

QUAYSTONE CHRISTIAN CHURCH
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

QUAYSTONE CHRISTIAN CHURCH

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Robert Lambden Rose Boakye-Yiadom Rachel Redfearn
Charity number	1163272
Principal address	Island House Community Centre Roserton Street London E14 3PG
Independent examiner	Richard F Hopper 4 Rhodfa Clawdd Offa Denbigh Denbighshire LL16 4RJ

QUAYSTONE CHRISTIAN CHURCH

CONTENTS

	Page
Trustees' report	1 - 2
Independent examiner's report	3
Statement of financial activities	4
Balance sheet	5
Notes to the financial statements	6 - 13

QUAYSTONE CHRISTIAN CHURCH

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2021

The trustees present their annual report and financial statements for the year ended 31 March 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's constitution, the Charities Act 2011 and "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)" (as amended for accounting periods commencing from 1 January 2016)

Objectives and activities

The principal purpose of the Church is the advancement of the Christian faith guided by the principles of the Baptist denomination. The Church may also carry out other charitable purposes which are compatible with the Christian faith in the UK and/or other parts of the world.

The Church's activities may include, but are not restricted to:

- * regular public worship, prayer, Bible study, preaching and teaching
- * baptism as defined in the Baptist Union's Declaration of Principle
- * the Communion of the Lord's supper which shall normally be observed at least once a month
- * evangelism and mission, locally, regionally, nationally and internationally
- * the teaching, encouragement, welcome and inclusion of young people
- * nurture and growth of Christian disciples
- * education and training for Christian and community service
- * giving and encouraging pastoral care
- * supporting and encouraging charitable social action in the United Kingdom and abroad
- * encouraging relationships with and supporting other Christians.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Achievements and performance

Church services were conducted over a video conferencing platform due to the restrictions in place during the year on gathering and singing. This allowed Sunday services and the weekly prayer meeting to continue throughout the year. We were also able to continue the conversational English sessions for non-native English speakers via video conference. When regulations permitted walks were organised allowing people to gather together safely in an outdoor environment.

Financial review

The income and expenditure for the year and the financial position at the end of the year are summarised in the attached accounts.

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

Any unrestricted funds which are not needed for short-term working capital are deposited with The London Baptist Property Board. The trustees consider that this gives an appropriate balance between achieving an investment return, capital protection, liquidity and ensuring that the funds are used for purposes aligned with the church's charitable objects.

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

QUAYSTONE CHRISTIAN CHURCH

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Structure, governance and management

The charity was established by a charitable trust and constitution which were updated on 7 June 2015. Prior to that date the church was a charity as part of the Baptist Union of GB. The trustees believe that the Christian faith is of benefit to both individuals and society as a whole, since it works towards a holistic vision of a transformed and peace-filled community and the flourishing of humankind and all of creation.

The trustees who served during the year and up to the date of signature of the financial statements were:

Robert Lambden

Valerie Pyper

(Resigned 26 February 2021)

Rose Boakye-Yiadom

Rachel Redfearn

The trustees are appointed by the church members.

The church is affiliated to the Baptist Union of GB, one of the mainstream Christian churches in the UK.

The trustees' report was approved by the Board of Trustees.

Robert Lambden

Trustee

28 February 2022

QUAYSTONE CHRISTIAN CHURCH

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF QUAYSTONE CHRISTIAN CHURCH

I report to the trustees on my examination of the financial statements of Quaystone Christian Church (the charity) for the year ended 31 March 2021.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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 that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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 financial statements to be reached.

