

Beeston Free Church Nottingham

Trustees Annual Report and Financial Statements April 2016 - March 2017

Beeston Free Church

Salthouse Lane

Beeston

Nottingham

NG9 2FY

Registered Charity Number 116 0335

Overview

The Trustees present their annual report and financial statements of the charity for the year ended 31 March 2017. It contains the following items:

- The annual report of the charity explaining the activities undertaken in the year, how the charity met its public benefit objectives and the way the church is managed.
- The annual financial report for the financial year ended 31st March 2017, the required statements and notes to the accounts.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 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 for Smaller Entities published on 16 July 2014.

Objectives and Activities

Beeston Free Church Nottingham is situated in south-west Nottingham just a few hundred metres away from the University of Nottingham campus and close to University Hospital Nottingham. The church is a large community-based church which is focused on serving all ages. We are a member of the Fellowship of Independent Evangelical Churches and have adopted the FIEC's Basis of Faith as the theological basis of our work.

The activities of the church involve the promotion of our beliefs and reaching out to our community and beyond, providing care and sharing our faith. The trustees of Beeston Free Church Nottingham confirm they have had regard for the Charity Commission's guidance on public benefit and believe they have met the legal requirement of S17 of the Charities Act 2011.

Objectives

The charitable objectives are:-

- 1) The advancement of the Christian faith in accordance with the basis of faith primarily but not exclusively within Beeston, Nottinghamshire and the surrounding neighbourhood; and
- 2) Such other charitable purpose as shall, in the opinion of the charity trustees, further the work of the church.

Aims

Our vision: Glorifying God through lives transformed by the gospel

Our values: Loving God, loving the gospel, loving the church

Beeston Free Church Nottingham

Registered Charity Number 1160335

Our initiatives aim to: reach our locality, reach the nations and reach our hearts

Significant activities during the year

Christian celebration on Sunday mornings and evenings with music, singing, praying and preaching, followed by a social time.

Activities and Bible teaching classes for children aged 0-11 alongside the Sunday morning services.

Provision of children's and youth groups for 5-18 year olds on weekdays.

Provision of a community group for children under 5 and their carers.

Provision of activities and groups for both UK and international students.

Provision of teaching courses on Sundays and during the week for those seeking to learn more about the Christian faith.

An extensive programme of bible study groups, social groups and training involving the volunteers who lead and support these groups

Financial, prayer and pastoral support for overseas workers and their families who teach and care for people in other countries.

Activities that further the charity's objectives

Use of the Church Building

The church building on Salthouse Lane, Beeston is used in a wide variety of ways to support the work of the church. The local community are welcomed into the building for many of the activities.

Sundays

On Sundays the congregations at each of the worship services continue to grow, with around 500 people attending each week. Alongside the services a growing work amongst children and young people takes place.

Occasional special events, such as World Mission Sunday, make full use of the church building for both meetings and meals.

In addition, on Sunday evenings, a group for students and young workers meets for food, Bible study and reflection.

Weekdays

The church is in use for almost every morning and evening, with regular groups such as a carer and toddler group, a ladies Bible study group, a group for the retired, groups for international students and many groups for children and young people, making full use of all the rooms in the building.

Many other events take place in the church building throughout the year including holiday activities for the retired and for children, courses about subjects such as money

management and the Christian faith, social evenings with food and speakers for men and ladies and special events for Christmas.

A number of events were hosted to support churches and Christian organisations locally, regionally and nationally.

Raising Awareness and understanding our faith

At the centre of all we do as a church is the teaching of the Bible and encouragement of faith in Jesus. Some of the ways this has been done over the past year include:-

Sunday services: during the school term three services take place each Sunday, at 9:15am, 11:15am and 6:30pm, during the school holidays, services take place at 10:30am and 6:30pm. Alongside the services groups for children aged 0-11 meet.

A service also takes place at 10am every Sunday morning in Trent Vale Infant School in Beeston Rylands.

Each week a number of Bible study groups meet, in the church building and in local homes.

Weekly activities for children and young people aged 0-18, from the church and the local community, provide care, teaching and fun activities.

Throughout the year courses run and individuals meet together to work through courses such as Christianity Explored to help explain our faith to those who are interested. As a result a number of new believers have joined the church.

A team of volunteers continue to spend time in Beeston town centre on a Saturday morning, engaging with the local community and seeking to share our faith.

During the year we have employed 4 ministry staff and a number of ministry trainees. The trainees are involved in a wide range of ministry and practical tasks around the church, alongside receiving theological training at the Midland Ministry Training Course, run by the Midlands Gospel Partnership.

Encouraging Mission and Outreach

Beeston Free Church Nottingham remains committed to being outwardly focused, reaching out within the local community, more broadly in the UK and through supporting international mission.

The congregation of Beeston Free Church Nottingham, known as Rylands Community Church, has continued to meet at Trent Vale Infant School during the year. A community fair, ran in conjunction with the school, was well attended by the local community and relationships with those in the local area continue to be built.

Outreach events are held throughout the year, both in the church building and elsewhere in the local area, to which the congregation are encouraged to invite friends and family; this has included social evenings for ladies, men's evenings with food and speakers, a summer holiday club for children, a holiday activities day for the retired and special Christmas services.

