

Beeston Free Church Nottingham

Trustees Annual Report and Financial Statements April 2019 - March 2020

Beeston Free Church
Salthouse Lane
Beeston
Nottingham
NG9 2FY

Overview

The Trustees present their annual report and financial statements of the charity for the year ended 31 March 2020. 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 2020, 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 102.

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 regards 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

Our mission: We are involved in Christian ministries with a local, national and international focus.

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, which include music, singing, praying and preaching, have continued to grow; activities for children also take place alongside the service.

From time to time special events make full use of the church building for both meetings and meals.

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

Weekdays

The church is in use almost every morning and evening, for activities including:

- 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 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

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, conferences 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.
- During the year a number of ministry trainees have been employed. 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, sharing our faith 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.

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, 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 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 including UFM, AIM and SIM.

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 Beeston 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 local communities 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. Grant agreements are in place with all individuals and organisations, setting out the level of support and review periods.

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 members and congregation of the church give in excess of 300 volunteer hours each week and 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 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.

This year, the staff team has remained relatively stable with no new appointments to the senior staff. As is normally the case, new trainees began work in September. During the 2019-20 academic year, the church has continued to employ additional international trainee, focused on international ministry, under the visa sponsorship scheme. There are two individuals volunteering a day a week; one focused on ministry to children and one focused on biblical counselling.

During the 2019-20 year the church has agreed to pursue a number of gospel growth initiatives that give existing and new ministries space to grow and flourish and allows us to:

- expand local mission through becoming a church-planting church
- impact national mission through becoming a ministry training centre
- serve international mission through continuing our focus on international students and overseas mission.

The initiatives are:

- *Additional Sunday capacity*

Exploration has begun into beginning an additional afternoon service

- *Community ministries*

As part of the community ministries initiative in February 2020, in partnership with the charity TLG, Make Lunch Rylands was launched. Make Lunch Rylands aims to provide a free, hot, healthy meal to families during school holidays who would otherwise go hungry. The launch event saw 11 local families attending.

In addition a team began regular visits to a local nursing home for the elderly, providing a monthly short service and conversation for residents.

- *Church planting:*

Exploration is ongoing into planting opportunities, partnerships with other churches are being developed and discussions are underway to move the Rylands congregation towards independence.

- *National Mission:*

Grants have been made from the Growth fund to two local churches and further funds will be given to the FIEC Mission fund when pledges funds are received. Recruitment is underway for a new minister in training as part of a commitment to training.

- *Global mission*

Support, both financial and pastoral, for existing mission partners continues and preparations to send others (a family to Italy and a lady to Africa) continue.

- *Building Development*

In December 2019 planning permission was granted for refurbishment, extension and re-ordering work on the church building. Work was due to get underway in April, but was put on hold due to the COVID-19 pandemic.

Funds have been pledged by members and others associated with the church to cover the costs of the works and grants for national mission; the funds are being collected in a restricted fund.

In late March 2020 the charity took steps (in line with government advice) to help contain the outbreak of COVID-19. This included the temporary suspension of all physical gatherings; the church has been able to continue some of its activities using online media. The trustees are monitoring income and expenditure and, if it becomes necessary, will take measures to mitigate the impact of COVID-19 on the charity's reserves.

Financial review

Analysis of income

Donations to the general fund remained stable compared to last year (2019/20 £387k, 2018/19 £387k). New givers replaced leavers like for like during the year.

Analysis of Expenditure

Total costs to the general fund increased this year by 24% on last year (2019/20 £470k, 2018/19 £378k). Expenditure has been broadly in line with the 2019/20 budget, with the exception of three one-off payments – two gifts of £20k for local churches (transferred from a restricted fund) and £25k for architect fees.

Reserves

The trustees set a budget each financial year. The operations manager has authority, with relevant consultation with the Treasurer, to work within this budget. Any 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 about 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 £268k (includes £9k of fixed assets). This is 5 months cover for the general fund expenses. Whilst this is above the trustees reserve target it is recognised that costs will increase in the coming year because of the new gospel growth initiatives.

