attended and received.
- A community quiz night and barn dance were very well attended and will be repeated in 2024.
- The Winter Warm Room project at the Church was very successful and received very high levels of attendance compared to other venues hosting the project. It was observed that, not only was this helpful for people on low incomes struggling to heat their homes, but it provided an opportunity for those living alone to meet and socialise with other people. As a result, the project continued for the whole year as a community benefit activity tackling social isolation. It operates on a Tuesday afternoon alongside the Community Fridge so impact of both is multiplied.
- Increase in attendance of Church activities by families, with the numbers who could potentially attend Kids Church, for example, rising from less than double figures to 23 children.
- A grant application for the installation of a solar panel system on the Church roof was successful. This will significantly reduce future running costs especially as the building is all electric. Installation is expected in Spring 2024.

One of the cornerstone activities of the Church is providing financial support for a variety of third-party charitable organisations 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 full-year of activities, events and services already planned. These include:

- Appointment of a new Church leader
- Consideration of additional new leaders
- Continuing delivery of the Emmaus Project and expanding our events programme.
- Developing a strategy to better support children and families in the local community and increase their usage of the Church premises and activities.
- Continuing to maximise use of the church premises for our own activities and for the benefit of the wider community through events.
- Installing a solar panel system
- Continuing to service the mortgage debt

FINANCIAL REVIEW

Cash at hand in the bank account at 31st October 2023 was £45,285.74. 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. Some is also restricted for spending on specific projects for which the money was donated. 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 was to repay all interest free loans by the end of October 2024 but a generous donation received enabled this to happen in October 2023. (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

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R Laming

Date.....

05/07/24

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 2023, which are set out on pages 8 to 14.

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 principals 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: 12/7/2024

Staplehurst Free Church

Statement of financial activities

for the year ended 31 October
2023

	Note	General Fund £	Missionary Fund £	Building Fund £	Total 2023 £	Total 2022 £
Income	1.2					
Donations		64,293	1,375	69,638	135,306	67,956
Sundry income		15,582	244	97	15,923	16,844
Bank interest		58	0	372	430	33
Inland Revenue		11,884	0	0	11,884	12,971
Total income		91,817	1,619	70,107	163,543	97,804
Expenditure						
Events		1,332	0	0	1,332	462
Projects	2	2,240	17,985	0	20,225	11,171
Sundry expenses		38,299	0	0	38,299	35,584
Professional and legal fees		7,358	0	5,322	12,679	11,226
Salaries and wages	5	11,036	0	0	11,036	10,096
Inland Revenue	5	207	0	0	207	76
Depreciation	1.3	0	0	25,208	25,208	25,208
Total expenditure		60,472	17,985	30,530	108,986	93,823
Net income/(expenditure) before transfers		31,346	-16,367	39,577	54,556	3,981
Transfers between funds		-16,529	16,454	75	0	0
Net income/(expenditure) after transfers		14,817	87	39,652	54,556	3,981
Balance brought forward at 1 November		29,470	124	845,453	875,047	871,066
Balance carried forward at 31 October		44,287	211	885,105	929,603	875,047

Staplehurst Free Church

Balance sheet at 31 October 2023

	Note	General Fund £	Missionary Fund £	Building Fund £	Total 2023 £	Total 2022 £
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				-252,819	-252,819	-227,611
Net building value				982,373	982,373	1,007,581
Current assets						
Cash at bank and in hand		38,897	211	6,327	45,436	22,997
Debtors						
Gift Aid recoverable		6,604	-	-	6,604	7,749
Liabilities: amounts falling due within one year						
Accruals		1,217	-	-	1,217	1,152
Holiday pay accruals		0			0	0
Loans	3	-	-	0	0	53,333
Mortgage	4	-	-	5,467	5,467	4,948
Net current assets/(liabilities)		44,287	211	860	45,356	-28,687
Long-term Liabilities						
Mortgage				98,127	98,127	103,847
Net assets		44,287	211	885,106	929,602	875,047
Funds:						
General Fund		44,287			44,287	29,470
Missionary Fund			211		211	124
Youth Fund						0
Building Fund				885,106	885,105	845,453
House party Fund						0
Total funds		44,287	211	885,106	929,603	875,047

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 2023 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

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Roy Laming

Date

01/07/24

Notes to the financial statements for the year ended 31 October 2023

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.

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 2023 £	Total 2022 £
Barnabus Fund	200	200
Community Centre for Debt Advice - Staplehurst	300	300
Compassion UK	100	100
Emmanuel Press UK	0	0
Falconer Trust	1,800	609
Family Trust	1,800	1,300
Gideons/Good News for Everyone	500	0
Hope Lebedyn	1,775	250
Maidstone Street Pastors	500	0
Open Doors	432	632
Orphahids UK	2,800	1,850
Project Ecuador	288	0
Release International	0	0
Samaritan's Purse	200	500
SASRA	0	200
Share Jesus International	1,100	500
Smethurst Ministries	875	2,400
Tearfund	1,780	1,130
Torch Trust	600	600
Walk Through the Bible	75	138
Others	<u>3,500</u>	<u>600</u>
	<u>20225</u>	<u>11171</u>

3 Loans

Loans totalling £311,000 have been made by Church members since March 2012. Over the past year £53,333 has been repaid from a donation. The balance of £53,333 has been repaid within 2 years as requested by the lender.

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

	2023 £	2022 £
Salaries and wages	11,035.55	10,095.74
Social security costs	207.00	75.90
Pension costs	929.33	856.64

No employees had employee benefits in excess of £60,000 (2022: £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 (2022: £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 (2022: £nil).

6. Related Party Transactions

There have been no related party transactions in the year (2022: £nil).