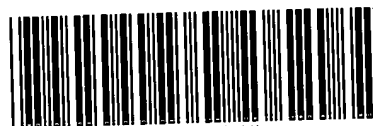


The Gospel Standard Trust

2015

ANNUAL REPORT OF THE EXECUTIVE COMMITTEE AND FINANCIAL STATEMENTS

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The Gospel Standard Trust

Annual Report

2015

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The Gospel Standard Trust

Reference and administrative details

Company registration no. 00884708 (England). Registered charity no. 249781

Registered office

50 Broadway, Westminster, London SW1H 0BL

Executive committee since 1 January 2015

D J Christian (Chairman)
T Abbott
M G Bailey

A Crowter
M J Hyde
S A Hyde

J A Kingham (Publications)
H Mercer
T J Parish

Administrative offices

General matters

D J Playfoot (Secretary)
Cavepits House, Marle Place Road, Brenchley, Tonbridge, Kent TN12 7HS
Tel 01892 722184, Email gstrust@playfoot.net

Trust Publications

P E Skelton (Publications Manager)
12(b) Roundwood Lane, Harpenden, Herts AL5 3BZ
Tel 01582 765448, www.gospelstandard.org.uk

Subscriptions

North America: G L TenBroeke, 1725 Plainwood Drive, Sheboygan, Wisconsin, WI 53081, USA. All other areas: M G Bailey, Teviot, Woodchurch Road, Tenterden, Kent TN30 7AL.
Tel 01580 763604

Bankers

General

National Westminster Bank plc
High Street, Cranbrook, Kent TN17 3EJ

Trust Publications

Lloyds Bank plc
18 High Street, Harpenden, Herts AL5 2TA

Solicitors

Bircham Dyson Bell
50 Broadway, Westminster, London SW1H 0BL

Independent examiners

Nicola Wakefield, Mazars LLP, *Chartered Accountants*
Times House, Throwley Way, Sutton, Surrey SM1 4JQ

The Gospel Standard Trust

Report of the executive committee

for the year ended 31 December 2015

The executive committee has pleasure in presenting the report and the financial statements for the year ended 31 December 2015 which have been prepared in accordance with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2015).

Achievements and performance

Review of activities

General

There are many responsibilities in the management of public places of worship and chapel houses. At the 2015 Annual General Meeting we announced that a sub-committee was working on a new website to deal with these responsibilities. We are pleased to report that the site went live from November 2015 and the direct address is www.gospelstandard.org.uk/assistance-for-chapels. It is part of the Gospel Standard Trust Publications site. Here we have tried to outline the many serious legal duties and liabilities of trustees, pastors, deacons and churches. We do hope that this information will prove helpful. It does bring a further need and that is keeping it up to date. We shall appreciate feedback from the churches about updates needed or other areas which should be covered. Where work is necessary to comply with, for example, health and safety or provision for those with disability, we do have funds to help with the cost.

Grants paid out during 2015 at £5,909 were at the lowest level for some years but, from the needs already notified, we expect the payments in 2016 to be back up to a more normal level. These are expected to include the improvement of toilet facilities and replacement windows. We believe the order is for the church to consider the need for repairs and improvements, to obtain professional advice and competitive estimates and then to examine their own finances and the extent of funds available from the church and congregation and then to make application to the Trust. We shall be only too pleased to give help and guidance. Whilst it is generally accepted amongst the churches that the occupying church should maintain the building our solicitors advise that the trustees of the building do have ultimate liability for the health and safety of the building and for its proper maintenance being an asset committed to their trust. Therefore trustees should take a continuing interest in the chapels where they stand trustee.

The requirement to register chapel property with the Land Registry was introduced with effect from 1 April 2009. We are continuing to deal with cases through our

solicitors as the requirement arises on the appointment of new trustees. Once registered, there is a continuing liability to register subsequent appointments and incur further costs. To avoid this, the Trust, being a Trust Corporation, is willing to be appointed as the nominee trustee to hold legal title for the trustees. We recommend churches and trustees to check their deeds and to bring their trustee body up to strength where necessary. We are continuing to take advantage of the authority in Section 280 Trustees Act 2011 to make changes to the administrative provisions of Trust Deeds where this is necessary for better management.

The management of graveyards continues. The Scheme for the Prestwood graveyard was completed by the Charity Commission in September 2015 and £150,000 of the sale proceeds was authorised to be invested to provide income. We have reviewed the investment of trust funds held for other charities (as detailed on pages 29 and 30). Average returns are now 2% or less and we seek to spread risk across a number of deposit takers. The lease for the letting of Bethel Chapel, Bath was renewed during the year for a further seven years. The total of funds held at 31 December 2015 by the Trust on behalf of the various charities on pages 29 and 30 was £1.28m.