Budget 2020-2021

The March meeting of the members of the church was cancelled due to the Covid-19 lockdown. The budget was revised in light of the potential impact of the pandemic, approved by trustees and circulated to members for questions and approval in April.

Income to the general fund for 2020/21 is forecast to be £400k. This comprises of donations of £372k, charitable activities of £10k, transfers from other funds of £15k and activities for generating funds of £3k. It is assumed that giving for the year will remain largely stable with new givers to replace leavers like for like during the year.

Spending from the general fund for 2020/21 is forecast to be £446k. This comprises of: staff costs of £308k, International and UK mission costs of £49k, Ministry of Beeston costs of £36k, Property and utilities costs of £19k, administration and repair costs of £17k, other costs of £13k and £4k of capital expenditure.

Spending will exceed income by £46k.

Budget costs include:

- A new Minister in Training from September 2020
- Four trainees from September 2020.
- Community facing ministries
- Support for a gospel partner.
- Support for new mission partners.

The implications of the budget plans are that reserves will decline from 5.0 months to around 4.6 months cover by the end of 2020/21.

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.

Risks and uncertainties

The church, and its 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. The biannual risk analysis completed in February 2019, was reviewed in February 2020.

Additional checks by the trustees have been put in place to monitor finances during the COVID-19 pandemic.

The future

The current COVID-19 pandemic has a significant impact on the activities of the church with all physical meetings and activities suspended until social distancing measures are relaxed. Sundays services are being streamed live online and a number of other activities including prayer meetings, Bible study groups (including for teenagers) and trustees meetings are continuing via video conferencing software. It is anticipated these digital solutions will be able to continue until the usual activities are able to resume.

Some activities such as the Under Fives group and the group for the retired have had to stop meeting but will endeavour to keep in touch with regular participants by social media, email or telephone. Other activities, such as the recently launched Make Lunch Rylands, are finding new ways to reach their beneficiaries they support.

The church staff are all working from home and are able to stay in contact using messaging and video conferencing. Many volunteers are able to continue to contribute to the ongoing work of the church via digital means, such as leading Bible study groups or preparing materials for families to access at home

Trustees are closely monitoring the financial impact of the pandemic on the finances of the church; the church budget for the 2020-21 year has been revised and a number of financial scenarios have been considered. The church has a stable and consistent financial support base, predominantly comprised of members and regulars; the church has healthy reserves so any short term reduction in giving is not

an immediate cause for concern, but may have a longer term impact on the work of the church so requires carefully monitoring..

Work began on the church building in June 2020 with a budget of £612,000 for the first phase of work. Funds totalling £657,000 have been raised to date with further donations anticipated. Work on phase 1 is scheduled for completion in November 2020 and trustees will look to complete phase 2 when the necessary funds have been raised.

The uncertainty surrounding the timing of any relaxation in the social distancing measures makes future planning for activities and events challenging, but the trustees remain committed to the church's core objective of sharing the Christian faith.

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 234. The church members meet regularly 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. The delegation of responsibilities to committees and staff is reviewed annually.

Staff

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

- | | |
|------------------|---------------------------|
| • George Hawkins | <i>Senior Minister</i> |
| • Dave Bish | <i>Associate minister</i> |
| • Steve Baraniak | <i>Assistant minister</i> |
| • John Goodwin | <i>Assistant minister</i> |
| • Becky Thomas | <i>Operations Manager</i> |

Beeston Free Church Nottingham

Registered Charity Number 1160335

- Ele Hawkins *Administrator*
- Ruth Evans *Finance Officer*

All decisions on staff remuneration and pay are made by the Employment and Audit Committee with reference to the Remuneration Policy agreed by the committee in October 2018.

Trainee scheme

The trainee scheme, a yearlong discipleship programme, has continued and a new scheme for an international trainee has been established. In the 2018-19 academic year Callum Pike, Ed Sadler and Hayley Martin served as trainees and Yong En Chua is serving as an international trainee. In the 2019-20 academic year Hayley Martin, Anne Macgregor, Hannah McDermott and Naomi Bond are serving as trainees and Yong En Chua is serving as an international trainee.

