

Solent Evangelical Church

Report and Accounts

Year ended 28th February 2021

Stewardship 
Active generosity

1 Lamb's Passage, London EC1Y 8AB
www.stewardship.org.uk

Solent Evangelical Church
LEGAL & ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 28 FEBRUARY 2021

| | |
|--|---|
| ADDRESS FOR CORRESPONDENCE | 365A Forton Road Gosport PO12 3HF |
| GOVERNING DOCUMENT | CIO Constitution Registered 18 December 2018 |
| CHARITY REGISTRATION NUMBER | 1181249 |
| TRUSTEES RESPONSIBLE FOR MANAGING THE CHARITY | David Hugh Stanford (Pastor) Ronald Philip Bygrave Paul David Williams |
| BANKERS | Santander Business Banking Bridle Road Bootle Merseyside L30 4GB |
| INSURERS | Ansvar Insurance Ansvar House St Leonards Road Eastbourne BN21 3UR |
| AFFILIATIONS | Fellowship of Independent Evangelical Churches (FIEC) Solent Gospel Partnership (SGP) |
| INDEPENDENT EXAMINER | Lourens du Plessis ACA CA(SA) Stewardship 1 Lamb's Passage LONDON EC1Y 8AB |

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Report of the trustees for the year ended 28 February 2021

Governance

The managing trustees of the charity are the elders, who are appointed by members in accordance with the Church Handbook. The current elders are listed above. Ron Bygrave and Paul Williams were re-elected for a 5 year term at a Church Members Meeting held on 6 November 2019. David Stanford as an employed elder / pastor is not appointed for a fixed term of office but his appointment as elder (managing trustee) would terminate with his employment were that to cease according to the proper processes.

Deacons are also appointed in support of the elders and to take responsibility for various roles in the life of the church. Paul Bassett and Roger White were both appointed by members' vote as deacons for 1 year terms on 29 January 2020. These terms were extended for a further year at the end of January 2021, so their current terms will cease on 29 January 2022.

Charity Objectives

As set out in our Constitution, the objectives of Solent Evangelical Church are:

The advancement of the Christian faith in accordance with the Basis of Faith primarily but not exclusively within Gosport and the surrounding neighbourhood; and such other charitable purposes as shall, in the opinion of the charity trustees, put into practice the Christian faith in accordance with the Basis of Faith.

Activities in fulfilment of the Objectives

The church is committed to helping any who we can to come to know and follow Jesus and leading people to faith in Jesus is core to the advancement of the Christian faith. This is of huge benefit to those who come to trust in God in this way, and we believe it is therefore a great public benefit to give people the opportunity to hear about the Christian faith.

The year from 1 March 2020 has been a year of unprecedented state intervention due to the Covid 19 pandemic. This has meant that significant activities of the church have completely ceased during this time, and other activities have been severely curtailed and altered in response to the government regulations. However not all of this has been negative – the changed environment has meant that new forms of communication have been developed.

From March 16th 2020, the introduction of country wide social distancing measures meant that all of our regular meetings and activities ceased. On March 23rd 2020 full lockdown was announced and since then various measures have been in place throughout the whole of the reporting period.

Initially and for a period of around 18 weeks our activities as a church consisted of the following:

- A weekly Sunday morning livestream on Youtube including songs, prayers, Bible readings, and sermon conducted by David Stanford from his study.
- As an important part of the Sunday morning livestream the music group worked hard to produce regular music videos using independently produced music videos and then editing them together. This was a significant task, but we believe valuable as a means of aiding our praise of God, and reminding us of the wider nature of the church.

- Occasional communion services conducted on unlisted Youtube livestreams from David Stanford's home.
- Prayer meetings conducted on Zoom
- Occasional social events (quizzes) conducted on Zoom

Other normal church activities such as Coffee Pot (Coffee shop on Thursday mornings), Snapdragons (toddler group on Wednesday afternoons), Hub evenings (meal and Bible teaching on Sunday evenings once a month), Sunday school (usually part of Sunday morning gathering), Ladies Bible study group and other occasional activities and socials completely ceased during this time. Small groups Bible studies were occasionally attempted by some groups using Zoom.

Clearly this change in our activities is overall detrimental to our goals as a church. However, we believe that our work during this time, although nothing like our usual activity as a church, enabled the primary work of the church to continue, in that the message of Jesus was proclaimed albeit in a different form. As far as possible substitutes for the gathering of the church were put in place during a time of great uncertainty and concern. We believe that the church was able to be a consistent support to members and any who wished to access our online material throughout this time.

