

Trustees' Report and
Financial Statements for the Year Ended 30 December 2021
for
Capstone Church

Amended

Nordens
The Retreat
406 Roding Lane South
Woodford Green
Essex
IG8 8EY



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for the Year Ended 30 December 2021

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The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 30 December 2021. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The objectives of the Charity as set out in the governing document are:

- to advance the Christian faith and
- to relieve sickness and financial hardship and to promote and preserve good health by the provision of funds, goods or services of any kind, including through the provision of counselling and support in such parts of the United Kingdom or the world as the Trustees from time to time may think fit.

In setting the objectives and planning the activity of the Charity, the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

Significant activities

For the period from January 2021 to December 2021, the charity had the following objectives and undertook the following activities:

Objectives

To give people opportunities to practice the Christian faith.

Activities

Sunday Service
Kids Church
Fasting and Prayer
Wednesday Worship Practice
Unite Home Groups
Pebbles Toddler Group
Father's Feast
Easter
Special Services
Worship Night
Raise a Voice - London Prophetic Gathering
Capstone Boys Home
Supporting Other ministries

Amended

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Sunday Service

The Church has its regular services every Sunday. This is free for all to attend. This service begins with a time of worship by the vibrant church worship band and preaching by one of the church leaders on the Christian faith, followed by a time of prayer. Free snacks are served after each service. The service is from 10 am to 12.30 pm. Our services were broadcast via livestream (with only the core team members at the church premises) till March 2021, following which we resume in person services with limited capacity. On 25th July 2021, following the lifting of all Covid-19 restrictions, we resumed full in person services.

Kids Church

During the time of the sermon on a regular 10.00 am Sunday Service, children aged 12 years and under attend Kids Church, where they get involved in activities and games and are taught from a bible-based curriculum. This was virtual until March 2021 and in person thereafter.

21 Days of Fasting and Prayer

From January to February, meetings are held every day for 21 days to praise, worship and for teaching of God's word. During this time, members of Capstone Church also undertake a period of fasting. This was livestreamed from the church premises with only the core team in attendance at the premises.

Wednesday Worship Practice

The Church Worship Band meets on Wednesday evenings to practice and rehearse ahead of the Sunday Service. This had been suspended and was resumed in July 2021.

Unite Home Groups

A home group is a small group of members of the church that meet in homes of leaders or cafes every fortnight during school term time. A home group is based on common interest and/or location, for example a Medical Home group for those from the medical profession, Youth Home Group for those between the ages of 12 and 24, Family Home Groups for families. A home group meeting generally lasts for hour and half and may include a time of worship, prayer, teaching from the bible and fellowship with food. The purpose of the home groups is to create community and enable the church to care for its members on a deeper one on one level. The Unite home groups continued to be held virtually in 2021.

Pebbles Toddler Group

A toddler group is held at the church every Wednesday from 11 am to 12pm for toddlers up to the age of 4 and their parents. It includes a time of free time, rhyme time, snack time. This is open to the community. This was suspended for most of 2021 due to Covid-19 and reopened for a few weeks in September and October before being suspended again.

Father's Feast

The Fathers Feast is an outreach program. Every Monday of the week, a team from the Church cook dinner in the Church kitchen and serves it for the homeless of Ilford. The meal usually consists of a main course, dessert and hot/cold drinks and is served as a buffet. Members of our team also sit with the homeless and provide one on one support such as counsel and prayer. In running this program, we also work with local organisations that support the homeless in the area. This program is in line with the main vision of the Charity to provide community service in the form of relieving sickness and financial hardship amongst other things. Until July 2021, the program was run in a limited way, by handing out pre prepared food packets outside our church. From July 2021, we resumed hosting the program indoors.

Easter

The Easter Sunday service was held on 04 April 2021 with limited in person attendance. This was a time of worship and praise, prayer and teaching of God's word. During the Easter period, we also held a 12 day challenge for the church members which encouraged members to reach out and make a difference to the community in different ways.

Capstone Church

Trustees' Report

for the Year Ended 30 December 2021

Special Services

" Our Good Friday, Christmas and New Year's Eve Services were broadcast via our livestream with only the core team in attendance at the church premises.