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:

George Hawkins
 Jonathan Chambers
 Rachel Mills
 Grace Aldis
 Stephen Cragg
 Neil Johnson *Chair*
 Rebecca Thomas *Church Secretary*
 David Bish
 Stephen Baraniak
 Dan Goddard *Chair of Employment and Audit Committee*
 Matt Roberts
 Rob Goodwin
 John Goodwin
 David Arrowsmith *Treasurer*
 Ian Brownlow
 Ben Bradley

Names and addresses of advisers:

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

Bankers: 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
Nationwide Building Society, Kings Park Road, Moulton Park, Northampton, NN3 6NW
Hampshire Trust Bank, PO Box 74003, London, EC2P 2QR

Legal: Edward Connor, 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

David Arrowsmith is the church's treasurer. His role has included the supervision and oversight of the work of the operations manager and finance officer relating to financial reporting and management. The trustees are very grateful to David for his work in this area.

Zena Schofield has been serving one day per week as the church's Biblical Counselling Co-ordinator. 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.

James Thomas has been serving one day per week as the church's Children's Work Co-ordinator, supporting leaders, organising training and events and developing new areas of work. The trustees are very grateful to James for his work in this area.

Anne Macgregor served one day per week as the church's Music Co-ordinator, providing administrative and organisational support to the musicians, until August 2019. The trustees are very grateful to Anne for her work in this area. In September 2019 Anne was employed as a ministry trainee.

Crian Wilson serves the church by attending to small maintenance matters and completing and recording a number of checks and tests to ensure the building is in good order and safe. The trustees are very grateful to Crian for his work in this area.

Independent Examiner's Report to the Trustees of
Beeston Free Church Nottingham ('the CIO')
For the Year Ended 31 March 2020

I report to the Charity Trustees on my examination of the accounts of the CIO for the year ended 31 March 2020.

Responsibilities and Basis of Report

As the Charity Trustees of the CIO 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 CIO's accounts carried out under Section 145 of the Act. In carrying out my examination I have followed all applicable directions given by the Charity Commission under Section 145(5)(b) of the 2011 Act.

Independent Examiner's Statement

Since the Company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

- 1) Accounting records were not kept as required by Section 130 of the Act; or
- 2) The accounts do not accord with those records.
- 3) The accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102).

I confirm that there are no matters to which your attention should be drawn to enable a proper understanding of the accounts to be reached.

D. J. Lockwood
Mrs D J Lockwood FCCA FCA ATT(fellow)
Chartered Accountant

Dated 30.6.2020

Haines Watts
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 2020**

	No te	Unrestricted Funds 2019/20 £	Restricted Funds 2019/20 £	Total Funds 2019/20 £	Unrestricted Funds 2018/19 £	Restricted Funds 2018/19 £	Total Funds 2018/19 £
Income							
Donations and Legacies	3	387,298	392,648	779,946	387,219	28,936	416,155
Activities for Generating Funds	4	2,501	-	2,501	2,055	-	2,055
Investment Income		1,751	-	1,751	1,231	-	1,231
Charitable Activities	5	8,699	10,434	19,133	9,970	3,818	13,788
Total Income		400,249	403,082	803,331	400,475	32,754	433,229
Expenditure							
Charitable Activities							
Operation of Beeston Free Church Nottingham & delivery of Mission Costs	6	469,140	40,929	510,069	377,320	26,446	403,766
Cost of Raising Funds		1,479	-	1,479	967	-	967
Total Expenditure		470,619	40,929	511,548	378,287	26,446	404,733
Net Income/ (Expenditure)		(70,370)	362,153	291,783	22,188	6,308	28,496
Transfer Between Funds	16	58,865	(58,865)	-	18,063	(18,063)	-
Net Movement in Funds		(11,505)	303,288	291,783	40,251	(11,755)	28,496
Reconciliation of Funds							
Total Funds Brought Forward		279,255	670,237	949,492	239,004	681,992	920,996
Total Funds Carried Forward	16	267,750	973,525	1,241,275	279,255	670,237	949,492