Work amongst internationals, particularly students from the University of Nottingham, is a large and growing part of the work of the church. A variety of groups and activities for international students and their families meet in the church building each week; day trips and weekends away are also organised regularly.

We continue to support a number of mission partners and associates, working in the UK and internationally and have established relationships with a number of mission organisations.

Communicating our Faith and purpose

Communicating our faith is a key part of our activities as a church. Many of our activities seek to provide opportunities for those in the local community and beyond to hear the gospel and build the faith of those who believe.

Many of the events already mentioned provide opportunity for us to communicate our faith with those around us including musical events, food events with speakers, special events to celebrate Christmas, taking part in community events such as the carnival and our choir carol singing in Beeston Square.

Grant making

One of the ways in which the church fulfils its charitable purposes is through the making of grants to projects which seek to advance the Christian faith within the local community and across the world. The trustees are committed to carrying out due diligence to ensure that funds are applied in accordance with the charity's charitable purposes and funds are not knowingly used for money laundering, terrorist financing or bribery. A policy governing the awarding of grants was approved in February 2016.

Volunteers

The large number of volunteers within the church help in every aspect of the church's work. The majority of our members and many of the congregation partner together in our ministries and in practical ways. The trustees recognise that without this many of the church's activities could not take place.

Achievements and performance

The church has continued its programme of preaching, Bible teaching and support activities on Sundays. There is considerable additional teaching in small groups during the week.

The church has continued its programme of regular services and Bible teaching on a Sunday along with a number of support activities during the week.

The church supports a number of local, national and international initiatives to care for those in need and to advance the Christian faith.

During the year, there have been a number of staff changes. Dave Bish was appointed to be a new associate minister with particular responsibility for students and small groups which meet midweek. Dave also teaches regularly on a Sunday. Steve Baraniak was appointed as an assistant minister, continuing his responsibility with the congregation meeting in Beeston Rylands. Recruitment for a youth and children's worker did not lead to an appointment and this is currently on hold while the church explores opportunities to grow the work. Two individuals now volunteer a day a week, one focused on activities with children and one in an intern role focused on biblical counselling.

During the summer of 2016, the church pursued an opportunity to purchase a nearby site where a school was closing. After a significant amount of investigation, a decision was made to

bid for the site and members made financial pledges of support. However our bid for the site was unsuccessful. Since that point the church has been considering various options to expand the space for ministry, as building capacity continues to be under strain both on a Sunday and during the week.

Support has continued for a number of existing mission partners who have been serving in various locations around the world. Some have changed the focus of their work during this past year but continue to be supported by the church. Two more couples have been set apart for overseas ministry – one couple carrying out language training in France before heading to Madagascar for medical work and one more couple making preparations to serve in the Middle East. Discussions are continuing with another lady within the church about mission possibility within Africa.

Financial review

Analysis of income

Donations to the general fund have increased by 4.5% compared to last year (2015/16 £355k, 2016/17 £371k). Other income has decreased mainly because of reduced rent for the carpark and less conference fees (matched by less expenditure).

Restricted fund giving varies year on year depending on the funds supported. This year has seen a reduction in the amount in the Baraniak fund as Steve Baraniak was appointed an assistant minister, so the fund now covers his study costs. This year the trainees have been particularly successful in their fundraising efforts.

Analysis of Expenditure

Total costs to the general fund increased this year by 6.5% on last year (2015/16 £334k, 2016/17 £356k) due to higher staff costs (with increased staff numbers), increased support for UK and International mission and investigations into property development.

Reserves

The trustees set an agreed budget each financial year. The operations manager has authority, with relevant consultation with the Treasurer, to work within this budget. Expenditure outside the budget must be brought before the trustees.

The trustees plan to hold the equivalent of two - three months funds in reserve in cash at the bank and in interest bearing deposit accounts.

The trustees manage the finances of the church to ensure that the financial support of the members and other givers is used to further the charitable purposes of the church. Where the reserves of the church rise above the targeted level the trustees will take action to use the surplus in connection with those purposes. If the trustees know of future costs that justify higher than the policy level of reserves these will be explained in the quarterly management accounts, the year-end report, and will be reported to the church meeting.

At the end of the year the general fund reserve fund stood at £178k. This is 4.8 months cover for the general fund expenses. Whilst this is above the trustees reserve target it is recognised that

whilst exploration is ongoing of growth opportunities it is appropriate to hold additional reserves to cover costs of a future project.

Budget 2017-2018

A budget was presented to the church members at their March meeting and was approved. Income to the general fund for 2017/18 is forecast to be £382k. This comprises of donations of £354k, charitable activities of £12k, transfers from other funds of £14k and activities for generating funds of £2k. It is assumed that giving for the year will remain stable with new givers to replace leavers like for like during the year.

Spending from the general fund for 2017/18 is forecast to be £386k. This comprises of staff costs of £240k, International and UK mission costs of £39k, Ministry of Beeston costs of £29k. Property and utilities costs of £19k, administration and repair costs of £18k, property development costs of £30k and other costs of £11k.

Spending will exceed giving by £4k.

Budget costs include:

- John Goodwin becoming an assistant minister from September 2017
- Three trainees from September 2017.
- Some costs included to cover exploring property development
- Possible new mission partners from September 2017

The implications of the budget plans are that reserves will remain broadly stable at around 4.8 months.