We have sent a representative to several trustee meetings during the year. These have related to chapel improvements, distribution of trust funds, use of chapel houses and chapel closure. Following the death of Mr Raymond Wiltshire of Reading we had the duty, as one of the trustees, to be involved with the sad decision to close Zoar Chapel, Reading from November 2015. Subsequently the trustees had to take professional advice regarding the future. Meetings of the trustees at Hope Chapel, Nottingham have also been attended and sadly the decision to close was taken in January this year. How low we are becoming as one after another of the chapels is closed and sold. The psalmist wrote "Wilt thou not revive us again: that thy people may rejoice in thee?" Well, we must pray on as the Lord shall exercise our hearts.

Several cases involving chapel houses have arisen in 2015. These are occupied in accordance with the relevant trust deed. Where occupied by a pastor this will be rent free with the church being responsible for insurance and maintenance of the fabric and other costs as may be agreed. Where occupied by a caretaker the church and trustees may decide to charge rent. This can have an impact on compliance with the rules for the National Minimum Wage. The government has given guidance on its website at www.gov.uk/national-minimum-wage which should be visited. We can help from experience. Where occupied neither by a pastor nor a caretaker the trustees have a statutory duty, subject to any special provisions of the trust deed, to obtain the best terms reasonably possible for the occupation and to take the appropriate advice as required by Section 120 Charities Act 2011. For occupation by a trustee or connected person authority will be needed from the Charity Commission. The rental agreement should be between the chapel trustees or the chapel house trustees and the tenant. Care should be taken not to grant long term rights of occupation which can devalue the property. May the Lord guide the churches in all these issues and help us to continue to cast all our cares upon Him (I Peter 5:7).

Trust Publications

The committee is very thankful for the continuing circulation of our books all over the world. During 2015 orders came for and from Africa, India, Sri Lanka and Singapore, amongst others, though our major overseas market continues to be the USA. The number of books sold during 2015 was 7,273, a small reduction of 3% on the 7,491 sold in 2014. The proportion relating to the Miracles series remained around 35%. Gadsby's Hymns and the Young Peoples' Hymnal sold well and their total was 36% higher than in 2014. The sales in monetary terms increased by 16% to £28,637 despite there being only two new books published during the year, one of which was near the end of the year. The annual sales are shown in the following summary:

	2015	2014
Miracles Series	2,506	2,623
Gadsby's Hymns and Young People's Hymnal	531	391
Bible Doctrines Simply Explained	468	736
Pilgrim's Progress and Christiana's Journey	319	242
Various books of sermons and daily portions	280	411
Kept Safely in the Darkest Night	269	156
Mary Jones and her Bible	217	130
Olney and other Hymns and Tune Book	121	123
When God made the World	107	211
The King Who Would not Listen	18	163
When God Works (Thomas Bradbury and others)	36	203
Various biographies and short accounts	942	603
Other titles including Bibles	850	1,256
<i>New titles:</i>		
Pastoral Counsel (George Rose)	128	-
A Prodigal made a Blessing (Joseph Hart)	63	-
Forty Years in the Wilderness (John Chandler)	190	101
Gadsby's: The Story of a Hymnbook	116	82
Remembered Mercies Recorded (George Rose)	<u>112</u>	<u>60</u>
Total numbers of books sold	<u>7,273</u>	<u>7,491</u>

Our Publications Manager writes in his annual report to the committee that we have much reason for gratitude to the Lord not only for the continuing level of sales but also for the legacies from departed friends who remembered Trust Publications under their Wills. The amount of such legacies for 2015 was £40,580 making a total £90,580 over the last two years. The Lord knows this provision is needed as the small scale of our book publishing means that we run an operating loss. The majority of books are sold to other distributors (especially Gospel Mission in the USA) at discounts of up to 50%.

The two new titles published during the year were *Pastoral Counsel* and *A Prodigal made a Blessing*. The former is by George Rose, which consists of short, simple addresses on topical, practical and spiritual issues written in the tumultuous times leading up to the Second World War. The latter consists of the life and hymns of Joseph Hart compiled by John Kingham. Joseph Hart was very gifted and early in life became a teacher of the classical languages and literature, but his younger days were anything but promising. It was not until his mid-forties he was brought to a gracious knowledge of the Lord Jesus which deeply affected his life and began to write the hymns for which he is most remembered. We hope this book will prove an encouragement to the Lord's tried and tempted family. A steady demand has continued for the three titles published in the previous year, *Forty Years in the Wilderness*, *the Autobiography of an Early Australian Baptist*, *Gadsby's – The Story of a Hymnbook*, and *Remembered Mercies Recorded*, the reprint of the autobiography of Mr George Rose.

Publicity for our books is important to widen the market beyond *Gospel Standard* churches. Book reviews are very helpful but it continues to prove disappointingly difficult to get our books reviewed in the higher circulation periodicals such as *Evangelical Times*. Nevertheless, we do still need to order reprints, and during 2015 we reprinted the *Young People's Hymnal*, *Ears from Harvested Sheaves*, *Through Baca's Vale* (500 copies of each), the small *Pilgrim's Progress* (1,000 copies) and *The Resurrection of Jesus* and *Bible Doctrines* (2,500 copies of each). Excessive printing of some titles in earlier years has left us with some stocks which move slowly. Attempts to sell the *Reformers* series booklets at 10p per copy were moderately successful with 200 sold in 2015 and a further 500 already in 2016.

