

Trustees' Report and  
Financial Statements for the Period 1 January 2020 to 30 December 2020  
for  
Capstone Church

Nordens  
The Retreat  
406 Roding Lane South  
Woodford Green  
Essex  
IG8 8EY

Contents of the Financial Statements  
for the Period 1 January 2020 to 30 December 2020

	Page
Trustees' Report	1 to 4
Independent Examiner's Report	5
Statement of Financial Activities	6
Balance Sheet	7 to 8
Notes to the Financial Statements	9 to 14
Detailed Statement of Financial Activities	15 to 16

## Capstone Church

### Trustees' Report

for the Period 1 January 2020 to 30 December 2020

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the period 1 January 2020 to 30 December 2020. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

#### OBJECTIVES AND ACTIVITIES

##### Objectives and aims

The objectives of the Charity as set out in the governing document are:

- to advance the Christian faith and
- to relieve sickness and financial hardship and to promote and preserve good health by the provision of funds, goods or services of any kind, including through the provision of counselling and support in such parts of the United Kingdom or the world as the Trustees from time to time may think fit.

In setting the objectives and planning the activity of the Charity, the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

##### Significant activities

For the period from January 2020 to December 2020, the charity had the following objectives and undertook the following activities:

##### Objectives

To give people opportunities to practice the Christian faith.

##### Activities

Sunday Service (Ilford and Southall)

Kids Church

Fasting and Prayer

Wednesday Worship Practice

Prayer Room

Unite Home Groups

Pebbles Toddler Group

Father's Feast

Special Services

Capstone Boys Home

Supporting Other ministries

## Capstone Church

### Trustees' Report

for the Period 1 January 2020 to 30 December 2020

#### ACHIEVEMENT AND PERFORMANCE

##### Charitable activities

##### Sunday Service

The Church has its regular services every Sunday. This is free for all to attend. This service begins with a time of worship by the vibrant church worship band and preaching by one of the church leaders on the Christian faith, followed by a time of prayer. Free snacks are served after each service. We have one service on Sunday at 2 locations. One in Ilford and at Southall from 10 AM until 12 Noon. In person services were suspended when we went into lockdown in March and these were livestreamed from the respective leaders' houses for a time; and when permitted, eventually moving back to the church building with only the core team members required to broadcast the livestream.

##### Kids Church

During the time of the sermon on a regular 10.00 am Sunday Service, children aged 12 years and under attend Kids Church, where they get involved in activities and games and are taught from a bible-based curriculum. This became virtual from March 2020.

##### 60 Days of Fasting and Prayer

From January to February, meetings were held every day for 60 days during which time meetings are held every day; to praise, worship and for teaching of God's word. During this time, members of Capstone Church also undertook a period of fasting. We had a number of guest ministers visit us during this time to lead worship, share the gospel and teach God's Word. These included but were not limited to, Steve Uppal (leader of All Nations Christian Centre), Steve Derbyshire (Senior Pastor of City Gates Church), Andrew Cannon (Gospel Grenades Ministries), Rob Cates, David Hadden, Jonathan Miller, Tony Kim (US National Director of Harvest International Ministry), Georgian Banov (Global Celebration), Corey Russell (Burning and Shining Lamp Ministries).

##### Wednesday Worship Practice

The Church Worship Band meets on Wednesday evenings to practice and rehearse ahead of the Sunday Service. This was suspended from March 2020.

##### Prayer Room

We have a 4 hour a week Prayer Room. Each Prayer Room session lasts for two hours during which there is continuous worship led by a worship leader and team, and prayer lead by a session leader. It is free for all to attend. From March 2020, a virtual prayer meeting was held via Zoom every Tuesday evening.

##### Unite Home Groups

A home group is a small group of members of the church that meet in homes of leaders or cafes every fortnight during school term time. A home group is based on common interest and/or location, for example a Medical Home group for those from the medical profession, Youth Home Group for those between the ages of 12 and 24, Family Home Groups for families. A home group meeting generally lasts for hour and half and may include a time of worship, prayer, teaching from the bible and fellowship with food. The purpose of the home groups is to create community and enable the church to care for its members on a deeper one on one level. From March 2020, Unite Home Groups were all held virtually.

##### Pebbles Toddler Group

A toddler group is held at the church every Wednesday from 11 am to 12pm for toddlers up to the age of 4 and their parents. It includes a time of free time, rhyme time, snack time. This is open to the community. This was suspended from March 2020.