Richard F Hopper

Chartered Accountant

4 Rhodfa Clawdd Offa
Denbigh
Denbighshire
LL16 4RJ

Dated: 18 March 2022

QUAYSTONE CHRISTIAN CHURCH

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2021

		Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
	Notes						
Income from:							
Donations and legacies	3	49,078	-	49,078	52,524	339	52,863
Investments	4	43	-	43	435	-	435
Total income		<u>49,121</u>	<u>-</u>	<u>49,121</u>	<u>52,959</u>	<u>339</u>	<u>53,298</u>
Expenditure on:							
Charitable activities	5	<u>47,109</u>	<u>-</u>	<u>47,109</u>	<u>68,169</u>	<u>339</u>	<u>68,508</u>
Net income/(expenditure) for the year/ Net movement in funds		2,012	-	2,012	(15,210)	-	(15,210)
Fund balances at 1 April 2020		<u>623,424</u>	<u>560</u>	<u>623,984</u>	<u>638,634</u>	<u>560</u>	<u>639,194</u>
Fund balances at 31 March 2021		<u><u>625,436</u></u>	<u><u>560</u></u>	<u><u>625,996</u></u>	<u><u>623,424</u></u>	<u><u>560</u></u>	<u><u>623,984</u></u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

QUAYSTONE CHRISTIAN CHURCH

BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	10		548,148		558,766
Current assets					
Debtors	12	644		1,407	
Investments	13	51,323		51,178	
Cash at bank and in hand		26,337		16,095	
		<u>78,304</u>		<u>68,680</u>	
Creditors: amounts falling due within one year	14	<u>(456)</u>		<u>(3,462)</u>	
Net current assets			77,848		65,218
Total assets less current liabilities			<u>625,996</u>		<u>623,984</u>
Income funds					
Restricted funds	15		560		560
<u>Unrestricted funds</u>					
General unrestricted funds		388,249		386,237	
Revaluation reserve		<u>237,187</u>		<u>237,187</u>	
			625,436		623,424
			<u>625,996</u>		<u>623,984</u>

The financial statements were approved by the Trustees on 28 February 2022

Robert Lambden
Trustee

QUAYSTONE CHRISTIAN CHURCH

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

Charity information

Quaystone Christian Church is an unincorporated charity formed by a trust deed and constitution which were updated in June 2015.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's constitution, the Charities Act 2011 and "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)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

QUAYSTONE CHRISTIAN CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

1.5 Resources expended

Expenditure is charged in the accounts at the time when a liability to make payment is incurred.

The Church makes grants to other organisations and Christian workers whose charitable aims complement its work. The Church has a policy of giving away 10% of its unrestricted income, and any part of this not disbursed by the end of the financial year is included in designated funds.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Tangible fixed assets are stated at cost less depreciation. Freehold property is stated at market valuation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Land and buildings	2% p.a. on buildings and improvements
Plant and machinery	20% - 33.33% p.a. on cost
Fixtures, fittings & equipment	10% p.a. on cost

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

QUAYSTONE CHRISTIAN CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Retirement benefits

The charity operates a defined contributions pension scheme. Contributions are charged in the accounts as they become payable in accordance with the rules of the scheme. No pension contributions are payable for staff who are not directly employed by the church.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	Unrestricted funds	Unrestricted funds	Restricted funds	Total
	2021	2020	2020	2020
	£	£	£	£
Donations and gifts	49,078	52,524	339	52,863

QUAYSTONE CHRISTIAN CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

4 Investments

	Unrestricted funds	Unrestricted funds
	2021 £	2020 £
Interest receivable	43	435

5 Charitable activities

	Church activities 2021 £	Church activities 2020 £
Staff costs	24,675	26,733
Church activities	1,133	3,732
	<u>25,808</u>	<u>30,465</u>
Grant funding of activities (see note 6)	700	4,095
Share of support costs (see note 7)	20,205	33,552
Share of governance costs (see note 7)	396	396
	<u>47,109</u>	<u>68,508</u>
Analysis by fund		
Unrestricted funds	47,109	68,169
Restricted funds	-	339
	<u>-</u>	<u>339</u>
For the year ended 31 March 2020		
Unrestricted funds	68,169	
Restricted funds	339	
	<u>68,508</u>	

QUAYSTONE CHRISTIAN CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

6 Grants payable

	Church activities 2021 £	Church activities 2020 £
Grants to institutions:	-	4,095
Grants to individuals	700	-
	<u>700</u>	<u>4,095</u>
-		