The continuing help of all those involved with the book production and distribution is gratefully acknowledged as we seek to bring profitable reading to our churches and the wider field. We look forward enthusiastically in 2016 to the appearance of a children's colouring book with its companion illustrated story book. This is a new venture and is intended to be the beginning of a series on Bible characters (the first being Elijah) with the story book texts written by Mr Ramsbottom. This is viewed as a revived continuation of the Miracles Series but with fresh book designs and employing a new illustrator. The long awaited book by Dr Matthew Hyde, *Mercy and Judgement – Strict Baptists and the First World War* is also keenly anticipated.

Financial review

The total of income (page 15) was £126,186 compared with £123,752 in 2014. Income includes legacies very kindly left to the Trust. The total is £56,172 comprising £24,115 and £16,465 under the Wills respectively of the late Mr Samuel Ebenezer Biggs and Miss Ruth Eleanor Wilkins for Publications and £15,592 under the Will of the late Thomas Eric Saxby. These amounts are very welcome in these days of low interest rates. As previously mentioned, sales of publications in monetary terms have increased by 16% compared with a 2% increase in 2014.

Total expenses were £95,316 compared with £104,038 in 2014. Grants are detailed on page 21 whilst a summary of the Publications' activities is given in Note 8 on page 24. The net inflow of funds (page 15) is £132,210 compared with £19,714 in 2014. The figure for 2015 includes a surplus of £101,340 arising on the revaluation of the freehold property (note 11) as required by the Charities SORP (FRS 102). This is not a recurring amount but reflects the increase in value since the purchase in 1990, so the true result for 2015 is £30,870. Total reserves at 31 December 2015 stood at £1,345,708 (page 17) compared with £1,213,498 at 31 December 2014 of which the major part is held in bank deposits.

Reserves policy. The Trust needs reserves to fund the investments in freehold property and the book stock which are used for the Objects of the Trust and to provide working capital. Otherwise the committee, believing that all power is committed unto the Lord Jesus Christ in heaven and in earth, and that our God will supply all our need according to his riches in glory by Christ Jesus, will seek to lay out the remaining funds for the permitted Objects of the Trust as the needs are brought before the committee and opportunity arises. The level of free reserves at 31 December 2015 was £554,529 (2014: £556,015).

Investment policy and performance. The policy regarding investment is to retain funds on deposit partly to meet requests from chapels for financial support (which is a principal purpose) and partly because of concern over equity investments and the receipt of shares in profit from unacceptable activities. The funds are spread between immediate access and term deposits in accordance with a periodic review of the access needs and allocated to a number of deposit takers to spread risk and to achieve competitive interest rates.

Plans for the future

If the Lord will, the Trust will continue to publish Christian books in accordance with the truth in the scriptures which we love and in accordance with the Articles of Faith of the Gospel Standard Baptists and distribute within the United Kingdom and overseas for the benefit of our congregations and the church of Christ at large of all ages. The Trust will further seek to use its funds amongst the Gospel Standard chapels as opportunity arises for the repair and improvement of buildings and otherwise. When we look back into 2015 and see the extent of the activities undertaken by the Trust we have to marvel at the help given by the Lord and his continuing kindness. With much thankfulness we venture forward into 2016 looking up and seeking to remember his word "I will never leave thee, nor forsake thee." Brethren, pray for us.

Structure, governance and management

Legal status

The Gospel Standard Trust ("the Trust") is a company limited by guarantee and not having a share capital which was founded in 1966. Its governing documents are its memorandum and articles of association. The Trust acts as a trust corporation under a

certificate granted in 2006 by the Department for Constitutional Affairs (now the Ministry of Justice) and the Trust can therefore act as a sole trustee. It is also a registered charity. The members of the executive committee are the directors for Companies Act purposes and trustees under charity legislation.

Executive committee

The maximum number permitted by the articles of association is 12 and those who have acted as members of the committee during the year are shown on page 4. In accordance with the articles of association only male members of a Gospel Standard Baptist Church who subscribe to the Articles of Faith of the Gospel Standard Strict and Particular Baptists are eligible to hold office as a member of the executive committee. The committee has power to appoint a new committee member but the appointment is subject to confirmation at the following annual general meeting. Mr T J Parish (Luton, Bethel) kindly agreed during the year to help us and was appointed to the committee on 18 September 2015. Three members of the committee retire in rotation at the annual general meeting each year but are eligible for re-election. Messrs T Abbott, M G Bailey and D J Christian retire at the forthcoming annual general meeting. Mr Bailey and Mr Christian have both expressed their willingness to stand for re-election. Mr Abbott was appointed to the Trust committee 25 years ago with a view to help on the building side from his knowledge as an architect. His advice in this area has been a great asset. In more recent years his labours have extended into the preparation of books for publication and management of Risk. His loyalty and support especially to the secretary will be greatly missed. May the Lord be with him as he seeks to continue his labour of love amongst the brethren.

