

Company Number 07738949
Charity Number 01143499

Swanfield Chapel
Report of the Trustees and
Unaudited Financial Statements
For The Year Ended 31 December 2016

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Registered Company number 0773894 (England and Wales)

Registered Charity number 01143499

Registered office

Swanfield Chapel
117 Swanfield Drive
Chichester
West Sussex
PO19 6TD

Trustees and Directors

Philip Davis	Gordon Kyte
Grahame Ebben	Euan Menzies
Anthony Fisher	David Thurlow
Trevor James	David Wakeford
Lee Jerromes	Rob Wakeford

Company Secretary

David Thurlow

Elders

Trevor James
Jon Taylor (Appointed 1 January 2016)
David Thurlow

Deacon

Jon Bull

Family and Community Workers

Kim Carter
Richard Carter

Independent Examiner

Eric Claypole
108 Worcester Road
Chichester
West Sussex
PO19 5EB

Bankers

CAF Bank Ltd
25 Kings Hill Avenue
Kings Hill
West Malling
Kent
ME19 4JQ

Website

www.swanfieldchapel.org.uk

Report of the Trustees for the Year Ended 31 December 2016

The trustees, who are also directors for the purposes of the Companies Act, present their report with the unaudited financial statements of the charity for the year ended 31 December 2016.

Swanfield Chapel (the Chapel) is a Private Limited Company (number 07738949) incorporated on 12 August 2011 and is registered with the Charity Commission (number 01143499). It is limited by guarantee and governed by its memorandum and articles of association. The Directors and Trustees confirm that the accounts comply with current statutory requirements and the Chapel's governing documents.

Structure: Swanfield Chapel is an evangelical church that from 1938 to 1972 met in Chapel Street, Chichester and from 1972 onwards in Swanfield Drive, Chichester. It was governed by a trust deed dated 12 January 1938 (the old charity). On 12 August 2011 the trustees registered a charitable company limited by guarantee (the new charity). On 1 January 2012 the activities of the church were transferred to the new charity and on the same date, with the exception of the church building, all the assets and liabilities of the old charity were also transferred to the new charity. The church building remains in the old charity because the 1938 trust does not contain the power to transfer this asset. The new charity has been granted an informal licence to occupy the building and has taken responsibility for repairing and insuring the building. Solicitors have been instructed to finalise the appointment of the new charity as the sole trustee of the old charity.

Objects and aims: The Chapel seeks to honour God and demonstrate the Christian faith in action by acting as a church in the local area and through missionary work worldwide. This includes:

- holding regular services for the worship of God the Father and the Lord Jesus Christ
- preaching and expounding the Word of God, the Bible
- holding meetings for the instruction of adults, young people and children in the Word of God
- reaching out to those not of the Christian faith to make Christ known in a range of new and interesting ways
- encouraging interest in missionary activities to promote the Christian faith in other countries

Public Benefit: The trustees have paid due regard to the Charity Commission's guidance on public benefit. They strongly believe in the public benefit of services for the worship of God the Father and the Lord Jesus Christ, together with preaching and expounding the Bible, holding classes for the instruction of adults and children, and providing other activities which promote the Word of God and lead people to faith in the Lord Jesus Christ as their Saviour. Individuals are taught to feel responsible to contribute to the welfare of society, to respect the authorities in the country, and to show genuine care for their neighbours and the environment. The practical benefit to society comes through promoting happy marriages and homes where children experience love and care, and grow up to become good law-abiding citizens and in providing support to those in need.

Charitable activities: The Chapel holds regular meetings on Sundays and Thursdays, prayer meetings, social activities with a spiritual element (Hot Potato lunch, Cameo and 3Cs) ladies meetings, parents and toddlers activities, after school clubs for children, young people's activities, family activities, children's activities on Sunday mornings concurrent with a well attended family service, school assemblies and courses for those interested in finding out about the Christian faith and growing in the Christian faith. The meetings are open to the public and to ensure that no one is prevented from attending the Chapel never charges for any activity. The Chapel participated with Christians from other Chichester churches in joint activities including the Chichester District Foodbank, City Angels Street Pastors, distribution of Hot Cross Buns on Good Friday and manning a live nativity presentation in the centre of the City prior to Christmas.

