

REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 MARCH 2019
FOR
HANDCROFT CHAPEL

Averillo & Associates
Chartered Accountants
16 South End
Croydon
Surrey
CR0 1DN

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The trustees present their report with the financial statements of the charity for the year ended 31 March 2019. The trustees have adopted the provisions of 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 2015).

OBJECTIVES AND ACTIVITIES

Objectives and aims for the public benefit

The charity is established for the advancement of the Christian religion both in South London and overseas, and secondarily for the relief of need, hardship and distress.

The Charity owns a place of worship where it provides Christian teaching available to the local community and which is also available worldwide via the website. The Charity provides ministry to young people, counselling, relief of hardship and help with spiritual needs. There is a large library of written materials and videos for downloading. Missionary visits overseas are made periodically and aid granted to Christians in poorer countries.

ACHIEVEMENT AND PERFORMANCE

The congregation has remained roughly consistent at around 85 local members but with a continued increase in the overseas membership. Our Church website is updated on a twice weekly basis and used extensively particularly by our overseas membership many of whom therefore support the charity financially. This facility is also greatly appreciated by sick or disabled members of the congregation. As well as providing church services on Sundays and Wednesdays evenings, there are also regular youth services (usually on a Saturday), Sunday School for children aged 3-11 years every Sunday, "Alpha Classes" for children aged 11-16 years as well as a crèche facility on Sundays and activities for young people arranged at intervals by the Youth Ministry Team throughout the year.

Missionary work this year has involved trips to Togo, Nigeria, Kenya, Chile and Eastern Europe as well as providing support for other inter-church meetings and conferences in Israel, Poland and Switzerland.

Handcroft Chapel's impact on the local community has principally been via the regular Sunday and Wednesday Church services and through its website but the following services continue to be provided: marriage counselling, relief for distressed families, spiritual guidance, poverty and hardship relief, the sponsoring of ministries for inter-church conferences and providing support to the elderly and sick.

FINANCIAL REVIEW

Investment policy and objectives

The trust deed authorises the trustees to make and hold investments using the general funds of the charity, but no such investments are presently held.

Reserves policy

It is the policy of the charity to maintain unrestricted funds at a level, which equates to approximately £15,000 unrestricted expenditure. This provides sufficient funds to cover management, administration and support costs. Unrestricted funds are maintained at least at this level throughout the year.

There was a surplus of £70,580 in the year.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity was established by Pastor Kevin Blewett on 4 February 1996 and is constituted by a deed of trust, and was registered with the Charity Commission in September 2000.

Recruitment and appointment of new trustees

The trustees are appointed from the membership of the church on an annual basis in accordance with the constitution.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

HANDCROFT CHAPEL

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2019

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number
1082686

Principal address
Handcroft Chapel
Sylverdale Road
Purley
Surrey
CR8 2DT

Trustees
R J McKie
A Shepherd-Prince
W W Chapman
Dr M O King
L Soosaipillai

Independent examiner
Peter Nellemose
Chartered Accountant
Averillo & Associates
Chartered Accountants
16 South End
Croydon
Surrey
CR0 1DN

Secretary
David Lees

Treasurer
Mark Njoroge

Approved by order of the board of trustees on 25 January 2020 and signed on its behalf by:

R J McKie - Trustee

Independent examiner's report to the trustees of Handcroft Chapel

I report to the charity trustees on my examination of the accounts of the Handcroft Chapel (the Trust) for the year ended 31 March 2019.

Responsibilities and basis of report

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

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

Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of Chartered Accountant which is one of the listed bodies

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 respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

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

Peter Nellemose
Chartered Accountant
Averillo & Associates
Chartered Accountants
16 South End
Croydon
Surrey
CR0 1DN

25 January 2020

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2019

	Notes	Unrestricted fund £	Restricted funds £	2019 Total funds £	2018 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies		325,585	-	325,585	218,471
Investment income	2	79	-	79	3
Total		325,664	-	325,664	218,474
EXPENDITURE ON					
Other		255,084	-	255,084	191,609
NET INCOME		70,580	-	70,580	26,865
RECONCILIATION OF FUNDS					
Total funds brought forward		716,277	125,277	841,554	814,689
TOTAL FUNDS CARRIED FORWARD		786,857	125,277	912,134	841,554