Organisational structure

The activities of the Trust are managed by the executive committee which meets at least three times a year. These meetings deal with all aspects of the Trust's activities. Further meetings are held as necessary to deal with Publications matters. The activities and the funds are divided between General matters and Publications. Publications are managed by Mr P E Skelton, who works closely with Mr J A Kingham, Publications Director, and operates from the book room in Harpenden. Subscriptions are dealt with by Mr M G Bailey, a member of the executive committee, and by Mr G L TenBroeke, 1725 Plainwood Drive, Sheboygan, Wisconsin, WI 53081, USA, who is responsible for those resident in North America. Other matters are dealt with by the Trust secretary.

Remuneration

Remuneration for key management personnel is negotiated with the individuals concerned and is set at the National Minimum Wage or higher depending on the activities undertaken. Mr J A Kingham was remunerated for Technical IT and Publication services which is in accordance with the Memorandum of Association as amended by Special Resolution 21 May 2005 and confirmed by Order of the Charity Commission 8 September 2005.

Trustees' induction and training

New executive committee members (trustees) with the appropriate knowledge, experience and abilities for the Trust's activities are selected from the male members of Gospel Standard churches as required by article of association number 26. The appointment of a new trustee (executive committee member), who will be provided with an induction pack, will be subject to the prospective trustee attending a mutually satisfactory induction meeting with executive committee members and the secretary. Continuing briefing and support is provided as necessary.

Risk management

The committee regularly considers the major risks to which the Trust is exposed and updates the risk register and the policy for mitigating those risks. A Major risk is anything that could have an adverse impact on achieving the Trust's objects or could bring the Trust into disrepute or is illegal advice or action or could bring financial or property loss. Such risks are addressed either by, if possible, eliminating the risk by ceasing the related activity, or transferring the risk to a third party or by taking action to reduce or control the risk. The two key concerns to the committee are the risks as a chapel trustee and the risks from advice given. The committee's strategy for managing those risks is to make regular contact with the churches and review their own compliance and wherever possible to ensure that advice given is supported by professional advice or other authority or covered by disclaimer.

Objectives and activities

The objects for which the Trust was established are set out in the objects clauses of its memorandum of association. Primarily these are to assist Gospel Standard Strict Baptist churches or congregations in the furtherance of their religion and charitable work, to assist with the appointment of trustees, legal advice, repairs and maintenance of church property and to support denominational charities and any other charitable trust or fund approved by the executive committee. In the furtherance of these objects the Trust has ancillary powers which include acting as trustee or co-trustee (including as custodian trustee) of denominational property and charitable funds, making grants and loans, assisting pastors (including former and prospective pastors) of Gospel Standard churches in the provision of living accommodation and to print and publish literature approved by the committee.

Public Benefit

The executive committee has considered the public benefit guidance issued by the Charity Commission. The work carried out by the Trust in fulfilling the Objects summarised in the preceding paragraph assists churches and trustees to continue with the regular provision of services for the public worship of God in accordance with the Holy Scriptures and the Articles of Faith of The Gospel Standard Baptists. Further, under the blessing of Almighty God, Father, Son and Holy Spirit, this work together with the publication of good books and electronic communication will bring sinners from darkness to light and establish them in the truth with the consequent benefits to themselves and others. Man's first responsibility is to God, to worship and to serve Him. Further, as it is recorded in New Testament teaching, for example Galatians

Chapter 6, the result for the benefit of all should be “Let us not be weary in well doing: for in due season we shall reap, if we faint not. As we have therefore opportunity, let us do good unto all men, especially unto them who are of the household of faith.”

Membership

The recorded membership stood at 267 at 31 December 2015. We have been really encouraged by the number (22) of new members and a warm welcome is extended to them. Seven members died during the year. The continuing loyal support of the members and the churches is greatly appreciated.

Statement of executive committee responsibilities

Company law requires the executive committee to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing those financial statements, the executive committee is required to:

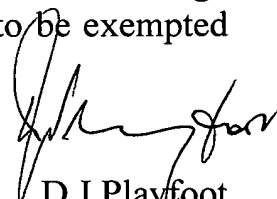
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- comply with applicable accounting standards subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The executive committee is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable it to ensure that the financial statements comply with the Companies Act 2006. The financial statements have been prepared in accordance with the special provisions of the Companies Act 2006 relating to small companies. The executive committee is also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent examiners

Mazars LLP were re-appointed at the annual general meeting on 9 May 2015 as independent examiners. The executive committee have continued to take advantage of Section 480 of the Companies Act 2006 which entitles the Trust to be exempted from having an audit.

On behalf of the executive committee
23 March 2016



D J Playfoot
Secretary

Independent Examiner's Report to the members of The Gospel Standard Trust

I report on the financial statements of the charity for the year ended 31 December 2015, which are set out on pages 15 to 28.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the financial statements. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

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

- examine the financial statements under section 145 of the 2011 Act;
- follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements 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 financial statements present a 'true and fair view' and the report is limited to those matters set out in the next statement.