The use of Youtube also means that the message of Jesus Christ was made widely available to any who might wish to consider Christianity, and in that sense our mission potential has been increased.

For the period from the end of July to the end of September, livestreaming moved to the church. Services, although still only involving one or two individuals, were livestreamed from the church building. This required, behind the scenes, a significant investment of equipment and expertise to make livestreaming possible, including the installation of an internet connection, camera and computer equipment sufficient to live video and broadcast from the building.

From Sunday 27th September, this was expanded, with further investment of additional equipment and setup to enable the livestreaming of a service conducted from the church in something more like a normal form. At this time it was also possible for a congregation to attend in a restricted fashion adhering to the Covid related government regulations. This required significant investment of time and investigation in order to risk assess such gatherings and ensure that we had complied properly with the emergency laws and guidance in place and were able to reassure those attending.

This continued with some variations due to additional lockdowns until the end of the reporting period, and was still in place at that time and beyond.

Although the activities of the church were still significantly curtailed, we believe it was important to provide the opportunity to meet, or if not to watch on a livestream, in order that God's word would continue to be preached, and the opportunity for support and mutual encouragement was in place as best it could be under the circumstances.

Overall it is clear that the right and proper activities of the church have been severely interrupted by the measures adopted by the government. We believe that this has been detrimental to our role as a church in the community and has made it much harder to fulfil our goals as a charity and a church. Much of what we do depends on face to face relationships with people which is not

possible when lockdown or social distancing measures remain in place. However, we believe also that Solent Evangelical Church has worked hard under significant restriction and difficulty to continue our work and attempt to achieve in some form the furtherance of our charitable goals despite the unusual time we have operated through in this year.

Although this has led to the significant outlay of expense (in the case of the livestreaming) we believe that this was a necessary expense to enable the widest number of people possible to continue to engage with the church and our message. We also recognise that now having a presence on a platform like Youtube, means that our potential reach as a church has increased. Indeed we are aware of a number of individuals not from our area, or even our country, who have been able to access our services, and have appreciated our content.

During this time we have also continued to support individuals in need with practical and financial assistance as we believe appropriate. This has consisted of individuals who we already had contact with prior to lockdown. Due to the curtailment of our events where we regularly meet outsiders to the church, we have not expanded our support of individuals as we are not aware of any additional specific needs.

We have also continued to financially support external organisations who share our ethos and goals.

Achievements and Performance

The continued preaching of the message of Jesus has provided a source of strength and hope for the members of the church and for many others during this time.

Although physical attendance at church has been significantly down, even since we have re-established limited in person gatherings, a large majority of our prior congregation have continued accessing our online output throughout the period.

A number of individuals have faced life difficulties during this time and have received significant support both practical and moral from the church which has significantly helped them in those difficulties.

The trustees have considered the guidance issued by the Charity Commission on public benefit and believe that we have fulfilled our objectives in this regard.

Financial Policies

It is our general policy to hold reserves in place equal to at least the normal running costs of the church for a three month period. This is to act as a buffer in the event of significant reduction in charity income, and to ensure that we can fulfil our financial obligations in that event.

This figure is currently estimated to be £12,000, and the £53,357 held at the end of the reporting period means that we are adhering to our reserves policy.

Financial Summary

During almost the entire reporting period the church has lost a significant amount of income through the loss of letting income. There has been some loss of income due to not having collecting boxes at services. However, our regular income from giving of individuals, has largely continued as prior to the pandemic.

We received a significant gift during this period from an external organisation of £20,000. This has made up for some of the shortfall above, and has enabled us to cover the cost of part of the kitchen renovations (also an expenditure in the previous period), and to cover the cost of the technical equipment for livestreaming.

This means that at the close of this reporting period we find ourselves in a healthy financial situation. There are funds available for much needed renovation work in the fabric of the building. And we continue to hold reserves for the initial implementation of employment of workers which we hope we shall be able to act on as the opportunity arises following the release from lockdown and other restrictions.

During the year income increased by £42,367, to £62,683, and expenditure increased by £24,308, to £49,077 (the prior period represented 5 months' income and expenditure only, see note 5 to the accounts). As a result the cash held by the charity increased by £13,606, to £53,357, of which the entire amount is unrestricted and can be used for any charitable purpose.

Trustees Approval of Report

This report was approved by the trustees at a meeting on 14 October 2021.