Additionally, special open activities during the year included:

- Quiz Night for adults
- Children's Holiday Bible Club in February half term
- Easter Brunch on Easter Saturday - an activity for families and the community
- Harvest lunch
- Meal for University of Chichester students
- Life Exhibition for Key Stage Two school pupils (attended by approximately 500 children)
- Bright Light Fun Night – an activity at the end of October for families and the community
- Carol singing with the Florence Road Community Association

Church Attendance: During the year, approximately 80 adults and children from the local area attended the Chapel's meetings regularly

Report of the Trustees for the Year Ended 31 December 2016 (continued)

Volunteers: The majority of the activities of the Chapel are undertaken by volunteers. No record is kept of the time given on a voluntary basis but without this contribution to the Chapel it would not function.

Financial Review: The Chapel's policy for many years has been that the only collection taken up is at the weekly Sunday morning communion service. There are no fundraising activities and no charges are made for any of the Chapel's activities. It is also the policy of the Chapel that twenty-eight of its collections are designated for support of missionary and similar activities. The intended recipient of each designated collection is announced in advance and all funds collected are remitted without deduction to the recipient. Since the funds are income of the Chapel and the intended recipient is determined by the Elders the income is designated rather than restricted and therefore the tax recovered under Gift Aid is unrestricted income. The funds from this source, together with the remaining twenty-four collections and one off gifts from members of the church are used for the operational costs of the Chapel. The 2016 year continued to see generous support from the Chapel's members. Income expenses exceeded income by £1,095 which compares with surpluses of £9,795 in 2015, £10,022 in 2014, £1,885 in 2013, £15,822 in 2012 and £ 9,672 in 2011. The Life Exhibition hosted by the Chapel was the only significant event which had financial effect. A grant £2,000 towards the costs and a special collection of £926 taken up to assist with the expenses covered the majority of the cost of £3,671. The balance of £745 was met from general unrestricted funds.

Reserves policy: The Chapel employs a married couple as Family and Community Outreach Workers. Apart from contracts of employment for these two workers and contracts for normal supplies the Chapel has no contractual liabilities. On that basis and taking account of the fact that the Chapel's building is relatively new and in good order the trustees believe that there is no need to hold substantial reserves. Experience has shown that when a specific need has arisen the members of the Chapel have provided financial support to meet the need.

Remuneration policies and procedures: The Chapel has regard to the remuneration paid to individuals undertaking similar work in a church context when setting the remuneration of the Family and Community Workers. Visiting speakers who are engaged in full time Christian work are paid a fee based on the nature of the service rendered. The appropriate level of each fee is determined by the Chapel's treasurer and reported by him to the elders.

Future Developments: Along with other churches, the members of the Chapel sense both the imperative of worship and the urgency to fulfil the Lord's commandment to go out into all the world and make disciples of all nations. These two themes will continue to direct the Chapel's activities and future developments.

During 2016 Richard and Kim Carter, the Chapel's Family and Community Workers, continued to develop links in the community and with local schools and in particular with Portfield Primary Academy. It is envisaged that this aspect of the Chapel's work will continue to develop.

There is a concern that age and health issues are leading to a reduced number of members able to play an active part in the Chapel's life and a reduced number of people able to lead.

Recruitment and Appointment of trustees: Trustees are appointed from those who are familiar with the aims and policies of the Chapel, and who have won the confidence of the members of the Chapel through their commitment and conduct over several years. Prior to appointment new trustees will be given appropriate induction and training.

