

Strangers Rest Mission

Report and Accounts

Year ended 30 September 2020

STRANGERS REST MISSION

CHARITY INFORMATION FOR THE YEAR ENDED 30 SEPTEMBER 2020

Trustees	Mr Mark Mullins Mr Rupert Hollins OBE Rev Roland Brown Rev John Thackway Rev Jonathan Arnold
Secretary	Mr Rupert Hollins OBE
Management Committee	Mark Mullins (Minister) Ernie Amurao (Assistant Minister)
Governing Document	Trust Deed dated 5th October 1917 Scheme dated 18th September 1995
Charity Registration Number	209117
Principal Office	131 The Highway London, E1W 9BP
Independent Examiner	Neville Reid 19 Mills Grove London, E14 0RH
Bankers	Charities Aid Foundation National Westminster Bank

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STRANGERS REST MISSION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 SEPTEMBER 2020

The Trustees present their annual report and financial statements of the charity for the year ended 30 September 2020. The financial statements have been prepared in accordance with the accounting policies set out in note 2 to the accounts and comply with the charity's trust deed, 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) (effective 1 January 2019).

Objectives of the charity

- To maintain and keep the Trust premises in suitable and proper repair; and
- To permit the trust property to be used for the purpose of continuing thereon the mission work hitherto and at present carried on thereon; and
- To allow the trust property to be used for Evangelical Christian Mission work by persons holding the tenets set forth in the Trust deed among the people of the district generally, or otherwise for the encouragement and furtherance of such objects and purposes as may be approved by the Trustees.

The Trustees have considered these objectives and believe that the Charity is fulfilling these objectives in its actions and activities.

The Trustees confirm that they have considered the Charity Commission's general guidance on public benefit and are of the opinion that this is achieved through the advancement of religion.

Governance

From 1 October 2019 to 17 February 2020, the trust was administered by The Evangelical Fellowship of Congregational Churches Trust Corporation Limited (EFCC). On 18 February 2020 the trust was transferred to Mr Mark Mullins (Chairman), Mr Roland Brown (Treasurer), Rev. John Thackway, Rev. Jonathan Arnold and Mr Rupert Hollins OBE (Secretary).

The policy decisions of the charity rest with the Trustees. The Chairman of the trust is the pastor at Strangers Rest and the Treasurer attends meetings every week and keeps in close contact with the Church Administrator, Faith Amurao. The trustees meet three to four times a year.

Review of Activities

The church's objects are to glorify God through the proclamation of the Gospel of Jesus Christ to the inhabitants of Shadwell and wider afield, and to build up of those who are believers so that they may grow to maturity in their understanding and obedience to the Word of God. The church also supports missionaries working overseas and gives assistance to those who are in financial hardship. The policies adopted in furtherance of these objects are to preach the Word of God, to pray, and to encourage believers to build each other up. There has been no change in these objects during the year.

During the year the church held services of worship on Sunday mornings and evenings, pre-service prayer meetings on Sunday morning and evening, a Kids Club on Friday evenings during the school term time, prayer meetings on Monday, Thursday and Saturday mornings and Bible studies on Wednesday evenings. During the first two lock-downs the church met online using Zoom and broadcasting on Youtube. Zoom has proved a versatile and important addition to the ability of the church to serve all its members and those further afield.

During Bible studies the minister studied Philippians and Colossians.

Preaching on Sunday mornings and evenings was on a wide variety of texts of scripture as they were laid on the heart of the preacher. In addition the minister preached through Habakkuk and Ruth. The anniversary service was held on 27th June 2020. The speaker was Rev. Richard Mayhew who was the Superintendent at Strangers Rest from 1970-1980.

Main activities during the year

Numbers at services averaged 15-20 people attending services each week on Sunday mornings on Zoom or in person. An average of about an additional 10 people watched the morning and evening meetings on Youtube. Numbers at midweek Bible studies were about 7. The number of those considered to be church members was 10 throughout the year. Various visitors attended meetings during the year.

The charity is grateful for the assistance of its volunteers in running the above activities.

From March 2020 the children's ministry went online and continued throughout the year. The work attracted children from Manor Park, Devon and a family of children who live locally. Sadly some of the regular children stopped attending during lockdown. The Saturday morning English classes ceased when lockdown started.