Investment Policy

No long term investments are held by the church as the trustees believe the church's ongoing giving and income is very stable and the trustees consider that it would be possible to take fundraising or cost saving action in good time should it be necessary. The church's reserves are held in interest bearing instant access or short notice deposit accounts with reputable financial institutions registered with FCS compensation scheme.

Risks and uncertainties

The church, and it's trustees, are potentially at risk from a number of sources. These risks are managed so as not to expose them to undue risk and trustees are kept informed so that they are able to deal with any situations that may arise. Risks are assessed and mitigated against on an ongoing basis. During the reporting period a Risk Management Policy was approved by the trustees.

A new biannual risk analysis was completed in February 2017 and will be regularly reviewed by the trustees.

Due regard is given to Data and Copyright Protection to ensure that all current regulations are met. A review of the data held by the church was completed in February 2017. Systems are being put in place to ensure the church complies with the new General Data Protection Regulations coming into force in 2018.

The future

In the coming year the church hopes to:-

- To continue to explore the opportunities for increasing capacity for more people to connect to activities of the church – this may include a move of location, creating a new congregation or church, developing the existing site or increasing the number of Sunday meetings on the Salthouse Lane site.
- Clarify the future staff requirements in the light of the agreed plan to increase capacity.
- Send one couple to the Middle East for overseas mission. Further explore with one lady about overseas mission for 2018. Work with a number of others at an earlier stage of exploring overseas mission.

In addition, John Goodwin has been a minister in training will come to the end of his training and will become an assistant minister from September 2017.

Structure, governance and management

Beeston Free Church Nottingham is a Charitable Incorporated Organisation (CIO) registered in February 2015.

The church is governed by a Constitution and Rules. The church is a member of the Fellowship of Independent Evangelical Churches (FIEC) and the Midlands Gospel Partnership.

Church membership

Church membership is open to Christians who are willing to be in active partnership with the church in the work of the gospel. At the year-end church membership stood at 229. The church members meet four times each year to conduct business meetings.

Organisational structure

The church membership elects, from its number, individuals to serve as church officers, who form the trustee body. These officers are Elders, Deacons, a Church Secretary and a Treasurer. The elders and deacons are appointed for a term of three years, which can be renewed for a further three years before a period of at least year must pass before the individual becomes eligible to stand again. The secretary and treasurer are appointed annually by the church members.

The Elders are responsible for doctrinal integrity, policy and strategy. The Deacons are responsible for practical matters. The Employment and Audit Committee meet as a sub-committee of the trustee body and includes all unpaid / unconnected members of the trustees; they consider all matters related to employment and other areas where paid or connected trustees may have a conflict of interests.

The trustees meet at least four times each year and have overall responsibility for the operation and leadership of the church. The trustees draw up policies and procedures within which they and the staff operate and make decisions. The trustees delegate much of the day to day responsibilities to the church staff team.

Staff

The church employs a number of staff; during the year the staff team has been:

- George Hawkins *Senior Minister*
- Dave Bish *Associate minister (from August 2016)*
- Steve Baraniak *Assistant minister (from September 2016, previously a Minister in training)*
- John Goodwin *Minister in Training*
- Becky Thomas *Operations Manager*
- Ele Hawkins *Administrator*
- Ruth Evans *Finance Officer*

All decisions on staff remuneration and pay are made by the Employment and Audit Committee with reference the Remuneration Policy agreed by the committee in March 2015.

Trainee scheme

The trainee scheme, a yearlong discipleship programme, has continued with two trainees. In the academic year 2015-16, Daniel Robertson and Katherine Wiltshire were trainees. In the 2016-17 academic year Simon Evans and Tom Willis are serving as trainees.

In addition, a part time, volunteer intern scheme enables individuals to offer approximately two days a week of volunteering in the church alongside participating in some of the training offered to ministry trainees. Elliot Hyliger is serving as an intern in the 2016-2017 academic year.

Reference and administrative details

Charity Name: Beeston Free Church Nottingham
Registered Charity Number: 1160335
Charity's principal address: Salthouse Lane, Beeston, Nottingham, NG9 2FY

Names of the trustees who manage the charity and their dates of appointments or resignation if not serving for the full reporting period:

Stuart Barlow	Chair	
George Hawkins	Chair of Elders	
David Gilkerson		
Jonathan Chambers	Chair of Employment and Audit Committee (from February 17)	<i>Appointed July 2016</i>
Philip Robinson	Secretary to Elders	
	Chair of Employment and Audit Committee (June 2016-January 2017)	<i>Retired June 2016</i>
Daniel Goddard		<i>Resigned June 2016</i>
Edward Watts		
Richard Graham	Treasurer	
Peter Woodroffe		<i>Resigned June 2016</i>
Rachel Mills	Secretary to the Employment and Audit Committee	
Grace Aldis		
Stephen Cragg		
Malcolm Dunkley		<i>Resigned June 2016</i>
Neil Johnson		
Rebecca Thomas	Secretary	
David Bish		<i>Appointed August 2016</i>
Stephen Baraniak		<i>Appointed July 2016</i>

Names and addresses of advisers:

