

Strangers Rest Mission

Report and Accounts

Year ended 30 September 2018

STRANGERS REST MISSION

CHARITY INFORMATION FOR THE YEAR ENDED 30 SEPTEMBER 2018

Trustee	The Evangelical Fellowship of Congregational Churches Trust Corporation Limited
Secretary	Anthony Harrison, EFCC, PO Box 34, Beverley, HU17 0YY
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 2018

The Trustees present their annual report and financial statements of the charity for the year ended 30 September 2018. 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 published on 16 July 2014.

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 for 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

Throughout the year, the trust was administered by The Evangelical Fellowship of Congregational Churches Trust Corporation Limited (EFCC).

At the date of signing this report the EFCC Trust Corporation board members are Rev. Gwynne Evans (Chairman), Mr Robert Neilson (Vice-Chairman), Rev. Jackie Brown, Rev. Bill Calder, Mr Kevin Davies, Rev. Nick Gray, Rev. Matthew Rees, Mr Gilbert Stephenson and Mr Philip Williams.

The policy decisions of the charity rest with the Trustees. Representatives of the EFCC Trust Board make regular visits, and the EFCC office maintains regular contact by email and telephone.

The Trustees have delegated the operational management of the Mission to the local management committee consisting of Mark Mullins and Ernie Amurao.

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 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, Sunday school for children under secondary school age on Sunday mornings, a Kids Club on Friday evenings during the week, prayer meetings on Monday, Thursday and Saturday mornings, Bible studies on Wednesday evenings, door to door visitation by the Church Evangelist during the week, occasionally accompanied by the pastor, and street witnessing by church members periodically at weekends. 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.

Main activities during the year

Numbers at services have dropped slightly with an average of 20-25 people attending services each week on Sunday mornings and about 6 on Sunday evenings. Numbers at midweek prayer meetings and Bible studies dropped to about 6. The number of those considered to be church members remained at around 15 during the year.

Various visitors have attended services. In July 2017 the church was joined by a Pakistani asylum seeker who lived in the church premises from that date. In December 2017 he was granted asylum by the Home Office. While he was with us he accompanied the Church Evangelist seeking to engage with Muslims in the community. However at the beginning of August 2018 he moved to Birmingham to take up a position with Birmingham City Mission which began in September. He continues to visit the church.

Existing believers have also been strengthened in their faith and helped to continue to serve God, some in spite of quite considerable trials. An average of 10-12 children came to the children's classes each week. The English classes continue to attract new people most weeks and have presented many opportunities for the Gospel.

During the year, the focus of the Occasional Notes has been on the theme of the Trinity. This has been a much neglected subject in Christian circles in recent years.

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

Financial Review

Income from donations and gifts, including Gift Aid but excluding legacies, decreased by £3,164. However, a large legacy was received in the year, and there was increased income from other sources, so total income was £41,347 higher than the previous year. The total level of expenditure was £937 higher than the previous year, but would have been materially higher if a pension payment had been required by the former pastor in the year. The overall result for the year was a surplus of income over expenditure of £20,103, and a net increase on the General Fund of £28,350.

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 year have 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 30 July 2019 and signed on their behalf by:

A handwritten signature in black ink that reads "G Evans". The signature is written in a cursive style and is underlined with a single horizontal stroke.

G Evans, Trustee

**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 2018.

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.



Neville Reid ACA

19 Mills Grove
Poplar
London E14 0RH

30 July 2019

STRANGERS REST MISSION

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 30 SEPTEMBER 2018

	Note	Total Funds 2018 £	Total Funds 2017 £
INCOME AND ENDOWMENTS FROM:			
Donations and legacies	4	62,214	25,749
Charitable activities		3,758	707
Investments		2,694	302
Other		(22)	540
Total income and endowments		68,644	27,298
EXPENDITURE ON:			
Charitable activities	4	48,541	47,604
Total expenditure		48,541	47,604
Net income/(expenditure) before investment gains		20,103	(20,306)
Net gains on investments		8,247	621
Net movement in funds		28,350	(19,685)
Reconciliation of funds:			
Total funds brought forward	3	192,203	211,888
Total funds carried forward		<u>220,553</u>	<u>192,203</u>

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

The notes on page 8–12 form part of these accounts.