##### Father's Feast

## Capstone Church

### Trustees' Report

for the Period 1 January 2020 to 30 December 2020

The Fathers Feast is an outreach program. Every Monday of the week, a team from the Church cook dinner in the Church kitchen and serves it for the homeless of Ilford. The meal usually consists of a main course, dessert and hot/cold drinks and is served as a buffet. Members of our team also sit with the homeless and provide one on one support such as counsel and prayer. In running this program, we also work with local organisations that support the homeless in the area. This program is in line with the main vision of the Charity to provide community service in the form of relieving sickness and financial hardship amongst other things. This was suspended from March 2020, and from July 2020, we resumed the program in a limited way, by handing out pre prepared food packets outside our church.

#### Special Services

All our special services, such as Good Friday, Easter, Christmas and New Years' Eve service was held virtually and livestream across various platforms.

#### Capstone Boys home

Capstone Church has taken a commitment to support 10 orphan boys for a period of 5 years in the Indian city of Hyderabad. The boys are aged between 6 and 11 years. In doing so, we have partnered with a charity in Hyderabad called Asha Jyothi which works with orphans and children of single parents amongst other things. The boys are provided with accommodation, food, clothing and an education. The home where the boys are housed is called Capstone Boys Home.

#### Supported other Christian ministries

This year we have extended support to Global Celebration, John Foundation, Burning and Shining Lamp Ministries; HIM Ministries; Indian Evangelical Team and various houses of prayer and churches across the UK, prayer missionaries, and various local missions.

Due to the Covid-19 Pandemic and restrictions that were in place, we were unable to hold many of the events that we normally do during the year.

## STRUCTURE, GOVERNANCE AND MANAGEMENT

### Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Capstone Church is a company limited by guarantee, incorporated on 9 April 2009, governed by its Memorandum and Articles of Association. It registered as a charity with the Charity Commission for England & Wales on 8 May 2009.

New Trustees are appointed by the members. The Trustees may appoint a person who is willing to act to be a Trustee, either to fill a vacancy or as an additional Trustee.

New Trustees are briefed on their legal obligation under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision making processes, the business plan and recent financial performance of the Charity.

The Trustees are responsible for the management of the risks faced by the Charity. All significant activities undertaken are subject to risk review as part of the initial project assessment and implementation. The Trustees review the major risks that the Charity faces on a regular basis and controls are established accordingly.

The Trustees are aware of the major risks to which the Charity is exposed, in particular those related to the projects and finances of the organisation, and are satisfied that systems are in place to mitigate exposure to the major risks.

## REFERENCE AND ADMINISTRATIVE DETAILS

### Registered Company number

06874952 (England and Wales)

Capstone Church

Trustees' Report

for the Period 1 January 2020 to 30 December 2020

Registered Charity number

1129484

Registered office

316 High Road

Ilford

Essex

IG1 1QW

Trustees

Ms S George

Mr J V George

Mrs P Kurian

Independent Examiner

Nordens

The Retreat

406 Roding Lane South

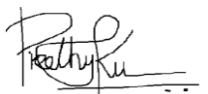
Woodford Green

Essex

IG8 8EY

27/10/2021

Approved by order of the board of trustees on ..... and signed on its behalf by:



.....  
Mrs P Kurian - Trustee

Independent Examiner's Report to the Trustees of  
Capstone Church

Independent examiner's report to the trustees of Capstone Church ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the period 1 January 2020 to 30 December 2020.

**Responsibilities and basis of report**

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company 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 your charity's accounts 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(5) (b) of the 2011 Act.

**Independent examiner's statement**

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of FCCA which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts 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 attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Lorraine Curtis  
FCCA  
Nordens  
The Retreat  
406 Roding Lane South  
Woodford Green  
Essex  
IG8 8EY

Date: .....

Capstone Church

Statement of Financial Activities  
for the Period 1 January 2020 to 30 December 2020

		Period 1.1.20 to 30.12.20 Unrestricted fund £	Year Ended 31.12.19 Total funds £
INCOME AND ENDOWMENTS FROM	Notes		
Donations and legacies		401,855	495,374
EXPENDITURE ON			
Charitable activities			
Cost of activities - Staff		276,429	357,229
Depreciation		23,477	23,774
Total		299,906	381,003
NET INCOME		101,949	114,371
RECONCILIATION OF FUNDS			
Total funds brought forward		598,947	484,576
TOTAL FUNDS CARRIED FORWARD		700,896	598,947

The notes form part of these financial statements



Balance Sheet  
30 December 2020

		30.12.20 Unrestricted fund £	31.12.19 Total funds £
	Notes		
FIXED ASSETS			
Tangible assets	5	1,013,054	1,016,600
CURRENT ASSETS			
Debtors	6	65,852	58,632
Cash at bank and in hand		169,474	101,649
		<hr/>	<hr/>
		235,326	160,281
CREDITORS			
Amounts falling due within one year	7	(17,418)	(22,444)
		<hr/>	<hr/>
NET CURRENT ASSETS		217,908	137,837
		<hr/>	<hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,230,962	1,154,437
CREDITORS			
Amounts falling due after more than one year	8	(530,066)	(555,490)
		<hr/>	<hr/>
NET ASSETS		700,896	598,947
		<hr/>	<hr/>
FUNDS	10		
Unrestricted funds		700,896	598,947
		<hr/>	<hr/>
TOTAL FUNDS		700,896	598,947
		<hr/>	<hr/>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the period ended 30 December 2020.