Independent examiner: Mrs D.J. Lockwood ACA, FCCA. Ling Phipp, Chartered Accountants and Registered Auditors, Cliffe Hill House, 22-26 Nottingham Road, Stapleford, Nottingham, NG9 8AA

Bankers: Yorkshire Bank, 11 Smithy Row, Nottingham, NG1 3EJ (Closed Jan 2017)
CAF Bank, 25 Kings Hill Avenue, Kings Hill, West Malling, Kent, ME19 4TA
Stewardship, 1 Lamb's Passage, London, EC1Y 8AB
Kingdom Bank, Ruddington Fields Business Park, Mere Way, Ruddington, Nottingham, NG11 6JS

Legal: FIEC Practical Services, 39 The Point, Market Harborough, LE16 7QU

Names of senior staff members:

George Hawkins is the Senior Minister and leads the staff team.

Becky Thomas is the operations manager with day to day responsibility for accounting and compliance matters.

People

Richard Graham has been the church's treasurer. His role has included the supervision and oversight of the work of the operations manager relating to financial reporting and management. The trustees are very grateful to Richard for all of his work in this area.

Zena Schofield has been serving one day per week as a Biblical Counselling Intern since September 2016, as part of Biblical Counselling UK's intern scheme. Zena has been meeting with individuals and providing training to leaders within the church. The trustees are very grateful to Zena for her work in this area.

Signed on behalf of Beeston Free Church Nottingham

Stuart Barlow
Chair of Trustees

Richard Graham
Treasurer

Date

Date

Independent Examiner's Report

I report on the accounts of the charity for the year ended 31st March 2017 which are set out on pages 13-26.

Respective responsibilities of the trustees and the examiner:

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 ("the Charities Act") and that an Independent examination is needed. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of The Institute of Chartered Accountants in England and Wales.

Having satisfied myself that the charity is not subject to audit and is eligible for independent examination then it is my responsibility to:

- Examine the accounts under section 145 of the Charities Act
- To follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the 2011 Act, and
- To state whether particular matters have come to my attention

Basis of Independent Examiner's statement:

My examination was carried out in accordance with general Directions given by the Charity Commissioner. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a "true and fair" view and the report is limited to those matters set out in the statement below.

Independent Examiner's Statement:

In connection with my examination no matter has come to my attention

1. Which gives me reasonable cause to believe that in, any material respect, the requirements:
 - a. To keep accounting records in accordance with section 130 of the Charities Act; and
 - b. To prepare accounts which accord with the accounting records and to comply with the accounting requirements of the Charities Act have not been met; or
2. To which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Signed:

Date:

**Name: Mrs D J Lockwood FCCA ACA
Ling Phipp Chartered Accountants and Registered Auditors
Cliffe Hill House, 22-26 Nottingham Road, Stapleford, Nottingham, NG9 8AA**

**Statement of Financial Activities
For the Year Ended 31 March 2017**

	<u>Note</u>	<u>Unrestricted Funds</u> £	<u>Restricted Funds</u> £	<u>Total Funds 2016/17</u> £	<u>Total Funds 2015/16</u> £
Income					
Donations and Legacies	3	371,264	29,098	400,362	*1,217,520
Activities for Generating Funds	4	3,413	-	3,413	7,841
Investment Income		626	-	626	639
Charitable Activities	5	12,167	2,229	14,396	20,068
Total Income		<u>387,470</u>	<u>31,327</u>	<u>418,797</u>	<u>1,246,068</u>
Expenditure					
Charitable Activities					
Operation of Beeston Free Church Nottingham and delivery of Mission Costs	6	353,674	28,231	381,905	393,743
Cost of Raising Funds		596	-	596	1,291
Total Expenditure		<u>354,270</u>	<u>28,231</u>	<u>382,501</u>	<u>395,034</u>
Net Income/ (Expenditure)		33,200	3,096	36,296	851,034
Transfer Between Funds	16	<u>5,583</u>	<u>(5,583)</u>	-	-
Net Movement in Funds		38,783	(2,487)	36,296	851,034
Reconciliation of Funds					
Total Funds Brought Forward		<u>145,298</u>	<u>705,736</u>	<u>851,034</u>	-
Total Funds Carried Forward	16	<u>184,081</u>	<u>703,249</u>	<u>887,330</u>	<u>851,034</u>

* On the 1 April 2015 the entire assets and liabilities of the charity Beeston Free Church (registration number 1128588) were transferred to a newly formed Charitable Incorporated Organisation known as Beeston Free Church Nottingham (registration number 1160335)

Balance Sheet
As at 31 March 2017

	<u>Note</u>	<u>Unrestricted</u> <u>Funds</u> <u>£</u>	<u>Restricted</u> <u>Funds</u> <u>£</u>	<u>Total Funds</u> <u>2016/17</u> <u>£</u>	<u>Total Funds</u> <u>2015/16</u> <u>£</u>
Fixed Assets	13				
Tangible Assets		17,859	689,101	706,960	720,145
Total Fixed Assets		17,859	689,101	706,960	720,145
Current Assets					
Cash at bank and in hand		169,760	14,039	183,799	161,635
Debtors	14	8,975	109	9,084	7,369
Total Current Assets		178,735	14,148	192,883	169,004
Liabilities					
Creditors falling due within 1 year	15	12,513	-	12,513	19,115
Net Current Assets		184,081	703,249	887,330	870,034
Total Assets less current liabilities					
Creditors: Amounts falling due after more than one year	15	-	-	-	19,000
Net Assets		184,081	703,249	887,330	851,034
The Funds of the Charity					
Unrestricted				184,081	145,298
Restricted				703,249	705,736
Total Charity Funds	16			887,330	851,034