STRANGERS REST MISSION

**BALANCE SHEET
AS AT 30 SEPTEMBER 2018**

	Note	2018 £	2017 £
CURRENT ASSETS			
Debtors	9	27,937	7,835
Cash at bank and in hand		<u>203,870</u>	<u>197,018</u>
		<u>231,807</u>	<u>204,853</u>
CREDITORS:			
Amounts falling due within one year	10	<u>11,254</u>	<u>12,650</u>
Net Current Assets		220,553	192,203
TOTAL NET ASSETS		<u><u>220,553</u></u>	<u><u>192,203</u></u>
FUNDS OF THE CHARITY			
Unrestricted funds:			
General funds		169,099	140,749
Designated funds	11	51,454	51,454
TOTAL FUNDS		<u><u>220,553</u></u>	<u><u>192,203</u></u>

Approved by the Trustees and signed on their behalf on 30 July 2018 by:



G Evans

Charity number: 209117

The notes on page 8–12 form part of these accounts.

STRANGERS REST MISSION

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 SEPTEMBER 2018

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 2018

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.

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 it should be used; SRM currently has no restricted funds.

3 Analysis of income

	2018	2017
Donations and legacies:	£	£
Donations and gifts	10,172	12,368
Gift Aid	1,412	2,381
Legacies	50,000	11,000
Sale of donated car	630	-
	<u>62,214</u>	<u>25,749</u>
Charitable activities:		
Parking income	3,728	668
Printing income	30	39
	<u>3,758</u>	<u>707</u>
Income from investments:		
Interest and other investment income	<u>2,694</u>	<u>302</u>
	<u>2,694</u>	<u>302</u>
Other income:		
Income received, not traced to source	-	540
Adjustments re prior years	(22)	-
	<u>(22)</u>	<u>540</u>
Total income	<u><u>68,644</u></u>	<u><u>27,298</u></u>

A used car was bequeathed to the church in 2017. It was sold to the Assistant Minister in 2018, as if the Assistant Minister was buying from a dealer (as opposed to a private sale) based on published guides. This was recorded as income in 2018.

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

STRANGERS REST MISSION

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 SEPTEMBER 2018

4 Analysis of expenditure

	2018	2017
a Direct Charitable Costs	£	£
Staff costs	14,329	10,355
Pension paid	-	10,000
Building maintenance	5,770	7,046
Catering	592	68
Church car	1,263	1,943
Church flat	1,132	1,182
Cleaning	398	332
Evangelism	304	-
External Ministry Conferences	2,044	330
Gas, electricity & water	4,158	3,340
Internal events	124	1,077
Travel	283	1,047
Youth & children's work	714	653
Grants payable Note 8	5,690	1,430
	<u>36,801</u>	<u>38,803</u>
b Support & Administration		
Governance costs	6,829	4,306
Insurance	1,236	1,142
IT support	49	220
Telephone & internet	640	606
Other administration costs	2,986	2,527
	<u>11,740</u>	<u>8,801</u>
Total expenditure on charitable activities	<u>48,541</u>	<u>47,604</u>

	2018	2017
5 Fees for examination of the accounts	£	£
Independent examiner's fees	800	700
Other fees paid to the examiner:		
Advice on Charity Commission enquiry	175	-
Attendance and report to Members meeting	175	-
Advice on financial procedures	350	-
6 Paid employees	£	£
a) Staff costs		
Salaries and wages	11,350	10,355
Pension costs (defined contribution scheme)	2,979	-
Total staff costs	<u>14,329</u>	<u>10,355</u>

The charity has 2 permanent members of staff. In 2017 it also paid wages to 2 temporary staff.

Under their contracts of employment, the permanent members of staff are entitled to employer contributions to an occupational pension at 5.5%. This has not yet been set up but contributions of £2,979 were accrued in 2018, backdated to the respective contract start dates in 2013.