Balance Sheet
As at 31 March 2020

	<u>Note</u>	<u>Unrestricted</u> <u>Funds</u> <u>£</u>	<u>Restricted</u> <u>Funds</u> <u>£</u>	<u>Total Funds</u> <u>2019/20</u> <u>£</u>	<u>Total Funds</u> <u>2018/19</u> <u>£</u>
Fixed Assets	13				
Tangible Assets		8,611	633,194	641,805	663,327
Total Fixed Assets		<u>8,611</u>	<u>633,194</u>	<u>641,805</u>	<u>663,327</u>
Current Assets					
Cash at bank and in hand		261,256	293,168	554,424	286,696
Debtors	14	8,683	47,163	55,846	9,146
Total Current Assets		<u>269,939</u>	<u>340,331</u>	<u>610,270</u>	<u>295,842</u>
Liabilities					
Creditors falling due within 1 year	15	10,800	-	10,800	9,677
Net Current Assets		<u>259,139</u>	<u>340,331</u>	<u>599,470</u>	<u>286,165</u>
Total Assets less current liabilities					
Creditors: Amounts falling due after more than one year	15	-	-	-	-
Net Assets		<u>267,750</u>	<u>973,525</u>	<u>1,241,275</u>	<u>949,492</u>
The Funds of the Charity					
Unrestricted				267,750	279,255
Restricted				973,525	670,237
Total Charity Funds	16			<u>1,241,275</u>	<u>949,492</u>

The notes on pages 13 to 23 form part of these accounts

Approved by the trustees on 22nd June 2020 and signed on their behalf by:-

.....  Chair

.....  Treasurer

**Notes to the Accounts
For the Year Ended 31 March 2020**

1. Basis of Accounting and 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 for Smaller Entities published on 16 July 2014, the Financial Reporting Standard for Smaller Entities (FRSSE), and the Charities Act 2011 and applicable regulations.

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 Trustees have prepared budgets for the year ended 31 March 2021 and have a strategic plan beyond that date. Even after considering the current Covid 19 position the Trustees have a reasonable expectation that the Church will find the necessary funding for its activities for the foreseeable future.

The Charity meets the definition of a public benefit entity under FRS102

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

The financial statements are presented in Sterling (£)

2. Accounting Policies

a) Incoming Resources:

Recognition of Incoming Resources	<p>These are included in the statement of Financial Activities (SoFA) when:</p> <ul style="list-style-type: none"> • 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	<p>Gifts in kind are accounted for at a reasonable estimate of their value to the charity or the amount actually realised.</p> <p>Gifts in kind for sale or distribution are included in the accounts as gifts only when sold or distributed by the charity.</p> <p>Gifts in kind for use by the charity are included in the SoFA as incoming resources when receivable.</p>
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.

Notes to the Accounts
For the Year ended 31 March 2020 (continued)

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.
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.
e) Holiday Pay / Sabbatical Leave	Provision is made within the accounts to include a liability as incurred for 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.
g) Debtors	Debtors are recognised at the settlement amount owed to the charity or prepaid.

Notes to the Accounts
For the Year ended 31 March 2020 (continued)

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| h) Creditors | Creditors and provisions are recognised where the charity has a present obligation, resulting from a past event that will probably result in the transfer of funds to a third party, and the amount due to settle the obligation can be measured or estimated reliably – creditors and provisions are normally recognised at the settlement amount |
| i) Financial Instruments | The charity has financial assets and financial liabilities of a kind that qualify as basic financial instruments
Basic financial instruments are initially recognised at transaction value and subsequently measured at this settlement value |
| j) Judgement and Key Sources of Estimation Uncertainty | The preparation of accounts using the generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the accounts and the reported amounts of revenues and expenses during the reporting period
The key estimates and assumptions used in the financial statements are detailed in the accounting policies. |

Notes to the Accounts
For the Year ended 31 March 2020 (continued)