It is signed on their behalf by the chair of the trustees

David Stanford
14 October 2021

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF

Solent Evangelical Church

I report to the trustees on my examination of the accounts of Solent Evangelical Church ('the charity') for the year ended 28th February 2021 on pages 7 to 9 following.

Responsibilities and basis of report

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

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

Independent examiner's statement

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

1. accounting records were not kept in accordance with section 130 of the 2011 Act; or
2. the accounts do not accord with the accounting records.

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

Lourens du Plessis ACA CA(SA)

Stewardship
1 Lamb's Passage
LONDON
EC1Y 8AB

Date: 15 October 2021

Solent Evangelical Church

RECEIPTS AND PAYMENTS ACCOUNT

FOR THE YEAR ENDED 28 FEBRUARY 2021

| | Notes | Unrestricted Funds | | Restricted Funds | 2021 | 5 months 2020 |
|---|-------|--------------------|------------------|------------------|---------------|----------------|
| | | General Funds | Designated Funds | | | |
| | | £ | £ | £ | £ | £ |
| Income receipts | | | | | | |
| Donations | | 55,643 | 95 | - | 55,738 | 17,397 |
| Gift aid receipts | | 6,222 | - | - | 6,222 | - |
| Income from letting of facilities | | 640 | - | - | 640 | 2,658 |
| Other income | | - | - | - | - | 193 |
| Interest received | | 83 | - | - | 83 | 79 |
| Total receipts | | <u>62,588</u> | <u>95</u> | <u>-</u> | <u>62,683</u> | <u>20,326</u> |
| Payments | | | | | | |
| Payments in relation to charitable activities undertaken directly | 2 | 40,134 | 5,674 | - | 45,808 | 24,769 |
| Grants paid in relation to charitable activities undertaken by others | | 1,870 | - | - | 1,870 | - |
| | | <u>42,004</u> | <u>5,674</u> | <u>-</u> | <u>47,678</u> | <u>24,769</u> |
| Purchase of fixed assets | | - | 1,399 | - | 1,399 | - |
| | | <u>-</u> | <u>1,399</u> | <u>-</u> | <u>1,399</u> | <u>-</u> |
| Total payments | | <u>42,004</u> | <u>7,073</u> | <u>-</u> | <u>49,077</u> | <u>24,769</u> |
| Net of receipts / (payments) before | | 20,584 | - 6,978 | - | 13,606 | - 4,443 |
| Transfers between funds | 4 | - 20,075 | 20,075 | - | - | - |
| Net movement in funds | | <u>509</u> | <u>13,097</u> | <u>-</u> | <u>13,606</u> | <u>- 4,443</u> |
| Cash funds as at last year end | | 24,499 | 15,252 | - | 39,751 | 44,194 |
| Cash funds at this year end | A | <u>25,008</u> | <u>28,349</u> | <u>-</u> | <u>53,357</u> | <u>39,751</u> |

The notes on page 9 form part of these accounts.

Solent Evangelical Church
STATEMENT OF ASSETS AND LIABILITIES
FOR THE YEAR ENDED 28 FEBRUARY 2021

| | Notes | Unrestricted Funds | | Restricted funds | 2021 | 2020 |
|--|-------|--------------------|------------------|------------------|----------------|---------------|
| | | General funds | Designated funds | | | |
| | | £ | £ | £ | £ | £ |
| A Cash funds | | | | | | |
| Cash at bank with immediate access | | 25,008 | 28,349 | - | 53,357 | 39,751 |
| Notice deposits | | - | - | - | - | - |
| Petty cash | | - | - | - | - | - |
| | | <u>25,008</u> | <u>28,349</u> | <u>-</u> | <u>53,357</u> | <u>39,751</u> |
| B Other monetary assets | | | | | | |
| Gift aid due to charity | | 5,907 | - | - | 5,907 | 6,222 |
| Other debtors | | - | - | - | - | - |
| | | <u>5,907</u> | <u>-</u> | <u>-</u> | <u>5,907</u> | <u>6,222</u> |
| C Liabilities | | | | | | |
| Falling due within one year | | | | | | |
| Fee for Independent Examination | | 840 | - | - | 840 | - |
| Accrued expenses | | 534 | - | - | 534 | - |
| | | <u>1,374</u> | <u>-</u> | <u>-</u> | <u>1,374</u> | <u>-</u> |
| Total | | <u>1,374</u> | <u>-</u> | <u>-</u> | <u>1,374</u> | <u>-</u> |
| D Assets retained for charity's own use | | | | | | |
| | | | | Cost | Current value | |
| | | | | £ | £ | |
| Freehold of church building | | | | - | 270,166 | |
| Computers and IT | | | | 2,599 | 1,399 | |
| Furniture | | | | 5,000 | - | |
| | | | | <u>7,599</u> | <u>271,565</u> | |

The trustees have used insurance values for the church building as the trustees are unable to reliably estimate current values; insurance values may differ materially from current values.