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NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 SEPTEMBER 2018

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.

	2018	2017
	£	£
Pension payment	-	10,000
Total pension paid	-	10,000
	-	10,000

7 Trustees

The charity trustee, The Evangelical Fellowship of Congregational Churches Trust Corporation Limited (EFCC), was reimbursed £1,000 for staff time attributable to governance matters for Strangers Rest Mission in 2018 (2017: £nil). The trustee received no other payment or benefit from the charity in the year.

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 (2017: £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. No donations were received in the year from the corporate Trustee, or from members of its Board who act as Trustees. Material donations were received from a member of the local Management Committee, but the Trustees do not consider it necessary or desirable to disclose this amount.

8 Grants

	Grants to Institutions	Grants to Individuals	Total 2018	Total 2017
	£	£	£	£
Gifts to visiting speakers and missionaries	350	1,125	1,475	1,310
Gifts to other ministries	1,000	3,214	4,214	120
	1,350	4,339	5,689	1,430
	1,350	4,339	5,689	1,430

The institutional grants were £500 to Wattisham Chapel, £400 to Creation Research, £200 to Christian Compassion Ministries (2017: £200), £150 to Trinitarian Bible Society (2017: £150), and £100 to Soldiers' And Airmen's Scripture Readers Association.

9 Debtors and prepayments

	2018	2017
	£	£
Tax recoverable	6,759	5,347
Prepayments and accrued income	21,178	2,488
	27,937	7,835
	27,937	7,835

10 Creditors: liabilities falling due within one year

Trade creditors	5,433	8,129
Accruals	5,821	4,521
	11,254	12,650
	11,254	12,650

STRANGERS REST MISSION

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 SEPTEMBER 2018

11 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 £	Total designated funds £
Opening balance at 1 October 2016	48,033	13,421	61,454
Expenditure in 2016-2017	(10,000)	-	(10,000)
Closing balance at 30 September 2017	38,033	13,421	51,454
Expenditure in 2017-2018	-	-	-
Closing balance at 30 September 2018	<u>38,033</u>	<u>13,421</u>	<u>51,454</u>

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 are made when he requests them; no funds were disbursed in 2017-18.

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.

Analysis of net assets between funds:

	General funds £	Designated funds £	Total 2018 £
Cash	152,416	51,454	203,870
Other net assets	16,683	-	16,683
	<u>169,099</u>	<u>51,454</u>	<u>220,553</u>

Analysis of net assets between funds – previous year:

	General funds £	Designated funds £	Total 2017 £
Cash	145,564	51,454	197,018
Other net assets	(4,816)	-	(4,816)
	<u>140,749</u>	<u>51,454</u>	<u>192,203</u>

STRANGERS REST MISSION

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
WITH COMPARATIVES
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

	Note	General Fund		Designated Funds		Total Funds	
		2018	2017	2018	2017	2018	2017
		£	£	£	£	£	£
INCOME AND ENDOWMENTS FROM:							
Donations and legacies	3	62,214	25,749	-	-	62,214	25,749
Charitable activities		3,758	707	-	-	3,758	707
Investments		2,694	302	-	-	2,694	302
Other		(22)	540	-	-	(22)	540
Total income and endowments		68,644	27,298	-	-	68,644	27,298
EXPENDITURE ON:							
Charitable activities	4	48,541	37,604	-	10,000	48,541	47,604
Total expenditure		48,541	37,604	-	10,000	48,541	47,604
Net income/(expenditure) before investment gains		20,103	(10,306)	-	(10,000)	20,103	(20,306)
Net gains on investments		8,247	621	-	-	8,247	621
Net movement in funds		28,350	(9,685)	-	(10,000)	28,350	(19,685)
Reconciliation of funds:							
Total funds brought forward		140,749	150,434	51,454	61,454	192,203	211,888
Total funds carried forward		169,099	140,749	51,454	51,454	220,553	192,203

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