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total</u> <u>2019/20</u>	<u>Total</u> <u>2018/19</u>
3. Donations and Legacies				
Gift Aid Donations	316,190	278,579	594,769	330,381
Small Gift Scheme	4,606	125	4,731	4,385
Donations	65,954	113,944	179,898	80,169
Grants and Gifts from other Charities	548	-	548	1,220
	<u>387,298</u>	<u>392,648</u>	<u>779,946</u>	<u>416,155</u>
4. Activities for Generating Funds				
Books and Audio Sales	1,303	-	1,303	688
Photocopying Receipts	1,198	-	1,198	1,367
	<u>2,501</u>	<u>-</u>	<u>2,501</u>	<u>2,055</u>
5. Charitable Activities - Income				
Operation of Beeston Free Church Nottingham and delivery of mission costs				
Under 5's Income	-	444	444	506
Tuesday Fellowship Income	-	1,585	1,585	1,900
Events and Conference Fees	8,650	7,135	15,785	10,360
Alta Vista	-	1,112	1,112	787
Discoverers	-	158	158	235
Internationals	49	-	49	-
Students	-	-	-	-
	<u>8,699</u>	<u>10,434</u>	<u>19,133</u>	<u>13,788</u>
6. Charitable Activities - Expenses				
Total Staff Costs (note 8 & 10)	238,970	4,552	243,522	224,018
International and UK Mission (note 12)	84,112	-	84,112	44,680
Ministry of Beeston	28,762	12,041	40,803	32,916
Property and Utilities	17,980	-	17,980	20,103
Administration	14,576	-	14,576	16,959
Compliance and Membership	8,877	-	8,877	8,168
Finance Depreciation and Miscellaneous	31,722	24,336	56,058	26,556
Support / Governance Costs (note 8 & 10)	44,141	-	44,141	30,366
	<u>469,140</u>	<u>40,929</u>	<u>510,069</u>	<u>403,766</u>

Notes to the Accounts
For the Year ended 31 March 2020 (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>2019/20</u>	<u>2018/19</u>	<u>2019/20</u>	<u>2018/19</u>	<u>2019/20</u>	<u>2018/19</u>
		£	£	£	£	£	£
Friends of Mandritsara	No	10	-	10	-	-	-
MAF	No	-	78	-	78	-	-
Operation Mobilisation	No	-	210	-	210	-	-
Samaritans	No	135	138	135	138	-	-
Purse							
TLG	No	339	-	339	-	-	-
UFM	No	250	210	250	210	-	-
WEC	No	-	210	-	210	-	-
Total		734	846	734	846	-	-

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 2019/20</u>	<u>Total 2018/19</u>	<u>Basis of Apportionment</u>
	£	£	£	£	
Salaries, Wages and Related Costs	233,630	9,892	243,522	211,758	Allocated on time
Administration	22,753	20,153	42,906	41,391	Allocated on time
Statutory Fees (note 9)	-	1,200	1,200	1,200	Governance
Legal and Other Professional Fees	-	35	35	35	Governance
Total	256,383	31,280	287,663	254,384	

9. Statutory Fees

In 2020 an Independent Examination was undertaken for a fee of £1200, the same as in 2019.

Notes to the Accounts
For the Year ended 31 March 2020 (continued)

10. Analysis of Staff Costs

a) Staff Costs

	<u>2019/20</u>	<u>2018/19</u>
	<u>£</u>	<u>£</u>
Gross Wages & Salaries	223,337	195,749
Employers National Insurance Costs	14,467	12,824
Pension Costs (note 11)	28,768	27,784
All other staff related Costs	19,856	16,792
Total Staff Costs	<u>286,428</u>	<u>253,149</u>
 Allocation of Staff Costs:-		
Charitable Activities	243,522	211,758
Administration	42,906	41,391
	<u>286,428</u>	<u>253,149</u>

b) Number of Employees at the Year end

	<u>2019/20</u>	<u>2018/19</u>
Ministry	4	4
Management	1	1
Administration	2	2
Trainees	5	4
Total	<u>12</u>	<u>11</u>

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 £28,768. (2018/2019 £27,784)

Notes to the Accounts
For the Year Ended 31 March 2020 (continued)

12. Grant Making

Total Value of Grants (Included within cost of International and UK Mission). Grants are made for Mission support