" On 30th May we held a Gratitude Sunday service, this was done in conjunction with a charity called Gratitude Initiative.Org to encourage congregation members to remember and be thankful for their blessings.

" Over the course of the year, we hosted some guest speakers/ministers for our Sunday service. These included Galvin Calver, CEO of Evangelical Alliance, Larry Sparks publisher of Destiny Image.

Worship Night

On August 6th, we hosted a Worship Night, which was free for all to attend. It was a time of praise and worship, with worship being led by the Church band.

Raise a Voice - London Prophetic Gathering

On 23rd October, we had the launch of the London Prophetic Gathering. The purpose of the London Prophetic Gathering to gather prophets from across London and equip and build them up to be effective in ministering to people.

Capstone Boys home

Capstone Church has taken a commitment to support 10 orphan boys for a period of 5 years in the Indian city of Hyderabad. The boys are aged between 6 and 11 years. In doing so, we have partnered with a charity in Hyderabad called Asha Jyothi which works with orphans and children of single parents amongst other things. The boys are provided with accommodation, food, clothing and an education. The home where the boys are housed is called Capstone Boys Home.

Supported other Christian ministries

This year we have extended support to Global Celebration, John Foundation, Burning and Shining Lamp Ministries; HIM Ministries; Indian Evangelical Team and various houses of prayer and churches across the UK, prayer missionaries, and various local missions.

Due to the Covid-19 Pandemic and restrictions that were in place, we were unable to hold many of the events that we normally do during the year.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Amended

Capstone Church

Trustees' Report for the Year Ended 30 December 2021

Capstone Church is a company limited by guarantee, incorporated on 9 April 2009, governed by its Memorandum and Articles of Association. It registered as a charity with the Charity Commission for England & Wales on 8 May 2009.

New Trustees are appointed by the members. The Trustees may appoint a person who is willing to act to be a Trustee, either to fill a vacancy or as an additional Trustee.

New Trustees are briefed on their legal obligation under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision making processes, the business plan and recent financial performance of the Charity.

The Trustees are responsible for the management of the risks faced by the Charity. All significant activities undertaken are subject to risk review as part of the initial project assessment and implementation. The Trustees review the major risks that the Charity faces on a regular basis and controls are established accordingly.

The Trustees are aware of the major risks to which the Charity is exposed, in particular those related to the projects and finances of the organisation, and are satisfied that systems are in place to mitigate exposure to the major risks.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

06874952 (England and Wales)

Registered Charity number

1129484

Registered office

316 High Road
Ilford
Essex
IG1 1QW


Trustees

Ms S George
Mr J V George - Lead Pastor
Mrs P Kurian - Director

Independent Examiner

Nordens
The Retreat
406 Roding Lane South
Woodford Green
Essex
IG8 8EY

Approved by order of the board of trustees on 29 September 2022 and signed on its behalf by:



Mrs P Kurian - Trustee

04/01/2023

Independent Examiner's Report to the Trustees of
Capstone Church

Independent examiner's report to the trustees of Capstone Church ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 30 December 2021.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under Section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under Section 145(5) (b) of the 2011 Act.

Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of FCCA 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 in respect of the Company as required by Section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of Section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. 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 (FRS 102)).

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

Lorraine Curtis
FCCA
Nordens
The Retreat
406 Roding Lane South
Woodford Green
Essex
IG8 8EY

Date:

Amended

Statement of Financial Activities
for the Year Ended 30 December 2021

		Year Ended 30.12.21 Unrestricted fund £	Period 1.1.20 to 30.12.20 Total funds £
INCOME AND ENDOWMENTS FROM	Notes		
Donations and legacies		<u>401,455</u>	<u>401,855</u>
EXPENDITURE ON			
Raising funds	2	195,190	193,847
Charitable activities			
Cost of activities		114,412	82,582
Depreciation		<u>19,480</u>	<u>23,477</u>
Total		<u>329,082</u>	<u>299,906</u>
NET INCOME		72,373	101,949
Other recognised gains/(losses)			
Gains on revaluation of fixed assets		<u>379,284</u>	<u>-</u>
Net movement in funds		451,657	101,949
RECONCILIATION OF FUNDS			
Total funds brought forward		<u>700,896</u>	<u>598,947</u>
TOTAL FUNDS CARRIED FORWARD		<u>1,152,553</u>	<u>700,896</u>