The notes on pages 15 to 26 form part of these accounts

**Notes to the Accounts
For the Year Ended 31 March 2017**

1. Basis of Preparation and assessment of going concern

The accounts (financial statements) have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in UK and Republic of Ireland (FRS102) published on 16 July 2014, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), and the Charities Act 2011. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The charity constitutes a public benefit entity as defined by FRS102.

Reconciliation with the previous generally accepted accounting practice

In preparing the financial statements, the Trustees have considered whether in applying the accounting policies required by FRS102 and the Charities SORP FRS102 a restatement of comparative items was needed:

No restatements were required.

The Trustees' consider that there are no material uncertainties about the charity's ability to continue as a going concern.

2. Accounting Policies

a) Incoming Resources:

Recognition of Incoming Resources

These are included in the statement of Financial Activities (SoFA) when:

- the charity becomes entitled to the resources;
- the trustees are virtually certain they will receive the resources; and
- the monetary value can be measured with sufficient reliability.

Incoming Resources with Related Expenditure

Where incoming resources have related expenditure (as with fundraising or contract income) the incoming resources and related expenditure are reported gross in the SoFA.

Grants and Donations

Grants and donations are only included in the SoFA when the charity has unconditional entitlement to the resources.

Tax Reclaims on Donations and Gifts

Gift aid receivable is included in income where there is a valid declaration from the donor. Any Gift Aid amount recovered on a donation is considered to be part of that gift and is treated as an addition to the same fund as the initial donation unless the donor or terms of the appeal have specified otherwise.

Contractual Income and Performance Related Grants

This is only included in the SoFA once the related goods and services have been delivered.

Gifts in Kind

Gifts in kind are accounted for at a reasonable estimate of their value to the charity or the amount actually realised.

Gifts in kind for sale or distribution are included in the accounts as gifts only when sold or distributed by the charity.

Gifts in kind for use by the charity are included in the SoFA as incoming resources when receivable.

Donated Services and Facilities

These are only included in incoming resources (with an equivalent amount in resources expended) where benefit to the charity is reasonably quantifiable, measurable and material. The value placed on these resources is the estimated value to the charity of the service or facility received.

Volunteer Help	The value of any voluntary help received is not included in the accounts but is described in the trustees' annual report.
Investment Income	This is included in the accounts when receivable.
Investment Gains and Losses	This includes any gain or loss on the sale of investments and any gain or loss resulting from revaluing investments to market value at the end of the year.

b) Expenditure and Liabilities

Liability Recognition	Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to pay out resources.
Grants	<p>The grants given by the charity are voluntary payments made by the charity to further the purpose of the charity by grant making to either a person or an institution. Grant payments may be made to fund the general purposes of, or for a specific purpose of, for example funding a particular activity or service.</p> <p>The costs are shown within the charitable activities and details are given within the notes to the accounts.</p>
Grants with Performance Conditions	Where the charity gives a grant with conditions for its payment being a specific level of service or output to be provided, such grants are only recognised in the SoFA once the recipient of the grant has provided the specified service or output.
Grants Payable without Performance Conditions	These are only recognised in the accounts when a commitment has been made and there are no conditions to be met relating to the grant which remain in the control of the charity.
Irrecoverable VAT	Irrecoverable VAT is charged against the expenditure heading for which it was incurred.
Funds Received as Agent	These amounts are shown with note 7 and do not form part of the charity income. Amounts are collected on behalf of other charities and passed over to them entirely. These are short term projects, on which gift aid tax relief is not claimed by Beeston Free Church Nottingham.
Fund Accounting	<p>Unrestricted funds can be used in accordance with the charitable objects at the discretion of the trustees.</p> <p>Restricted funds can only be used for the particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when the funds are raised for a particular purpose.</p>

c) Assets

Tangible Fixed Assets for use by the Charity	These are capitalised if they can be used for more than one year, and cost at least £500. They are valued at cost or a reasonable value on receipt. The rates of depreciation charges are: Freehold land and building SL 2% per annum, fixtures, fittings and equipment SL 10% per annum, electronic and audio visual equipment SL 25% per annum.
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d) Pension Costs	The charity operates a defined contribution pension scheme. Contributions payable to the charity's scheme are charged to the statement of financial activities in the period to which they relate.
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e) Holiday Pay / Sabbatical Leave Beeston Free Church Nottingham	Provision is made within the accounts to include a liability as incurred for Registered Charity Number 1160335
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holiday pay.

From time to time sabbatical leave is taken by employees but this is at the discretion of the trustees and is not a contractual obligation.

f) Lease Commitment

Lease payments are charged to the statement of financial activities as incurred.