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:
 - to keep accounting records in accordance with section 386 of the Companies Act 2006; and
 - to prepare financial statements which accord with the accounting records and comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities

have not been met; or

- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.

N J Wakefield

Nicola Wakefield

Relevant professional qualification or body: Member of the Institute of Chartered Accountants in England and Wales

Mazars LLP, Times House, Throwley Way, Sutton, Surrey, SM1 4JQ

24 March 2016

The Gospel Standard Trust

Statement of financial activities for the year ended 31 December 2015

	Note	General fund	Publications fund	Endowment fund	2015 Total	2014 Restated Total (details see page 16
		£	£	£	£	£
Income from						
Subscriptions, legacies chapel collections, etc	2	21,218	46,118	-	67,336	58,852
Investments		8,360	4,737	5,266	18,363	15,255
Charitable activities						
Sales of publications	8	-	28,637	-	28,637	24,562
<i>Share in chapel sale proceeds</i>						
Rehoboth, New Barnet		-	-	-	-	15,475
Other		11,850	-	-	11,850	9,608
Total income		41,428	79,492	5,266	126,186	123,752
Expenditure						
Charitable activities						
Grant-making		48,180	-	-	48,180	50,293
Cost of publications		-	47,136	-	47,136	53,745
Total expenditure	3	48,180	47,136	-	95,316	104,038
Transfers between funds		5,266	-	(5,266)	-	-
Surplus on revaluation of fixed assets	11	101,340	-	-	101,340	-
Net movement in funds for the year		99,854	32,356	-	132,210	19,714
Balance brought forward at 1 January 2015		584,675	337,250	291,573	1,213,498	1,193,784
Balance carried forward at 31 December 2015		£684,529	£369,606	£291,573	£1,345,708	£1,213,498

The company's income and expenses all relate to continuing operations.

The company has no recognised gains or losses other than the net movement in funds for the year.

The Gospel Standard Trust

Statement of financial activities

Comparative figures for the year ended 31 December 2014

	Note	General fund	Publications fund	Endowment fund	2014 Total
		£	£	£	£
Income from					
Subscriptions, legacies chapel collections, etc	2	5,102	53,750	-	58,852
Investments		7,103	3,572	4,580	15,255
Charitable activities					
Sales of publications	8	-	24,562	-	24,562
<i>Share in chapel sale proceeds</i>					
Rehoboth, New Barnet		15,475	-	-	15,475
Other		9,608	-	-	9,608
Total income		37,288	81,884	4,580	123,752
Expenditure					
Charitable activities					
Grant-making		49,593	700	-	50,293
Cost of publications		-	53,745	-	53,745
Total expenditure	3	49,593	54,445	-	104,038
Transfers between funds		3,880	700	(4,580)	-
Net movement in funds for the year		(8,425)	28,139	-	19,714
Balance brought forward at 1 January 2014		593,100	309,111	291,573	1,193,784
Balance carried forward at 31 December 2014		£584,675	£337,250	£291,573	£1,213,498

The Gospel Standard Trust

Balance sheet

As at 31 December 2015

	Note	2015 £	2014 £
Fixed assets			
Tangible fixed assets	11	130,000	28,660
Current assets			
Stocks	12	38,060	36,926
Debtors	13	75,783	106,127
Cash at bank and in hand	14	1,122,941	1,051,934
		1,236,784	1,194,987
Creditors: amounts falling due within one year	15	21,076	10,149
Net current assets		1,215,708	1,184,838
Net assets		£1,345,708	£1,213,498
Funds			
General Funds	16	684,529	584,675
Publications funds	16	369,606	337,250
Endowment funds	16	291,573	291,573
		£1,345,708	£1,213,498

For the year ended 31 December 2015 the company was entitled to exemption from audit under section 480 of the Companies Act 2006. Members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The executive committee acknowledge their responsibilities for:

(i) ensuring that the company keeps accounting records which comply with section 386 of the Companies Act 2006, and

(ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its surplus for the financial year, in accordance with the requirements of section 394 and 395 of the Act and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

The financial statements have been prepared in accordance with the special provisions of the Companies Act 2006 relating to small companies.

The financial statements were approved by the executive committee and signed on its behalf by:

H Mercer



23 March 2016

The Gospel Standard Trust

Notes to the financial statements

for the year ended 31 December 2015

1 Accounting policies

Basis of accounting

The financial statements have been prepared in accordance with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) from the transition date of 31 December 2014. The Gospel Standard Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s). Assets held in trust are not included in the balance sheet, but are set out in a separate schedule attached to the financial statements.

Freehold property

This comprises a share in a chapel pastor's house. No depreciation is being provided from 2015 as the property has been revalued and will be revalued each year.

Furniture and office equipment

Depreciation is calculated to write off the cost less estimated residual value of office equipment over three years on a straight line basis.

Stocks

Stocks, which are of publications, are stated at the lower of cost and net realisable value. Cost comprises the direct cost of publications with no addition for overheads. Provision for depreciation has been made in accordance with note 9 in determining net realisable value.