Government: The overall responsibility for the Chapel rests with the trustees who meet once each year to receive reports on the Chapel's activities. The day to day activities and operating decisions of the Chapel rest with the three elders, who meet monthly. They are supported by a deacon who is responsible for practical matters.

Risk management: The trustees have reviewed the risks to which the Chapel is exposed and each year receive and consider reports on this from the elders. The principal risks relate to the building and activities carried out in the building. Appropriate procedures are in place to identify, monitor and review these risks on a regular basis.

Directors' and Trustees' Responsibilities: The trustees, who are also directors for the purposes of company law, are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the income and expenditure for that period.

In preparing those financial statements, the directors are required to:

- Select suitable accounting policies and then apply them consistently;

Report of the Trustees for the Year Ended 31 December 2016 (continued)

- Make judgements and estimates that are reasonable and prudent;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue its activities.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006 and Charities Act 2011. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Chapel endeavours to conduct its activities both in accordance with standards set in the Bible and in accordance with the seven Principles identified by the Nolan Committee on Standards in Public Life (selflessness, integrity, objectivity, accountability, openness, honesty and leadership).

Small company provisions: This report has been prepared in accordance with the provisions applicable to companies entitle to the small companies exemption.

This report was approved by the trustees onand was signed on their behalf by

Rob Wakeford
Chairman

Statement of Financial Activities for the year ended 31 December 2016

	Notes	Unrestricted funds £	Restricted funds £	2016 Total Funds £	2015 Total funds £
INCOME AND ENDOWMENTS					
Voluntary income	2	50,842	1,500	52,342	65,392
Activities for generating funds		0	0	0	0
Income from investments	3	2	0	2	3
Funeral fees		386	0	386	193
Gifts from users of Chapel building	4	<u>915</u>	<u>0</u>	<u>915</u>	<u>245</u>
Total income		52,145	1,500	53,645	65,833
EXPENDITURE					
Raising funds		0	0	0	0
Charitable activities					
The furtherance of the Christian faith	9	<u>53,539</u>	<u>1,200</u>	<u>54,739</u>	<u>56,038</u>
Total expenditure		53,539	1,200	54,739	56,038
NET INCOME/(EXPENDITURE) BEFORE TRANSFERS		<u>(1,394)</u>	<u>300</u>	<u>(1,094)</u>	<u>9,795</u>
Transfer between funds		0	0	0	0
NET INCOME/(EXPENDITURE) AFTER TRANSFERS		<u>(1,394)</u>	<u>300</u>	<u>(1,094)</u>	<u>9,795</u>
RECONCILIATION OF FUNDS					
Total funds brought forward		290,131	0	290,131	280,336
TOTAL FUNDS CARRIED FORWARD		<u>288,737</u>	<u>300</u>	<u>289,037</u>	<u>290,131</u>

CONTINUING OPERATIONS

All income and expenditure arise from continuing activities.

Swanfield Chapel

Balance Sheet at 31 December 2016

	Notes	Unrestricted funds £	Restricted funds £	2016 Total funds £	2015 Total funds £
FIXED ASSETS					
Tangible assets	12	252,607	0	252,607	252,607
CURRENT ASSETS					
Stocks	13	0	0	0	0
Debtors: amounts falling due within one year	14	41,301	300	41,601	34,534
Cash at bank and in hand		<u>1,728</u>	<u>0</u>	<u>1,728</u>	<u>4,086</u>
		43,029	300	43,329	38,620
CREDITORS					
Amounts falling due within one year	15	(6,899)	(0)	(6,899)	(1,096)
NET CURRENT ASSETS					
		<u>36,130</u>	<u>300</u>	<u>36,430</u>	<u>37,524</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		288,737	300	289,037	290,131
CREDITORS					
Amounts falling due after more than one year		<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
NET ASSETS					
		<u>288,737</u>	<u>300</u>	<u>289,037</u>	<u>290,031</u>
FUNDS					
Unrestricted funds	16			288,737	290,031
Restricted funds				<u>300</u>	<u>0</u>
TOTAL FUNDS					
				<u>289,037</u>	<u>290,031</u>

The directors are satisfied that the company is entitled to exemption from the requirement to obtain an audit under section 477 of the Companies Act 2006.