The focus of the Occasional Notes addressed New Covenant Theology. This article was delivered as a series of talks at the Cornerstone Bookshop in Clapham prior to lockdown. Talks were given during the autumn on the relevance and importance of the Sabbath.

Church Flat

The church flat was occupied throughout the period with rent being paid.

Financial Review

Income from donations and gifts increased by £27,620. Rental income was also higher, including a full year's rent on the church flat. The total level of expenditure was £37,307 higher than the previous year, but this was mainly due to a final payment into the pension fund of a former pastor, which had already been set aside in a designated reserve. The overall result for the year, including the pension payment, was a deficit of income over expenditure of £32,150. There was a net decrease on the General Fund of £11,491, mainly because the investments lost some of the gains in market value that had been recorded in the previous year.

Cash balances were further reduced by expenditure of £21,993 on a full kitchen refurbishment, which is recorded in the accounts as an addition to fixed assets. This is being depreciated over seven years.

Reserves Policy

The Charity holds significant financial reserves. It aims to maintain general reserves of at least £140,000 to meet future capital needs.

Risk Statement

The charity is not exposed to any major financial risk. The most significant area of uncertainty relates to the downward trend of reserves over recent years, but the legacies received in the previous year replenished reserves sufficiently to cover foreseeable deficits that might arise in the next few years.

Responsibilities of the Trustees

The charity trustees are responsible for preparing the Trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing the financial statements, the trustees are required to:

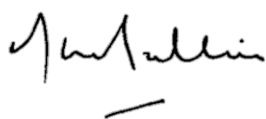
- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the charity and taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.

Approval

This report was approved by the Trustees on 15 May 2021 and signed on their behalf by:



Mark Mullins
Chair of the Trustees

**INDEPENDENT EXAMINER'S REPORT
TO THE TRUSTEES OF
STRANGERS REST MISSION**

I report to the charity trustees on my examination of the accounts of the above charity for the year ended 30 September 2020.

Responsibilities and basis of report

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

Independent examiner's statement

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

- the accounting records were not kept in accordance with section 130 of the Charities Act; or
- the accounts did not accord with the accounting records; or
- the accounts did 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 accounts to be reached.

A handwritten signature in black ink, reading "Neville Reid". The signature is written in a cursive style with a horizontal line underneath.

Neville Reid ACA

19 Mills Grove
Poplar
London E14 0RH

15 May 2021

STRANGERS REST MISSION

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 30 SEPTEMBER 2020

	Note	Total Funds 2020 £	Total Funds 2019 £
INCOME AND ENDOWMENTS FROM:			
Donations and legacies	4	58,728	31,108
Charitable activities		10,329	4,725
Investments	3	2,624	3,429
Total income and endowments		71,681	39,262
EXPENDITURE ON:			
Charitable activities	5	103,830	66,523
Total expenditure		103,830	66,523
Net income/(expenditure) before investment gains		(32,149)	(27,261)
Net (losses)/gains on investments	3	(9,729)	48,325
Net movement in funds		(41,878)	21,064
Reconciliation of funds:			
Total funds brought forward	3	237,417	216,353
Total funds carried forward		195,539	237,417

Movements on reserves and all recognised gains and losses are shown above.

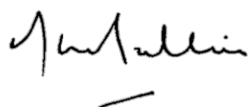
The notes on pages 8–13 form part of these accounts.

STRANGERS REST MISSION

BALANCE SHEET AS AT 30 SEPTEMBER 2020

	Note	Total Funds 2020 £	Total Funds 2019 £
FIXED ASSETS			
Tangible assets	10	21,131	3,420
		<u>21,131</u>	<u>3,420</u>
CURRENT ASSETS			
Debtors	11	10,879	9,544
Investments		162,464	172,192
Cash at bank and in hand		8,571	74,891
		<u>181,914</u>	<u>256,627</u>
CREDITORS:			
Amounts falling due within one year	12	7,506	22,630
		<u>7,506</u>	<u>22,630</u>
Net Current Assets		174,408	233,997
		<u>174,408</u>	<u>233,997</u>
TOTAL NET ASSETS		<u>195,539</u>	<u>237,417</u>
FUNDS OF THE CHARITY			
Unrestricted funds:			
General funds		177,472	188,963
Designated funds	13	18,067	48,454
		<u>195,539</u>	<u>237,417</u>
TOTAL FUNDS		<u>195,539</u>	<u>237,417</u>

Approved by the Trustees and signed on their behalf on 15 May 2021 by:



Mark Mullins
Chair of the Trustees

Charity number: 209117

The notes on pages 8–13 form part of these accounts.