Income

Interest income is accounted for on an accruals basis whilst legacies are accounted for as income either upon receipt or where receipt is virtually certain.

Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

The Gospel Standard Trust

Notes to the financial statements

for the year ended 31 December 2015

1 Accounting policies continued

Grants payable

Grants payable are payments made in furtherance of the charitable objectives of the charity. Grants are recognised upon an obligation being created in accordance with FRS12.

Charitable activities

Costs of charitable activities includes grants made and direct costs in relation to publications, and an apportionment of overhead and support costs.

Support costs

Support costs have been allocated as a direct cost or allocated between charitable activities and governance. The analysis of overhead and support costs is shown in note 5.

Governance costs

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to a statutory independent examination together with trustees' expenses and an apportionment of overhead and support costs.

Funds held and their purpose

The General fund is used principally for the support of Gospel Standard chapels by way of grants and loans. The committee considers individually each application for assistance and provides a grant or loan or both depending on circumstances. The Publications fund is used for the publishing and distribution of Christian books. Legacies, donations and proceeds from chapel sales received specifically for either of those two funds are credited accordingly, otherwise such income is allocated under the discretion of the committee. The Endowment fund cannot be spent and the income is to be used for the general purposes of the Trust.

The Gospel Standard Trust

Notes to the financial statements

for the year ended 31 December 2015

	General fund	Publications fund	Total 2015	Total 2014
	£	£	£	£
2 Subscriptions, legacies, chapel collections, etc				
Donations	310	5,538	5,848	4,300
Legacies	15,592	40,580	56,172	50,000
Subscriptions	4,811	-	4,811	4,319
Chapel collections	505	-	505	233
	<u>£21,218</u>	<u>£46,118</u>	<u>£67,336</u>	<u>£58,852</u>

During the year 8% of income (2014: 7%) arose from sources outside the United Kingdom.

3 Expenditure

	Grants (see note 4)	Direct costs	Support costs (see note 5)	Total 2015	Total 2014
	£	£	£	£	£
Charitable activities					
Grantmaking	13,159	-	26,251	39,410	43,482
Cost of publications (see note 8)	-	19,415	27,481	46,896	53,475
Governance (see notes 5 & 6)	-	3,309	5,701	9,010	7,081
	<u>£13,159</u>	<u>£22,724</u>	<u>£59,433</u>	<u>£95,316</u>	<u>£104,038</u>

The Gospel Standard Trust

Notes to the financial statements

for the year ended 31 December 2015

	General fund £	Publications fund £	Total 2015 £	Total 2014 £
4 Grants (all to institutions except as stated)				
<i>To assist with books and publications:</i>				
Ebenezer Chapel, Hastings being books supplied for the Mombasa Mission		-	-	700
Gospel Standard Library	159	-	159	2,667
<i>To assist with chapel repairs and improvements:</i>				
Providence Chapel, Croydon	-	-	-	10,000
Providence Chapel, Staplehurst	-	-	-	10,000
Rehoboth Chapel, Sible Heddingham	2,750	-	2,750	-
Zion Chapel, Romford	3,000	-	3,000	-
<i>Distributed from the Estate of Miss M Dadswell:</i>				
Ebenezer Chapel, Pick Hill		-	-	964
Hope Chapel, Blackboys		-	-	413
<i>Grants paid</i>	<u>5,909</u>	<u>-</u>	<u>5,909</u>	<u>24,744</u>
<i>Grants authorised (all to institutions) but unpaid as at:</i>				
31 December 2015	10,000	-	10,000	2,750
31 December 2014	(2,750)	-	(2,750)	(1,373)
Total grants	<u>£13,159</u>	<u>£-</u>	<u>£13,159</u>	<u>£26,121</u>

The Gospel Standard Trust

Notes to the financial statements for the year ended 31 December 2015

5 Support costs	Staff costs	Other costs (see below)	Total 2015	Total 2014
	£	£	£	£
Charitable activities				
Grantmaking	-	26,251	26,251	17,361
Cost of publications	12,204	15,277	27,481	28,716
Governance	-	5,701	5,701	4,825
	<u>£12,204</u>	<u>£47,229</u>	<u>£59,433</u>	<u>£50,902</u>

Other costs comprise:	2015	2014
	£	£
Advertising	278	300
Rent, rates and insurance	13,985	13,956
Light and heat	65	66
Postage and telephone	986	1,228
Stationery and printing	1,971	1,683
Travelling	225	509
Royalties	-	104
Legal expenses	12,957	5,275
Office services and sundry	15,820	12,899
Depreciation	-	961
Committee expenses	942	1,065
	<u>£47,229</u>	<u>£38,046</u>

6 Governance	2015	2014
	£	£
Independent examiner's fees	2,129	1,526
Legal and professional expenses	1,000	270
AGM expenses	180	460
Committee expenses	942	1,065
Office services	4,759	3,760
	<u>£9,010</u>	<u>£7,081</u>

The Gospel Standard Trust

Notes to the financial statements *for the year ended 31 December 2015*

7 Employees and executive committee

The total remuneration paid to key management personnel amounted to £12,764 (2014 £12,534). These amounts include one member of the executive committee who received remuneration and reimbursed expenses in the year. Four other members of the committee received reimbursement of expenses (five in 2014). The details that follow include amounts relating to trustee activities.