Notes to the Accounts
For the Year ended 31 March 2017 (continued)

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total</u> <u>2016/17</u>	<u>Total</u> <u>2015/16</u>
3. Donations and Legacies				
Transfer of Assets of Beeston Free Church				809,683
Gift Aid Donations	316,921	14,881	331,802	342,036
Small Gift Scheme	4,078	-	4,078	5,755
Donations	49,955	14,217	64,172	58,946
Grants and Gifts from other Charities	310	-	310	1,100
	<u>371,264</u>	<u>29,098</u>	<u>400,362</u>	<u>1,217,520</u>
4. Activities for Generating Funds				
Books and Audio Sales	403	-	403	815
Photocopying Receipts	1,060	-	1,060	1,176
Rental of Car Park	1,950	-	1,950	5,850
	<u>3,413</u>	<u>-</u>	<u>3,413</u>	<u>7,841</u>
5. Charitable Activities - Income				
Operation of Beeston Free Church				
Nottingham and delivery of mission costs				
Under 5's Income	-	523	523	454
Tuesday Fellowship Income	-	1,706	1,706	1,750
Alta Vista	3,409	-	3,409	3,001
Events and Conference Fees	1,786	-	1,786	7,612
Discoveries	540	-	540	2,840
Internationals	1,172	-	1,172	851
Students	5,260	-	5,260	3,560
	<u>12,167</u>	<u>2,229</u>	<u>14,396</u>	<u>20,068</u>
6. Charitable Activities - Expenses				
Total Staff Costs (note 8 & 10)	196,913	5,323	202,236	208,535
International and UK Mission (note 12)	40,824	1,807	42,631	54,040
Ministry of Beeston	27,399	2,116	29,515	32,912
Property and Utilities	19,036	-	19,036	17,156
Administration	21,593	-	21,593	13,624
Compliance and Membership	7,424	200	7,624	6,551
Finance Depreciation and Miscellaneous	11,449	18,785	30,234	22,775
Support / Governance Costs (note 8 & 10)	29,036	-	29,036	38,150
	<u>353,674</u>	<u>28,231</u>	<u>381,905</u>	<u>393,743</u>

Notes to the Accounts
For the Year ended 31 March 2017 (continued)

7. Funds received as agent

Description	Related party	<u>Amount received</u>		<u>Amount paid out</u>		<u>Balance held at period end</u>	
		<u>2016/17</u>	<u>2015/16</u>	<u>2016/17</u>	<u>2015/16</u>	<u>2016/17</u>	<u>2015/16</u>
		<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Friends of Mandritsara	No	-	50	-	50	-	-
Samaritans Purse	No	233	298	233	298	-	-
FIEC Training Fund	No	130	-	130	-	-	-
SIM	Yes (note 18b)	5,392	-	5,392	-	-	-
Total		5,755	348	5,755	348	-	-

8. Analysis of Governance and Support Costs held within Charitable Activities

The charity initially identifies the costs of its support functions. It then identifies those costs which relate to the governance function. Governance costs and other support costs are apportioned separately between the charitable activities undertaken (see note 6) in the year. Refer to the table below for the basis of apportionment and the analysis of support and governance costs

	<u>Charitable Activities</u>	<u>Support/ Governance Function</u>	<u>Total 2016/17</u>	<u>Total 2015/16</u>	<u>Basis of Apportionment</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>	
Salaries, Wages and Related Costs	179,373	9,062	188,435	197,178	Allocated on time
Administration	22,863	18,642	41,505	45,147	Allocated on time
Statutory Fees (note 9)	-	1,200	1,200	3,900	Governance
Legal and Other Professional Fees	-	132	132	460	Governance
Total	202,236	29,036	231,272	246,685	

9. Statutory Fees

In 2017 an Independent Examination was undertaken for a fee of £1200. In 2016 an audit was required for a fee of £2,700 and additional accounting service of £1,200.

Notes to the Accounts
For the Year ended 31 March 2017 (continued)

10. Analysis of Staff Costs

a) Staff Costs

	2016/17	2015/16
	£	£
Gross Wages, Salaries and Benefits in Kind	172,604	178,981
Employers National Insurance Costs	6,311	9,621
Pension Costs (note 11)	23,684	30,196
All other staff related Costs	27,341	23,527
Total Staff Costs	229,940	242,325
Allocation of Staff Costs:-		
Charitable Activities	188,435	197,178
Administration	41,505	45,147
	229,940	242,325

b) Average Number of Full-time Equivalent Employees in the Year

	2016/17	2015/16
Ministry	3.7	3.9
Management	0.6	0.5
Administration	0.8	1.3
Trainees	2	2
Total	7.1	7.7

No employees received emoluments (excluding employee pension costs) of more than £60,000.