STRANGERS REST MISSION

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 SEPTEMBER 2020

1 Basis of Accounting

The accounts have been prepared under the historical cost convention, with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The accounts have been prepared in accordance with the Statement of Recommended Practice: 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) issued on 16 July 2014 (the Charities SORP (FRS 102)), and with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), and with the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.

The Trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern. The most significant area of uncertainty relates to the downward trend of reserves over recent years; this is addressed in the Trustees' report.

2 Accounting policies

The following are the accounting policies which have been applied in dealing with material items.

a) Recognition of income:

Donations and legacies are included in the Statement of Financial Activities (SoFA) when:

- the charity becomes legally entitled to the resources;
- it is more likely than not that the trustees will receive the resources; and
- the monetary value can be measured with sufficient reliability.

b) Tax reclaimed on donations and gifts:

Gift Aid receivable is included in income at the same time as the cash donations to which they relate, when there is a valid declaration from the donor. Any Gift Aid amount recovered on a donation is considered to be unrestricted income unless the donor or the terms of the appeal have specified otherwise.

c) Settlement of insurance claims:

Insurance claims are only included in the SoFA when the general income recognition criteria are met, and are included as an item of other income in the SoFA.

d) Volunteer help:

The value of voluntary help received is not included in the accounts but is described in the Trustees' report.

e) Investment gains or losses:

This includes any realised or unrealised gains or losses on the sale of investments and any gain or loss resulting from revaluing investments to market value at the end of the year.

f) Liability recognition:

Liabilities are recognised where it is more likely than not that there is a legal or constructive obligation committing the charity to pay out resources, and the amount of the obligation can be measured with reasonable certainty.

g) Governance costs:

This includes the costs of preparation and examination of statutory accounts, the costs of trustee meetings, and any cost of legal advice to Trustees on governance or constitutional matters.

STRANGERS REST MISSION

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 SEPTEMBER 2020

h) Church property:

In so far as consecrated property is excluded from the statutory definition of "charity" by section 10(2)(c) of the Charities Act 2011, such assets are not capitalised in the financial statements. All expenditure on the building is charged to the SoFA in the year in which it is incurred. The church flat is included as it is integral to the building and designated for the minister when he requires accommodation in London.

i) Fixed assets and depreciation:

Fixed assets acquired for use by the charity are capitalised and depreciated over their estimated useful life unless they cost less than £2,000 when they are written off on purchase.

Depreciation periods are as follows:

Kitchen fittings & equipment	7 years
Office equipment	3 years

i) Funds:

Unrestricted funds are donations and other income received or generated for the objects of the charity without specified purpose, and are available for purposes as directed by the trustees. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside for a specific purpose. Restricted funds are amounts received where the donor has specified the purpose for which they should be used; SRM currently has no restricted funds.

3 Prior year adjustment

A material error in the 2019 accounts came to light during the preparation of the 2020 accounts, and is reported here as a prior year adjustment.

An amount of £10,000 was transferred into a bank account for SRM controlled by the former Trustees, from which £9,424 was then transferred out. This was incorrectly interpreted for the 2019 accounts as net investment income of £576. In fact, the transfer in was from investments, and therefore the holding gains on the remaining investments were £10,000 higher than reported last year. The £9,424 was paid to creditors, and the figure for amounts owed to creditors in the 2019 accounts was therefore overstated.

Reconciliation of funds per previous accounts to revised financial statements:

	2019 £
Statement of Financial Activities	
Net (expenditure) before investment gains, previously reported	(26,685)
Adjustment: (Decrease) in investment income	(576)
Restated net income for the year 2019	<u>(27,261)</u>
 Net gains on investments, previously reported	 38,325
Adjustment: Increase in gains	10,000
Restated net gains on investments for the year 2019	<u>48,325</u>
 Balance Sheet	
Net Assets previously reported in the 2019 accounts	227,993
Adjustment: Decrease in creditors	9,424
Restated Net Assets and Funds carried forward	<u>237,417</u>

STRANGERS REST MISSION

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 SEPTEMBER 2020

4 Analysis of income

	2020	2019
	£	£
Donations and legacies:		
Donations and gifts	56,193	30,299
Gift Aid	2,535	809
	<u>58,728</u>	<u>31,108</u>
Charitable activities:		
Rent and parking income	10,319	4,677
Printing income	10	48
	<u>10,329</u>	<u>4,725</u>
Income from investments:		
Interest and other investment income	2,624	3,429
	<u>2,624</u>	<u>3,429</u>
Total income	<u>71,681</u>	<u>39,262</u>

In addition to the above, there were gains and losses on the market value of investments. These are shown separately in the Statement of Financial Activities.