		2015		2014
	Number	£	Number	£
Remuneration & expenses	1	1,455	1	2,377
Travel expenses	4	878	5	1,074
Postage, telephone & adverts	1	64	1	79

Donations made by members of the executive committee, apart from varied amounts for their subscriptions, amounted to £nil (2014 £nil).

The Gospel Standard Trust

Notes to the financial statements for the year ended 31 December 2015

	Note	2015 £	2014 £
8 Publications fund			
Sales of publications			
United Kingdom and elsewhere		19,389	17,439
U S A		9,248	7,123
		<u>28,637</u>	<u>24,562</u>
Less: Direct costs			
Cost of sales	9	14,301	13,424
Change in stock depreciation	9	656	9,362
Distribution costs		3,958	1,473
Advertising		500	500
		<u>19,415</u>	<u>24,759</u>
Balance after direct costs		<u>£9,222</u>	<u>£(197)</u>
Less: other costs			
Grants	4	-	700
Support costs	5	27,481	28,716
Governance		240	270
		<u>27,721</u>	<u>29,686</u>
		<u>(18,499)</u>	<u>(29,883)</u>
Add: Donations, legacies, interest etc		50,855	57,322
Transfer from General fund		-	700
Operating surplus		<u>32,356</u>	<u>28,139</u>
Book subsidy fund, no movements in year		-	-
Net income - page 15		<u>£32,356</u>	<u>£28,139</u>

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The Gospel Standard Trust

Notes to the financial statements for the year ended 31 December 2015

	Note	2015 £	2014 £
9 Publications fund - cost of publications			
Stock at 1 January 2015 at cost		125,111	123,844
Purchases		16,091	14,691
		<u>141,202</u>	<u>138,535</u>
Stock at 31 December 2015 at cost		(126,901)	(125,111)
Cost of sales	8	<u>£14,301</u>	<u>£13,424</u>
Provision for depreciation of stock 1 January 2015		88,185	78,823
31 December 2015		<u>88,841</u>	<u>88,185</u>
Increase	8	<u>£(656)</u>	<u>£(9,362)</u>
10 Book subsidy fund (within the publications fund, page 24)			
Balance at 1 January and 31 December 2015		<u>£19,522</u>	<u>£19,522</u>

There were no movements during the year.

The Gospel Standard Trust

Notes to the financial statements for the year ended 31 December 2015

11 Tangible fixed assets which are all used for charitable purposes	Freehold land and buildings £	Furniture and equipment £	Total £
<i>Cost or valuation</i>			
At 1 January 2015	37,700	6,331	44,031
Increase on revaluation	92,300	-	92,300
At 31 December 2015	<u>£130,000</u>	<u>£6,331</u>	<u>£136,331</u>
<i>Depreciation</i>			
At 1 January 2015	9,040	6,331	15,371
Charge for the year	-	-	-
Written back on revaluation	(9,040)	-	(9,040)
At 31 December 2015	<u>£-</u>	<u>£6,331</u>	<u>£6,331</u>
<i>Net book value</i>			
At 31 December 2014	<u>£28,660</u>	<u>£-</u>	<u>£28,660</u>
At 31 December 2015	<u>£130,000</u>	<u>£-</u>	<u>£130,000</u>

Freehold land and buildings relate to a share in a chapel pastor's house. In accordance with Charities SORP (FRS 102) the Trust's one-third share has been revalued by the directors at the estimated net realisable value at 31 December 2015 based on sales of other properties in the area. The estimated value relating to the land is £50,000.

Revaluation surplus for share in chapel pastor's house

Increase on revaluation	92,300
Depreciation written back	9,040
Total to statement of financial activities - page 15	<u>£101,340</u>

	2015 £	2014 £
12 Stocks		
Goods for resale	<u>£38,060</u>	<u>£36,926</u>

The Gospel Standard Trust

Notes to the financial statements for the year ended 31 December 2015

	2015 £	2014 £
13 Debtors		
<i>Due within one year</i>		
Trade debtors	3,967	3,473
Other debtors	47,799	76,339
Interest free loans to chapels	4,200	2,600
Interest free loans to Ministers	1,200	1,200
VAT	296	394
Prepayments	1,821	1,821
	<u>59,283</u>	<u>85,827</u>
<i>Due after more than one year</i>		
Interest free loans to chapels	13,500	16,100
Interest free loans to Ministers	3,000	4,200
	<u>£75,783</u>	<u>£106,127</u>
14 Cash at bank and in hand		
Cash at bank and in hand	63,232	30,144
NSB Investment account	2,786	1,524
COIF Fund deposit account	41,000	51,000
Other Investment accounts	1,015,923	969,266
	<u>£1,122,941</u>	<u>£1,051,934</u>
15 Creditors		
Grants approved	10,000	2,750
Accruals	8,726	5,034
Other creditors	2,350	2,365
	<u>£21,076</u>	<u>£10,149</u>