7 Support costs

	Support costs £	Governance costs £	2021 £	Support costs £	Governance costs £	2020 £
Staff costs	500	-	500	2,400	-	2,400
Depreciation	10,618	-	10,618	10,680	-	10,680
Premises expenses	8,298	-	8,298	19,339	-	19,339
Administrative expenses	789	-	789	1,133	-	1,133
Accountancy	-	396	396	-	396	396
	<u>20,205</u>	<u>396</u>	<u>20,601</u>	<u>33,552</u>	<u>396</u>	<u>33,948</u>
Analysed between						
Charitable activities	<u>20,205</u>	<u>396</u>	<u>20,601</u>	<u>33,552</u>	<u>396</u>	<u>33,948</u>

Governance costs includes payments to the independent examiner of £396 (2020- £396) for accountancy and independent examination fees.

8 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year. One trustee (2020: 1) was refunded expenses, including costs of resources (V Pyper £135 and previous year £313).

QUAYSTONE CHRISTIAN CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

9 Employees

Number of employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Church activities	1	1

Employment costs

	2021 £	2020 £
Wages and salaries	20,446	24,074
Other pension costs	4,729	5,059
	25,175	29,133

There were no employees whose annual remuneration was £60,000 or more.

10 Tangible fixed assets

	Land and buildings £	Plant and machinery £	Fixtures, fittings & equipment £	Total £
Cost				
At 1 April 2020	591,228	5,345	37,671	634,244
At 31 March 2021	591,228	5,345	37,671	634,244
Depreciation and impairment				
At 1 April 2020	56,832	3,311	15,335	75,478
Depreciation charged in the year	5,912	1,001	3,705	10,618
At 31 March 2021	62,744	4,312	19,040	86,096
Carrying amount				
At 31 March 2021	528,484	1,033	18,631	548,148
At 31 March 2020	534,396	2,034	22,336	558,766

The manse is revalued to market value periodically, the most recent valuation having been carried out in July 2015 by Alphabet City which gave a valuation range of £400,000 - £700,000. The trustees have decided that a fair valuation at that date was £535,000 which is the reported market value of a similar house in the same road, and have assumed a further 5% increase in value up to 31 March 2017.

11 Financial instruments

	2021 £	2020 £
Carrying amount of financial assets		
Instruments measured at fair value through profit or loss	51,323	51,178

QUAYSTONE CHRISTIAN CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

12 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Other debtors	-	298
Prepayments and accrued income	644	1,109
	<u>644</u>	<u>1,407</u>

13 Current asset investments

	2021 £	2020 £
London Baptist Property Board deposit	51,323	51,178
	<u>51,323</u>	<u>51,178</u>

14 Creditors: amounts falling due within one year

	2021 £	2020 £
Other creditors	-	968
Accruals and deferred income	456	2,494
	<u>456</u>	<u>3,462</u>

15 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			Movement in funds		
	Balance at 1 April 2019 £	Incoming resources £	Resources expended £	Balance at 1 April 2020 £	Incoming resources £	Balance at 31 March 2021 £
Church building	560	-	-	560	-	560
Foodbank	-	339	(339)	-	-	-
	<u>560</u>	<u>339</u>	<u>(339)</u>	<u>560</u>	<u>-</u>	<u>560</u>

QUAYSTONE CHRISTIAN CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

16 Analysis of net assets between funds

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Fund balances at 31 March 2021 are represented by:						
Tangible assets	548,148	-	548,148	558,766	-	558,766
Current assets/ (liabilities)	77,288	560	77,848	64,658	560	65,218
	<u>625,436</u>	<u>560</u>	<u>625,996</u>	<u>623,424</u>	<u>560</u>	<u>623,984</u>

17 Related party transactions

The custodian Trustee of the church is the Baptist Union Corporation Limited (charity no. 249635) which is controlled by the Baptist Union Council.