<u>Grants to Institutions</u> <u>International Mission</u>	<u>Grants to Institutions</u> <u>UK Mission and training</u>	<u>Grants to</u> <u>individuals</u>	<u>Discretionary</u> <u>grants</u>	<u>Total Amount</u> <u>£</u>
<u>£</u> 25,348	<u>£</u> 8,280	<u>£</u> 660	<u>£</u> 44,187	<u>£</u> 78,475

An additional £5,637 was spent on supporting mission in expenses claimed against receipts. They include £4,966 for flights and insurance for a mission trip to Mandritsara planned for October 2020 to support some of our mission partners.

a) Grants made to Institutions

<u>Name of UK based</u> <u>Institutions</u>	<u>Purpose</u>	<u>Total Amount of</u> <u>Grants Paid £</u>
International Mission		
AWM	Support of Fred & Jo	1,960
AIM	General fund support	1,960
UFM	Support of Jonathan & Dawn	4,800
UFM	Support of Johnny & Ann	1,980
SIM	Support of Ted & Rachel	3,000
WEC	Support of Chris & Staci	2,208
UFM	Support of Jonathan & Clare	4,200
Globe church	Support of Phil & Vicki	990
OMF	Support of Phil & Vicki	330
Stewardship - Italian	Support of Emmanuele & Ilaria	1,960
Ministries		
Friends International	Nottingham fund support	1,960
	TOTAL	25,348
UK Mission and training		
Christchurch Fulwood	Support of Ben Shaw	300
UCCF	Support of Staff workers - Helen Taylor & Elliot Hyliger	3,920
TLG	Partnership subscription to offer TLG Early intervention coaching services	900
Cross Teach Nottingham	Support of Cross Teach in Nottingham	1,960
MGP	Midlands Gospel Partnership	1,200
	TOTAL	8,280

b) Grants made to individuals

<u>Name of Individual</u>	<u>Purpose</u>	<u>Total Amount Paid</u> <u>£</u>
Laura Perbet	CCEF Biblical counselling studies	660
	TOTAL	660

c) Discretionary grants

<u>Name of UK based</u> <u>Institutions</u>	<u>Purpose</u>	<u>Total Amount Paid</u> <u>£</u>
UCCF	Relay worker Nathan Dunn	500
UCCF	Staff worker Jemima Howell & Jess Barker	1,000
Vineyard Arches Trust	Food bank	1,000
NUSU	NUCU Events week	1,000
NTU	Nottingham Trent Events weeks	250
Aspley Evangelical	Building project	20,000
Redeemer Church	Building project	20,000
Other		437
	TOTAL	44,187

Notes to the Accounts
For the Year Ended 31 March 2020 (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 2019/20 £</u>
Additions – costs trf	931,863	117,131	65,079	1,114,073
Additions – in year	-	-	-	-
Disposals	-	-	-	-
Balance Carried Forward	931,863	117,131	65,079	1,114,073

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 2019/20 £</u>
Depreciation - Trf	280,033	107,187	63,529	450,749
Depreciation charge for the year	18,636	1,536	1,347	21,519
Disposals	-	-	-	-
Balance Carried Forward	298,669	108,723	64,876	472,268
Net Book Value Carried Forward at 31.3.20	633,194	8,408	203	641,805

The land and building were transferred by charity deed in 2016 and have an insurance value of £1.8 million.

14. Debtors and Prepayments

	<u>2019/20 £</u>	<u>2018/19 £</u>
Prepayments and Accrued Income	55,846	9,146
Total	55,846	9,146

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>2019/20 £</u>	<u>2018/19 £</u>	<u>2019/20 £</u>	<u>2018/19 £</u>
Accruals and Deferred Income	10,800	9,677	-	-
Total	10,800	9,677	-	-

Notes to the Accounts
For the Year ended 31 March 2020 (continued)