11. Pension Costs

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund and are administered by Royal London. The pension cost charge represents contributions payable by the charity to the fund and totalled in the year £23,684 (2016 £30,196)

Notes to the Accounts
For the Year Ended 31 March 2017 (continued)

12. Grant Making

a) Total Value of Grants (Included within cost of International and UK Mission)

<u>Purpose for which grant is made</u>	<u>Grants to Institutions International Mission</u>	<u>Grants to Institutions UK Mission and training</u>	<u>Grants to individuals</u>	<u>Total Amount</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Mission Support	32,735	7,761	1,806	42,302

b) Grants made to Institutions

<u>Name of UK based Institutions</u>	<u>Purpose</u>	<u>Total Amount of Grants Paid £</u>
International Mission		
Wycliffe Bible Translators	Support of Andre and Julie Bailey	4,006
AWM	Support of Fred and Jo Cavill	1,106
AIM	General fund support	1,339
UFM	Support of Jonathan and Dawn Clark	10,250
UFM	Support of Johnny and Ann McClean	2,197
SIM	Support of Ted and Rachel Watts	840
WEC	Support of Chris and Staci Ochs	2,197
UFM	Support of Jonathan and Clare Skipper	10,800
UK Mission and training		
Christchurch Fulwood	Support of Ben Shaw	720
Friends International	Nottingham fund support	1,730
UCCF	Support of Staff worker - Helen Taylor	1,886
TLG	Partnership subscription to offer TLG Early intervention coaching services	1,425
Cross Teach	Support of Debs Hunt	2,000

c) Grants made to individuals

<u>Name of Individual</u>	<u>Purpose</u>	<u>Total Amount Paid</u>
		<u>£</u>
Rebecca Rhodes	Reimbursement of expenses for short term mission at Lamb Hospital, Bangladesh	1,806

Discretionary grants totalling £329 were made. Only individual gifts of more than £500 are considered material and listed.

Notes to the Accounts
For the Year Ended 31 March 2017 (continued)

13. Tangible Fixed Assets

a) Cost or Valuation

	<u>Freehold Land and Buildings</u>	<u>Fixtures, Fittings and Equipment</u>	<u>Electronic and Audio Visual Equipment</u>	<u>Total 2016/17 £</u>
Additions – costs trf	931,863	109,092	59,688	1,100,643
Additions – in year	-	6,146	4,581	10,727
Disposals	-	-	-	-
Balance Carried Forward	931,863	115,238	64,269	1,111,370

b) Accumulated Depreciation and Impairment Provisions

	<u>SL 2% SL 50 years</u>	<u>SL 10% SL 10 years</u>	<u>SL 25% SL 4 years</u>	<u>Total 2016/17 £</u>
Depreciation - Trf	224,126	102,952	53,420	380,498
Depreciation charge for the year	18,636	1,349	3,927	23,912
Disposals	-	-	-	-
Balance Carried Forward	242,762	104,301	57,347	404,410
Net Book Value Carried Forward at 31.3.17	689,101	10,937	6,922	706,960

The land and building were transferred by charity deed in 2016 and have an insurance value of £1.5 million.

14. Debtors and Prepayments

	<u>2016/17 £</u>	<u>2015/16 £</u>
Prepayments and Accrued Income	9,084	7,369
Total	9,084	7,369

15. Creditors and Accruals

<u>Analysis of Creditors</u>	<u>Amounts Falling Due within one year</u>		<u>Amounts Falling due after more than one year</u>	
	<u>2016/17 £</u>	<u>2015/16 £</u>	<u>2016/17 £</u>	<u>2015/16 £</u>
Loans and Overdrafts	-	6,000	-	19,000
Accruals and Deferred Income	12,513	13,115	-	-
Total	12,513	19,115	-	19,000

The loan provided by the FIEC was given in 2009 to Beeston Free Church and transferred to Beeston Free Church Nottingham and was repaid in full in October 2016.

Notes to the Accounts
For the Year ended 31 March 2017 (continued)

16. Fund Details

<u>Restricted Funds</u>	<u>Note</u>	<u>Incoming</u>	<u>Outgoing</u>	<u>Funds at 1.4.2016</u>	<u>Transfers</u>	<u>Funds at 31.3.2017</u>
Training	1	15,522	450	6,130	(15,965)	5,237
Building	2	-	18,775	682,737	25,139	689,101
Tuesday Fellowship	3	1,706	1,774	666	(200)	398
Under 5s	4	523	353	197	(100)	267
Baraniak	5	2,190	1,953	5,535	(3,621)	2,151
Goodwin	6	9,693	3,120	10,471	(10,949)	6,095
STERM	7	1,693	1,807	-	114	-
		31,327	28,231	705,736	(5582)	703,249
Unrestricted Funds		387,470	354,270	145,248	5,582	184,081
Overall Total 31.3.17		418,797	382,501	851,034	-	887,330

Details of Funds Held

1. **Training**
 - **For the personal support of Trainees in the Beeston Free Trainee Scheme**
This fund is to help defray the cost of employing our trainees each year. Trainees are encouraged to fund raise as part of their training. This both enables them to experience the challenges of raising personal support which is an almost inevitable activity for those continuing in Christian work and enables home churches, friends and families to partner with us in the support of the trainees during the year they are working and serving with us. During the financial year the trainees raised over £15,000 towards their support. This academic year's trainees are Simon Evans and Tom Willis. The fund balance stands at over £5,000 and this will be used to help cover their employment and training costs in the next 4 months. During the year £15,900 was transferred to the general fund to help offset the expenses incurred in running the training scheme.
2. **Building**
 - **For the holding property assets**
3. **Tuesday Fellowship**
 - **For the Tuesday Fellowship group**
Tuesday Fellowship is a mid-week group for the retired. Each meeting they take a collection which is used to cover expenses of visiting speakers, the group's expenses and donations to charities that the group chooses to support. This year they have given to the Railway Mission, Our Daily Bread Ministries, Agape Ministries, The Lodge Trust, Friends International, SASRA, SIM UK (for support of Ted and Rachel Watts) and the Gideons
4. **Under 5s**
 - **For the Under 5's group**
Under 5's is a group for parents/carers and under 5's that meets on a Monday morning during term time in the church halls. Small contributions are taken each week, which are used for refreshments, toys and craft supplies. They also make a contribution to the general fund of the church for the use of the building.
5. **Baraniak**
 - **For the training costs of Steve Baraniak (Assistant Minister)**
This fund was established to support Stephen Baraniak during his time as a minister in training as he worked to help set up the new congregation in Beeston Rylands and studied with the distance learning programme of RTS. The fund covers theological college fees and also subsidised his salary and benefits in the first three years. The fund balance is now just over £2,000 and £2,000 has been given to the fund this year.