Amended

Balance Sheet

30 December 2021

	Notes	30.12.21 Unrestricted fund £	30.12.20 Total funds £
FIXED ASSETS			
Tangible assets	6	1,377,059	1,013,054
CURRENT ASSETS			
Debtors	7	67,801	65,852
Cash at bank and in hand		235,139	169,474
		302,940	235,326
CREDITORS			
Amounts falling due within one year	8	(24,535)	(17,418)
NET CURRENT ASSETS		278,405	217,908
TOTAL ASSETS LESS CURRENT LIABILITIES		1,655,464	1,230,962
CREDITORS			
Amounts falling due after more than one year	9	(502,911)	(530,066)
NET ASSETS		1,152,553	700,896
FUNDS	11		
Unrestricted funds		1,152,553	700,896
TOTAL FUNDS		1,152,553	700,896

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 30 December 2021.

The members have not required the company to obtain an audit of its financial statements for the year ended 30 December 2021 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

Balance Sheet - continued
30 December 2021

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 29 September 2022 and were signed on its behalf by:

Mr J V George - Trustee

Mrs P Kurian - Trustee

A handwritten signature in black ink, appearing to read 'P Kurian', written over a horizontal line.

Amended

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain assets.

Government grants

Government grants represents income received in the form of Job Retention Scheme (JRS) money from the Government during the COVID-19 pandemic. The grants are recognised on the accruals basis in the same period as the expenditure that it is expected to compensate for

Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Donations are recognised as income when received, except in circumstances where the donor specifies the time period that the donation relates to, in which case they are recognised as income in that period.

Donations received with imposed restrictions are classified as restricted funds.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charitable company which is the amount the Charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Event income consists of registration and other fees for charitable events.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Charitable activity costs are incurred on the Charity's religious operations, and include support costs and costs relating to the governance of the Charity apportioned to the charitable events.

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

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

Fixtures and fittings	- 15% on reducing balance
Computer equipment	- 25% on reducing balance

Taxation

The charity is exempt from corporation tax on its charitable activities.

Amended

Notes to the Financial Statements - continued
for the Year Ended 30 December 2021

1. ACCOUNTING POLICIES - continued

Fund accounting

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

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

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

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Going concern covid 19

COVID-19 is not expected to have a significant impact on the entity. Management has determined that there is no material uncertainty that casts doubt on the entity's ability to continue as a going concern. It expects that COVID-19 might have some impact, though not significant, for example, in relation to expected future performance, or the effects on some future asset valuations.

The Charity is in the main reliance upon donations to raise revenue to meet future expenditure. The trustees consider that it is appropriate to prepare the financial statements on the going concern basis. This assumes that the charitable company will be successful in its fundraising activities. These financial statements do not include any adjustments that would result if insufficient funds are raised.

2. RAISING FUNDS

Raising donations and legacies

	Year Ended 30.12.21 £	Period 1.1.20 to 30.12.20 £
Support costs	195,190	193,847

Notes to the Financial Statements - continued
for the Year Ended 30 December 2021

3. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	Year Ended 30.12.21 £	Period 1.1.20 to 30.12.20 £
Depreciation - owned assets	<u>19,479</u>	<u>23,477</u>

4. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 30 December 2021 nor for the period ended 30 December 2020.

Trustees' expenses

There were no trustees' expenses paid for the year ended 30 December 2021 nor for the period ended 30 December 2020.

5. STAFF COSTS

The average monthly number of employees during the year was as follows:

	Year Ended 30.12.21	Period 1.1.20 to 30.12.20
Direct charitable activity staff	5	3
Administrative staff	1	1
	<u>6</u>	<u>4</u>

No employees received emoluments in excess of £60,000.