Members have not required the company to obtain an audit in accordance with section 476 of the Act.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to the accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the accounting policies set out in Note I to the accounts and comply with the Chapel's Memorandum and Articles of Association, the Companies Act 2006 applicable to companies subject to the small companies regime, and Reporting by Charities: Statement of Recommended Practice (SORP).

The financial statements were approved by the board of trustees and authorised for issue on and were signed on its behalf by:

.....
Rob Wakeford Chairman

The notes form part of these financial statements

1. ACCOUNTING POLICIES**Accounting convention**

Swanfield Chapel is a public benefit entity within the meaning of Financial Reporting Standard 102 (FRS 102). The financial statements have been prepared under the Companies Act 2006 and the Charities Act 2011. It is the first year they have been prepared under FRS 102 (2016) as the applicable accounting standards and the 2016 version of the Statement of Recommended Practice, Accounting and Reporting by Charities (SORP).

Incoming resources

Donated income is taken into account when received by the Chapel. Income received in circumstances where a claim for repayment of tax has been or will be made to HM Revenue & Customs is grossed up for the tax recoverable. Any amount of tax reclaimed from HM Revenue & Customs but not yet received is accrued and shown as a debtor. Investment income is taken into account when received.

Resources expended

Expenditure, including irrecoverable VAT, is taken into account when incurred, regardless of when payment is made. Missionary support grants are accounted for on the basis of support that relates to the financial year.

Tangible fixed assets

Tangible fixed assets transferred from the unincorporated charity, Swanfield Chapel, were not valued and have not been capitalised and therefore no depreciation is provided on these assets. The residential property purchased in 2011 for occupation by the Chapel's Family and Community Outreach workers has not been depreciated because in the opinion of the trustees its open market value is greater than cost. Fixed assets costing £1,000 or more are capitalised and depreciated over their estimated useful lives. Assets costing less than £1,000 are written off in the year of purchase.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

The Chapel is exempt from direct tax on its charitable activities. As with all charities, apart from certain limited reliefs, it pays full VAT on goods and services and is not able to recover this tax.

Fund accounting

Unrestricted funds are income received or generated for the objects of the Chapel without specified restriction and are available for the general purposes of the Chapel including support for other organisations with objects that are in line with the Chapel's objects. Designated funds are income designated by the Elders of the Chapel for specific purposes. Restricted funds are amounts received where the donor has specified the purpose for which they should be used.

2. VOLUNTARY INCOME

	2016	2015
	£	£
General offerings and donations	24,641	27,387
Special offerings	5,072	4,817
Gift aid	6,092	8,004
Missionary and other designated gifts	15,037	21,984
Restricted grant for Life Exhibition transport	0	2,000
Restricted Gifts	1,500	1,200
	<u>52,342</u>	<u>65,392</u>

3. INVESTMENT INCOME

	2016	2015
	£	£
Bank interest	2	3

4. GIFTS FROM USERS OF CHAPEL BUILDING

	2016	2015
	£	£
Gifts from users of premises and facilities	915	245

The Chapel is not hired out for use by other organisations but from time to time organisations with objects that are in line with those of the Chapel use the building free of charge. Some of these groups choose to contribute towards the heating, lighting and other costs.

5. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2016	2015
	£	£
Salaries	15,324	10,631
Speakers and local workers	3,450	4,160
Activities	3,082	4,262
Holiday Bible Club	1,286	1,386
Contribution to young peoples' holidays	0	300
Other outreach and mission support	2,089	2,348
Local needs	550	0
Utilities	1,899	4,461
Sundries	1,362	1,889
Repairs and maintenance	2,722	5,746
Community and family workers' accommodation expenses	2,271	2,488
Life Exhibition	3,671	0
	<u>37,706</u>	<u>37,671</u>
Major works	<u>0</u>	<u>0</u>
Total	37,706	37,671

6. MISSIONARY AND SIMILAR GIFTS

Where a missionary has been commended by the Chapel it is the practice to support them financially. Strict compliance with the Charities' Statement of Recommended Practice (SORP) may regard this as constituting a constructive obligation such that future support should be accounted for in these accounts as a liability. The elders are confident the missionaries would not view their support as an open-ended obligation by the Chapel.

The total paid during the year was as follows:

	2016	2015
	£	£
Missionaries commended from Swanfield Chapel	6,203	6,417
Other missionary and similar work	<u>10,830</u>	<u>11,950</u>
	17,033	18,367

7. SUPPORT COSTS

Costs that might be regarded as support costs have been included in direct charitable costs on the basis that the utilities and similar expenses are part of the expense of the charitable activities of the Chapel.

8. INDEPENDENT EXAMINER'S FEE**9. CHARITABLE ACTIVITIES EXPENDITURE**

	Direct costs (See note 5)	Missionary gifts (See note 6)	Support costs (See note 7)	Totals
	£	£	£	£
Furtherance of the Christian faith	<u>37,706</u>	<u>17,033</u>	<u>0</u>	<u>54,739</u>

10. TRUSTEES' REMUNERATION AND BENEFITS

No trustees' remuneration or other benefits were incurred or paid during the period ended 31 December 2016 (2015 nil). No trustees' expenses were incurred or paid during the period ended 31 December 2016 (2015 nil). Any claims for remuneration or benefits or expenses would be subject to the Chapel's normal internal control procedures.

11. STAFF COSTS

The Chapel's activities are generally carried out by volunteers. There are two part-time paid employees who are employed as Family and Community Outreach Workers. Total remuneration paid was £15,324 (2015 £10,631).

12. TANGIBLE FIXED ASSETS

The Chapel owns the freehold of 90 Baxendale Road, Chichester purchased in November 2012 at a cost of £252,607. The Chapel's fixtures, fittings were transferred to the charity at nil cost on 1 January 2012. They were not valued at the time of transfer. The insured re-building value is £803,931 and the contents are insured for £60,247.

13. STOCKS

The Chapel holds small stocks of literature and catering items. These stocks have not been valued.

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016	2015
	£	£
Prepayments	3,466	274
Tax recoverable	38,080	34,205
Other debtors	<u>55</u>	<u>55</u>
	<u>41,601</u>	<u>34,534</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016	2015
	£	£
Creditors	982	1,096
Unsecured loan repayable on demand	<u>5,917</u>	<u>0</u>
	<u>6,899</u>	<u>1,096</u>

16. MOVEMENT IN FUNDS

	At 1.1.16	Net movement in funds	At 31.12.16
	£	£	£
Unrestricted funds			
General fund	290,131	(1,394)	288,737
Restricted funds	<u>0</u>	<u>300</u>	<u>300</u>
TOTAL FUNDS	<u>290,131</u>	<u>(1,094)</u>	<u>289,037</u>

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

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	52,145	(53,539)	(1,394)
Restricted funds			
Donations for restricted purposes	1,500	(1,200)	300
TOTAL FUNDS	<u>53,645</u>	<u>54,739</u>	<u>(1,094)</u>

17. RELATED PARTY DISCLOSURES

The trustees are also the trustees of a separate charitable trust governed by a trust deed dated 12 January 1938 (the old charity) which until 31 December 2011 undertook the activities of the church known as Swanfield Chapel. On 1 January 2012 the activities of the church were transferred to the new charity and on the same date, with the exception of the church building, all the assets and liabilities of the old charity were also transferred to the new charity. The church building remains in the old charity because the 1938 trust does not contain the power to transfer this asset. The new charity has been granted an informal licence to occupy the building and has taken responsibility for repairing and insuring the building.