The notes form part of these financial statements

HANDCROFT CHAPEL

BALANCE SHEET
AT 31 MARCH 2019

	Notes	Unrestricted fund £	Restricted funds £	2019 Total funds £	2018 Total funds £
FIXED ASSETS					
Tangible assets	5	982,195	125,277	1,107,472	1,137,254
CURRENT ASSETS					
Debtors	6	67,780	-	67,780	66,627
Cash at bank and in hand		44,434	-	44,434	23,317
		<u>112,214</u>	<u>-</u>	<u>112,214</u>	<u>89,944</u>
CREDITORS					
Amounts falling due within one year	7	(16,316)	-	(16,316)	(18,367)
NET CURRENT ASSETS		<u>95,898</u>	<u>-</u>	<u>95,898</u>	<u>71,577</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,078,093	125,277	1,203,370	1,208,831
CREDITORS					
Amounts falling due after more than one year	8	(291,236)	-	(291,236)	(367,277)
NET ASSETS		<u>786,857</u>	<u>125,277</u>	<u>912,134</u>	<u>841,554</u>
FUNDS	10				
Unrestricted funds				786,857	716,277
Restricted funds:					
Building fund				<u>125,277</u>	<u>125,277</u>
TOTAL FUNDS				<u>912,134</u>	<u>841,554</u>

The financial statements were approved by the Board of Trustees on 25 January 2020 and were signed on its behalf by:

R J McKie -Trustee

The notes form part of these financial statements

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life.

Freehold property	- in accordance with the property
Fixtures and fittings	- 25% on cost
Equipment	- 25% on cost

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

2. INVESTMENT INCOME

	2019	2018
	£	£
Deposit account interest	<u>79</u>	<u>3</u>

3. TRUSTEES' REMUNERATION AND BENEFITS

There was no trustee's remuneration or other benefits for the year ended 31 March 2018 nor for the year ended 31 March 2017.

Trustees' expenses

None were claimed.

4. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	218,471	-	218,471
Investment income	3	-	3
Total	218,474	-	218,474
EXPENDITURE ON			
Other	191,609	-	191,609
Total	191,609	-	191,609
NET INCOME	26,865	-	26,865
RECONCILIATION OF FUNDS			
Total funds brought forward	689,412	125,277	814,689
TOTAL FUNDS CARRIED FORWARD	716,277	125,277	841,554

5. TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures and fittings £	Equipment £	Totals £
COST				
At 1 April 2018	1,134,256	62,301	92,489	1,289,046
Additions	-	2,083	1,937	4,020
At 31 March 2019	1,134,256	64,384	94,426	1,293,066
DEPRECIATION				
At 1 April 2018	50,938	18,579	82,275	151,792
Charge for year	10,833	15,573	7,396	33,802
At 31 March 2019	61,771	34,152	89,671	185,594
NET BOOK VALUE				
At 31 March 2019	1,072,485	30,232	4,755	1,107,472
At 31 March 2018	1,083,318	43,722	10,214	1,137,254

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2019

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Other debtors	<u>67,780</u>	<u>66,627</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Bank loans and overdrafts (see note 9)	16,316	16,591
Other creditors	-	1,776
	<u>16,316</u>	<u>18,367</u>

8. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2019 £	2018 £
Bank loans (see note 9)	<u>291,236</u>	<u>367,277</u>

9. LOANS

An analysis of the maturity of loans is given below:

	2019 £	2018 £
Amounts falling due within one year on demand:		
Bank loans	<u>16,316</u>	<u>16,591</u>

Amounts falling due in more than five years:

Repayable by instalments:		
Mortgage	<u>291,236</u>	<u>367,277</u>

10. MOVEMENT IN FUNDS

	At 1.4.18 £	Net movement in funds £	At 31.3.19 £
Unrestricted funds			
General fund	716,277	70,580	786,857
Restricted funds			
Building fund	125,277	-	125,277
	<u>841,554</u>	<u>70,580</u>	<u>912,134</u>

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2019

10. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	325,664	(255,084)	70,580
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u>325,664</u>	<u>(255,084)</u>	<u>70,580</u>

Comparatives for movement in funds

	At 1.4.17 £	Net movement in funds £	At 31.3.18 £
Unrestricted Funds			
General fund	689,412	26,865	716,277
Restricted Funds			
Building fund	125,277	-	125,277
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u>814,689</u>	<u>26,865</u>	<u>841,554</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	218,474	(191,609)	26,865
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u>218,474</u>	<u>(191,609)</u>	<u>26,865</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.4.17 £	Net movement in funds £	At 31.3.19 £
Unrestricted funds			
General fund	689,412	97,445	786,857
Restricted funds			
Building fund	125,277	-	125,277
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u>814,689</u>	<u>97,445</u>	<u>912,134</u>

10. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	544,138	(446,693)	97,445
	<u>544,138</u>	<u>(446,693)</u>	<u>97,445</u>
TOTAL FUNDS	<u>544,138</u>	<u>(446,693)</u>	<u>97,445</u>

11. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2019.