16. Fund Details

	<u>Note (see below)</u>	<u>Incoming</u>	<u>Outgoing</u>	<u>Funds at 1.4.2019</u>	<u>Transfer s</u>	<u>Funds at 31.3.2020</u>
Restricted Funds						
Trainee	a	14,191	1,923	13,789	(18,044)	8,013
Building	b	-	18,636	651,830	-	633,194
Tuesday Fellowship	c	1,584	2,027	809	(50)	316
Under 5s	d	445	271	222	(50)	346
Baraniak	e	1,671	2,629	1,617	-	659
Alta	f	1,212	1,276	351	-	287
Discos	g	158	85	129	(65)	137
Rylands	h	8,423	8,382	1,490	(706)	825
Growth	i	375,398	5,700	-	(39,950)	329,748
		403,082	40,929	670,237	(58,865)	973,525
Unrestricted Funds						
		400,249	470,619	279,255	58,865	267,750
Overall Total 31.3.20		803,331	511,548	949,492	-	1,241,275

Details of Funds Held

- a) **Trainee** **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. This academic year's trainees are Naomi Bond, Yong En Chua, Anne Macgregor, Hannah McDermott and Hayley Martin.
- b) **Building** **For the holding property assets**
- c) **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 Our Daily Bread Ministries, AWM, SASRA, Carpenters Arms and Cross Teach.
- d) **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.
- e) **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. This fund will continue to cover Steve's theological college tuition fees.

Notes to the Accounts
For the Year ended 31 March 2020 (continued)

- f) **Alta** **For the Alta youth group funds**
Alta is a youth group that meets on a Friday night during term time. Small contributions are taken each week to buy resources and fund the activities. The fund is to keep surplus funds to enable Alta to be able to subsidise trips and weekends away for those who find it financially hard.
- g) **Discos** **For the Total Tuesdays youth group funds (Discos and Adventures groups combined)**
Total Tuesdays is a children's club that meets on a Tuesday night during term time. Small contributions are taken each week to buy resources and fund the activities. The fund is to keep surplus funds to enable Total Tuesdays to be able to subsidise trips and weekends away for those who find it financially hard.
- h) **Rylands** **For Rylands Events**
Rylands community church, a congregation of Beeston Free Church, raises funds for events and weekends away. This fund is to keep funds to cover these costs and to subsidise those who find it financially hard.
- i) **Growth** **For Growth Fund**
Gifts made to this fund will be used for the refurbishment and extension of the building at Salthouse Lane and supporting national mission through partnering with other like-minded churches.

A number of transfers were made to the general fund from restricted funds for both support costs and administrative charges in line with the trustees' policies.

17. Analysis of Net Assets by Fund

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total Funds</u> <u>2019</u>	<u>Total Funds</u> <u>2019</u>
Fixed Assets	8,611	633,194	641,805	663,327
Current Assets / Liabilities	259,139	340,331	599,470	286,165
Long Term Liabilities	-	-	-	-
	<u>267,750</u>	<u>973,525</u>	<u>1,241,275</u>	<u>949,492</u>

18. Transactions with Related Parties

- a) Remuneration and Benefits

<u>Name of the Trustee or</u> <u>Connected Person</u>	<u>Legal Authority</u> <u>(e.g. Order, governing documents)</u>	<u>Salary & Pension Value</u> <u>2018/19</u> <u>£</u>
George Hawkins	Constitution and Rules	48,460
David Bish	Constitution and Rules	44,072
Stephen Baraniak	Charity Commission Approval	38,404
John Goodwin	Charity Commission Approval	38,530
Rebecca Thomas	Minutes of Employment and Audit Committee	25,424
Eleanor Hawkins	Minutes of Employment and Audit Committee	6,629

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 2020 (continued)

b) Other Transactions with Trustees or Related Parties

A total of £69,100 was donated to the charity by trustees and related parties in the year 2019/20 (£46,350 2018/19)

There are no other related party transactions

19. Trustee Expenses

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

		<u>2019/20</u> <u>£</u>	<u>2018/19</u> <u>£</u>
Number of Trustees (or connected persons) who were paid expenses	Six (Seven: 2018/19)		
Nature of the Expenses	Expenses in connection with their roles as employees	4,541	5,516
	Expenses as volunteers unrelated to trustee duties	45	172
Total Amount Paid		4,586	5,688

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 18th of the month. However, by agreement, we are not paying rent whilst we are unable to use the building because of the COVID-19 pandemic.

22. Lease Commitments

The charity continues a 5 year lease (commenced Jan 2019) for a photocopier, the quarterly payments due are £588 per quarter.

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.