5 Analysis of expenditure

	2020	2019
	£	£
a Direct Charitable Costs		
Staff costs	24,971	12,575
Payments in retirement	36,739	3,000
Building maintenance	6,803	5,021
Catering	222	-
Church car	934	1,023
Church flat	6,432	6,273
Cleaning	497	377
Evangelism	53	166
External Ministry Conferences	135	90
Gas, electricity & water	3,046	3,581
Travel	-	131
Youth & children's work	398	631
Grants payable	790	1,491
	<u>81,020</u>	<u>34,359</u>
b Support & Administration		
Governance costs	17,510	28,165
Insurance	1,421	1,283
IT support	775	325
Telephone & internet	648	653
Other administration costs	2,456	1,738
	<u>22,810</u>	<u>32,164</u>
Total expenditure on charitable activities	<u>103,830</u>	<u>66,523</u>

Note 9

STRANGERS REST MISSION

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 SEPTEMBER 2020

The governance costs were mostly legal advice relating to a licence for occupation of the church flat, the new church constitution, a complaint (which was not upheld by the Charity Commission), a Freedom of Information request and a data subject access request. The remaining governance costs were for the Independent Examiner as detailed below.

6 Fees for examination of the accounts

	2020 £	2019 £
Independent examiner's fees	800	800
Other fees paid to the examiner:		
Accounting advice and assistance	400	-
Attendance at, and report to, Members meeting	-	600

7 Paid employees

a) Staff costs

	2020 £	2019 £
Salaries and wages	24,293	11,971
Pension costs (defined contribution scheme)	678	604
Total staff costs	<u>24,971</u>	<u>12,575</u>

The charity has 2 permanent members of staff. In 2020 it also paid wages to 2 temporary staff (2019: 2).

The Charity SORP requires disclosure of the number of employees with remuneration above £60,000. No employees were paid more than this amount.

Under their contracts of employment, the permanent members of staff are entitled to employer contributions to an occupational pension at 5.5%. This has only been operational from June 2020, but backdated contributions of £3,842 (2019: £3,583) have been provided for, with effect from the respective contract start dates in 2013.

b) Payments in retirement

Payments were also made in retirement to a former pastor as follows.

The full cost is allocated to the designated Retirement Fund (see note 13).

	2020 £	2019 £
Pension payment	-	3,000
Payment of remaining funds	36,739	-
Total payments in retirement	<u>36,739</u>	<u>3,000</u>

8 Trustees

The trustees received no payment or benefit from the charity in the year (2019: £nil).

The charity paid no remuneration to any Board member of the Trustee during the year, nor to any person connected to them; nor were they reimbursed expenses during the year (2019: £nil).

One member of the local Management Committee, the Assistant Minister, receives wages as one of the paid employees of the charity.

The Charities SORP requires disclosure of the aggregate amount of donations received from Trustees.

Material donations were received from one of the Trustees, but the Trustees do not consider it necessary or desirable to disclose this amount.

STRANGERS REST MISSION

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 SEPTEMBER 2020

9 Grants

	Grants to Institutions £	Grants to Individuals £	Total £
Analysis of grants:			
Gifts to visiting speakers and missionaries	-	240	240
Gifts to other ministries	150	400	550
	<u>150</u>	<u>640</u>	<u>790</u>

Analysis of grants – Previous year:

Gifts to visiting speakers and missionaries	-	730	730
Gifts to other ministries	300	461	761
	<u>300</u>	<u>1,191</u>	<u>1,491</u>

The institutional grant in 2020 was £150 to the Protestant Alliance.

In 2019, £150 was paid to Unevangelized Fields Mission and £150 to the Protestant Alliance.