The members have not required the company to obtain an audit of its financial statements for the period ended 30 December 2020 in accordance with Section 476 of the Companies Act 2006.

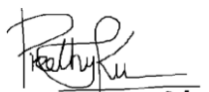
The trustees acknowledge their responsibilities for

- ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

27/12/2021 The financial statements were approved by the Board of Trustees and authorised for issue on ..... and were signed on its behalf by:

.....  
Ms S George - Trustee



.....  
Mrs P Kurian - Trustee

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Government grants

Government grants represents income received in the form of Job Retention Scheme (JRS) money from the Government during the COVID-19 pandemic. The grants are recognised on the accruals basis in the same period as the expenditure that it is expected to compensate for

Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Donations are recognised as income when received, except in circumstances where the donor specifies the time period that the donation relates to, in which case they are recognised as income in that period.

Donations received with imposed restrictions are classified as restricted funds.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charitable company which is the amount the Charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Event income consists of registration and other fees for charitable events.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Charitable activity costs are incurred on the Charity's religious operations, and include support costs and costs relating to the governance of the Charity apportioned to the charitable events.

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings	- 15% on reducing balance
Computer equipment	- 25% on reducing balance

Taxation

The charity is exempt from corporation tax on its charitable activities.

Notes to the Financial Statements - continued  
for the Period 1 January 2020 to 30 December 2020

1. ACCOUNTING POLICIES - continued

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Going concern covid 19

COVID-19 is not expected to have a significant impact on the entity. Management has determined that there is no material uncertainty that casts doubt on the entity's ability to continue as a going concern. It expects that COVID-19 might have some impact, though not significant, for example, in relation to expected future performance, or the effects on some future asset valuations.

The Charity is in the main reliance upon donations to raise revenue to meet future expenditure. The trustees consider that it is appropriate to prepare the financial statements on the going concern basis. This assumes that the charitable company will be successful in its fundraising activities. These financial statements do not include any adjustments that would result if insufficient funds are raised.

2. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	Period 1.1.20 to 30.12.20 £	Year Ended 31.12.19 £
Depreciation - owned assets	<u>23,477</u>	<u>23,774</u>

Notes to the Financial Statements - continued  
for the Period 1 January 2020 to 30 December 2020

3. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the period ended 30 December 2020 nor for the year ended 31 December 2019.

Trustees' expenses

There were no trustees' expenses paid for the period ended 30 December 2020 nor for the year ended 31 December 2019.

4. STAFF COSTS

	Period 1.1.20 to 30.12.20 £	Year Ended 31.12.19 £
Wages and salaries	113,438	110,428
Social security costs	5,533	6,066
Other pension costs	2,511	2,165
	<u>121,482</u>	<u>118,659</u>

Key management personnel includes those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including Trustees.

One trustee (2019: one), who is also considered to be the Charity's key management personnel, received total remuneration, including employer national insurance contributions, of £50,028 (2017: £50,057) during the year, as agreed with the Charity Commission.

During the year, Preethy Kurian a trustee of the charity, was reimbursed £Nil (2019: £Nil) in relation to travel expenses.

The average monthly number of employees during the period was as follows:

	Period 1.1.20 to 30.12.20	Year Ended 31.12.19
Direct charitable activity staff	3	3
Administrative staff	1	1
	<u>4</u>	<u>4</u>

No employees received emoluments in excess of £60,000.

Notes to the Financial Statements - continued  
for the Period 1 January 2020 to 30 December 2020

5. TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures and fittings £	Computer equipment £	Totals £
COST				
At 1 January 2020	935,306	107,688	90,755	1,133,749
Additions	-	2,568	17,363	19,931
At 30 December 2020	935,306	110,256	108,118	1,153,680
DEPRECIATION				
At 1 January 2020	14,590	55,490	47,069	117,149
Charge for year	-	8,215	15,262	23,477
At 30 December 2020	14,590	63,705	62,331	140,626
NET BOOK VALUE				
At 30 December 2020	920,716	46,551	45,787	1,013,054
At 31 December 2019	920,716	52,198	43,686	1,016,600

Included in freehold property is land at an estimated cost of £575,000 which is not depreciated.