This fund will continue to cover Steve's tuition fees.

**Notes to the Accounts
For the Year ended 31 March 2017 (continued)**

6. **Goodwin** - **For the personal support and training costs of John Goodwin (Minister in Training).**
John Goodwin joined the church in September 2015 as a minister in training to work among international students and lead on evangelism, alongside studying with the Porterbrook Network. This fund was established to cover the costs of theological study and the associated employment costs related to study time. The fund balance is now just over £6,000, with £9,600 given to the fund this year.
7. **STERM** - **For the support of short term mission**
This fund is to support Rebecca Rhodes, one of our church members, on a short term mission trip working at the Lamb hospital in Bangladesh.

A number of transfers were made to and from the general fund to mission personal support funds for both support costs and administrative charges in line with the trustees' policies. The Under 5's and Tuesday Fellowship make small contributions to the running costs of the church and these are reflected in inter fund transactions but not noted above.

17. Analysis of Net Assets by Fund

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total Funds 2017</u>	<u>Total Funds 2016</u>
Fixed Assets	17,859	689,101	706,960	720,145
Current Assets / Liabilities	166,222	14,148	180,370	149,889
Long Term Liabilities	-	-		(19,000)
	<u>184,081</u>	<u>703,249</u>	<u>887,330</u>	<u>851,034</u>

18. Transactions with Related Parties

- a) Remuneration and Benefits

<u>Name of the Trustee or Connected Person</u>	<u>Legal Authority (e.g. Order, governing documents)</u>	<u>Salary & Pension Value 2016/17 £</u>
George Hawkins	Constitution and Rules	45,309
Eleanor Hawkins	Minutes of Employment and Audit Committee	7,691
Rebecca Thomas	Minutes of Employment and Audit Committee	23,478
Stephen Baraniak	Charity Commission Approval	34,209
Katherine Baraniak	Minutes of Employment and Audit Committee	4,894
David Bish	Constitution and Rules	32,434

In addition to salary and pension staff receive on average additional benefits of £200 in Life Assurance and Permanent Health Insurance.

Notes to the Accounts
For the Year ended 31 March 2017 (continued)

b) Other Transactions with Trustees or Related Parties

<u>Name of the Trustee and Related Party</u>	<u>Relationship to the Charity</u>	<u>Description of the Transaction</u>	<u>2016/17</u> <u>£</u>
David Gilkerson	Trustee of the Charity is an employee of TLG	Initial training costs and monthly partnership subscription to offer TLG Early intervention coaching services to named local schools	1,425
Ted Watts	Former trustee of charity (resigned June 2016)	Grant to SIM, designated for the support of Ted Watts from February 2017 onwards (see also note 17)	840

c) Donations by trustees and related parties in the year totalled £50, 757

19. Trustee Expenses

These are the amounts paid to trustees or third parties for expenses incurred by trustees.

		<u>2016/17</u> <u>£</u>
Number of Trustees who were paid expenses	(eight: 2017)	
Nature of the Expenses	Expenses in connection with their roles as Ministers and employees	2,978
	Expenses as volunteers unrelated to trustee duties	467
	Relocation expenses	11,800
Total Amount Paid		<u>15,245</u>

20. Trustee Indemnity Insurance

The charity holds Trustee Indemnity insurance. The scheme provides annual cover of a maximum of £100,000. The premium is paid with the total insurance policy.

21. Future Commitments

Beeston Free Church Nottingham has entered into a rental commitment for Trent Vale School which can be terminated by giving three months' notice. The commitment is £350 payable each calendar month on the 16th of the month.

22. Lease Commitments

The charity continues a 5 year lease (commenced June 2015) for a photocopier, the quarterly payments due are £606.00 per quarter.

Notes to the Accounts
For the Year Ended 31 March 2017 (continued)

23. Taxation

The charity is exempt from Corporation Tax on its charitable activities. The Elders have reviewed the church's activities and are confident that they fulfil charitable aims and they are considered to be primary purpose.

24. Donated Facilities

Until the closure of Dagfa School in July 2016, Beeston Free Church Nottingham allowed Dagfa School to use their facilities for two assemblies a week without charge and in return Beeston Free Church Nottingham had the use of rooms at the school on a Sunday morning for Sunday School. This transaction has not been quantified. The school also rented car parking spaces from Beeston Free Church Nottingham and these are charged and shown within the income of the charity.