The Gospel Standard Trust

Notes to the financial statements

for the year ended 31 December 2015

16 Analysis of net assets between funds

	General fund £	Publications fund £	Endowment funds £	Total 2015 £
Fixed assets	130,000	-	-	130,000
Stock	-	38,060	-	38,060
Debtors	51,565	24,218	-	75,783
Cash	517,970	313,398	291,573	1,122,941
Creditors	(15,006)	(6,070)	-	(21,076)
	<u>£684,529</u>	<u>£369,606</u>	<u>£291,573</u>	<u>£1,345,708</u>

17 Taxation

The Trust is exempt from corporation tax on its charitable activities only by virtue of section 505 Income and Corporation Taxes Act 1988.

18 Capital commitments

At 31 December 2015 the Trust had authorised no capital expenditure commitments.

The Gospel Standard Trust

Assets held in trust

31 December 2015

Pages 29 and 30 do not form part of the financial statements

	Investment Income & Bank Interest	Distri- butions	Quoted Investments Market Value	Cost	Cash at Bank	Total
1 Bath Chapel charity						
2015	2,455	2,264	-	-	4,275	4,275
2014	115	74	-	-	4,084	4,084
<i>The chapel is let for £100 per annum. Distributions relate to trustees' expenses which were recovered during the year on renewal of the lease.</i>						
2 Mount Zion, Bournemouth						
2015	12,974	9,720	-	-	744,844	744,844
2014	37,117	9,000	-	-	741,590	741,590
<i>The chapel was sold in 2008 and distributions are being made to the church. Distributions for 2015 included £720 for trustees' expenses. Income in 2014 included three years interest on a maturing term deposit.</i>						
3 Zion Chapel, Ely						
2015	403	640	-	-	66,162	66,162
2014	279	2,222	-	-	66,399	66,399
<i>In 2011 the trustees passed a resolution to remove the restriction on the distribution of the capital.</i>						
4 Rehoboth Strict Baptist Chapel, Goodshawfold						
2015	1,692	1,164	-	-	68,969	68,969
2014	461	2,950	-	-	68,441	68,441
<i>A fund of £70,000 is to be retained to provide the income to maintain the graveyard. Expenses exceeded income in 2014 and the excess has to be recovered from future income.</i>						
5 Ebenezer Chapel, Luton						
2015	209	10,000	-	-	2,659	2,659
2014	341	5,000	-	-	12,450	12,450
<i>These funds are being held on behalf of the church.</i>						
6 Rehoboth Chapel, New Barnet						
2015	-	1,830	-	-	-	-
2014	312	129,484	-	-	1,830	1,830
<i>The chapel was sold in March 2013 for £380,000. After legal fees and agents' commission the Trust received £367,551 on behalf of the trustees. Distributions of £225,000 were made in 2013 and the remaining funds distributed in 2014 and 2015 to beneficiary chapels etc. Distributions stated above include trustees' expenses.</i>						
7 Hope Chapel, Nottingham						
2015	-	-	-	-	30,000	30,000
<i>Church funds were received in November 2015 to be held on behalf of the trustees.</i>						

The Gospel Standard Trust

Assets held in trust

31 December 2015

Pages 29 and 30 do not form part of the financial statements

	Investment Income & Bank Interest	Distri- butions	Quoted Investments Market Value	Cost	Cash at Bank	Total
8 Albert Street Chapel, Oxford						
2015	3,729	676	-	-	16,344	16,344
2014	3,683	646	-	-	13,291	13,291
<i>The chapel is let for £750 a quarter. Distributions are for buildings insurance.</i>						
9 Zion Chapel, Prestwood						
2015	1,004	76,621	-	-	158,187	158,187
2014	39	8,671			222,836	222,836
<i>The chapel was sold in August 2014 for £242,000. After legal fees and agents' commission the Trust received £231,468 on behalf of the trustees. Distributions in 2014 refer to abortive sale expenses, trustees' expenses and insurance. The Charity Commission has authorised £150,000 of the sale proceeds to be retained to provide income for the upkeep of the retained burial ground. Distributions include £74,000 of the sale proceeds and residual church funds paid to the Gospel Standard Aid and Poor Relief Society.</i>						
10 Zoar Chapel, Romford						
2015	-	-	-	-	6,381	6,381
2014	-	-	-	-	8,946	8,946
<i>The balance held relates to church funds which are administered on behalf of the church.</i>						
11 The Ebenezer Chapel Smallfield charity						
2015	3,415	223	-	-	182,889	182,889
2014	3,821	3,221	-	-	179,697	179,697
<i>The chapel and cottage were sold in December 2009 and the proceeds are held by the trustees as a permanent endowment. Of these funds £166,000 plus undistributed income is invested through The Gospel Standard Trust. The distributions include insurance.</i>						