10 Tangible Fixed Assets

	Cost £	Accumulated depreciation £	Net book value £
Fittings and equipment			
At 1 October 2019	3,420	-	3,420
Additions	21,993	-	21,993
Depreciation charge for the year	-	(4,282)	(4,282)
At 30 September 2020	<u>25,413</u>	<u>(4,282)</u>	<u>21,131</u>

A printer/copier was purchased in the last week of September 2019.

Therefore no depreciation was charged in that financial year.

The church kitchen was fully refurbished in 2019–2020.

11 Debtors and prepayments

	2020 £	2019 £
Tax recoverable	2,177	7,567
Prepayments and accrued income	8,702	1,977
	<u>10,879</u>	<u>9,544</u>

12 Creditors: liabilities falling due within one year

Trade creditors	639	14,448
Accruals	6,867	8,182
	<u>7,506</u>	<u>22,630</u>

STRANGERS REST MISSION

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 SEPTEMBER 2020

13 Funds

Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside for a specific purpose. Movements in the year and the prior year for designated funds were as follows:

	Retirement Fund £	Reserve Fund £	Children's Work Fund £	Total designated funds £
Opening balance at 1 October 2018	38,033	13,421	-	51,454
Expenditure in 2018–2019	(3,000)	-	-	(3,000)
Closing balance at 30 September 2019	35,033	13,421	-	48,454
Income in 2019–2020	-	-	7,500	7,500
Expenditure in 2019–2020	(36,739)	-	(2,854)	(39,593)
Transfer from general fund in 2019–2020	1,706	-	-	1,706
Closing balance at 30 September 2020	-	13,421	4,646	18,067

The Retirement Fund is an unrestricted fund designated by the Trustees to provide payments in retirement to the Mission's former pastor, Gerald Daley. Payments were made when he requested them. A final payment was made in 2019–2020. This was £1,706 in excess of the balance brought forward on the designated fund; an amount was therefore transferred from the General Fund to cover the remainder.

The Reserve Fund is an unrestricted fund designated by the Trustees to allow for future expenditure on any emergency or capital need that might arise.

A designated donation was received in 2020 for children's work. This was only partly spent in the year (on payroll and other expenses), and is therefore shown as a new designated fund.

Analysis of net assets between funds:

	General funds £	Designated funds £	Total 2020 £
Tangible fixed assets	21,131	-	21,131
Investments	149,043	13,421	162,464
Cash	5,425	3,146	8,571
Other net assets	1,873	1,500	3,373
	<u>177,472</u>	<u>18,067</u>	<u>195,539</u>

Analysis of net assets between funds – previous year:

	General funds £	Designated funds £	Total 2019 £
Tangible fixed assets	3,420	-	3,420
Investments	172,192	-	172,192
Cash	26,437	48,454	74,891
Other net assets	(13,086)	-	(13,086)
	<u>188,963</u>	<u>48,454</u>	<u>237,417</u>

STRANGERS REST MISSION

DETAILED STATEMENT OF FINANCIAL ACTIVITIES WITH COMPARATIVES FOR THE YEAR ENDED 30 SEPTEMBER 2020

	Note	General Fund		Designated Funds		Total Funds	
		2020	2019	2020	2019	2020	2019
		£	£	£	£	£	£
INCOME AND ENDOWMENTS FROM:							
Donations and legacies	4	51,228	31,108	7,500	-	58,728	31,108
Charitable activities		10,329	4,725	-	-	10,329	4,725
Investments	3	2,624	3,429	-	-	2,624	3,429
Total income and endowments		64,181	39,262	7,500	-	71,681	39,262
EXPENDITURE ON:							
Charitable activities	5	64,237	63,523	39,593	3,000	103,830	66,523
Total expenditure		64,237	63,523	39,593	3,000	103,830	66,523
Net income/(expenditure) before investment gains		(56)	(24,261)	(32,093)	(3,000)	(32,149)	(27,261)
Net gains/(losses) on investments	3	(9,729)	48,325	-	-	(9,729)	48,325
Transfers between funds	7b	(1,706)	-	1,706	-	-	-
Net movement in funds		(11,491)	24,064	(30,387)	(3,000)	(41,878)	21,064
Reconciliation of funds:							
Total funds brought forward	3	188,963	164,899	48,454	51,454	237,417	216,353
Total funds carried forward		177,472	188,963	18,067	48,454	195,539	237,417

Movements on reserves and all recognised gains and losses are shown above.