Amended

Notes to the Financial Statements - continued
for the Year Ended 30 December 2021

6. TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures and fittings £	Computer equipment £	Totals £
COST OR VALUATION				
At 31 December 2020	935,306	110,256	108,118	1,153,680
Additions	-	-	4,200	4,200
Revaluations	364,694	-	-	364,694
	<hr/>	<hr/>	<hr/>	<hr/>
At 30 December 2021	1,300,000	110,256	112,318	1,522,574
	<hr/>	<hr/>	<hr/>	<hr/>
DEPRECIATION				
At 31 December 2020	14,590	63,705	62,331	140,626
Charge for year	-	6,982	12,497	19,479
Eliminated on disposal	(14,590)	-	-	(14,590)
	<hr/>	<hr/>	<hr/>	<hr/>
At 30 December 2021	-	70,687	74,828	145,515
	<hr/>	<hr/>	<hr/>	<hr/>
NET BOOK VALUE				
At 30 December 2021	1,300,000	39,569	37,490	1,377,059
	<hr/>	<hr/>	<hr/>	<hr/>
At 30 December 2020	920,716	46,551	45,787	1,013,054
	<hr/>	<hr/>	<hr/>	<hr/>

Cost or valuation at 30 December 2021 is represented by:

	Freehold property £	Fixtures and fittings £	Computer equipment £	Totals £
Valuation in 2020	935,306	110,256	108,118	1,153,680
Valuation in 2021	364,694	-	4,200	368,894
	<hr/>	<hr/>	<hr/>	<hr/>
	1,300,000	110,256	112,318	1,522,574
	<hr/>	<hr/>	<hr/>	<hr/>

Included in freehold property is land at an estimated cost of £575,000 which is not depreciated.

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30.12.21 £	30.12.20 £
Amounts owed by group undertakings	42,150	10,000
Other debtors	25,651	55,852
	<hr/>	<hr/>
	67,801	65,852
	<hr/>	<hr/>

Notes to the Financial Statements - continued
for the Year Ended 30 December 2021

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30.12.21	30.12.20
	£	£
Bank loans and overdrafts (see note 10)	-	2,065
Social security and other taxes	2,224	2,989
Other creditors	17,561	10,994
Wages Payable	1,370	1,370
Crosspay Giving	3,380	-
	<u>24,535</u>	<u>17,418</u>

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

	30.12.21	30.12.20
	£	£
Bank loans (see note 10)	<u>502,911</u>	<u>530,066</u>

Bank loans are secured by way of a fixed and floating charge over the assets of the charity and are repayable by monthly instalments over a period of 20 years. The interest rate per annum is equal to the aggregate of the margin rate (3.5%) and the base rate which during the period was 0.5% (2018 - 0.5%)

Personal guarantees have been provided in respect of the bank loan by the Trustees and certain close family members of the Trustees.

10. LOANS

An analysis of the maturity of loans is given below:

	30.12.21	30.12.20
	£	£
Amounts falling due within one year on demand:		
Bank overdrafts	-	2,065
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>502,911</u>	<u>530,066</u>

11. MOVEMENT IN FUNDS

	At 31.12.20 £	Net movement in funds £	At 30.12.21 £
Unrestricted funds			
General fund	700,896	451,657	1,152,553
TOTAL FUNDS	<u>700,896</u>	<u>451,657</u>	<u>1,152,553</u>

Amended

Notes to the Financial Statements - continued
for the Year Ended 30 December 2021

11. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	401,455	(329,082)	379,284	451,657
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>401,455</u>	<u>(329,082)</u>	<u>379,284</u>	<u>451,657</u>

Comparatives for movement in funds

	At 1.1.20 £	Net movement in funds £	At 30.12.20 £
Unrestricted funds			
General fund	598,947	101,949	700,896
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>598,947</u>	<u>101,949</u>	<u>700,896</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	401,855	(299,906)	101,949
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>401,855</u>	<u>(299,906)</u>	<u>101,949</u>

12. RELATED PARTY DISCLOSURES

During the year unrestricted donations totalling £Nil (2020: £Nil) were donated by trustees and related parties.