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30.12.20 £	31.12.19 £
Amounts owed by group undertakings	10,000	10,000
Other debtors	55,852	48,632
	65,852	58,632

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30.12.20 £	31.12.19 £
Bank loans and overdrafts (see note 9)	2,065	548
Social security and other taxes	2,989	2,968
Other creditors	10,994	16,578
Wages Payable	1,370	-
Accrued expenses	-	2,350
	17,418	22,444

Notes to the Financial Statements - continued  
for the Period 1 January 2020 to 30 December 2020

8. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	30.12.20	31.12.19
	£	£
Bank loans (see note 9)	530,066	555,490

Bank loans are secured by way of a fixed and floating charge over the assets of the charity and are repayable by monthly instalments over a period of 20 years. The interest rate per annum is equal to the aggregate of the margin rate (3.5%) and the base rate which during the period was 0.5% (2018 - 0.5%)

Personal guarantees have been provided in respect of the bank loan by the Trustees and certain close family members of the Trustees.

9. LOANS

An analysis of the maturity of loans is given below:

	30.12.20	31.12.19
	£	£
Amounts falling due within one year on demand:		
Bank overdrafts	2,065	-
Bank loans	-	548
	<u>2,065</u>	<u>548</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	530,066	555,490

10. MOVEMENT IN FUNDS

	At 1.1.20	Net movement in funds	At 30.12.20
	£	£	£
Unrestricted funds			
General fund	598,947	101,949	700,896
	<u>598,947</u>	<u>101,949</u>	<u>700,896</u>
TOTAL FUNDS	<u>598,947</u>	<u>101,949</u>	<u>700,896</u>

Net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	401,855	(299,906)	101,949
	<u>401,855</u>	<u>(299,906)</u>	<u>101,949</u>
TOTAL FUNDS	<u>401,855</u>	<u>(299,906)</u>	<u>101,949</u>

Notes to the Financial Statements - continued  
for the Period 1 January 2020 to 30 December 2020

10. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.1.19 £	Net movement in funds £	At 31.12.19 £
Unrestricted funds			
General fund	484,576	114,371	598,947
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>484,576</u>	<u>114,371</u>	<u>598,947</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	495,374	(381,003)	114,371
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>495,374</u>	<u>(381,003)</u>	<u>114,371</u>

11. RELATED PARTY DISCLOSURES

During the year unrestricted donations totalling £Nil (2019: £Nil) were donated by trustees and related parties.



Capstone Church

Detailed Statement of Financial Activities  
for the Period 1 January 2020 to 30 December 2020

	Period 1.1.20 to 30.12.20 £	Year Ended 31.12.19 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations - non-gift aid	45,526	126,922
Donations - gift aid	327,658	350,719
Charitable activities	200	17,733
Grants	28,471	-
	<hr/>	<hr/>
	401,855	495,374
	<hr/>	<hr/>
Total incoming resources	401,855	495,374
EXPENDITURE		
Charitable activities		
Rates and water	3,570	17,672
Light and heat	7,107	7,195
Telephone	3,313	5,839
Postage and stationery	957	2,436
Advertising	4,414	373
Sundries	1,866	2,139
Repairs and maintenance	7,577	5,365
Accommodation	2,220	15,472
Other professional fees	4,555	4,374
Offerings	69,356	79,451
Cost of events	695	32,995
Food and refreshments	3,630	9,177
Materials	2,966	4,203
Computer expenses	166	31
Sound and media	3,341	1,885
Helps	7,997	5,117
Bank interest	20,359	24,326
	<hr/>	<hr/>
	144,089	218,050
Support costs		
Management		
Wages	113,438	110,428
Social security	5,533	6,066
Pensions	2,511	2,165
Subscriptions	5,229	9,103
	<hr/>	<hr/>
	126,711	127,762

This page does not form part of the statutory financial statements

Capstone Church

Detailed Statement of Financial Activities  
for the Period 1 January 2020 to 30 December 2020

	Period 1.1.20 to 30.12.20 £	Year Ended 31.12.19 £
Management Finance Bank charges	2,589	7,817
Information technology Fixtures and fittings Computer equipment	8,215 15,262	9,212 14,562
	<hr/> 23,477	<hr/> 23,774
Other Accountancy	3,040	3,600
	<hr/>	<hr/>
Total resources expended	299,906	381,003
	<hr/>	<hr/>
Net income	101,949	114,371
	<hr/> <hr/>	<hr/> <hr/>