E Guarantees and secured debts

The charity has not given any guarantees and has not provided its assets as security for any liabilities.

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

David Stanford

Date: 14 October 2021

The notes on page 9 form part of these accounts.

Solent Evangelical Church
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 28 FEBRUARY 2021

1 Accounting policies

The accounts have been prepared on a receipts and payments basis and comprise a statement that shows the charity's receipts and payments, a statement that summarises the charity's assets and liabilities and related notes. The accountancy profession have determined that only accounts prepared in accordance with applicable accounting standards present a 'true and fair' view and, as these receipts and payments accounts have not (and cannot) be prepared in accordance with accounting standards, these accounts do not present (and are not intended to present) a 'true and fair' view of the charity's financial activities and state of affairs.

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity. Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. Restricted funds are donations which are to be used in accordance with specific restrictions imposed by donors; they include donations received from appeals for specific activities or projects.

| | <u>Unrestricted Funds</u> | | Restricted Funds | Total 2021 | 5 months Total 2020 |
|--|---------------------------|------------------|------------------|---------------|---------------------|
| | General funds | Designated funds | | | |
| | £ | £ | £ | £ | £ |
| 2 Payments in relation to charitable activities undertaken directly | | | | | |
| Employment costs (see note 4) | 32,768 | - | - | 32,768 | 13,018 |
| Ministry expenses | 2,103 | - | - | 2,103 | 1,526 |
| IT equipment | - | 1,957 | - | 1,957 | - |
| Kitchen Refurbishment | - | 3,717 | - | 3,717 | 5,257 |
| Small equipment | 145 | - | - | 145 | 40 |
| Building maintenance & repair | 142 | - | - | 142 | 287 |
| Utilities | 1,424 | - | - | 1,424 | 683 |
| Insurance | 1,197 | - | - | 1,197 | 1,271 |
| Legal & Professional fees | 129 | - | - | 129 | 448 |
| Office costs | 1,446 | - | - | 1,446 | 646 |
| Other costs | - | - | - | - | 844 |
| Contribution to FIEC | 780 | - | - | 780 | 750 |
| | <u>40,134</u> | <u>5,674</u> | <u>-</u> | <u>45,808</u> | <u>24,769</u> |

3 Transactions with related parties

David Stanford served as church leader and was paid £32,768 inclusive of pension (5 months to 29 February 20: £13,017) for serving in that capacity, not for serving as a trustee; these payments are permitted by the charity's governing document.

4 Movement of funds

| | Balance at 29 February 2020 | Receipts | Payments | Transfers | Balance at 28 February 2021 |
|-----------------------------|-----------------------------|---------------|----------|---------------|-----------------------------|
| | £ | £ | £ | £ | £ |
| General funds | 24,499 | 62,588 | - | 42,004 | 25,008 |
| Designated funds | | | | | |
| Betchworth special projects | 14,744 | - | - | 3,718 | 11,026 |
| Local Evangelical Legacy | - | - | - | 3,355 | 16,645 |
| Snapdragons | 208 | 50 | - | - | 258 |
| Coffee Pot | 300 | 45 | - | 75 | 420 |
| | <u>15,252</u> | <u>95</u> | <u>-</u> | <u>7,073</u> | <u>28,349</u> |
| Total funds | <u>39,751</u> | <u>62,683</u> | <u>-</u> | <u>49,077</u> | <u>53,357</u> |

Betchworth special projects fund is set aside for the kitchen refurbishment and possible employment costs in the future.

Local Evangelical Legacy is set aside for livestream facility and development of unisex toilets

Snapdragons fund represents money held for the toddler group

Coffee Pot fund represents money held for this activity.

5 Accounting periods

The new Solent Evangelical Church CIO was formed on 18 December 2018. The existing Solent Evangelical Church CUA continued to operate and hold the assets of the church until 30 September 2019. At this point the assets were transferred to the CIO. All income and expenditure from that point were received and paid out from the CIO. The accounts for the CIO for the previous reporting period therefore reflect this reality and are for a 5 month period only.